

### The Nigerian Society of Engineers

# National Infrastructure Summit (Abuja 2021)

# **Theme:** Towards Sustainable Infrastructure Development, Maintenance & Management in Nigeria

## **COMMUNIQUE**

#### PREAMBLE

The National Infrastructure Summit was organised by the Nigerian Society of Engineers (NSE), and it held at the NICON Luxury Hotel Abuja, on 15<sup>th</sup> July 2021.

The Summit's theme was **"Towards Sustainable Infrastructure Development, Maintenance and Management in Nigeria".** The overarching purpose was to review the current infrastructure development trajectory in Nigeria, and craft recommendations and practical guides to inform government policies geared towards sustainable infrastructure, development, maintenance and management in Nigeria.

The summit participants were drawn from Policy Makers and Technocrats from the public, private, academia, industry, multilateral sectors and professional bodies across the infrastructure value chain, amongst which include the Federal Ministries of Agriculture, Environment, Power, Science & Technology, Aviation, Finance, Budget and National Planning. Others were Federal Capital Development Authority, National Information Technology Development Agency, National Agency for Science and Engineering Infrastructure, Transmission Company of Nigeria, Nigerian National Petroleum Corporation, National Pension Commission, Rural Electricity Agency and Nigerian Electricity Management Services Agency. The following Professional bodies were also represented; the Nigerian Institute of Architects, Nigerian Institute of Builders, Pharmaceutical Society of Nigeria, Institute of Chartered Secretaries and Administrators of Nigeria, Chartered Institute of Taxation of Nigeria, the Nigerian Mining and Geosciences Society, the Chartered Institute of Bankers of Nigeria, as well as the umbrella professional body, the Association of Professional Bodies of Nigeria, (APBN). Others include the Nigerian Academy of Engineering, the Council for the Regulation of Engineering in Nigeria (COREN), the Association for Consulting Engineers in Nigeria (ACEN) and the Nigerian Economic Summit Group (NESG).

The one-day hybrid (physical and virtual) event comprised a variety of activities which included, the Opening Ceremony where Goodwill Messages and Keynote Speeches were delivered, as well as the launching of the App for the dissemination of the 1<sup>st</sup> (2015) and 2<sup>nd</sup> (2017) Editions of the NSE 'Nigerian Infrastructure Report Cards (NIRCs). Thereafter, the Concurrent Panel Discussions took place.

The Keynote Papers were:

- 1. "Sustainable Management of Infrastructure: Global and Regional Perspectives" by Prof. Joe Amadi-Echendu (Professor, Graduate School of Technology Management, University of Pretoria, South Africa).
- 2. "The State of the Nation: Infrastructure as a Vehicle for Sustainable Development" by Engr. Olufemi Akintunde, Group Chief Executive Officer, Alpha Mead Group.

The topics and Chairmen of the concurrent panel discussion were:

- 1. "Government Role in the Development of Infrastructure in Nigeria", Chaired by the President, Nigerian Academy of Engineering.
- 2. "Public-Private Partnership (PPP) in the Development, Delivery, Maintenance and Management of Sustainable Infrastructure; and Performance-Based Contracts for Infrastructure Projects", Chaired by Distinguished Senator, Engr. Iyiola Omisore, FNSE, PhD.
- 3. "Innovative Infrastructure Project Financing, Funding Models and Solutions", Chaired by the President, Association of Professional Bodies of Nigeria (APBN).
- 4. "Strategic Policies and Framework for Effective Maintenance, Management and Sustainability of Infrastructure", Chaired by the President, Nigerian Institute of Architects (NIA).
- 5. "Social and Environmental Impacts of Infrastructure Development: Ensuring Environmentally and Socially Sound Sustainable Infrastructure", Chaired by the President, Council for the Regulation of Engineering in Nigeria (COREN).

The Opening Ceremony was chaired by the President of the NSE, Engr. Babagana Mohammed, FNSE and the Special Guest of Honour was His Excellency Federal Minister of Works and Housing, Mr. Babatunde Raji Fashola, SAN, who delivered a Goodwill Message. The App for the dissemination of the 1<sup>st</sup> (2015) and 2<sup>nd</sup> (2017) Editions of Nigerian Society of Engineers (NSE) 'Nigeria's Infrastructure Report Cards (NIRCs)' was presented and thereafter launched by the President of the Nigerian Society of Engineers and the President of the Association of Professional Bodies of Nigeria (APBN), Surv. Akinloye Oyegbola. Other Goodwill Messages were delivered by Distinguished Special Guests including representatives of Honourable Ministers, Presidents of Professional Bodies, Chief Executives of Government and Parastatals and the President of Association of Professional Bodies in Nigeria (APBN). The keynote speeches were delivered by Prof. Joe Amadi-Echendu (Professor, Graduate School of Technology Management, University of Pretoria, South Africa) and Engr. Olufemi Akintunde, Group Chief Executive Officer, Alpha Mead Group.

#### OBSERVATIONS

The following observations were made at the end of the summit:

i. The summit recognised that the National Integrated Infrastructure Masterplan (NIIMP) is a significant primary national development tool, and therefore expected that the NIIMP should rightly:

- Be an integral part of the overall medium-term national development plan.
- Be a national development plan with input and plans for the sub-national, not only nationwide, and must consider the impact of socio-economic and environmental factors.
- Be developed to include a budget for its implementation.
- Be developed with procurement and financing methodology already defined.
- Be developed to include infrastructure assets maintenance and management as an integral part of infrastructure planning, design, development and operation.
- Be legislated for implementation.
- Take into consideration relevant global benchmarks.
- Meet the aspirations for a future Nigeria.

ii. Our national development agenda does not focus on harnessing our strengths in Science, Technology and Innovation for national development by converting our national institutions – Universities & Polytechnics – to research and development centres like the developed world, rather than just academic institutions.

#### FINDINGS

The following findings were made at the end of the summit:

- I. The need for substantial Improvement on approval threshold upward 5% of annual Ministries, Departments and Agencies (MDAs) allocation.
- II. The summit recognised the current effort to fund infrastructure projects, and enjoin the government to continue using the various approaches at her disposal. However, there is lack of focus on a long-term infrastructure finance strategy by the Governments.
- III. There is lack of inter-agency collaboration and coordination among responsible Government Officials/Agencies
- IV. The lack of political will has hampered progress in public-private partnerships (PPP) contracts.
- V. There is inadequate provisions in the Public Procurement Act (2007) with respect to adequate funding and financing of infrastructure projects to ensure timeous completion within planned infrastructure project development lifecycle, because the existing infrastructure funding and financing provisions of the Public Procurement Act (2007) are tied to budgetary and appropriation cycles, without

recourse to other potential sources of infrastructure financing.

- VI. Further to V above, with the prevailing practice funding for infrastructure are mostly done and made available based on the restricted budgetary and appropriation cycles with attendant negative effects of inadequate infrastructure funding and financing.
- VII. In the light of V & VI above, most often the funds appropriated and actually released (in piecemeal) for projects execution are grossly inadequate for required efficient and effective completion of the projects within the planned and stipulated infrastructure development duration.
- VIII. Hence the aggregated effects of situations highlighted in V, VI & VII above do not encourage private sector participation in public procurement of infrastructure as the private sector lacks confidence in the existing provisions for infrastructure projects development funding and financing.

#### RECOMMENDATIONS

The following recommendations were made:

- 1. Our national development agenda should deliberately focus on harnessing our strengths in Science, Technology, and Innovation for national development by converting our national institutions Universities & Polytechnics to research and development centres. This is what is obtainable in developed countries. Hence, our national institutions should transcend beyond just academic institutions.
- 2. There should be improved inter-agency collaboration and coordination among responsible Government Officials/Agencies.
- 3. Government should as a priority, engage and work with the private sector and professionals to develop a realistic framework for sustainable infrastructure planning, development, maintenance and management.
- 4. There should be an effective engagement and participation of stakeholders for public-private partnerships (PPP) contracts/projects to be successful.
- 5. The government should show a higher level of accountability to its citizenry by publishing voluntarily to the public, all monies spent on projects which can be verified, reviewed or queried by the public. This serves to sensitize the public on what the government is doing or has achieved, either on the short term, midterm or long-term basis.
- 6. Government should identify, prioritise and promptly release funds to critical projects. Special budgetary allocation should be directed to clear over-delayed and abandoned projects doting the national landscape.
- 7. Government should appreciate the long-term implications on the cost of running development agencies on political plans only, and should take cogent and necessary steps to reverse this perennial trend. It should therefore have and embed meritocracy and professional relevance to the sector.
- 8. Governments should focus on a long-term infrastructure finance strategy and ensure implementation of the strategy
- 9. To ensure that the NIIMP is effectively implemented, it should be given the full

backing of the law through an Act of the National Assembly. This would provide the needed confidence that investors require to guarantee the safety of their investments. The law should address concerns relating to project selections, project structuring and prioritization, funding mechanisms, the regulatory pattern and the implementation strategies.

- 10. The federal and state governments should ensure that all existing laws affecting the delivery and provisioning of the various infrastructure assets in the country are reviewed in the light of present realities and peculiar circumstances of the country so as to achieve the goals and objectives of the NIIMP.
- 11. The federal government should harmonise the Bureau of Public Enterprises (BPE) Act, the Infrastructure Concession and Regulatory Commission (ICRC) Act and other applicable laws for Public Private Partnerships (PPP) to be done effectively in the country.
- 12. The Federal Government should review and amend the Section 16(b) of the Public Procurement Act, 2007 so as to address the inadequacies with respect to public funding and financing of infrastructure projects as required in the light of the desired goals, objectives and implementation of the NIIMP.
- 13. The National Pension Commission (PENCOM) and Infrastructure Concession Regulatory Commission (ICRC) should work together to aid project financing and policy implementation that impact on project financing, as well as develop local capacity in feasibility studies needed to develop successful PPP contracts/projects.
- 14. Government should work with industry experts and professionals to update regularly the National Integrated Infrastructure Master Plan (NIIMP) which should be holistic, systemic, integrated, optimal, risk-based, systematic and sustainable for efficiency, effectiveness and the achievement of intended development outcomes, including a long-term vision and development of prototypes invented by Nigerians, adopting international standards.
- 15. Industry experts and professionals should be involved in the development of an infrastructure Result-Based Monitoring and Evaluation Systems Management framework and its implementation for skills acquisition and technology transfer, and the implementation of the NIIMP to track infrastructure performance and productivity.
- 16. The federal, state and local governments should ensure that work-based and experience-based learning platforms are provided to Nigerians during infrastructure project planning, initiation, development, execution, operational, maintenance and management phases. This will not only enhance technology transfer, but will also foster 'learning by doing', opportunities that are not offered by the university system, even in the most advanced economies.
- 17. A strategic national infrastructure critical skills development framework which shall ensure that the public procurement policies, regulations and processes make provision for enforceable critical skills development key performance

indicators (KPIs) component akin to the local content policy should be developed and implemented.

- 18. Infrastructure assets maintenance and management as an integral part of infrastructure planning, design, development, and operation should be embedded right from the planning stage to the end of project and infrastructure asset life cycle. It is, therefore, very critical to integrate infrastructure maintenance and management strategies and implementation into the plan of any project.
- 19. Infrastructure sustainability principles and practices should be embedded in the blueprint of infrastructure development, and implemented.
- 20. The Association of Professional Bodies of Nigeria (APBN), as a professional body in Nigeria should convene a National Summit on the National Integrated Infrastructure Master Plan (NIIMP) currently undergoing review so as to make holistic and robust input.

#### CONCLUSIONS

This communique should be transmitted to all levels of government (federal, state and local government), the executive and legislative arms of government, for required consideration of the observations, findings and implementation of the recommendations. The recommendations and practical guides proffered should inform government policies directed towards sustainable infrastructure planning, development, operation, maintenance and management in Nigeria.

Signed:

Engr. Ademola Isaac Olorunfemi, FNSE Summit Coordinator Engr. Dr. Okopi Alex Momoh, FNSE Executive Secretary