



NATIONAL ROUNDTABLE FOR GOOD GOVERNANCE

Plot 2542, Hassan usman Katsina Street, Asokoro, FCT-Abuja, Nigeria

☎ 08139369777, 08033144749 ✉ info@theinitiativesng.com 🌐 www.theinitiativesng.com

Communiqué: Communiqué of THE INITIATIVES 10th National Roundtable for Good Governance held on Monday, December 12, 2011.

Preamble: The 10th National Roundtable for Proactive Laws and Good Governance in Nigeria organized by THE INITIATIVES held on 12th December 2011 at the Thisday Dome Abuja with the Theme: *Deregulation in an Emerging Economy*.

Commencement: The section commenced at about 11.15 am and was chaired by His Excellency, Dr. Aliyu Mu'azu Babangida, CON, Chief Servant of Niger State. Among the dignitaries present at the occasion were His Lordship Justice Mohammed Uwais, (Rtd), former Chief Justice of Nigeria, and The Central Bank Governor, Mallam Sanusi Lamido. Others were the representatives of Lagos State Governor, Members of the National and State Assemblies, Federal and State Government officials, the academia, Captains of Industry, Members of the Press, Civil Society Groups and Stakeholders in the Nigeria project.

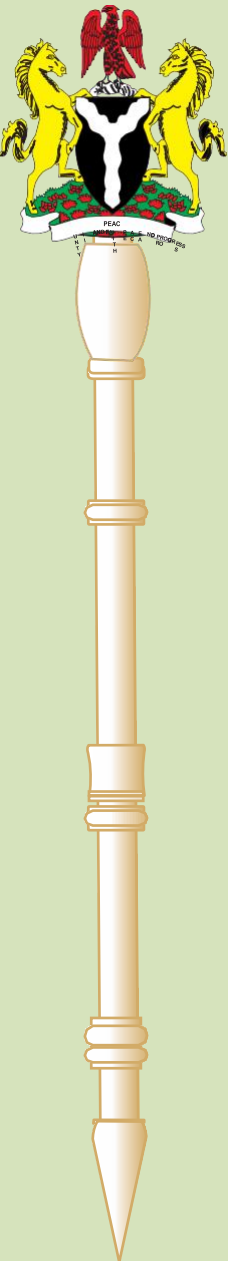
For the Faculty Board of THE INITIATIVES, it was time to once again assemble professionals, stakeholders and Nigerians from all walks of life to engage the crucial issue of deregulation in an emerging economy like Nigeria. The choice for the topic according to THE INITIATIVES was driven by the prevalent discourse in the public domain on deregulation and the need to enrich the discussion with informed knowledge on the subject matter in order to raise public enlightenment and education.

GOVERNING BOARD.

Hon. Justice Mohammed Uwais GCON - **Chairman**

His Excellency Sen. Pius Anyim - **Vice Chairman**

Chief Wole Olanipekun SAN - **Advisor**



The 10th National Roundtable received presentation from the CBN Governor, Mallam Lamido Sanusi represented by Mr. Charles Mordi, and Prof. Ganiyu Garba, of the Department of Economics, Ahmadu Bello University, Zaria.

Chairman of Occasion:

The Chairman of the occasion in his address opined that the problem the nation is facing today in the oil sector is because of the selfishness of those in government and their cronies e.g., individuals and in some cases construction companies. He challenged the National Assembly to rise up to the task of un-earthling those who are behind these cartels. He maintained that the issue of subsidy is one that must be looked at compassionately and the merit properly considered other than playing to the gallery since it is one that goes to the root of the welfare of the majority of Nigerians.

He deplored the duplication of government agencies and parastatals and emphasized that all these will have to be looked into once again, if we must make progress.

Prof. Adeola Adenikinju while jump-starting the discourse stated that the removal of subsidy goes beyond the issue of petroleum, but that petroleum has dominated the discussion because of the interest it generates amongst Nigerians. Nigeria he said is one of the highest producers of crude oil and ironically one of the largest importers of refined crude in the world today at the detriment of the development of other sectors of the economy.

The Observations: The following observations were made during the sessions:

1. That deregulation has both political and economic justifications because of the need to strike a balance between competitors in the market circle.
2. That there is need to protect the poor from the greed of the rich few, hence the removal of the subsidy on the pump prices of petroleum products.
3. The existing laws regulating transactions in the oil sector are porous and inadequate to check the massive fraud going on in the sector.

4. The present structure of the Nigerian National Petroleum Corporation (NNPC) cannot guarantee openness in the way the nation's oil business is run. In the opposite, the Corporation is the breeding ground for corruption in the oil sector.
5. That the real essence of governance touches the emotion and life of the people therefore the mind of the people need to be transformed and orientated to make them move away from the old order and begin to do things properly and in a new way.
6. That the issue of oil revenue has made the various levels of government in the country lame dogs as the various States and Local Governments can no longer evolve other self sustaining ways beyond dependence on the oil revenue despite the natural endowments in these areas
7. That investment in the non-productivity sector through subsidy is the bane of the oil sector as importers now prefer the easy marginal profit from importation rather than building refineries that will boost local output and create job opportunities
8. That failure to get the whole issue of subsidy right will amount to Nigeria falling back to a situation similar to the issue of monetization where government expenses became higher than it was before the monetization policy.
9. The roundtable session further observed that most countries of the world have moved away from governments' involvement in the day to day running of business outfits such as the oil sector. Governments all over the world today are more concerned with making regulatory laws that guide the conduct of business in the sector, and Nigeria cannot afford to operate in isolation.

Participants Observation: The participants made the following observation:

1. A disconnect between the people and the government of the day on the real issues of deregulation.
2. Lack of adequate sensitization of the people by various government agencies on why the people

should believe in the government's deregulation programme.

3. That there exist lack of trust in government policies resulting from government insincerity in executing similar past policies on deregulation and other policies affecting the welfare of the masses.
4. That the whole issue of deregulation is perceived by the public as a means through which public resources are laundered and consigned to private pockets.
5. That there is lack of faith in the promise by the government that savings from deregulation proceeds will be used to do projects that will impact on the well being of the people.
6. That the National Assembly has failed in its oversight function and her constitutional role of making legislations that will properly regulate the activities of various government agencies involved in the deregulation process thereby creating loophole for massive laundry of funds by the actors in the deregulation process.

Recommendations:

The following recommendations were made:

1. The issue of subsidy is one that must be looked at compassionately and the merit properly considered other than playing to the gallery since it is one that goes to root of the welfare of the majority of our people.
- 2 That government should embark on massive sensitization processes in order to gain the confidence of the masses to avoid any backlash that will be similar to the Arab Spring experience.
- 3 That government should as a matter of urgency begin the transformation and restructuring of the NNPC to make it more responsive to the yearning of the Nigerian people.
- 4 That the government should begin to think of subsidizing the productive sector of the oil

economy, improving technologies in the sector and making policies that are critical to achieving economic greatness.

- 5 That investing in productivity, improving technologies and policies are critical to achieving economic greatness and drives real economic growth which occurs when there is an increase in production input and productivity.
- 6 That a continuous discourse in the public domain of the deregulation process should be encouraged by government with a view to achieving informed knowledge by the citizens on the subject matter (deregulation) to the greater benefit of the Nigerian States and her citizens.
- 7 That the National Assembly should make laws guiding the whole process of deregulation and ensure that their oversight legislative functions are duly carried out to ensure that the proper things are done.
- 8 That the whole process of deregulation should be open to competitiveness, transparency and conducted in such a way that will lead to more productivity and lower prices to the end users.
- 9 That savings from the oil revenue should be properly monitored and disbursement properly supervised to ensure that monies made for specific projects are actually expended on those projects.
- 10 That government should make deliberate efforts to increase domestic production and reduce imports which will invariably lead to low prices. This they can achieve by compelling the various oil prospecting companies to build refineries as part of their community responsibilities in the various joint venture agreements
- 11 That government should continually engage professionals, civil society organizations, and stakeholders in critical burning issues of

government in order to drive development strategies and frame work in our dear nation.

- 12 That Nigeria with its abundant human and material resources should take advantage of global order to drive her economic growth.

THE INITIATIVES is a post era and an agenda setting forum of a league of cerebral legislators in the Nigerian House of Representatives, who believe in the realization of vision 2020 and who are passionately committed to Good Governance in Nigeria through proactive and people oriented legislation.