

Annexes

Annex 1: Public Sector Reform Agenda: Towards a more Efficient

Government

A. Public Expenditure/Budget Reforms

The Specific Measures and Targets to be implemented under the Strategy are as follows:

- **On Budget formulation:** Introduce fiscal strategy paper as a tool for specifying priorities and facilitating trade- offs engaging the Executive, Legislature, and Civil Society. Introduce notion of Medium Term Expenditure Framework (MTEF)
- Introduce sectoral/ministerial expenditure ceilings as a budget tool in 2004 budget call circular.
- Clean up Capital & Recurrent Budgets to introduce clarity and greater Budget classification.
- Stock take census of contractor arrears in system
- Develop plan to eliminate all contractor arrears by 2006 and 2007 and eliminate
- Review and list backlog of uncompleted projects, identify viable projects for completion with emphasis on priority sectors of agriculture, education, health, roads, power, water supply and phase. End funding for those that are unviable or not in conformity with government development objectives
- Make budgets publicly available, publish on Government website, and offer for sale in bookshops.
- Prepare and publicize quarterly reports on budget implementation and outcomes
- Strictly no excess Ways and Means beyond statutory “Excess” shall be allowed
- Revise and send Fiscal Responsibility Bill including Oil price based fiscal rule to National Assembly.
- Ensure Passage of Fiscal Responsibility and Finance Bills
- Develop and get approval by FEC & NEC of the implementation plan for the Fiscal Responsibility Bill

The Other Specific Measures and Targets include

B. PENSIONS REFORM

- Pursue a sustainable pension scheme as the National Assembly may approve
- Quantify Pensions Arrears (PAYG) and Devise and begin the implementation strategy to address arrears
- Quantify pension liabilities in respect of past service under the new contributory scheme consistent with fiscal affordability

C. MONETIZATION OF FRINGE BENEFITS

- Monetize fringe benefits of Legislature
- Monetize fringe benefits of Ministers and Political appointees
- Develop well articulated plan and consistent guidelines for monetization of the civil service
- Begin Federal Government Asset sales

D. PUBLIC REVENUE/TAX REFORMS

- Produce White Paper on Tax Reforms
- Revise Company Tax, Personal income, and VAT tax bills and Submit Bills to National Assembly for passage into law
- Restructure FIRS and improve incentive structure
- Strengthen revenue collection machineries/institutions (improve tracking of government deposits in banks)

E. CUSTOMS REFORMS

- Diagnose and strategize on Customs Reforms, including institutional strengthening
- Diagnose and develop strategy for Trade Facilitation Reforms
- Begin implementation of Customs and Trade Reforms

F. CIVIL SERVICE REFORMS

- Launch Pilot Program in four Ministries/Agencies - Finance, Planning, FCT, Information and National Orientation Ministries.
- Restructuring plan/strategy for the four Ministries - in line with Civil Service Reform Program, launched by Head of Service
- Skills Assessment of retained workers and capacity building and retention
- Launch re-skilling/training of workers and engineer access to micro credit etc for departing workers
- Replicate pilot in parastatals dependent on Government subvention and remaining ministries and agencies

G. LOCAL GOVERNMENT REFORMS

- White Paper on Report of the Committee on Local Government Reform
- Forward Bills to National Assembly
- Propose Constitutional Amendment as necessary

H. NNPC REFORMS

- Appoint internationally reputable tax consultants to put in place improved framework for tracking potential tax revenues/sources
- Embark on EITI and Privatization Measures

I. POLICY AND PROGRAMME MONITORING

- Clarify role of various monitoring agencies and units-BMPIU, Federal Office of Statistics, CBN, National Planning Commission, Presidency Monitoring units, Ministry of Finance, PRS Units, NEIC etc in monitoring and evaluation
- Fully establish the Monitoring Unit with a clear TORs as a one stop shop or clearing house on policy and program monitoring
- Realign and redefine monitoring priorities and strategies and check waste, corruption and inefficiency

J. REFORM OF NATIONAL STATISTICS AND DATA GATHERING

- Develop statistics master plan to guide collection of statistics
- Review role and structure of FOS and measures for strengthening
 - Begin implementation of statistics master plan

B. Macro-Economic Stability and Related Reform Programmes

(i) Macro-Economic stability

Specific Measures and Targets

- 6% per annum GDP growth. Contingent upon implementation of Reform Program
- Fairly stable market determined exchange rates through Dutch foreign exchange auction and other measures
- Ensure inflation not greater than 11%
- Foreign exchange reserves at 6 months of imports and maintained
- Financeable Fiscal deficit at no more than 3% GDP in 2004

(ii) External Debt Management

- Complete computerization of external debt database
- Conclude consolidation of debt management functions in DMO
- Conclude bilateral agreements with Paris Club creditors
- Reach agreement with Paris Club creditors on levels of debt payment for 2004 and 2005
- Ensure timely debt service payment
- Restructure commercial debt portfolio through debt exchange or other measures that keep in view comparability with Paris Club subject to appropriate consultations

(iii) Domestic Debt Management

- Limited recourse to issuance of FGN bonds to retire Treasury Bills and finance budget deficits
- Progressively reduce ratio of domestic debt to GDP to x% in 2004, y% in 2005 and z% in 2006

- Adopt a framework for Sub-national government borrowing consistent with fiscal discipline and macro stability

C. Governance and Institutional Strengthening

(i) Local Government Reforms

- Committee on Local Government Reform, White Paper, Public enlightenment, implementation of white paper recommendations.
- Bills to National Assembly as necessary
- Constitutional Amendment as necessary

(ii) NNPC Reforms

- EITI and Privatization Measures

(iii) Policy and Programme Monitoring

- Clarify role of various monitoring agencies and units-BMPIU, Federal Office of Statistics, CBN, National Planning Commission, Presidency, monitoring unit, Ministry of Finance, PRS Unit, NEIC in monitoring and evaluation
- Fully establish Presidency Monitoring Unit with clear TORs as a one stop shop or clearing house on policy and program monitoring
- Realign and redefine monitoring priorities and strategies and check waste, corruption and inefficiency

(iv) Reform of National Statistics and Data Gathering

- Develop statistics master plan to guide collection of statistics
- Review role and structure of FOS and measures for strengthening
- Begin implementation of statistics master plan

D. Fighting Corruption, Improving Transparency and Accountability

(i) Extractive Industries Transparency

- Enroll country in initiative
- Announce intentions and specific measures on EITI and identify responsible agencies
- Selective Stakeholder consultations and formation/announcement stakeholder working group
- Sensitize stakeholders and hold workshop, NGOs, Civil Society, NNPC, Chevron, Shell, all oil companies etc.
- Issue request for proposals for independent auditors to (a)Review annual accounts and tax filings of oil companies (b) Audit government oil accounts including MOF, NNPC, CBN, NDDC accounts and oil companies.

- Finalize selection of auditor
- Initiate Audit 2000-2002, 2003
- Interim Audit Report
- Final Audit Report for 2003
- Public Dissemination
- Develop templates for reporting on a semi-annual basis
- Develop templates for reporting on semi-annual Gas production, Sales, Revenues etc
- First semi-annual oil accounts report shared with public and posted on Economic Reform/NEEDS Website, Newspaper publication, Civil Society Monitoring
- Establish Oil accounts modeling and oversight unit in Ministry of Finance
- (ii) Support to Economic and Financial Crimes Commission (EFCC)
- (iii) Strengthen Independent Corrupt Practices Commission (ICPC)
- (iv) Legal and Judicial Reforms
- (v) Police Reform
- (vi) Reform of Government Procurement and Enhancement of Due Process Mechanism

E. Public Service Reforms (Basic Social Service)

(i) Delivery of Basic Social Services

(1) Roads (Federal)

- Rehabilitate and maintain Federal roads equitably distributed throughout the Federation and linked to major economic activity
- Complete priority uncompleted Federal roads and bridges linked to major economic activity in 2004, 2005 and 2006.
- Begin limited program of new Federal roads and bridges, strictly linked to major centers of economic activity and population centers
- Introduce private sector approaches into road rehabilitation/maintenance and new construction.

(ii) Healthcare (Federal Component)

- Review and harmonization of existing health policies with inputs from major stakeholders
- Articulate and process a Bill towards passing a National Health Act which among other purposes would define roles of different levels of government in the health sector
- A revitalized Primary Health Care (PHC) sub-system evolved
- A comprehensive review of policies, strategies and management of the national PHC sub-system conducted
- Model PHC facilities built and equipped

- Rehabilitation of existing PHC facilities undertaken so their capacity to provide better and affordable services enhanced
- Comprehensive refurbishment of Federal Tertiary Health Facilities including standardization of equipment undertaken
- Appropriate overall management structure for tertiary health institutions including the establishment of the National Hospital Commission established
- National Health Management Information System /ICT Deployment/Documentation and Publication Centre, including e-Learning Unit established in FMOH. (e-Health Programme launched as component of overall e-Government).
- Assessment and performance report of the state of health of Nigerians and the national health system.
- A study of access of the people to PHC services conducted
- A minimum package of essential health services developed
- Health facilities strengthened to deliver the minimum package of service
- A Bill for the establishment of the Traditional Medicine Council of Nigeria (TMCN) passed into law
- TMCN established and functions to regulate the practice of traditional medicine in the country
- Research Institutes and NAFDAC strengthened to undertake scientific evaluation of traditional medicines for safety and efficacy.
- A study of the various actors in the private segment of the health sector to determine their present and future roles and capacities.
- Development of policy on Public/Private Partnership (PPP) as well as articulation and processing of appropriate legislation.
- Appropriate structures and organs for PPP established and operationalized.
- Development partners effectively coordinated through periodic meetings with government while programme planning and budgeting are done in line with government priorities.
- Burden of Disease (BOD) study conducted to assess the prevalence and severity of morbidity and mortality attributable to specific diseases and health conditions.
- Capacities of health facilities and institutions, especially at the district level to offer emergency obstetric care adequately enhanced; logistical support to patients to access emergency care provided.

- Number of antenatal, postnatal and family planning service outlets increased and all such outlets better resourced.
- Increase the provision and training of birth attendants
- Immunization campaigns organized to mobilize for polio vaccination and health facilities provided with human and logistical facilities to offer routine immunization
- Integrated Management of Childhood Illnesses (IMCI) programme revitalised to facilitate control of prevalent childhood illnesses such as acute respiratory infections, diarrhoea and malaria; treatment of severe anaemia; provision of micronutrients and de-worming as well as food fortification with iodine, iron, folate and zinc as appropriate
- An appropriate health sector response to HIV/AIDS epidemic which includes safe blood transfusion for HIV/AIDS; prevention and clinical management of opportunistic illnesses; palliative care; antiretrovirals and breastmilk substitute for preventing mother to child transmission; Highly Active Antiretroviral Therapy (HAART), social marketing of condoms and school and youth programmes for HIV/AIDS.
- Measures to mitigate impact of HIV/AIDS on affected people
- Strengthening systems and mechanisms to ensure prompt appropriate and affordable treatment to persons affected by malaria.
- Development of mechanisms and systems to ensure access to and use of insecticide treated nets (ITNs) by children under five and pregnant women.
- Development of measures and mechanisms for pregnant women to use intermittent preventive treatment for malaria.
- Expand the implementation of Directly Observed Treatment Short Course (DOTS) from present 17 States to all the States and FCT Abuja.
- Develop and implement a National Strategic Health Investment Plan
- Develop and implement strategies that will enhance community participation in health
- Develop and pass a Patient's Bill of Rights
- Undertake a review and harmonization of existing health policies with inputs from major stakeholders
- Articulate and process a Bill towards passing a National Health Act which among other purposes would define roles of different levels of government in the health Sector
- Review the status of establishment and implementation of global initiatives that are targeted at poverty reduction in Nigeria

- Determine the multisectoral coordinating strategies required for integrating pro-poor health investments into national developmental planning and financing processes
- Undertake extensive advocacy and consensus building to establish Macroeconomics and Health Strategy (MHS) in Nigeria (First Phase of MHS PoA)
- Initiate the completion of uncompleted rural health centers including equipping with personnel and drugs.
 - Handover to rural communities for management
 - Increase monitoring effectiveness of rural health centers
- Intensify & complete Polio Vaccination campaign. Eradicate polio
- Intensify Roll back malaria campaign, distribute or enhance access to impregnated mosquito nets.
- Intensify HIV-AIDS campaign – provide incentives for states and local communities
- Assure steady supply of Anti-Retrovirals
- Halt spread of HIV – AIDS, arrest national prevalence rate in 2004 at no more than 7%

F. Education

Goal 1: Nurturing an education system that drives the total development of the individual and in particular at the physical, intellectual, moral and spiritual realms.

Targets

1. 80% of the graduands of tertiary schools will acquired functional literacy and numeracy.
2. 80% of JSS graduands will transit to SSS.
3. 10% of SSS graduands will transit to tertiary institutions.
4. 40% reduction in the cases of examination malpractice in all institutions
5. 90% reduction in the cases of cultism in secondary and tertiary institutions.
6. 90% of primary & secondary schools will establish sustainable programmes of physical development.
7. All tertiary institutions will establish sustainable programmes of physical development and recreation.

Strategies for Implementation

1. Short term in-service training, work-shops seminars for servicing teachers on computer, physical and health education and on the job
2. Provision of computer, physical education equipment, video CD's on religious and morals instruction
3. Reorientation of the children at all levels of education on the values and aspirations of the society
4. Concepts should be practicalised in teaching and students should be encouraged to apply concepts learnt to problems solving.

Goal 2. Adding quality to the content of education and education delivery at all levels

Targets

1. The number of professionally primary school unqualified teachers will be reduced by 80%
2. The number of professionally unqualified secondary school teachers will be reduced by 50%
3. 50% of teachers in the tertiary institutions will acquire pedagogical skills
4. We will have attained 80% of professionalisation of teachers in all the institutions in the country
5. 60% of primary schools will have sustainable learning friendly environments
6. 90% of Unity Schools will have sustainable learning – friendly environments
7. 60% of State Secondary Schools will have sustainable learning – friendly environments
8. Attainment of 60% success in learning – friendly environments in the tertiary institutions.

Strategies for Implementation

Professionalization adequate remuneration for teachers, equipment, training and retraining, improving learning, environment (e.g. infrastructure)

Goal 3: Using education as a tool for improving the quality of life through reducing poverty, creating jobs and wealth

Targets

1. Entrepreneurial education shall be institutionalized in senior secondary adult and non-formal education

1. 40% of graduates of tertiary institutions shall be job creators/self-employed

Strategies for Implementation

1. Illiterate adult dwellers should be encouraged to enrol in the adult and non-formal Education programmes in the urban and rural areas.
2. Unemployed educationally qualified graduates should be trained as instructors to handle these adults thereby creating employment.
3. The graduates of the literacy programme should be given soft loans to start business and the loans should be monitored.

Goal 4: Renewing and streamlining the curricula offerings at the pre-tertiary levels so that the products can profit from higher education as well as cooperate maximally in the world of work.

Targets

1. All primary and secondary curricula will be reviewed and streamlined so that the products can profit from higher education as well as co-operate maximally in the world of work.
2. Establishment of Handicraft/Resource Centres at least one in each Local Government Area in the country.
2. Reactivation of all the defunct Handicraft/Resource Centers nationwide.

Strategies for Implementation

1. Review and streamlining of curricula where some subjects should lead to skill acquisition go beyond secondary school level e.g. introductory technology, Home economics, creative arts, Business studies.
2. Teaching of crafts should be emphasized

Goal 5: Developing appropriate partnerships unleashing the energies of the private sector, and mobilizing local communities in the funding and management of education thereby reducing the burden on the public sector

Targets

1. 40% Local Community involvement in education
2. 50% Private Sector involvement in education.

Strategies for implementation

A mechanism will be put in place to ensure that more corporate bodies should contribute the 2^{1/2}% of their profits to ETF

Goal 6: Promoting aggressive computer literacy campaign generally and in particular for secondary school leavers. In this connection, a 3-year target is being set for the full realization of this objective.

Targets

1. 10% of Primary School graduands will be computer literate.
2. 80% of Secondary School graduands will be computer literate
3. All graduates of tertiary institutions will be computer literate.

G. Small and Medium Scale Enterprises Development

1. Inventory of micro small & medium scale enterprises (MSMES)

Proposed Action

A statistical survey of Micro, Small and Medium Enterprises will be conducted on State and local government basis using the following parameters:

- i. Location
- ii. Specialization
- iii. Size/Capacity
- iv. Experience
- v. Capital Base
- vi. Age
- vii. Managerial Capacity

2. Inventory of raw Materials and Mineral Endowment

A statistical survey of available raw materials and mineral endowments of each State of the Federation will be conducted in addition to sourcing existing data available with Raw Materials Research Development Council of Nigeria and the Ministry of Solid Mineral Development. By partnering with Research Institutes, NGOs, Donor Agencies, Trade Groups, etc.

3. Inventory of Technologies/ Machineries for the Promotion of MSMES

A statistical survey of available technologies machineries and prototypes will be undertaken. In addition, a compendium of data on relevant technologies to the SME sector will be obtained and collated.

4. Encourage and Facilitate the Acquisition of Managerial Skills

This will be accomplished through linkages with various training institutions in the public and private sectors including NGOs and international institutes willing to partner or assist in impacting managerial skills.

5. Strengthen/expand and multiply business incubation centers

This also shall be accomplished in collaboration with State Governments and the Private Sector for the promotion of entrepreneurship and small scale businesses

H. Accelerated Privatization and Liberalization

(i) Liberalization, Deregulation of Petroleum sector

- Complete Liberalization of pricing and marketing of petroleum products

- Phase out of Government price subsidies to NNPC on Domestic Crude i.e. move from \$22 a barrel paid to International spot price
- Move to market determined exchange rates for NNPC imports.
- Privatization of four refineries, Kaduna, Warri, Portharcourt 1 & 2
- Privatization of Eleme-Petrochemicals Ltd
- Privatization of 11 Oil Services Companies (IPO):
 - Baroid Nigeria Limited
 - Baroid Drilling & Chemical Products

 - Baker Nigeria Ltd.
 - Halliburton Nigeria Ltd.
 - Sante Fe Nigeria Ltd
 - Sedco Forex Nig. Ltd
 - ACM Nigeria Ltd.
 - Solus Schall Nigeria Ltd
 - Dowell Schlumberger Nig. Ltd
 - Schlumberger Testing and Wireline
 - Schlumberger Nig. Ltd.
 - Pipeline Products marketing co. Ltd.

(ii) Industry & Manufacturing

- National Trucks Manufacturing Kano.
- Nigeria –Romanian wood factory
- Chemical Company of Senegal
- Electricity Meter Co. of Nigeria (IPO)

- 3 Paper Mills
 - Nigerian Paper Mills
 - Nigerian Newsprint -Manufacturing Co. Ltd. (Oku Iboku)
 - Iwopin Pulp and Paper Co.

- 5 Vehicle Assembly Plants:-
 - ANAMMCO
 - Leyland Nig. Ltd
 - Volkswagen
 - Steyr Nig. Ltd.

-Peugeot Automobile of Nig.

- 2 Fertilizer Companies:-
 - NAFCON
 - Federal Superphosphate Fertilizer
- Suave Sugar
 - Sunti Sugar
 - Sugar Co. Bacita
 - Lafiagi Sugar Co.
- Nigeria Machine Tools
- Onigbolo Cement

(iii) Infrastructure and electricity Networks

- Power Sector Reforms including Regulatory Framework & completion of NEPA unbundling
- Passage of Power Bill by National Assembly
- Empower NEPA to enforce payment discipline in sector through power cuts, sanctions for non-payment and control of other illegal power theft activities
- Establish and properly staff National Electricity Regulatory Commission
- NRC Non –Core Assets
 - Nigerian Unity Line
 - Nigerian Aviation -Handling Co. (11%)
- Nigerian Ports Authority
 - Railway Property Company Ltd.-Concessioneing
 - National Inland Waterways Authority
 - NITEL (IPO)
 - NAHCO (IPO)
 - Federal Airports Authority of Nig. (4 Airports)
 - FCT Water Board
 - Abuja Environmental Protection Board
- Nigeria Airways (Liquidation)
- NIPOST
- Nigeria Railway Corporation

(iv) Services

- NICON Insurance
- Abuja International -Hotel (Sofitel)
- New Nig. Newspaper
- Daily Times

- NSPMC 1
- Afribank
- Capitol Hotel Sheraton (IPO)
- Nigeria Hotels (Central)
- Durbar Hotel
- NIRMSCO Prop. Ltd. (Hilton)
- Nigeria Hotels (Investments):-
 - Hill Station Hotel
 - Bristol Hotel
 - Benue Hotels Ltd
 - Sokoto Hotels
 - Lake Chad Hotel Maiduguri
 - Western Hotel Ltd.

- Abuja Stock Exchange
- Nigeria Re-insurance
- Tafawa Balewa Investments
- National theatre Lagos (Concessioning)
- International Trade Fair Complex
- Stadia (Abuja,Lagos and Kaduna)
- Federal Housing Authority (IPO)
- Federal Mortgage Bank of Nigeria
- Nigerian Bank for Commerce & Industry
- NERFUND
- Stallion Property and Development Co.Ltd.

- Commercialization Enterprises:-
 - News Agency of Nigeria
 - Nigeria Film Corp.
 - Nigeria Television Authority
 - Federal Radio Corp. of Nigeria
 - National Parks
 - Nigeria social Insurance Trust Fund

- Nigeria Agricultural Co-operative & Rural Development Bank
- Bank of Industry
- Stadia (Enugu, Ibadan, Bauchi)

Annex 2: CORE ECONOMIC REFORM PROGRAM

PRELIMINARY MATRIX OF MEASURES WITH SEQUENCING AND PHASING

FIGHTING CORRUPTION, IMPROVING TRANSPARENCY AND ACCOUNTABILITY

REFORM COMPONENT	OBJECTIVE	SPECIFIC MEASURES	IMPLEMENTATION TIMING	EXPECTED IMPACT (QUANTIFIABLE WHERE POSSIBLE)	ACCOUNTABLE AGENCY/INDIVIDUAL
(A) Extractive Industries Transparency Initiative	Transparency of Oil and Gas Accounts	<ul style="list-style-type: none"> • Enroll country in initiative • Appoint through a competitive and transparent process, Independent Audit Firms to carry out: <ol style="list-style-type: none"> 1. Review annual accounts and tax filings of oil companies 2. Prepare an Aggregate Annual Statement of all revenues received by Govt. 	<ul style="list-style-type: none"> • Done July 29th 2003 	<ul style="list-style-type: none"> • Increased trust by domestic and external public improved country image. 	Oby Ezekwesili for overall accountability of component.
		<ul style="list-style-type: none"> • Develop templates for Reporting Quarterly? Monthly Reports on barrels of Oil lifted Revenues 	<ul style="list-style-type: none"> • Better accounting for Oil revenues in Budget 	<ul style="list-style-type: none"> • May/June, 2004 • End January, 2004 	

		<p>Accruing Disposition of Revenues (JVC) Budget, PPT</p> <ul style="list-style-type: none"> • Develop templates for – Reporting on quarterly Gas Production, Sales, Revenues, PPT Disposition of Revenues, ---- budget etc. • Sensitize Stakeholders and hold workshop 	February 20, 2004/ Scheduled	EITI Secretariat/ WorldBank an	
REFORM COMPONENT	<u>OBJECTIVE</u>	SPECIFIC MEASURES	IMPLEMENTATION TIMING	EXPECTED IMPACT (QUANTIFIABLE WHERE POSSIBLE)	ACCOUNTABLE AGENCY/INDIVIDUAL
		<p>NGOs, Civil Society, NNPC, Chevron, Shell, all Oil Companies etc Stakeholders Working Group constituted and inaugurated</p> <ul style="list-style-type: none"> • First Quarterly Report shared with Public and posted on Economic Reform/NEEDS Website, Newspaper Publication, Civil Society Monitoring • Establish Oil Accounts modeling and oversight unit 	<p>February 17, 2004 / Scheduled</p> <ul style="list-style-type: none"> • June, 2004 and every 3months thereafter • End December 2003/Done 		Ministry of Finance

		in Ministry of Finance			
(B) Support to Economic and Financial Crimes Commission (EFCC)	<ul style="list-style-type: none"> Show that Economic Crimes have consequences 	<ul style="list-style-type: none"> Increase EFCC officer strength from 10-400? 	<ul style="list-style-type: none"> By June 2004 	<ul style="list-style-type: none"> Noticeable drop in domestic and internationally reported '419' Advanced Fee Fraud cases as measured by EFCC? Or NIA or Nigeria Embassies abroad 	EFCC

REFORM COMPONENT	OBJECTIVE	SPECIFIC MEASURES	IMPLEMENTATION TIMING	EXPECTED IMPACT (WHERE POSSIBLE)	ACCOUNTABILITY (AGENCY/INDIVIDUAL)
	<ul style="list-style-type: none"> Demonstrate Nigeria's willingness to fight money laundering, meet FATF conditions 	<ul style="list-style-type: none"> Provide supporting investigative resources and physical enabling environment Triple No. of cases under investigation from x to x cases Ensure at least 5 high profile convictions Establish Financial Intelligence Unit, staffed and working 	<ul style="list-style-type: none"> Budget 2004 Appropriation by February 15, 2004 June 2004 Between January-December 2004 January 15, 2004 		

		<ul style="list-style-type: none"> Review money laundering legislation to conform with FATF Legislation passed Get Nigeria off FATF non-conforming list Launch Communications campaign against '419' Deploy a Database Program for "419" Establish EFCC Training School for capacity and specialized training of personnel 	<ul style="list-style-type: none"> Done September 2003 X date 2003 June 2004 End November 30, 2003 <p>June 2004</p> <p>December 2004</p>		
REFORM COMPONENT	OBJECTIVE	SPECIFIC MEASURES	IMPLEMENTATION TIMING	EXPECTED IMPACT (WHERE POSSIBLE)	ACCOUNTABILITY (AGENCY/INDIVIDUAL)
(C) Strengthen Independent Corrupt Practices Commission (ICPC)	Show that corruption doesn't pay and will be vigorously dealt with	<ul style="list-style-type: none"> Revamp ICPC Legislation to strengthen it and improve protection for 'Elites' 	<ul style="list-style-type: none"> End December 2003 	Improved TI corruption perception index ranking for Nigeria from 2 nd to last to 4 th to last by December 30, 2004, continued improvement 6 th from bottom by December 30, 2005	President and Legislature ICPC
		<ul style="list-style-type: none"> Get new Legislation passed 	<ul style="list-style-type: none"> End March 2004 	Greater FDI flows from \$2 billion a year average to \$3 billion a year with ½ billion minimum to non-	

		<ul style="list-style-type: none"> • Increase case load by 50% from 55 to 75 • Ensure at least 5 high profile convictions • Set up a independent steering committee of civil society, private sector and public sector for oversight of ICPC conduct 	<ul style="list-style-type: none"> • June 2004 • End December 2004 <p>June 2004</p>	<p>oil sectors</p> <p>Accountability and transparency of the ICPC to the public.</p>	FGN
(D) Legal and Judicial Reforms	<ul style="list-style-type: none"> • Strengthen rule of Law, speed up court cases • Ensure conducive legal environment for public safety & conduct of 	<ul style="list-style-type: none"> • Draft Legal and Judicial Reform strategy, appropriately costed with implementation plan. 	<ul style="list-style-type: none"> • June 2004 	<p>Rule of Law entrenched speedy resolution of cases with beneficial impact on households and business</p>	Ministry of Justice and Judiciary
REFORM COMPONENT	OBJECTIVE	SPECIFIC MEASURES	IMPLEMENTATION TIMING	EXPECTED IMPACT (WHERE POSSIBLE)	ACCOUNTABILITY (AGENCY/INDIVIDUAL)
	business for the private sector	<ul style="list-style-type: none"> • Begin implementation of strategy • Average time for processing cases 	<ul style="list-style-type: none"> • July 2004 • By December 30, 2005 		

		halved from x months to x months			
(E) Police Reform	<ul style="list-style-type: none"> Improve security for Nigerian households and businesses 	<ul style="list-style-type: none"> Police draft reform strategy Increase size of police force from x to x Design and begin implementation, training, capacity building and retention programs for all police at all levels Improve supply of equipment, materials and improve police 	<ul style="list-style-type: none"> December 2003 June 2004 By December 30, 2004 Reflection budget in 2004 	<ul style="list-style-type: none"> Improved sense of physical security by Nigerians measured by a sample survey Drop in No. of crime cases, car snatching, assassinations from x in 2003 to y in 2004, 2005, 2006 Greater FDI flows 	
REFORM COMPONENT	OBJECTIVE	SPECIFIC MEASURES	IMPLEMENTATION TIMING	EXPECTED IMPACT (WHERE POSSIBLE)	ACCOUNTABILITY (AGENCY/INDIVIDUAL)
		Barracks and training schools (Ikeja) etc <ul style="list-style-type: none"> Halve No. of armed robbery complaints and incidents nationwide Significantly lower and eradicate 	<ul style="list-style-type: none"> June 2005 		

		<p>demand for bribes by police</p> <ul style="list-style-type: none"> Reduce No. of ethnic clashes from x in 2003 to x 	<ul style="list-style-type: none"> End December 2005 		
(F) Reform of Government Procurement and Enhancement of Due Process Mechanism	Value for money and transparency in Government contracting	<ul style="list-style-type: none"> Extension of Due Process to cover all Government Agencies and Parastatals not presently included. Publication and dissemination of New Procurement Guidelines to Government Agencies and the Public Set up Resident Due Process Teams in all Federal Ministries, Agencies and Parastatals in place of departmental tender boards and federal tender 	<p>December 30, 2003/Done</p> <ul style="list-style-type: none"> December 30, 2003/Done <p>March 30, 2004</p>	<ul style="list-style-type: none"> Improved quality of Government Contracting through cost savings of an average N60 Billion by end 2004 for a higher public expenditure efficiency ration 50% reduction in the number of requests for contract award Due Process Certificate that are declined for non-compliance by end 2004. (1 in every 5 requests currently fail the DP) 	Head, BMPIU

		boards.			
		<ul style="list-style-type: none"> Set Up BMPUI as the Supporting Secretariat for Public 	Done		
		<p>Procurement Reform and Implementation.</p> <ul style="list-style-type: none"> ❖ Recruit Task Officer for the PRIC at the BMPIU ❖ Organize a stakeholders workshop on review of procurement policy and Procurement Bill <p>Setting up of Procurement Commission</p> <ul style="list-style-type: none"> Procurement Legislation to National Assembly Begin implementation – New Procurement 	<p>December 30, 2003/Done</p> <ul style="list-style-type: none"> March 31, 2004 	<p>To improve leadership of procurement reforms</p> <p>Ditto</p> <p>To crystallize an organic process for procurement policy and regimen among various stakeholders</p>	<p>Head, BMPIU</p> <p>BMPIU/WB</p>

		Framework			
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ANNEX 3: POSITION IN THE MILLENNIUM DEVELOPMENT GOALS

S/N	GOALS & GIVEN TARGETS	INDICATORS	WHERE WE ARE (Latest Available Statistics)	WHERE WE INTEND TO BE
				2007
1.	GOALS 1: Eradicate extreme poverty and hunger <ul style="list-style-type: none"> ❖ Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one. ❖ Target 2: Halve, between 1990 and 2015; the proportion of people who suffer from hunger. 	1. Proportion below \$1 per day. 2. Poverty gap ratio (incidence x depth of poverty) 3. Share of poorest quintile in national consumption. 4. Prevalence of underweight children under five years of age.	65.6% (NCS/NPP 1999) 30% (MICS 1999)	
2.	GOAL 2: Achieve Universal Primary Education <ul style="list-style-type: none"> ❖ Target 3: ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling 	6. Net enrolment ratio in primary education. 7. Proportion of pupils starting grade 1 who reach grade 5. 8. Literacy rate of 15 to 24 year olds	56.8% (MICS 1999) 95% (MICS 1999) Male 85% (NDHS-1999) Female 74% (“ “)	
3.	GOAL 3: Promote gender equality and empower women. <ul style="list-style-type: none"> ❖ Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005 and to all levels of education not later than 2015. 	9. Ratio of girls to boys in primary. 10. Ratio of literate women to men of 15 to 24-year old. 11. Share of women in wage employment in the non-agricultural sector. 12. Proportion of seats held by women in national parliament.	Primary: 1.02:2:08 Secondary: 2:90:6.40 Tertiary: 1:2 61.28: 79.99 (1999/2000)	
4.	GOAL 4: Reduce Child Mortality <ul style="list-style-type: none"> ❖ Target 5: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate. 	13. Under-five mortality rate 14. Infant mortality rate 15. Proportion of 1-year-old children immunized against measles	140/1000 live births (1999) 75/1000 live births (1999) 10.1% (MICS-1999)	
5.	GOAL 5: Improve Maternal Health <ul style="list-style-type: none"> ❖ Target 6: Reduce by three 	16. Maternal mortality ratio 17. Proportion of births attended by	704/100,000 live birth	

	quarters, between 1990 and 2015 the maternal mortality ratio	skilled health personnel.	42%	
6.	<p>GOAL 6: Combating HIV/AIDS, Malaria and other disease.</p> <ul style="list-style-type: none"> ❖ Target 7: Have halted by 2015 and begun to reverse the spread ❖ Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases. 	<p>18. HIV prevalence among 15 to 24-year-old pregnant women.</p> <p>19. Condom use rate of the contraceptive prevalence rate.</p> <p>20. Number of children orphaned by HIV/AIDS</p> <p>21. Prevalence and death rates associated with malaria.</p> <p>22. Proportion of population in malaria – risk area using effective malaria prevention and treatment measures.</p> <p>23. Prevalence and death rate associated with malaria.</p> <p>24. Proportion of tuberculosis cases detected and cured under directly observed treatment short course.</p>	<p>In 2002 5.8% of population between 15 to 49 years. 6.3% of antenatal care patients aged between 20 and 24 years are infected with HIV</p> <p>Urban Men 11.5% “ Women 2.5%</p> <p>N/A</p>	
7.	<p>GOAL 7: Ensure Environmental Sustainability</p> <ul style="list-style-type: none"> ❖ Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources. ❖ Target 10: Halve by 2015 the proportion of people without sustainable access to safe drinking water. ❖ Target 11: By 2020 to have achieved a significant improvement in the lives of at 100 million slum dwellers. 	<p>25. Proportion of land area covered by forest.</p> <p>26. Ratio of area protected to maintain biological diversity to surface area.</p> <p>27. Energy use (kg oil egv.) per \$1 gross domestic product.</p> <p>28. Carbon dioxide emission (per capita) and consumption of ozone – depleting chloro – Hydrocarbons.</p> <p>29. Proportion of population using solid fuels.</p> <p>30. Proportion of population with sustainable access to an improved water source, urban and rural.</p> <p>31. Proportion of urban population with access to improved sanitation.</p> <p>32. Proportion of households with</p>	<p>Forest & Woodland 11.02%</p> <p>Arable + Permanent Pasture 7.62%</p> <p>(For Cooking): 70.67% Wood & Coal 2000</p> <p>34.3% (Pipeborne & Bore-hole only) but 64.1% include well (2000)</p>	

		access to secure tenure.	56% Urban & Rural Composite 31% Flush/WC for Urban MICS – 1999 & C&WR-1999	
8.	<p>GOAL 8: Develop a global partnership for development</p> <ul style="list-style-type: none"> ❖ Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Includes: a commitment to good governance, development, and poverty reduction – both nationally and internationally. ❖ Target 13: Address the special needs of the least developed countries. Includes: tariff and quota-free access for least – developed countries exports; enhanced programming of debt relief for highly indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous Official Development Assistance (ODA) countries commitment to poverty reduction. ❖ Target 14: Address the special needs of landlocked countries and small island developing states (through 	<p>ODA</p> <p>33. Net ODA, total and to LDGs, as percentage of OECA/DAC donors’ gross national income.</p> <p>34. Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary healthcare, nutrition, safe water and sanitation).</p> <p>35. Proportion of bilateral ODA of OECD/DAC donors that is united.</p> <p>36. ODA received in landlocked countries as proportion of the GNE.</p> <p>37. ODA received in small island developing States as proportion of their GNE.</p> <p>MARKET ACCESS:</p> <p>38. Proportion of total developed country imports (by value and excluding arms) from developing countries and from LDCs, admitted free of duties.</p> <p>39. Average tariffs imposed by developed countries on agricultural products & textiles and clothing from developing countries.</p> <p>40. Agricultural support estimates for OECD countries as percentage of their GDP.</p> <p>41. Proportion of ODA provided to help build trade capacity.</p> <p>DEBT SUSTAINABILITY</p>		

	<p>the programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second Special Session of the General Assembly).</p> <ul style="list-style-type: none"> ❖ Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. ❖ Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. ❖ Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries. ❖ Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially in information and communication. 	<p>42. Total number of countries that have their HIPC – decision points and number that have reached their HIPC completion points (cumulative).</p> <p>43. Debt relief committed under HIPC initiative, US\$</p> <p>44. Debt service as a percentage of export of goods and services.</p> <p>45. Unemployment rate of 15 to 24-years old, each sex and total.</p> <p>46. Proportion of population with access to affordable essential drugs on a sustainable basis.</p> <p>47. Telephone lines and cellular subscribers per 100 population.</p> <p>48. Personal computers in use per 100 population and Internet users per 100 population.</p>	<p>Total 14.1% (LFS-March 2003)</p> <p>(2003) Telephone: 0.45:100 Telephone + Cellular (GSM): 1.65:100</p>	
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ANNEX 4: The Social Charter Annex – List of Federal Government of Nigeria Projects & Programmes with Poverty Reduction Thrust (Chronological Listing, 1975-2001)

	Name of Programme, project, or Institution	Launching Date or Coverage Period	Nature of Activity	Sector Coverage	Remarks
1	Agricultural Development Projects (ADPs)	1975	Provision of decentralized opportunities and resources in agriculture to small holder farmers	Agricultural sector	Still in existence, as Project Coordinating Unit (PCU)
2	Universal Primary Education	1975	To provide free primary education	Education sector	No longer exist
3	River Basins Development Authority	1976	To undertake comprehensive development of both surface and underground water resources for various purposes (e.g. provision of irrigation, infrastructure, and control of floods, soil erosion, and watershed management)	Agricultural sector	Still in place
4	Operation Feed the Nation (OFN)	1976	To provide sufficient food for all Nigerians To facilitate agricultural credit from commercial banks to farmers	Agricultural sector	The programme dovetailed into the Green Revolution programme under the succeeding administration
5	Agricultural Credit Guarantee Scheme Fund (ACGSF)	1978	To encourage the production of sufficient food and improved nutrition for all Nigerians	Agricultural sector	Still in place
6	Green Revolution	1979		Agricultural sector	No longer exist
7	Directorate of Food, Roads, and Rural Infrastructure	1986	To coordinate and streamline all rural development activities in the country and to accelerate the pace of integrated rural development	Multi-sectoral	Functions have been transferred to the Federal Department of Rural Development

8	National Directorate of Employment	1986	To provide skill development to secondary school leavers and graduates from tertiary institutions	Multi-sectoral	Still in place
9	Nigerian Agricultural Insurance Cooperation	1987	Provision of insurance cover for business engaged in agricultural production	Agricultural sector	Still in place
10	Better Life for Rural Women	1987	Improvement of living conditions of rural women	Multi-sectoral	Functions were absorbed by the Family Support Programme
11	Raw Material Research and Development Council	1987	To enhance sources of local raw materials	Multi-sectoral	Still in place
12	Strategic Grains Reserve (SGR)	1988	To mop up excess grains production & make such available locally in times of scarcity.		Still in place
13	Guinea Worm Eradication Programme	1988	To eradicate guinea worm infections		Still in place
14	National Commission for Nomadic Education (NCNE)	1989	To provide basic education for nomadic herdsmen and fishermen	Education sector	Still in place
15	Peoples Bank of Nigeria (PBN)	1989	To provide credit at low interest to encourage micro enterprises	Multi-sectoral	Absorbed by the Nigerian Agricultural Cooperation & Rural Devt. Bank (NACRDB)
16	National Primary Health Care Agency (NPHCA)	1990	To provide health delivery at the local level	Health Sector	Still in place
17	Population activities Fund Agency (PAFA)	1990	To encourage sound population growth management	Multi-Sectoral	Still in place
18	National Board for Community Banks (NBCB)	1991	To promote concessional micro-credit	Multi-sectoral	Still in place
19	National Agricultural Land Development Authority (NALDA)	1992	To provide strategic public support for land development, promote and support optimum utilization of rural	Agricultural sector	Functions have been transferred to Federal Department of Rural

			land resources, and support economic- size farm holdings		Development
20	Family Economic Advancement Programme (FEAP)	1992	Provision of access to credit for micro entrepreneurs at the grassroots levels; encouragement of job creation, local raw materials utilization, and development of indigenous technology	Multi-sectoral	Functions have been transferred to Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB)
21	Family Support Programme	1994	To promote the welfare of women and children	Multi- sectoral	Functions were absorbed by the now defunct FEAP
22	National Commission for Mass Literacy	1997	To promote adult literacy	Education sector	Functions have been transferred to the UBE programme
23	National Poverty Eradication Programme (NAPEP)	2000	To coordinate implementation of all FGN poverty eradication programmes	Multi-sectoral	Still in place
24	Nigerian Agricultural Cooperative and Rural Development Bank	2000	Provision of credit for the production, processing and marketing of agricultural products	Agricultural sector	This is essentially a merger of NACB, FEAP, and PBN
25	Universal Basic Education (UBE) Programme	2000	Essentially to provide compulsory basic education for all up to the level of junior secondary school year 3 (JSS 3)	Education sector	On-going
26	Forestry Development Programme	2000	Provision of tree seedlings and other Forestry Development Facilities to local community participants in the countries five ecological zones.	Forestry sector	
27	Roll Back Malaria	2001	Eradicate harmful effect of malaria parasites	Health sector	On-going
28	National Action Committee on HIV/AIDS (NACA)	2001	Advocacy programme to phase out the spread of HIV/AIDS	Health sector	On-going

Annex 5: Macro Economic Projections

TABLE 1
Selected Macroeconomic Indicators, 2003-2007

	2003 1/	2004	2005	2006	2007
Domestic Output and Prices					
Real GDP Growth (Growth Rates %)	9.60%	5.00%	6.00%	6.00%	7.00%
Oil Sector	15.00%	0.00%	0.00%	0.00%	0.00%
Non-oil Sector	6.83%	7.27%	8.54%	8.34%	9.52%
Oil Production (mbd) Including condensates	2.21	2.21	2.21	2.21	2.21
Manufacturing Capacity Utilisation					
Gross National Savings (% of GDP)	12.42	14.14	17.24	23.90	28.96
Gross Fixed Capital Formation (% of GDP)					
Inflation Rate (%)	11.00	10.00	9.50	9.50	9.00
Federal Government Finance (% of GDP)					
Overall Fiscal Balance	-3.25%	-1.89%	-3.46%	-3.28%	-3.17%
Primary Balance	-1.35%	0.07%	-1.68%	-1.45%	-1.41%
Retained Revenue	9.71%	9.72%	7.82%	7.61%	7.34%
Total Expenditure	25.10%	23.54%	23.37%	22.90%	22.33%
Money and Credit (Growth Rate %)					
Net Domestic Credit	28.29	24.51	24.62	22.53	21.82
Net Credit to Government	44.37	29.92	29.92	23.54	21.48
Credit to Private Sector	22.00	22.00	22.00	22.00	22.00
Narrow Money (M1)	10.28	10.77	8.34	16.71	19.76
Broad Money (M2)	15.00	15.00	15.50	15.50	16.00

External Sector					
Overall Balance (% of GDP)	(7.69)	(10.76)	(9.17)	(4.43)	(1.33)
Current Account Balance (% of GDP)	2.69	(2.89)	(2.27)	(0.45)	0.32
External Reserves (US \$ million)	7,186.70	7,686.70	8,686.70	9,686.70	10,686.70
1/ Provisional					

Table 2: NATIONAL INCOME AND PRODUCTS ACCOUNTS, 2003-2007 (BILLIONS OF NAIRA)

GROSS DOMESTIC PRODUCT BY EXPENDITURE	2003	2004	2005	2006	2007
(i) Consumption:	7,998.34	9,149.89	10,328.04	11,410.61	12,582.41
Private	6,448.94	7,541.19	8,407.74	9,248.51	10,126.91
Government	1,549.40	1,608.70	1,920.30	2,162.10	2,455.50
FGN	598.00	484.00	505.00	527.00	562.00
States	951.40	1,124.70	1,415.30	1,635.10	1,893.50
Local	146.40	166.49	127.28	121.58	134.39
					0.00
(ii) Gross Investment 1/	1,155.04	2,055.08	2,558.52	3,309.30	4,481.24
Private Fixed Investment	776.74	1,580.18	1,700.92	2,307.80	3,089.84
Gov't Fixed Investment	378.30	474.90	857.60	1,001.50	1,391.40
FGN	188.00	250.00	433.00	511.00	634.00
States	190.30	224.90	424.60	490.50	757.40
Local	36.60	41.62	54.55	81.05	89.60
Change In Stocks	0.00	0.00	0.00	0.00	0.00
(iii) Domestic Demand (i + ii)	9,153.38	11,204.97	12,886.56	14,719.91	17,063.65
(iv) Export Of Goods And	2,941.58	2,870.91	3,280.66	3,783.62	4,288.23

Non-Factor Services					
(v) Import Of Goods And Non-Factor Services	(2,696.85)	(3,174.58)	(3,557.64)	(3,846.69)	(4,236.09)
(vi) Expenditure On Gross Domestic Product (At Market Prices) (iii + iv + v)	9,398.11	10,901.30	12,609.58	14,656.84	17,115.79
(vii) Indirect Taxes Less Subsidies 2/	313.00	380.00	398.00	478.00	574.00
(viii) Gross Domestic Product (At Factor Cost) (vi - vii)	9,085.11	10,493.30	12,179.58	14,136.84	16,487.79
(ix) Net Factor Income From Abroad	(448.05)	(493.76)	(544.23)	(365.89)	(356.16)
(x) Gross National Product (At Market Prices) (vi + ix)	8,950.06	10,407.54	12,065.35	14,290.95	16,759.63
(xi) Net Transfer From Abroad	215.05	284.23	436.52	622.04	780.13
(xii) Gross National Disposable Income (At Market Prices) (x + xi)	9,165.11	10,691.77	12,501.87	14,912.99	17,539.75
Variables in Percent of GDP (market price):					
Consumption	85.11	83.93	81.91	77.85	73.51
Government:	16.49	14.76	15.23	14.75	14.35
Private:	68.62	69.18	66.68	63.10	59.17
Investment	12.29	18.85	20.29	22.58	26.18

Government:	4.03	4.36	6.80	6.83	8.13
Private:	8.26	14.50	13.49	15.75	18.05
Net Exports	2.60	(2.79)	(2.20)	(0.43)	0.30
Export of Goods and Services	31.30	26.34	26.02	25.81	25.05
Import of Goods and Services	(28.70)	(29.12)	(28.21)	(26.25)	(24.75)
Check					
Memorandum					
Income Absorption gap:					
a. GNDI -Domestic Absorption	244.73	(303.67)	(276.98)	(63.07)	52.14
b. Current Account Balance: Net Exports	244.73	(303.67)	(276.98)	(63.07)	52.14
GDP Deflator (1990=100)	1,731.15	1,904.27	2,085.17	2,283.27	2,488.76
Nominal GDP (Naira Billions)	9,085.11	10,493.30	12,179.58	14,136.84	16,487.79
Real GDP (Naira Billions), at 1990 cost	524.80	551.04	584.10	619.15	662.49
Real GDP Growth Rate	4.00%	5.00%	6.00%	6.00%	7.00%

Table 3: FISCAL OPERATIONS, 2003-2007 (Billions of Naira)

CATEGORY	2003	2004	2005	2006	2007
Federally Collectible Revenue	1985.52	2272.45	2425.33	2774.29	3159.15
A. Oil Revenue (Net of Cost)	1530.53	1655.73	1713.06	1886.52	2069.09
Government Crude (Gross)	1040.00	938.57	1002.15	1097.35	1196.11
Less Cost of Oil Production)	444.50	447.04	535.40	586.26	639.03
Government Crude (Net of Cost)	595.50	491.53	466.75	511.09	557.08
Petroleum Profit Tax/Royalties, etc	482.60	571.37	602.40	659.63	719.00
Upstream/NLNG Gas	36.20	80.89	97.29	117.25	140.59
Domestic Crude Sales	416.23	511.94	546.62	598.55	652.42
Open Acreage/Others	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00

Gas Flared	0.00	0.00	0.00	0.00	0.00
Sub-total	1530.53	1655.73	1713.06	1886.52	2069.09
Less	199.01	215.28	222.73	245.23	268.94
Natural Resource Derivation (13%)	199.01	215.28	222.73	245.23	268.94
D. Balance of Oil Revenue in FAAC Acct	1331.52	1440.45	1490.33	1641.29	1800.15
E. NON-OIL REVENUE	474.00	616.00	668.00	802.00	949.00
Customs Levies	36.00	30.00	36.00	43.00	52.00
Customs & Excise Duties	183.00	219.00	211.00	237.00	265.00
Tax on Petroleum Products	0.00	45.00	47.00	50.00	54.00
Companies Income Tax	110.00	143.00	166.00	205.00	239.00
VAT	130.00	161.00	187.00	241.00	309.00
State Internal Revenue Generation	105.00	116.00	147.00	187.00	237.00
Federal Govt. Ind Revenue	75.00	100.00	120.00	144.00	173.00
Education Tax	15.00	18.00	21.00	26.00	30.00
Balance of Federally Collectible Revenue for Fed. Acct.	1805.52	2056.45	2158.33	2443.29	2749.15
Fed. AcctS.Less VAT, Customs Levies, Education Tax & FGN. Ind. Rev.	1624.52	1847.45	1914.33	2133.29	2358.15
FGN (54.68.5%) (45.63%)	888.37	1010.28	892.65	994.75	1099.60
States (24.72%) (31.84%)	401.58	456.69	631.73	703.99	778.19
Local Government (20.6%) (19.66%)	183.00	208.12	181.83	202.63	223.99
Eological Funds (2%) (3.5%)	0.00	0.00	0.00	0.00	0.00
NDDC	10.00	10.00	10.00	10.00	10.00
FGN's Share of Fed. Acct. Less 6.1% of FAAC for 1% FCT, 3% Devt. Of Nat. Res., 1.46% Ecological and 0.72% for Stabilization (6.18% of Federation Account)	787.97	896.11	804.02	895.98	990.42
Federal Retained Revenue	882.47	1020.26	952.07	1076.13	1209.77
Balance of FGN's share of Fed. Acct	787.97	896.11	804.02	895.98	990.42
FGN Share of VAT	19.50	24.15	28.05	36.15	46.35
Fed Govt Ind Revenue	75.00	100.00	120.00	144.00	173.00

Others	0.00	0.00	0.00	0.00	0.00
Less	0.00	0.00	0.00	0.00	0.00
FGN contribution to external debt					
NDDC FGN contribution					
Balance of Federal Retained Rev	882.47	1020.26	952.07	1076.13	1209.77
Total Govt. Expenditure	2280.80	2470.40	2846.70	3237.70	3682.40
Total Recurrent Expenditure	990.00	929.00	848.00	918.00	957.00
Non-Debt Recurrent	598.00	484.00	505.00	527.00	562.00
Payroll	340.00	334.00	351.00	368.00	387.00
Overhead Cost	173.00	100.00	99.00	98.00	108.00
Transfers	28.00	30.00	30.00	32.00	33.00
Pensions	85.00	50.00	55.00	61.00	67.00
External Debt Service	191.00	210.00	96.00	101.00	72.00
Domestic Debt Service	173.00	205.00	217.00	258.00	290.00
State and Local Council Expenditure	951.40	1124.70	1124.70	1635.10	1893.50
Recurrent	697.60	829.90	829.90	1111.10	1112.10
Debt	63.50	69.90	69.90	33.50	24.00
Capital	190.30	224.90	224.90	490.50	757.40
Add Customs Levy, Education Tax, Special Funds for FCT, Ecology,etc	151.40	166.70	166.70	173.60	197.90
Recurrent Surplus	(107.53)	91.26	104.07	158.13	252.77
Total Capital Expenditure	188.00	250.00	433.00	511.00	634.00
Overall Deficit/Surplus	(295.28)	(197.95)	(421.37)	(463.41)	(523.25)
Financing	295.28	197.95	421.37	463.41	523.25
Foreign (Acumulation of Arrears)	0.00	(127.53)	0.00	0.00	0.00
Domestic	295.28	325.48	421.37	463.41	523.25
Banking System	165.80	161.42	209.72	214.35	241.66
CBN	110.31	127.53	119.01	107.61	120.98

DMBs	55.49	33.89	90.71	106.74	120.68
Non-Bank Public	129.48	79.07	211.65	249.06	281.59
Others	0.00	85.00	0.00	0.00	0.00
Excess crude, etc	0.00	0.00	0.00	0.00	0.00
Looted Money	0.00	85.00	0.00	0.00	0.00
Variables in % of GDP					
A. Oil Revenue	16.85%	15.78%	14.07%	13.34%	12.55%
NON-OIL REVENUE	5.22%	5.87%	5.48%	5.67%	5.76%
Total Govt. Expenditure	25.10%	23.54%	23.37%	22.90%	22.33%
Total Recurrent Expenditure	10.90%	8.85%	6.96%	6.49%	5.80%
Total Capital Expenditure	-1.18%	0.87%	0.85%	1.12%	1.53%
Recurrent Surplus	0.31%	0.29%	3.73%	11.27%	7.27%
Transfers	2.07%	2.38%	3.56%	3.61%	3.85%
Retained Revenue	9.71%	9.72%	7.82%	7.61%	7.34%
Primary Balance	-1.35%	0.07%	-1.68%	-1.45%	-1.41%
Overall Deficit/Surplus	-3.25%	-1.89%	-3.46%	-3.28%	-3.17%

Table 4: BOP ANALYTICAL STATEMENT, 2003-2007 (Millions of Dollars)

CATEGORY	2003	2004	2005	2006	2007
A CURRENT ACCOUNT.....	1,927.03	(2,173.72)	(1,810.69)	(376.55)	285.59
Goods	5,843.21	1,511.75	957.93	282.63	305.09
Export (F.O.B)	18,553.39	15,450.09	15,267.62	15,332.34	15,412.37
Oil.....	17,736.26	14,551.25	14,189.01	14,189.01	14,189.01
Non-oil.....	817.13	898.84	1,078.61	1,143.33	1,223.36
Imports.....	(12,710.18)	(13,938.33)	(14,309.69)	(15,049.71)	(15,107.28)
Oil.....	(2,143.26)	(2,314.72)	(2,453.60)	(2,600.82)	(2,782.88)

Non-oil.....	(10,566.92)	(11,623.61)	(11,856.08)	(12,448.89)	(12,324.40)
Services (net).....	(2,081.56)	(2,185.64)	(2,064.53)	(2,188.40)	(2,341.59)
Non-factor Services (credit)	2,616.22	2,747.04	2,966.80	3,144.81	3,364.94
Non-factor Services (debit)	(4,697.78)	(4,932.67)	(5,031.33)	(5,333.20)	(5,706.53)
Income (net)	(3,527.97)	(3,534.41)	(3,557.72)	(2,184.35)	(1,950.74)
Investment income (credit).....	287.47	307.47	347.47	387.47	427.47
Interest on reserves.....	287.47	307.47	347.47	387.47	427.47
Others.....	0.00	0.00	0.00	0.00	0.00
Investment income (debit).....	(3,815.43)	(3,841.88)	(3,905.19)	(2,571.82)	(2,378.21)
Interest DUE on Loans	(2,095.21)	(2,035.64)	(2,062.83)	(840.00)	(525.16)
Others.....	(1,720.22)	(1,806.24)	(1,842.36)	(1,731.82)	(1,853.05)
Current Transfers	1,693.34	2,034.57	2,853.63	3,713.57	4,272.82
General Government	(11.62)	(11.38)	(10.70)	(10.06)	(9.35)
Other Sectors	1,704.96	2,045.95	2,864.33	3,723.63	4,282.18
B CAPITAL AND FINANCIAL ACCOUNT.....	(7,428.15)	(5,904.73)	(5,489.41)	(3,361.13)	(1,486.16)
Capital Account (net)	10.00	15.00	15.00	15.00	15.00
Capital Transfers (net))	0.00	15.00	0.00	15.00	15.00
Acquisition/Disposal of non-financial assets	0.00	0.00	0.00	0.00	0.00
Financial Account (net)	(7,438.15)	(5,919.73)	(5,504.41)	(3,376.13)	(1,501.16)
Direct Investment	1,942.72	2,039.86	2,162.25	2,291.98	2,521.18
Portfolio Investment	138.84	145.78	154.53	163.80	180.18
Other Investment.....	(9,519.71)	(8,105.37)	(7,821.19)	(5,831.91)	(4,202.52)
Official (of which).....	(2,879.39)	(2,793.11)	(2,827.67)	(1,138.00)	22.00
Amortisation (DUE)	(2,893.39)	(2,811.11)	(2,847.67)	(1,160.00)	0.00
Disbursement.....	14.00	18.00	20.00	22.00	22.00
Private	(6,640.32)	(5,312.26)	(4,993.52)	(4,693.91)	(4,224.52)
C NET ERRORS AND OMISSIONS.....	0.00	0.00	0.00	0.00	0.00
D OVERALL BALANCE = Total (A and B and C).....	(5,501.12)	(8,078.45)	(7,300.10)	(3,737.67)	(1,200.57)

					0.00
FINANCING	5,501.12	8,078.45	7,300.10	3,737.67	1,200.57
RESERVE MOVEMENT 1/	800.00	(500.00)	(1,000.00)	(1,000.00)	(1,000.00)
EXCEPTIONAL FINANCING	2,988.60	2,846.75	2,910.50	0.00	0.00
ACCUMULATION OF ARREARS (DECREASE = '-')	2,988.60	2,846.75	2,910.50	0.00	0.00
RESCHEDULING OF ARREARS	-	0.00	0.00	0.00	0.00
DEBT RELIEF	-	0.00			
RESIDUAL FINANCING GAP	1,712.52	5,731.70	5,389.60	4,737.67	2,200.57
					0.00
Average Residual Financing Gap for the Programme (\$' Billion)					4.51
MEMORANDUM ITEMS.					0.00
CURRENT ACCOUNT BALANCE AS % OF G.D.P	2.69	(2.89)	(2.27)	(0.45)	0.32
EXTERNAL RESERVES (STOCK) \$MILLION	7,186.70	7,686.70	8,686.70	9,686.70	10,686.70
NUMBER OF MONTHS OF IMPORT EQUIVALENT	4.95	4.89	5.39	5.70	6.16
OIL PRICE (\$ Per Barrel)	22.00	24.00	24.00	24.00	22.00
OIL EXPORT (mbd)	0.00	0.00	0.00	0.00	0.00
EXCHANGE RATE	127.00	139.70	152.97	167.50	182.58
GDP	9,085,111.84	10,493,304.17	12,179,578.15	14,136,836.36	16,487,792.25
Overall Balance % GDP	(7.69)	(10.76)	(9.17)	(4.43)	(1.33)
Debt service due	(4,988.60)	(4,846.75)	(4,910.50)	(2,000.00)	(525.16)
Debt service paid (public external debt)	2,000.00	2,000.00	2,000.00	2,000.00	525.16

Table 5: MONETARY PROJECTIONS FOR 2003 – 2007 ((Millions of Naira)

CATEGORY	2003	2004	2005	2006	2007
1.Domestic Credit (net)					3,949,730.19
	1,705,469.07	2,123,412.78	2,646,091.71	3,242,257.11	
(a) Claims on Federal Government (net)					1,366,584.16
	539,439.31	700,856.47	910,573.01	1,124,924.30	
By Central Bank	69,062.45	196,594.35	315,603.02	423,216.35	544,193.53
By Banks	470,376.86	504,262.12	594,970.00	701,707.95	822,390.63
(b).Claims on Private Sector					2,583,146.03
	1,166,029.76	1,422,556.31	1,735,518.70	2,117,332.81	
By Central Bank	8,903.56	10,862.34	13,252.06	16,167.51	19,724.36
By Banks	1,157,126.20	1,411,693.97	1,722,266.64	2,101,165.30	2,563,421.67
(i) Claims on State and Local Governments 3/					46,828.74
	21,138.45	25,788.91	31,462.47	38,384.22	
By Central Bank	-	-	-	-	-
By Banks	21,138.45	25,788.91	31,462.47	38,384.22	46,828.74
(ii) Claims on Non-Financial Public Enterprises		244.54			444.05
	200.45		298.34	363.98	
By Central Bank	200.45	244.54	298.34	363.98	444.05
By Banks					-
(iii) Claims on Other Private Sector	1,144,690.86	1,396,522.85	1,703,757.88	2,078,584.62	2,535,873.23

By Central Bank	8,703.11	10,617.80	12,953.71	15,803.53	19,280.31
By Banks	1,135,987.75	1,385,905.06	1,690,804.17	2,062,781.08	2,516,592.92
(2) Foreign Assets (net)	1,277,795.26	1,503,364.79	1,860,344.54	2,271,582.58	2,731,635.80
By Central Bank	912,710.90	1,073,831.99	1,328,817.53	1,622,558.99	1,951,168.43
By Banks	365,084.36	429,532.80	531,527.01	649,023.59	780,467.37
(3) Other Assets (net)	(1,143,845.54)	(1,511,445.96)	(2,063,228.24)	(2,691,934.44)	(3,407,955.90)
Total Monetary Assets	1,839,418.79	2,115,331.61	2,443,208.01	2,821,905.25	3,273,410.09
Quasi-Money 4/	795,936.12	959,504.29	1,191,034.13	1,360,466.40	1,523,245.66
Money Supply	1,043,482.67	1,155,827.32	1,252,173.88	1,461,438.85	1,750,164.43
Currency Outside Banks	421,305.00	440,323.00	443,654.00	450,789.00	486,852.12
Demand Deposits 5/	622,177.67	715,504.32	808,519.88	1,010,649.85	1,263,312.31
Total Monetary Liabilities	1,839,418.79	2,115,331.61	2,443,208.01	2,821,905.25	3,273,410.09
<i>GROWTH RATE OVER THE PRECEDING DECEMBER (In Percentages)</i>					
<i>Credit to the Domestic Economy (net)</i>	28.29	24.51	24.62	22.53	21.82
<i>Credit to the Private Sector</i>	22.00	22.00	22.00	22.00	22.00
<i>Claims on Federal Government (net)</i>	44.37	29.92	29.92	23.54	21.48
By Central Bank	67.44	184.66	60.54	34.10	28.59

<i>Claims on State and Local Governments</i>	22.00	22.00	22.00	22.00	22.00
<i>Claims on Non-Financial Public Enterprises</i>	22.00	22.00	22.00	22.00	22.00
<i>Credit to the Other Private Sector</i>	22.00	22.00	22.00	22.00	(104.53)
<i>Foreign Assets (net)</i>	7.89	17.65	23.75	22.11	20.25
<i>Other Assets (net)</i>	2.39	32.14	(36.51)	(30.47)	(26.60)
<i>Quasi-Money</i>	21.84	20.55	24.13	14.23	11.96
<i>Money Supply (M1)</i>	10.28	10.77	8.34	16.71	19.76
<i>Broad Money (M2)</i>	15.00	15.00	15.50	15.50	16.00
NOTES :					
1/ Revised					
'2/ Provisional					

TABLE 6: GDP AT 1990 CONSTANT BASIC PRICES (Billions of Naira)

	2003	2004	2005	2006	2007
Primary sector					
Agricultural activities	133008.30	140988.80	149448.13	158415.01	167919.91
Crop Production	110836.48	117486.67	124535.87	132008.02	139928.50
Livestock	12879.00	13651.74	14470.84	15339.10	16259.44
Forestry	2664.25	2824.10	2993.55	3173.16	3363.55
Fishing	6628.57	702.63	744.79	789.47	836.84
Mining & Quarrying	118132.27	118316.32	118583.60	118866.68	119251.93
Coal Mining	0.10	0.11	0.12	0.14	0.15
Crude petroleum and gas	116066.58	116066.58	116066.58	116066.58	116066.58
Metal Ores	6.15	6.70	7.49	8.34	9.48
Quarrying & other Mining	1166.23	1270.14	1421.04	1580.86	1798.36
Oil Refining	567.58	618.15	691.59	769.37	875.22
Cement	325.63	354.64	396.78	441.40	502.13
Secondary sector	26486.73	28531.98	31061.32	33753.59	37033.37

Manufacturing	16476.42	17629.77	18863.85	20184.32	21597.23
Electricity	1469.86	1600.82	1791.01	1992.44	2266.56
Water	567.75	618.34	691.80	769.60	875.48
Building & Construction	7972.70	8683.05	9714.66	10807.23	12294.10
Tertiary sector	93905.59	102272.42	114423.05	127291.77	144804.74
Wholesale & Retail Trade	49180.39	53562.28	59925.83	66665.46	75837.38
Hotels & Restaurant	799.34	870.56	973.99	1083.53	1232.60
Road Transport	8003.68	8716.79	9752.41	10849.22	12341.87
Rail transport & Pipelines	1.48	1.61	1.80	2.01	2.28
Water Transport	286.67	312.21	349.30	388.59	442.05
Air Transport	283.97	309.27	346.01	384.93	437.89
Transport services	762.22	830.13	928.76	1033.21	1175.36
Telecommunications	684.83	745.85	834.46	928.31	1056.02
Post	263.32	286.78	320.85	356.94	406.05
Financial Institutions	18124.33	19739.18	22084.32	24568.06	27948.17
Insurance	581.25	633.04	708.25	787.90	896.30
Real Estate	6387.34	6956.44	7782.91	8658.23	9849.44
Business Services(Not health or education)	604.81	658.70	736.96	819.84	932.63
Public Administration	3561.30	3878.61	4339.41	4827.45	5491.61
Education	787.09	857.22	959.06	1066.92	1213.71
Health	183.70	200.07	223.84	249.01	283.27
Private Non Profit Organizations	14.92	16.25	18.18	20.22	23.01
Other services	3048.87	3320.52	3715.02	4132.83	4701.43
Broadcasting	346.08	376.92	421.70	469.12	533.66
Real GDP at 1990 factor cost	371532.88	390109.52	413516.10	438327.06	469009.96
Oil GDP	116066.57	116066.58	116066.58	116066.58	116066.58
Oil (as a percent of total)	31.24	29.75	28.07	26.48	24.75
Non oil GDP	255466.31	274042.94	297449.52	322260.48	352943.38

Non oil (as a percent of total)	68.76	70.25	71.93	73.52	75.25
Real GDP growth rate	9.6	5	6	6	7
Oil GDP growth	15	0	0	0	0
Non oil GDP growth	6.83	7.27	8.54	8.34	9.52
Agriculture	7	6	6	6	6
Tertiary sector	-1.73	8.91	11.88	11.25	13.76
Manufacturing	7	7	7	7	7

Table 7: Nigeria: Income and Savings (Billions of Naira, at Current Market Prices)

	2003	2004	2005	2006	2007
GDP	9,398.11	10,901.30	12,609.58	14,656.84	17,115.79
Domestic Demand (A)	9,153.38	11,204.97	12,886.56	14,719.91	17,063.65
Consumption	7,998.34	9,149.89	10,328.04	11,410.61	12,582.41
Investment	1,155.04	2,055.08	2,558.52	3,309.30	4,481.24
Exports of goods and services	2,941.58	2,870.91	3,280.66	3,783.62	4,288.23
Imports of goods and services	(2,696.85)	(3,174.58)	(3,557.64)	(3,846.69)	(4,236.09)
Income from abroad, net	(448.05)	(493.76)	(544.23)	(365.89)	(356.16)
GNI	8,950.06	10,407.54	12,065.35	14,290.95	16,759.63
Transfer from abroad, net	215.05	284.23	436.52	622.04	780.13
GNDI	9,165.11	10,691.77	12,501.87	14,912.99	17,539.75
Gross domestic savings	1,399.77	1,751.41	2,281.54	3,246.23	4,533.38
Gross national savings	1,166.78	1,541.88	2,173.83	3,502.38	4,957.34
Gross national savings minus investment	11.73	-513.20	-384.69	193.08	476.10
GDP-A	244.73	-303.67	-276.98	-63.07	52.14
NET EXPORTS	244.73	-303.67	-276.98	-63.07	52.14
			% of GDP		
Consumption	85.11	83.93	81.91	77.85	73.51
Investment	12.29	18.85	20.29	22.58	26.18

Exports of Goods and Services	31.30	26.34	26.02	25.81	25.05
Imports of Goods and Services	(28.70)	(29.12)	(28.21)	(26.25)	(24.75)
Gross domestic savings	14.89	16.07	18.09	22.15	26.49
Gross national savings	12.42	14.14	17.24	23.90	28.96
Gross national savings minus investment	0.12	(4.71)	(3.05)	1.32	4.56

Annex 6 a: Nigeria's External Debt Service Payments (1993-2003 - Us\$ Million)

CREDITOR CATEGORY	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
A. Official:												
1. Paris Club	234.6	59.2	271.8	359.7	306.1	228.54	644.49	812.67	1273.62	161.5532	1020.177	10646.85
2. Multilateral	643.2	758.9	826.9	814.4	800.2	680.23	659.17	623.23	491.48	472.1188	509.2275	11012.06
3. Others(Non-Paris Club)	442.8	626.6	109	336.4	127.7	19.77	34.8	1.52	33.81	75.86436	13.25837	3070.523
Sub-Total	1320.6	1444.7	1207.7	1510.5	1234	928.54	1338.46	1437.42	1798.91	709.5363	1542.662	24729.43
B. Private:												
1. Promissory Notes	256.1	254.8	251.9	238.4	226.8	216.29	258.7	149.52	195.18	192.1168	176.4156	3649.322
2. Banks (London Club)	195.8	143.5	161	127.7	35.8	127.71	127.74	129.07	134.08	266.7507	90.2053	6719.356
Sub-Total	451.9	398.3	412.9	366.1	262.6	344	386.44	278.59	329.26	458.8675	266.6209	10368.68
Grand Total	1772.5	1843	1620.6	1876.6	1496.6	1272.54	1724.9	1716.01	2128.17	1168.404	1809.283	35098.11

Source: Debt Management Office, Nigeria

Annex 6 b: Nigeria's External Debt Service Projections (2004-2013 – in millions of US\$)

S/No	Debt Category	Debt Service Projections										
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
1	Paris Club											
	a. Agreement IV											
	i. Reprofiled Debt	432.90	412.50	396.30	380.20	364.10	304.30	-				
	ii. Balance of Arrears	1,031.20	1,144.60	1,249.10	1,358.10	1,471.50	1,581.20	1,691.00	1,813.60	1,933.30	2,035.30	

	iii. Deferred Post Cut-off	148.10	152.20	-	-	-	-	-			
	iv. Deferred Moratorium Int.	278.60	259.10	247.70	-	-	-	-			
	Sub. Total	1,890.80	1,968.40	1,893.10	1,738.30	1,835.60	1,885.50	1,691.00	1,813.60	1,933.30	2,035.30
	b. Non-Resch. Pre Cut-off	10.40	9.30	9.00	8.80	8.50	8.20	8.00			
	c. Non-Resch. Post Cut-off	31.80	23.20	22.70	22.10	21.00	18.60	17.70	16.80	15.60	15.30
	d. Agreement III	296.90	270.50	258.70	4.30	4.10	4.00	3.90	3.70		
	Total (a+b+c+d)	2,229.90	2,271.40	2,183.50	1,773.50	1,869.20	1,916.30	1,720.60	1,834.10	1,948.90	2,050.60
2	Multilateral	453.23	433.69	398.20	343.25	325.08	219.15	169.49	122.58	80.72	81.23
3	London Club**	90.11	90.11	90.11	90.11	90.11	90.11	90.11			
4	Promissory Notes*	170.85	170.85	170.85	170.85	170.85	170.85	42.71			
5	Non-Paris Club Creditors	11.90	10.90	10.30	9.80	9.20	8.40	3.90			
	Grand Total	2,955.99	2,976.95	2,852.96	2,387.51	2,464.44	2,404.81	2,026.81	1,956.68	2,029.62	2,131.83

**Assumes no future cancellations; **Assumes no future buy back
Revised February 2004 based on exchange rates of 31.12.2003
Source: Debt Management Office, Nigeria*