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List of Abbreviations and Acronyms

**ALGON:** Association of Local Governments of Nigeria.

**APP:** Federal Agricultural Promotion Policy.

**ATA:** Nigeria Agriculture Transformation agenda.

**DMO:** Debt Management Office.

**EC:** European Commission.

**RDF:** European Development Fund.

**ERGP:** Economic Recovery and Growth Plan.

**ESP:** Nigeria Economic Sustainability.

**EU:** European Union.

**FMARD:** Federal Ministry of Agriculture & Rural Development.

**FPA:** Framework Partnership Agreement.

**iSDG Model:** Integrated Sustainable Development Goals.

**LGA:** Local Governments Areas.

**LAs:** Local Authorities.

**MTEF:** Medium Term Expenditure Framework and Fiscal Strategy Paper.

**NAP:** National Adaptation Plan.

**NASPA-CCN:** National Adaptation Strategy and Plan of Action on Climate Change for Nigeria.

**NIIMP:** National Integrated Infrastructure Master Plan.

**NIR:** Nigeria Industrial Revolution.

**NIRP:** Nigeria Industrial Revolution Plan.

**NPC:** National Planning Commission.

**NSHDP:** National Strategic Health Development Plan.

**NSS:** National Statistical System.

**PSRP:** Power Sector Recovery Programme.

**VNR:** Voluntary National Review.
1. INTRODUCTION

I. UCLG - Terms of Reference

In 2015 the EU Commission and five representatives of international and regional associations of local authorities, including the United Cities and Local Governments of Africa (UCLG-Africa) signed a framework partnership agreement (FPA) following the adoption of 2013 European Commission (EC) Communication “Empowering local authorities (LAs) in partner countries for enhanced governance and more effective development outcomes”. It was a milestone. Taking advantage of the FPA, the five presidents of these bodies presented to the European Commission in December 2019 a Memorandum seeking to enhance local authorities’ contribution in the definition and implementation of the EU 2021/27 MFF and NDICI.

Similarly, respective national associations in Africa would be expected to mobilize their energy to strengthen the case already canvassed in the said memorandum for **mainstreaming the LAs within the geographic component of NDICI in their respective countries**. In order to assist the national association of local government in Nigeria (ALGON) for the EU delegations’ forthcoming programming process, a Service contract was executed between UCLG Africa and a National Consultant (Dr Chris Asoluka) for a ten-day duration from June 30, 2020 for the production and submission of:

A) **A Compendium** of key reference documents with a summary reader note on three issues namely:

I. National Development Policy and Strategies:

✓ Official reference documents on the national development plan and national sector policies;
✓ Key milestones and decisions on the implementation of the national development plan and sector strategies;
✓ Any other support documents informing on long term national development perspective etc.;
II. National Decentralization Policy:
✓ Legislation and regulation on decentralization, with special attention on institutional framework organizing the sharing of powers between the national and the subnational and local levels of governance;
✓ The identification of general mandate and specific mandates underlying the space and autonomy of the Las responsibilities;
✓ The functioning of the national association of local authorities.

III. EU Cooperation
✓ Document on the current National Indicative Program (NIP) implemented in the country, and any document in assessment of the implementation of the NIP;
✓ Results of the pre-programming exercise of the European Union and foreseen sector of priority for the EU Cooperation (2021/2027).

B) An Analytical Report centred mainly on the state of the art of the decentralization process in the perspective for the localization and territorializing of national and sectoral policies and policies.

✓ A political Economy analysis checking the feasibility of a new LA driven political agenda at country level and the opportunities and constraints created by the decentralizing reforms;
✓ A rapid SWOT analysis of the National association of local authorities to be discussed with the leadership of the association, especially regarding the TALD and the role of Las as development actors;
✓ A state of the art regarding the territorializing of national policies and global agendas including SDGs, in terms of both policies and programs adopted in the framework of the national development plan.

II. Purpose/Objectives

A. The purpose of the compendium is to provide the national association (ALGON) a bird’s eye view of relevant documents and references; and the analytical report is to serve as a background document to a national seminar (webinar) planned for the members of the national association of local authorities;
B. The objectives of the seminar include:
✓ To define and agree on key priority actions for their roadmap for the dialogue with the national government and the EU delegations leading on the EU cooperation programming process;
✓ To define the advocacy and lobbying strategy that the national association of local authorities (ALGON) should implement in order that its roadmap is positively considered in the programming process.

III. Methodology/Presentation of Thematic Areas

The exercise will rely on secondary data collected largely on the internet due to constraints of time and resources, and due to the Pandemic of Covid-19. It will however review some of the relevant materials drawn from the UN and AU documents but the compendium will specifically cover three key thematic areas as follows:

Section Two follows immediately aimed at providing the key agendas and understanding of national development policy and strategies, especially those anchored on major globally adopted policies in furtherance of economic, social and environmental sustainability. For example, it is no surprise that the major plan of Nigeria’s national development policy and strategies will align with the United Nation’s position on Sustainable Development Goals (SDGs) 2030, it indeed drives its focus drive and priority.

The section identifies Nigeria’s Vision 20-2020, followed the main policy and strategy statement, the Economic Recovery and Growth Plan (ERGP) 2017/27 and the Economic Sustainability Plan (ESP) 2020, which was released to take into account the Covid-19 pandemic. Although the ERGP is still in use, it’s successor plan now to issued in two parts for a five-year period each, from 2021/2032.

However, the ERGP is complemented with a number of subsisting policies including Nigeria Industrial Revolution (NIR) 2014 and the Nigeria Integrated Infrastructure Master Plan. A brief comment will highlight the extent local governments are included in their implementation.
Section 3 focuses on National Decentralization policy in the Constitution of the federal Republic of Nigeria, (CFRN) 1999, as amended, enabling legislations, Constitution of Association of local Governments of Nigeria (ALGON) and some judicial reviews (case laws).

Section 4 focuses on the EU Cooperation and the state of EU-Nigeria, 2017/2020 implementation and evaluation. It also includes external independent assessment. Section 6 is for general observations and recommendation, Bibliography is provided at the end.

2. NATIONAL DEVELOPMENT POLICY AND STRATEGIES

I. Overview

The national development policy and strategies are provided in the Nigeria Vision 20-2020, Nigerian Economic Recovery and Growth Plan (2017/2020), which has been consolidated with an Economic Sustainability Plan 2020 to take account of Covid-19. The ERGP (2017/2020) is soon to be replaced by a ten-year development plan to be presented in two installments, 2021/2026 and 2027/2032, the next development plan for 2021/2026 will be released by the end of 2020. However, the Vision 20-2020 and the ERGP, which incorporates several policies and strategies, are listed and briefly discussed as follows:

II. Nigeria’s Vision 20:2020

Summary: In 2009, the Federal Republic of Nigeria set some objectives which will kickstart the economy to become among the top 20 economies in terms of GDP size by 2020.

The Vision 20:2020 focuses on two broad objectives:

 ✓ To make efficient use of human and natural resources to achieve rapid economic growth; and;
 ✓ To translate the economic growth into equitable social development for all citizens.

The strategies to achieve these objectives include:

 ✓ To urgently and immediately address the major constraints to Nigeria’s growth and competitiveness, such as: epileptic power supply, weak infrastructure and institutions among others;
To aggressively pursue a structural transformation of the economy from a mono-product to a diversified and industrialized economy;

Invest in human capital to transform the Nigerian people into active agents for growth and national development; and

To invest in infrastructure to create an enabling environment for growth, industrial competitiveness and sustainable development.


**Summary:** The Economic Recovery and Growth Plan (ERGP), a Medium-Term Plan for 2017-2020 was developed for the purpose of restoring economic growth while leveraging the ingenuity and resilience of the Nigerian people, referred to as “the nation’s most priceless assets”. It is also articulated with the understanding that the role of government in the 21st century must evolve from that of being an omnibus provider of citizens’ needs into a force for eliminating the bottlenecks that impede innovation and market-based solutions. The Plan also recognizes the need to leverage Science, Technology and Innovation (STI) and build a knowledge-based economy.

IV. Nigeria Economic Sustainability (ESP)

**Summary:** Following the health and economic emergencies caused by the COVID-19 pandemic, His Excellency, President Muhammadu Buhari established the Economic Sustainability Committee (ESC) on March 30, 2020. Its objectives/Key milestones include:

- To stimulate the economy by preventing business collapse and ensuring liquidity;
- Retain or create jobs using labour intensive methods in key areas like agriculture, facility maintenance, housing and direct labour interventions;
- Undertake growth enhancing and job creating infrastructural investments in roads, bridges, solar power, and communications technologies;
- Promote manufacturing and local production at all levels and advocate the use of Made in Nigeria goods and services, as a way of creating job opportunities, achieving self-sufficiency in critical sectors of our economy and curbing unnecessary demand for foreign exchange which might put pressure on the exchange rate; and
Extend protection to the very poor and other vulnerable groups – including women and persons living with disabilities - through pro-poor spending.

Key projects put forward by relevant Ministries to sustain economic activity, boost production, create the maximum number of jobs possible and save foreign exchange include;

✓ A Mass Agricultural Programme: This is expected to bring between 20,000 and 100,000 hectares of new farmland under cultivation in every State of the Federation. The aim is to create millions of job opportunities, directly and indirectly, over a 12-month period.

✓ Extensive Public Works and Road Construction Programme (focusing on both major and rural roads): As the country cannot afford to continue with the importation of bitumen for road construction, emphasis will now be on the use of locally available materials like limestone, cement and granite.

✓ Mass Housing Programme: This programme is expected to deliver up to 300,000 homes annually, engaging young professionals and artisans who form themselves into small and medium scale businesses within the construction industry.

✓ Installation of Solar Home Systems: The proposed Solar Home Systems Project will cover up to 5 million households, serving about 25 million individual Nigerians who are currently not connected to the National Grid.

✓ Strengthening the Social Safety Net: This will be achieved through an increase in the number cash transfer beneficiaries, N-Power volunteers and sundry traders enjoying small and micro loans through the MarketMoni and TraderMoni schemes. The preexisting conditional cash transfer will be extended to cover mostly the rural poor.

✓ Support for Micro, Small & Medium Enterprises: Implementation of a scheme to support business activities of MSMEs through guaranteed off take of items like personal protective equipment, face shields, face masks, hand sanitizers, soaps, etc.

✓ Survival Fund: This is to give payroll support to small and medium-sized enterprises so that they can keep their employees and help maintain jobs.
Promotion of Domestic Gas Utilization: To take advantage of Nigeria’s abundant gas resources, which is also cheaper and more friendly to the environment, this project will promote indigenous manufacture of gas cylinders, building of gas filling stations and conversion of cars to promote the wide use of compressed natural gas in the domestic market.

Digital Technology: To foster a culture of innovation and create a wide variety of technology and ICT jobs, special attention will be paid to the promotion of technology hubs, call-centres for business process outsourcing and digitization of processes, both in Government and within the private sector.

V. Medium Term Expenditure Framework and Fiscal Strategy Paper (MTEF) 2020/2022

Summary: The Medium-Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) is a 3-year transparent planning and budget formulation tool used for linking policy, planning and budgeting over a medium-term. The MTEF/FSP consists of the macroeconomic model that indicates estimates of revenues and expenditures, fiscal targets, risks as well as government financial obligations. Essentially, it establishes a credible basis for allocating public resources to strategic priorities while ensuring overall fiscal discipline. The goal is to improve the macro-fiscal situation as well as the impact of government policy.

Its objectives include;

Enhancing Economic Growth and Promoting Inclusiveness: Fiscal policy will be geared towards enhancing growth and promoting inclusiveness. The economy is expected to recover and grow over the medium term by 3.5%, reaching 3.9% in 2021. To realize this objective, new private investment will be harnessed, and expansionary public sector infrastructure spending will be sustained. Government will strengthen the frameworks for concessions and public private partnerships, including working with the legislature to address legislative and regulatory bottlenecks. In addition, government support will be geared towards stimulating activities of Small and Medium-Scale Enterprises (SMEs).
✓ **Promoting Economic Diversification:** The diversification of the productive base of the Nigerian economy has been a critical objective of Government for a long time. In the medium-term, Government will intensify its economic diversification efforts through targeted interventions to boost the non-oil economy.

✓ **Maintaining Macroeconomic Stability:** Sustaining the positive trajectory of key macroeconomic variables is the thrust of macroeconomic policy. A coherent and stable macroeconomic environment is a pre-requisite for sustained growth. It engenders certainty and enables businesses and households to plan their production, investment and consumption activities. In the medium term, macroeconomic objectives shall be to ensure stability in the macroeconomic environment, accelerate economic growth and enhance social inclusion through employment and job creation. The strategies of government as encapsulated in the ERGP are aimed at ensuring that the country achieves the global Sustainable Development Goals (SDGs).

✓ **Increasing Revenue Generation:** Government’s strategy is to continue engagements with stakeholders in the Niger Delta for lasting peace and conducive environment for oil production, distribution and export. In addition, pipeline security will be enhanced to attract new investments and polluted areas will be cleaned. The implementation of the Petroleum Industry Governance Bill (PIGB) is expected to reduce uncertainties and further promote new private sector investments in the sector. Oil revenues will be used to further diversify the production and revenue base of the economy.

✓ **Rebalancing the Distribution of Government Spending:** Government’s fiscal strategy has included efforts to address the imbalance between recurrent and capital spending. In 2015, 84% of the budget was allocated to recurrent spending while 16% was provided for capital projects.

✓ **Improving the Quality of Spending:** Government remains committed to improving the efficiency and quality of its spending. Thus, public expenditure will be properly scrutinized to ensure value for money. To achieve this, budget formulation process will be further strengthened, and capital projects will be evaluated in line with the ERGP objectives.
Ensuring Sustainable Deficit Levels: The Debt Management Office (DMO) is pursuing a debt management strategy designed to lower the debt service cost by rebalancing the debt stock in favour of cheaper foreign currency borrowings. This would significantly create more fiscal space for the private sector in the domestic credit market with overall positive impact on interest rates.

VI. Nigeria Industrial Revolution Plan

Summary: The Nigeria Industrial Revolution Plan is a five-year plan to rapidly build up industrial capacity and improve competitiveness in Nigeria. The plan identifies Industry groups where we have comparative advantage – Agro Allied and Agro Processing; Metals and Solid Minerals Processing; Oil and Gas related Industries; and Construction, Light Manufacturing, and Services. The NIRP also addresses the numerous issues that have held back the Nigerian non-oil sector for years – it addresses the high cost of funding and lack of long term finance in Nigeria; it builds up Industrial infrastructure and power for industry; provides industrial skills; links innovation and industry; improves the investment climate; strengthens product standards; and promotes local patronage.

The NIRP has evaluated areas where Nigeria has some level of regional or international comparative advantage. The criteria used for selecting the focus sector groups are:

- Existing Skills and Installed Capacity;
- Natural Endowments;
- Competitive Cost Base;
- Labour Intensity;
- Potential for linkages with other industries;
- Local and regional demand;
- Ability to export to developed markets.

In addition, the following sectors have also been evaluated based on their potential for economic impact, job creation, and opening of new non-oil export markets for Nigeria.
✓ **Agribusiness & Agro Allied:** Nigeria’s rich agricultural ecosystem offers significant potential to increase production and growth. The NIRP’s aim is to maximize the benefits from the country’s agricultural resources, build an end-to-end integrated agro value chain, boost local production to meet local demand, and reduce the country’s reliance on imports of processed food products. The NIRP is focused on mid-stream and downstream processing and market activities, and therefore integrates with the Nigeria Agriculture Transformation agenda (ATA), which increases agro-output to feed industry and the NIRP.

✓ **Solid Minerals & Metals:** Massive untapped raw reserves, notably iron ore, can enhance industrial output. The NIRP proposes to create a strong industry that can tap into the mining sector (initially focusing on the iron ore value-chain) and build a competitive advantage around high value high-volume products further down the value-chain (e.g. automotive). The NIRP will create an enabling environment targeting large-scale investors, in order to institutionalize world-class production standards in the country.

✓ **Oil and Gas related Industry:** Significant hydrocarbon reserves provide the foundation for Nigeria to build competitive oil and gas driven industries. Specifically, Nigeria could use its cheap and abundant gas to revitalize industry, encourage high value-adding downstream investments, and build institutional industrial strengths within the country.

✓ **Construction, Light Manufacturing, and Services:** Significant opportunities exist in the local market driven by Nigeria’s large consumer population, business demands, and infrastructure needs.

**VII. National Integrated Infrastructure Master Plan**

**Overview:** The National Integrated Infrastructure Master Plan (NIIMP) is Nigeria’s blueprint for boosting and modernizing the nation's stock of Infrastructure over the next 30 years in priority projects such as agriculture, energy, housing, ICT and security. The National Planning Commission (NPC) in 2012 initiated the crafting of a long-term Infrastructure Development Plan that will engender sustainable economic growth and development, in furtherance of the current President's Transformation Agenda. The catalytic
role of modern infrastructure in national development cannot be overemphasized. The development of the NIIMP was anchored on the need to harmonize the various sectoral infrastructure development plans into a single, comprehensive and coherent document taking into consideration inter-sectoral linkages.

VIII. The Agriculture Promotion Policy 2016-2020

Summary: Nigeria is facing two key gaps in agriculture today: an inability to meet domestic food requirements and an inability to export at quality levels required for market success. The former problem is a productivity challenge driven by an input system and farming model that is largely inefficient. As a result, an aging population of farmers does not have enough seeds, fertilizers, irrigation, crop protection and related support to be successful. The latter challenge is driven by an equally inefficient system for setting and enforcing food quality standards, as well as poor knowledge of target markets. Putting Nigeria’s agriculture sector on a path to growth will require actions to solve these two gaps: produce enough fresh, high quality foods for the Nigerian market; and serve the export market successfully and earn foreign exchange. The new federal Agricultural Promotion Policy (APP) is a strategy that focuses on solving the core issues at the heart of limited food production and delivery of quality standards. As productivity improves domestically and standards are raised for all Nigerian food production, export markets will also benefit impacting positively on Nigeria’s balance of payments.

The Federal Ministry of Agriculture & Rural Development (FMARD) in consultation with partners has identified an initial pool of crops and related activities that will be Nigeria’s path to tackling the gaps.

- FMARD will prioritize improving productivity into several domestically focused crops and activities. These are rice, wheat, maize, fish (aquaculture), dairy milk, soya beans, poultry, horticulture (fruits and vegetables), and sugar. Second, FMARD will prioritize for export markets the production of the following crops and activities: cowpeas, cocoa, cashew, cassava (starch, chips and ethanol), ginger, sesame, oil palm, yams, horticulture (fruits and vegetables), beef and cotton.
FMARD will also work with a network of investors, farmers, processors and other stakeholders to deepen the supporting infrastructure to ensure that quality standards are defined and maintained across the value chain. That will involve adding more testing laboratories, improving traceability of crops, disseminating intelligence on export markets and consumer preferences, etc.

IX. Second National Strategic Health Development Plan II (2018-2022)

Summary: Various development agenda over the years recognized poor health as a major contributor to the low level of development of the country and have always invested in health development as part of its overall strategy. To this end, the Federal and State governments have over the years, invested in the development and implementation of various health sector reform programs geared towards the overall development of a modern, efficient and effective healthcare delivery system that guarantees the productivity and wellbeing of all Nigerians. Previous health sector development has been guided by the Health Sector Reform Programme (2004 -2007) and the First National Strategic Health Development Plan (2010– 2015) that sought to operationalize the National Health Policy of 1983 that was subsequently revised in 2004 and 2016. Despite these investments, efforts at health system strengthening have not had the desired effect, resulting in limited health care coverage and persistently poor health status of the population.

The NSHDP II provides a common strategic framework for health sector development that will guide all health interventions by all stakeholders during the period 2018 – 2022. Specifically, the NSHDP II provides a framework for:

- Mobilizing resources for the health sector;
- Guiding the development of a Medium-Term Sector Strategy, Medium-Term Expenditure Framework, health sector Annual Operational Plans and budgets at all levels; and
- Aligning and coordinating the partner support in health development in the country.
X. **Power Sector Recovery Programme (2017-2021)**

**Summary:** The Power Sector Recovery Programme (PSRP) is a series of policy actions, regulatory, operational, governance and financial interventions to be implemented by the Federal Government of Nigeria (“FGN”) over the next five (5) years to restore the viability of Nigeria’s power sector, improve transparency and service delivery, resolve consumer complaints, reduce losses and energy theft.

The Programme was developed with the support of the World Bank Group (WBG) and its objectives are to:

- Restore the sector's financial viability;
- Improve power supply reliability to meet growing demand;
- Strengthen the sector's institutional framework and increase transparency;
- Implement clear policies that promote and encourage investor confidence in the sector; and
- Establish a contract-based electricity market.

XI. **National Adaptation Strategy and Plan of Action on Climate Change for Nigeria (NASPA-CCN)**

**Summary:** Climate change is the latest challenge to sustainable human development. Climate change is having negative impacts on efforts to achieve Nigeria’s development objectives, including the targets set out in Nigeria Vision 20:2020 and the Millennium Development Goals (MDGs).

The NASPA-CCN seeks to minimize risks, improve local and national adaptive capacity and resilience, leverage new opportunities, and facilitate collaboration with the global community, all with a view to reducing Nigeria’s vulnerability to the negative impacts of climate change. The NASPA-CCN outlines recommended strategies for each of the 13 priority sectors/themes areas, and defines a set of policies, programmes and measures based on these strategies.

The strategic areas are listed below;

- Strategies for Agriculture (Crops and Livestock);
- Strategies for Freshwater Resources, Coastal Water Resources and Fisheries;
- Strategies for Forests;
- Strategies for Biodiversity;
Strategies for Health and Sanitation;
Strategies for Human Settlements and Housing;
Strategies for Energy;
Strategies for Transportation and Communications;
Strategies for Industry and Commerce;
Strategies for Disaster, Migration and Security;
Strategies for Livelihoods;
Strategies for Vulnerable Groups;
Strategies for Education.

XII. National Adaptation Plan Framework, June 2020

Summary: This National Adaptation Plan (NAP) Framework aims to facilitate the management of Nigeria’s medium- and long-term adaptation needs in a coherent and coordinated manner. Its purpose is to guide the government and law-makers in developing, coordinating, and implementing the various policies, plans, strategies, and legislation that will enable Nigeria to address its adaptation needs.

Specifically, the objectives of the NAP Framework are to:

✓ Clarify the country’s approach to its NAP process. This includes articulating the country’s vision of climate change adaptation, its adaptation objectives, the principles that will guide adaptation actions, roles and responsibilities among relevant stakeholders. It is also a reference point for bringing together various adaptation planning efforts from different sectors and scales of decision making (i.e., national, states, and local governments);

✓ Align the NAP process with existing policies (e.g., Economic Recovery & Growth Plan [ERGP], NASPA-CCN, National Climate Change Policy Response and Strategy [NCCP-RS]), strategies, and adaptation research;

✓ Focus on specific themes that are particularly relevant and/or unique to Nigeria’s context.
XV. Milestones and Challenges of National Development Plans and Strategies

Summary: The challenges identified below have had negative impact on the implementation of the national development plans and strategies and realization of expected milestones. Some of these major challenges include:

- **Human Capital Development:** An assessment of education and health sectors in the country shows that a lot need to be done in Nigeria. Education in Nigeria has experienced considerable decline in quality over the years, owing to factors including: episodic and uncertain political policy environment that lead to declining support from governments and budget cuts, out of 1.2 million for university admissions annually in Nigeria, only 148,323 slots are available, Nigeria’s net primary and gross secondary enrolment rates are among the 10 lowest in the world, only 60% of children of primary school age are enrolled in education with a clear under-representation of girls in both primary and secondary education and Nigeria has been placed among the 10th lowest countries in the world in respect to pupil per teacher ratio. A cursory look at the health sector in Nigeria shows problems ranging from poor funding to lack of medical facilities and medical professionals among others.

- **Bad Governance:** Apart from poor funding in education and health, bad system of governance in the country is partly responsible for the poor state of infrastructure in all sectors. Bad governance has been the bane of Nigeria’s development efforts as a nation since the era of the oil boom. Corruption has led to the diversion of resources meant for the provision of critical infrastructure in every sector on the country.

- **Top-down implementation strategy and weak project monitoring and evaluation:** Effective monitoring and evaluation is a catalyst for a successful plan. Through effective monitoring and evaluation, there is tendency to ensure appropriate as well as effective implementation of development projects. However, the mechanisms for effectively evaluating and monitoring development projects are grossly inadequate in Nigeria.
**State of Insecurity in the Country:** The present security challenges facing Nigeria is also one of the factors that can affect the realization of the vision 20:2020. Insecurity in general stops foreign direct investments which is critical to the economic growth and development of a nation. The current security challenges ranges from ethno-religious crises, Niger-Delta crisis and the Boko Haram insurgency in the North are issues that are now facing Nigeria and Nigerians in general.

**Power Supply:** The stable power supply determines, to a large extent, the growth and development of a country, and is, therefore, critical for achievement of the vision 20:2020. The instability in the power sector is contributing to the setback in the economic growth and development largely because companies are dying off while others have been relocated to the neighboring African countries.

**Poverty:** Instead of poverty rate to reduce significantly, it has been on increase, In spite of the abundant resources in the country. It has been estimated that about half of the 170 million Nigerians live on less than 1 dollar per day and up to 70% of the population live on less than 2 dollars a day.

XVI. **Recommendations**

**Summary:** The following recommendations are offered for the effective realization of the future policy objectives.

- This is the time for the programme implementation process to be overhauled, streamlining their roles either by sticking with laid down decentralization provisions or by the federal government delegating some of these activities guided by principle of subsidiarity for reduction of role duplication, waste and cost effectiveness.

- The end beneficiaries of government programmes whether provided by the federal or local governments are the people. It is therefore an appropriate time for donor partners to explore an incentive scheme where territorializing approach for local development is encouraged and rewarded. The shift will be most useful for investment in education and health; both of which are the causes for the present poor conditions of Nigeria’s development.
✓ It is important that the Government commits to a long-term and consistent funding of the costs of improving and maintaining of various infrastructures.

✓ Greater transparency and good governance: the country needs to be more transparent in her way of doing things.

✓ There should be regular monitoring and audits of government’s progress in the implementation of its plans in all sectors and investing more on infrastructure in the critical sectors of the economy in order to ensure that public money is being judiciously spent and that the public is paying a fair price for the services that are being provided.

✓ Ministries and other public bodies should be held responsible and accountable for their especially in the area of infrastructural development. Improving the freedom of access to information concerning the activities of the government surely will attack corruption at the roots.

✓ Urban and regional planning will go a long way in achieving the desired balanced growth and development and usher in a new era of prosperity in the country.

✓ To combat increase in crimes and poverty, there is the need for governments at all levels to for a holistic reforms in the nation’s security architecture, tilting more towards community policy rather than the existing over centralized to help in reducing the situations by increasing funding for security and ensure that the funds are judiciously utilized. There is also the need for adequate funding and monitoring of poverty alleviation programs.

3. NATIONAL DECENTRALIZATION POLICY

I. Overview

Decentralization suggests a situation where power is shared among different levels of governance. To some extent, each level enjoys some measure of autonomy and authority as well as indispensable legal, administrative and financial tools for fulfilling their mission. In a unitary system of government such autonomy is donated by the central government while in federations such as Nigeria, the regions or states tend to have more control over the local government. Yet the degree of control within the same country may change over time. Nigeria is a federation where the regions/states until 1976 reforms maintained a strong hold over the local government including their existence or death, financial and administrative controls. Prompted by the desire to bring governance closer to the people, be it for grooming leadership or in recognition
of the logic of subsidiarity drive, the local government system has now been accorded constitutional recognition as “the third tier of government” in Nigeria. The Constitution of the Federal Republic of Nigeria, (CFRN) 1999, as amended, clearly created the local governments system as a tier of government in Nigeria. The history, structure and practice of local government administration have continued to cast a shadowy image. The old habit of control by states as well certain constitutional ambiguities; have created an arena for struggle, eroding the scope of autonomy, power and extent of fiscal independence of local governments. The process is unraveling and this section is intended to review the state of decentralization in Nigeria.

1976 Local Government Reform

Summary: Local Government has enjoyed several reforms in Nigeria with the view of repositioning the local government for effective grass root democracy and political participation of the rural people in the political activities of the State. Importantly, the 1976 Local Government Reform was designed to strengthen the Local Governments system in such a manner that it will stimulate democratic self-government; encourage initiative and leadership potentials at the grassroots. The reforms were to ensure the availability of amenities, such as electricity, adequate water supply, improved transportation, health facilities etc. Some highlights of these reforms include:

- The 1976 reform established a uniform system of local government as regards their functions, structure, and financing nationwide.
- The local government was made the third tier of government of the federation.
- The 1976 reform created large sized local government areas nationwide.
- The federal government was to fund the local government with a statutory percentage share of the federation account and state revenue went to the local government. Also, special grants were made available to the Local Government Service Board and Commission.
- The office of Chairman and Supervisory Councilors were made full-time.
- The 1976 local government reform prevented traditional rulers from practicing politics by setting up a separate council of chiefs with essential advisory role.
- The reform harmonized the condition of service of local government personnel with the personnel of the state and federal governments.
- The 1976 reform granted full democratization of all local governments in Nigeria.
The Chairman and Councilors were made to be elected and paid fixed monetary allowances.

Dasuki Committee Report on Local Government Reforms, 1984

Summary: There have been several significant efforts made to reform the local government system in Nigeria without significant impact in their structure and functionality. In 1976, the Federal Military Government of Nigeria introduced a unified local government system, making them a one-tier system, a significant departure from the multi-tier system. This landmark reform enabled the creation of the three tiers of government. The Buhari administration instituted the Dasuki Local government Reform Panel that submitted its reports in 1984 with the following recommendations:

- A local government area should have a minimum population of 100,000 to 150,000;
- A local government area should have a minimum tax paying population of 20,000;
- A local government area should have a viable geographical contiguity;
- A local government area should be a place with economic and financial viability; as well as
- A local government area should have administrative convenience.

II. Constitution of Federal Republic of Nigeria, 1999, as amended

Summary: Nigeria operates a Federal System of Government, with three (3) tiers of government, namely Federal, States and Local Governments. The federation is consisting of:
- Federal Capital Territory;
- 36 States;
- 774 Local Governments Areas (LGA).

Local Government Council administers each LGA. The Council comprises the Chairman who is the Chief Executive of the LGA, and other elected members who are referred to as Councillors. The Chairman is normally elected, but may, under special circumstances also be appointed.

The Federal Republic of Nigeria as a sovereign country, is governed in accordance with the provisions of the 1999 Constitution of the Federal Republic of Nigeria, thus the functions and roles of LGA as a tier of government are provided in the said 1999 Constitution.

Establishment Provision: Section 7(1) of the 1999 constitution provides that: “The system of local government by democratically elected local government councils is under this constitution guaranteed; and accordingly, the government
of every state shall, subject to section 8 of this constitution, ensure their existence under a law which provides for the establishment, structure, composition, finance and functions of such councils”.

**Mandates:** Local Government as the third tier of Government in Nigeria is the closest government to the people as it deals with the people from the grassroots level. The following responsibilities (as spelt out by the 1999 Constitution Fourth Schedule) are listed below: -

- The consideration and the making of recommendations to State commission on economic planning or any similar body on:
  - The economic development of the State, particularly in so far as the areas of authority of the council and of the State are affected, and
  - Proposals made by the said commission or body;
- Collection of rates, radio and television licenses;
- Establishment and maintenance of cemeteries, burial grounds and homes for the destitute or infirm;
- Licensing of bicycles, trucks (other than mechanically propelled trucks), canoes, wheelbarrows and carts;
- Establishment, maintenance and regulation of slaughterhouses, slaughter slabs, markets, motor parks and public conveniences;
- Construction and maintenance of roads, streets, streets lightings, drains and other public highways, parks, gardens, open spaces, or such public facilities as may be prescribed from time to time by the House of Assembly of a State;
- Naming of roads and streets, and numbering of houses;
- Provision and maintenance of public conveniences, sewage and refuse disposal;
- Registration of all birth, death and marriages;
- Assessment of privately-owned houses or tenements for the purpose of levying such rates as may be prescribed by the House of Assembly of a State; and
- Control and regulation of movement and keeping of pets of all descriptions, out-door advertising and hoarding, shops kiosks, restaurants, bakeries and other places for the sale of food to the public, laundries and licensing for the sale liquor.

- Local Government is also empowered by the same constitution to provide and maintain primary, adult and vocational education; the development of agriculture and natural resources other than the exploitation of
minerals, the provision and maintenance of health services and such other functions as may be conferred on a Local Government Council by the House of Assembly of a State.

**Funding:**

i. Section 162 (6) (8) of the 1999 Nigerian Constitution, as amended, designated State Joint Local Government Account into which shall be paid allocations to the local government councils of the state from the federation account and from the government of the state. The amount standing to the credit of local government councils of a state shall be distributed among the local government councils of that state and not for other purposes”.

**III. Revenue Allocation (Federation Account) Act, 1992**

**Summary:** The Revenue Allocation (Federation Account) is an act to prescribe the basis for distribution of revenue accruing to the Federation Account between the Federal and State Governments and the Local Government Councils in the States; the formula for distribution amongst the States inter se; the proportion of the total revenue of each State to be contributed to the State Joint Local Government Account; and for other purposes connected therewith. In the 1992 Act, the distribution was as follows:

- Federal Government – 48.5%
- States – 24%
- Local Government Councils – 20%
- Special Funds – 7.5% (FCT- 1 $, Ecology-2%, stabilization fund – 1.5% and Natural Resources -3)

By Executive Order, which was consistent with the Constitution S162, only three tiers shared from the Federation account with the following distribution:

- Federal Government – 52.68%
- States – 26.72% and
- Local Government Councils – 20.6%

Subject to the provisions of this Act reinforced by S162 (5) of CFRN, 1999, as amended, the amount standing to the credit of local government councils in the Federation Account shall be distributed among the States of the Federation for the benefit of their local government councils using the same factors specified in this Act.
IV. Value Added Tax Act, 1993

Summary: Around the globe especially in the developing economies, Value Added Tax revenue has been recognized as accounting for a significant percentage of the total government revenue. Value Added Tax (VAT) is administered in Nigeria by the Federal Inland Revenue Service (FIRS) through the VAT directorate Abuja. The jurisdiction of VAT lies with the federal government of Nigeria and the proceeds from VAT are distributed among the three tiers of government in Nigeria in an approved ratio listed below:

- Federal Government: 15%
- State Government: 50%
- Local Government: 35%

V. The Constitution of the Association of Local Governments of Nigeria (ALGON)

Summary: Association of Local Governments of Nigeria (ALGON) was founded on November 29, 1999 after formal registration under the relevant extent laws of the Federal Republic of Nigeria. Before then, however, there existed in Nigeria, smaller regional Associations with their activities restricted to their particular regions within the country. These all collapsed to form a truly National Association now known as ALGON. ALGON is the umbrella Association of all the 774 Local Governments and Area Councils in Nigeria and its membership is institutional, that means that Local Governments are the members but being represented by Council Chairmen. The Association is a veritable platform for a united Local Governments voice on socio-political issues in Nigeria and indeed globally.
VI. Judicial Review/Milestone Case Laws (on the power, competence, financial and governance autonomy)


Summary: This landmark case raised issues with respect to section 162 (5), (7) and (8) relating control of local funds from the federation account. It was settled that whilst the federal government cannot establish States Joint Local Governments Account, the account once created by the State legislature is for the benefits of the local government councils within that state. It then established that such funds couldn’t divert for the use of the state. Yet a gray area still persisted where the states used the description of joint projects to gain access to the fund. The share of local governments transferred through the State cannot be diverted and use for purposes order than to the benefits of the local governments. In the case of AG of Abia &Ors V AG of the Federation, the Supreme Court on 7 July 2006 held that the purpose of S162 (8) holding funds in the State Joint Local Government Account were for the exclusive benefits of the local governments in the State.

ALGON Ekiti State V Attorney General of Ekiti State (Supreme Court March 2003) Summary: The sanctity of S7 (1), has guaranteed the office and tenure of a democratically elected local government Chairman and Councilors for the abuse of the Government in dissolving the council and replacing them with Care-taker Committee. Similarly any law made by the House of Assembly purporting to confer such powers on the governor was declared void and of no effect. See ALGON Ekiti State V The AG of Ekiti State (Supreme Court Decision December 11, 2019.

Linas International Ltd & 235 Ors V the Federal Government of Nigeria &Ors (December, 2013) Summary: The Sanctity of LGS share of the federation account under 162 (1) (3), (5) and (7) of the CFRN 1999, as amended;

- Linas International Ltd &235 Ors and the Incorporated Trustees of ALGON v the Federal Government &Ors where the Court in December 2013 granted the reliefs and further ordered inter alia:
I) That a declaration is hereby made that the Defendant (Federal Government) utilization of monies that form part of the Federation Account for debt services by way of first line charges between June 1995 and March 2002 without the authorization of the other tiers of Government including the Local Government Councils and Area Councils in Nigeria is contrary to Section 162 (1), (3), (5) of the Constitution of the Federal Republic of Nigeria 1999 (as amended);

II) That a declaration is made that the Defendant (Federal Government) utilization of monies that form part of the Federation Account for London Club Debt buy back in 1992 and 2002, and London Club Debt Exit payment in 2006 without the authorization of the other tiers of Government including the Local Government Councils and Area Councils in Nigeria is contrary to Section 162 (1), (3), (5) of the Constitution of the Federal Republic of Nigeria 1999 (as amended). (Please see attached Court Ruling and Order as Appendices 1 and 2).

Mathan Ltd. V Federal Government of Nigeria &Ors

Summary: Rights of Lgs/ALGON to enter into contract and pay against its share of the Federation Account:

- Mathan Ltd V Federal Government of Nigeria, where the contractors dragged the Attorney General of the Federation, National Economic Council, CBN and ALGON to Court. The Court made the following orders, among others:
  - That it is hereby declared that (National Economic Council) 2nd Defendant acted in excess of its powers and in breach of the Constitution, when it resolved that the contract between Association of Local Governments of Nigeria (ALGON) and Mathan Nigeria Limited (the Plaintiff) is unconstitutional while the deduction of money from the accounts of the Local Government councils for the execution of the said contract is irregular.
  - ii) That it is declared that the contract between ALGON and the Plaintiff for the construction and equipping of one comprehensive health care in each of the Local Government Council in Nigeria is lawful, Constitutional, valid, most appropriate for health of the citizen of Nigeria at the Local Government level.
iii) That an order is hereby granted setting aside, nullifying and putting in abeyance the decisions of the National Economic Council terminating, interrupting and disrupting the contract for the construction and equipping of comprehensive health centre in each of the 774 local Government Councils in Nigeria. (Please see Appendices 10 and 11 for the Court Ruling and Order).

Nigeria Financial Intelligence Unit (NFIU) Advisory of May 2019

Summary: The NFIU upholds the full provisions of Section 162 (6) (8) of the 1999 Nigerian Constitution, as amended, which designated State Joint Local Government Account into which shall be paid allocations to the local government councils of the state from the federation account and from the government of the state. The amount standing to the credit of local government councils of a state shall be distributed among the local government councils of that state and not for other purposes”. This is because the unit has recognized that cash withdrawal and transactions of the State/Joint Local Government Accounts (SJLGA) poses the biggest corruption, money laundering and security threats at the grassroots levels.
With funds at their disposal, Local Government executives could deliver on their mandates, which could also encourage healthy competition among LGAs, provide a platform for young politicians and allow them to build a track record of performance.

4. EU COOPERATION

I. Federal Republic of Nigeria, National Indicative Programme for the period 2014 – 2020

Summary: The 11th EDF National Indicative Programme (NIP) allocated €562 million for the 2014-2020 funding period. The focal sectors are:

- Health, nutrition and resilience (€280 million) – aimed at reducing poverty through improving policy and institutional governance to enhance health status, social cohesion, increasing maternal and child survival rates and strengthening the resilience of the most vulnerable households especially in Northern Nigeria.

- Sustainable energy and access to electricity (€150 million) – focused on improving access to the sustainable supply of electricity, particularly for the poorest and in the least developed States especially in the North.
• Rule of law, governance and democracy (€100 million) – aimed to contribute to government and civil society measures to improve economic governance, consolidate the rule of law, enhance peace and security, and reinforce democratic processes and continue the support to manage migration and mobility.
• Measures in favour of civil society and support measures amount to €32 million.

Under the 11th European Development Fund (EDF) cycle of funding (2014-2020), the focus has been on the North of the country, where development indicators are among the worst in sub-Saharan Africa and where the root causes of conflict and instability can be addressed. EU support is focused on stabilisation and recovery in the North Eastern states of Borno, Yobe and Adamawa, which have been hit by the Boko Haram conflict.
To ensure better impact and value-for-money, the EU is currently concentrating its development cooperation at state level, in a maximum of 10 out of 36 states, where real improvements in service delivery and development indicators can be made, where reforms can be increased, and where we can partner with and complement activities of our other instruments and of other key donors.

II. EU Budget For the Future, June 2020

Summary: The EU’s budget proposal of May 2020 earmarks €86 billion (in 2018 prices) for the Neighbourhood, Development and International Cooperation Instrument (NDICI) including a top-up of €10.5 billion for the External Action Guarantee financed under the new EU Recovery Instrument.
This targeted increase will help boost the post-COVID-19 recovery process in developing countries. Overall, the guarantee will serve to:
- Support micro enterprises and SMEs;
- Promote decent job creation;
- Strengthen public and private infrastructure;
- Foster renewable energy and sustainable agriculture;
- Support the digital economy;
- Address the health and socio-economic consequences of the COVID-19 crisis.

**Summary:** To strengthen the EU’s strategic alliance with Africa, the European Commission and the High Representative of the Union will engage discussions with African partners in view of jointly defining at the upcoming EU-AU Summit a new comprehensive EU strategy with Africa that could be built on five partnerships:

- A partnership for green transition and energy access;
- A partnership for digital transformation;
- A partnership for sustainable growth and jobs;
- A partnership for peace and governance; and
- A partnership on migration and mobility.

This new strategy and these partnerships are in line with the common priorities set by the EU and the African Union at the 2017 Summit in Abidjan. It takes inspiration notably from the very fruitful discussions between the European Commission and the African Union Commission, which took place in Addis Ababa on 27 February 2020 and reflects the EU’s proposals for the ongoing exchanges with African partners in view of defining a joint partnership agenda at the upcoming EU-AU Summit in October 2020. EU-Africa engagement will continue at bilateral, regional and continental level.

IV. Implementing the Agenda for Change- An Independent analysis of the 11th EDF Programming, (ECDPMNo 180 of September 2015)

**Summary:** This discussion Paper is an independent analysis of the 11th EDF programming experience based on the views of different stakeholders. It explores various interinstitutional dynamics and the main challenges encountered when implementing programmes in host countries. The analysis of sector concentration is based on the 57 NIPs publicly available at the time of writing, representing 74.6% of the total amount allocated to the NIPs. Some findings include:

- The EU currently targets two key policy commitments, namely, a more focused approach on less developed countries (LDCs) and low-income countries (LICs), and the concentration of EU aid on a limited number of sectors and policy priorities.
- According to analysis of 57 NIPs (covering 75% of 11th EDF bilateral funds), the 11th EDF national programming clearly reflects the broad policy priorities defined by the Agenda for Change. Nearly 70% of funds will support sectors that contribute to inclusive and sustainable growth.
The remaining 30% (roughly) of funds will support governance as a focal sector.

✓ A long programming process dominated by EU interinstitutional dynamics, which affect project implementation.
✓ A relative disconnect between joint programming and EU bilateral programming.
✓ Highlights the Implications in a post-2015 in which the EU engages in international and development cooperation, including for the role-played by EU aid in the achievement of the future SDGs.
✓ The ongoing discussions on the sustainable development agenda have introduced a paradigm shift aimed at ending the North-South conceptual framing that has historically underpinned the EDF as a policy tool.
✓ There are a number of principles inherent to the post-2015 agenda, such as universality, the move towards policy coherence for sustainable development in all countries, and the growing emphasis on shared responsibilities.


Summary: This performance review of the European Development Fund (EDF) examines the fitness for purpose of EDF11 with Council regulation 2015/322 on the implementation of the 11th EDF. The EDF focuses on economic, social and human development as well as regional cooperation and integration and is one of nine External Financing Instruments (EFIs) 1of the European Union (EU). Some of its observations include:

✓ The EDF faces pressure to tackle an increasing number of demands, some of which can be difficult to align with the EDF’s core values/founding principles of “poverty eradication” and “partnership” with ACP countries.
✓ There is a tension between what the EDF was designed to do and what it is expected to do today – with the EDF being asked to deliver on several other EU agendas (in particular security and migration) which are overriding the development agenda.
The EDF11 has accommodated some of these new priorities, but there is a real threat that EDF will be pushed into responding to agendas that distance it from its primary objective of poverty alleviation, which are difficult to reconcile with the EDF’s core values and compromise what it does well.

Key measures to restore the spirit of Cotonou’s partnership principle include:

- Instituting a democratic ownership of EDF programming, implementation and monitoring and ensuring that EDF’s modalities and tools are coherent with its core values and principles.
- Focus efforts on increasing accountability for results and on improving sustainability across all actions funded by the EDF.
- Entrust programming choices to field offices based on a political economy analysis, and ensure that programming can be adapted to evolving needs.
- Conduct a structured review of the impact of the various programming, implementation and monitoring changes under the EDF11 and take corrective action where necessary.
- Improve complementarity and synergies in the programming and project cycle of the EDF with other instruments, and between the different EU services by entrusting the management of all projects and programmes in ACP countries to EU Delegations.

VI. EC Communication from The Commission – Empowering Local Authorities in Partner Countries for Enhanced Governance etc. 15/5/2013

Summary: In the last two decades, many central governments in developing countries have attributed responsibilities to Local Authorities with a view to improve service delivery on local constituents. However, this political recognition has not always been accompanied by an adequate level of autonomy, capacity development and financial resources, causing significant challenges and leaving their empowerment incomplete. In many EU partner countries, funding directly channeled through Local Authorities still represents a marginal part of national public sector expenditure and of international development aid.
Some recommendations made in this paper to improve efficiency of Local Authorities include:

- The use of innovative funding modalities facilitating flexible, transparent and cost-effective access to resources at local level should be explored.
- The EU uses budget support operations, particularly Sector Reform Contracts, to support improved service delivery.
- Expertise to engage in more systematic cooperation activities, in order to enhance the impact of this cooperation at local level, in respect of the principles of aid and development effectiveness.
- Upstream support to public sector reforms should be coordinated with downstream support, to reinforce Local Authorities’ roles in policy dialogue and decision-making at national level.
- At the international level, the EU should continue to support the role that Local Authorities and Associations of Local Authorities play in raising awareness about local and urban development issues and in shaping the international development agenda with a focus on the interests of local communities.

VII. Voluntary National Review 2020 on Sustainable Development Goals

Summary: Nigeria’s 2020 Voluntary National Review (VNR) on Sustainable Development Goals (SDGs) focuses on the key issues of poverty (SDG-1) and an inclusive economy (SDG-8), health and wellbeing (SDG-3), Education (SDG-4), Gender equality (SDG-5), and the enabling environment of peace and security (SDG-16), and partnerships (SDG-17). Although the focus is based on Nigeria’s current development priorities and the development objectives VNR is very relevant as these policies are tailored along the EU_NIP 2014/20. It is also being developed while facing huge challenges from the COVID-19 pandemic testing Nigeria’s public health systems, and of the collapse in oil prices, for an economy still getting 86% of public revenue from oil and gas. The report outlined the institutional dimensions for creating an enabling policy environment for the implementation of the SDGs through its Economic and Recovery Growth Plan (ERGP) (2017-2020) which would impact on the EU-NIP 2014/20. The ERGP’s focus on economic, social and environmental dimensions of development makes it consistent with the aspirations of the SDGs and in line with the EU’s proposed comprehensive strategy towards Africa.
**SDG3-Health and Wellbeing:** While Nigeria has some poor health outcomes, such as high rates of maternal mortality, there have been improvements in the under-five mortality rates (from 157 to 132). COVID-19 has challenged our public health. A key lesson in protecting the public in times of such pandemics is hygiene and the need to prioritize universal access to clean water and soap. Nigeria’s current access to basic drinking water stands at 64%. There must be more investment in public health and to ensure the most vulnerable are reached through universal access to essential services.

**SDG4-Education:** A key challenge confronting the country has to do with Out-of-Schoolchildren, a demographic challenge that relates to an interplay between employment (SDG-8), education (SDG-4), poverty (SDG-1) and the digital economy (SDG-17). With a population of approximately 200 million people, regional disparities are significant, with 78% of South Western children able to read full or part sentences, while only 17% of North Eastern children can. With only 1.6% of GDP devoted to education, the country needs to increase the resources to provide quality education.

**SDG8-Inclusive Economy:** In terms of inclusive economy (SDG-8), Nigeria’s informal economy is one of the largest on the continent - estimated at 53% of the Labour force and accounting for 65% of GDP. It is estimated that 75% of all new jobs are informal. Youth have a combined unemployment and under-employment rate of 55.4% or 24.5 million. This is the youth bulge that needs to be building the required skills to move into secure and less precarious forms of employment. Ensuring youth are well-educated and able to transition to productive employment through the digital economy can help reduce poverty (SDG-1) and help diversify growth beyond dependence on oil and gas. The Generation Unlimited intervention, which targets employment for 20 million youth, is another good example. The banking sector can play an important role in supporting the country’s efforts to leverage greater private sector-led growth by providing access to finance, particularly for Micro, Small and Medium Enterprises (MSMEs). In addition, the Nigerian government can dramatically shift to digitization and strengthening its transition to e-government to facilitate its social protection to the poor and vulnerable population.
✓ **Alignment of national planning to SDGs:** Good strides have been made in the domestication process of the SDGs in Nigeria. First, there is an ongoing realignment of the National Statistical System (NSS) with the requirements and Indicators of the SDGs. Second, Nigeria has developed its home-grown ‘Integrated Sustainable Development Goals (iSDG Model) - an analytical framework for assessing how policy making can better address the indivisible nature of the SDGs. Third, the Nigeria’s 2020 VNR report has drawn on past evaluations across the Seven priority SDGs and has an ongoing evaluation of the country’s performance in SDG 3&4. This attempt to systematically use evaluations is an innovation in the VNR context. Nigeria should strengthen the evidence-based planning and accountability mechanisms at State level for accelerating the SDG decade of action. The post-ERGP National Development Plan (2021-2030) will be pivotal in advancing the achievement of the SDGs in Nigeria.

**VIII. EU-ACP Relations After Cotonou Agreement: Re-Set, Re-Launch Or Retreat? Special Report, 29 Aug. – 4 Sept. 2018**

**Summary:** The Cotonou Agreement is the backbone of the partnership between the EU, EU countries and 79 African, Caribbean and Pacific countries (ACP). It aims to reduce poverty towards its eradication, to support the sustainable economic, cultural and social development of the partner countries and to help the progressive integration of their respective economies into the world economy.

The Cotonou Agreement is a close partnership based on a series of principles:
- ✓ The partners to the agreement are equal.
- ✓ The ACP countries determine their own development policies.
- ✓ Cooperation is not only among governments: parliaments, local authorities, civil society, the private sector, economic and social partners play a role as well.
- ✓ Cooperation arrangements and priorities vary according to aspects such as countries’ levels of development.

**IX. EU Cooperation with Cities and Local Authorities in Third Countries, 2018**

**Summary:** Many cities and local authorities are increasingly faced with the challenges of urban poverty, social exclusion and spatial inequality, overcrowding, conflict, crime and violence, vulnerability of infrastructure, poor basic service delivery, and environmental degradation. Due to this, the EU is strongly committed to boosting the potential of cities as hubs for sustainable and
inclusive growth and innovation as well as to enhancing the role of local authorities.

With regards to this, the EU and its Member States will partner on the following initiatives:

✔ Devise diversified strategies, instruments and procedures and to conduct effective policy and political dialogues in support of impactful and result-oriented partnerships with cities and local authorities in partner countries.

✔ Promote a conducive and enabling policy and regulatory environment is needed to allow local authorities to effectively implement sustainable urban policies and a territorial approach to local development.

✔ Strengthening the technical and managerial capacity of cities and local authorities for developing and delivering integrated, multi-sector urban planning policies, including tools for active engagement with citizens.

✔ Recognize the very substantial investment needs and corresponding financing gaps faced by cities and local authorities.

X. Local and Regional Government and the ACP-EU Partnership Agreement, Adenane Djigo and Dr. Carl Wright

PLATFORMA accordingly commissioned this study to consider how LRG has been able to engage under the Cotonou Agreement to date and how it might relate to a post-2020 ACP-EU Agreement. The main issue of the study arises from Article 4 of Cotonou, which states that LRGs are actors of the partnerships and should be actively involved in its implementation. The key question is therefore ‘has Article 4 of Cotonou being properly implemented?’ The study seeks to find out if this has been the case at national, regional and pan-ACP levels: how LRGs has been involved in political dialogue and consultation mechanisms; what financial resources LRG has received for the implementation of projects and programmes; and to what extent LRG has been provided with capacity support. It also looks at the potential prospects for a stronger LRG role in the post2020 ACP-EU relationship.
5. OBSERVATIONS/RECOMMENDATIONS

In the course of my desk research on this compendium, it has become necessary to make the following observations, which are crucial for meaningful engagement in the forthcoming EU delegation dialogue with the state actors in Nigeria for the programming process. Some of the key ones includes:

1) The high degree of alignment of the Nigeria’s development plans and strategy with both the SDGs Agenda 2030 and the EU_NIP, 2014/2020. The is healthy and needs to be encouraged.

2) Contribution towards a more resilient development model that takes into account needs of population and planet’s resources rightly makes the case for subsidiarity principle via TALD approach.

3) Although the national plans and strategies are focused on the economic, social and environment, the implementation strategy is centralized, top-down and needs to constructively delegate. A live is the implementation of Social Inclusion Programme where both money and job creation opportunities for people in all the 774 local governments are delivered from Abuja. It has not only been open to criticisms and abuses, a better collaborative effort at least would ensure inclusiveness.

4) The broad plans and strategies of the EU and other donor agencies are embracing subsidiarity principle, hence the drive and advocacy for decentralization and TALD. However, the sign is encouraging and could be driven down by accompanying incentivizing “good behaviour”.

5) The UCLG Africa initiative in assisting to strengthen capacity of national associations including ALGON, but the timeline is rather short to adequately prepare the associations to effectively build on the foundation already established by the regional bodies during the forthcoming dialogue on the programming process. The challenge to effectively engage state actors at the federal level or the regional (states) is huge and could demand more extensive efforts.
6) Challenge and urgency of the Post Coronavirus intervention. All the initiatives seem headed towards same direction but results do not reflect the harmony. Happily, applying subsidiarity principle and TALD could be more impactful and expedient but the missing link is “how to strengthen the appeal of effective decentralization for timely and effective service delivery to the people.

I would therefore recommend the following:

1) As sound as the work plan of UCLG Africa for strengthen the national associations is - production of a compendium which brings them up to speed and an analytical report for seminar - it is equally important to prepare a stand-alone position paper of stakeholders engagement strategy which is localized and charts an operational map.

2) In the event of any shift in the calendar of the EU delegation, the UCLG Africa could exploit it by encouraging or supporting the national associations to develop sound engagement/communication strategy, which reflects local challenges and solutions.

3) Evidence of constitutional and legislative framework may not be sufficient for effective implementation of TALD, the EU strategy could embrace a conscious reward system for national governments that encourage decentralization whilst making provision to support national associations/local governments develop capacity and engage in direct activities that improve quality of lives of their people.

4) UCLG Africa may plan, with national associations, regular workshops/seminars not only for peer reviews and experience sharing but also for greater bonding and momentum that could reverberate in their respective countries.
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