

**ADDRESS DELIVERED BY HIS EXCELLENCY, MR. HAMEED OPELOYERU, NIGERIAN
AMBASSADOR TO LEBANON AT THE 7TH LEBANESE INTERNATIONAL CONFERENCE ON
LOCAL GOVERNMENT, 18-19 APRIL 2008**

Mr. Chairman,
Your Excellencies,
Distinguished Delegates,

It is a great delight for me to address this Conference. I must express my appreciation to the organizers for the excellent arrangements made for the success of this gathering. It is my estimation that the purpose of our deliberations is to evaluate the crucial role of the Local Government administration in the socio-economic development of a country. We would be sharing experiences on the methods used in different countries to mobilize the citizens towards increasing economic growth and social welfare. It is this multiplication of welfare that plays such an important but positive role in creating economic prosperity, social harmony and political stability within a country.

I shall be speaking on the experiences in Nigeria on the devolution of political and economic powers among the three levels of the national administration. I shall focus on the extent to which these experiments are aimed at ensuring popular participation in the business of governance, thereby assisting in unlocking the innate potentials of the populace for rapid economic progress.

Profile of Nigeria

Nigeria is located on the West coast of Africa. The story of Nigeria is that of diversity in many areas. Its population is above 133 million, being the most populous country in Africa and the ninth most populous in the world. The various communities in Nigeria speak more than sixty languages and about 521 dialects. It has rain, savannah and Saharan vegetations, which produced its array of rich flora and fauna. Nigeria's mineral deposits are diverse. It is the sixth OPEC exporter of petroleum, with rich solid mineral resources and Liquefied Natural Gas. Its Gross Domestic Product is above \$120 billion per annum.

The need to create unity in such a socially-diverse entity as Nigeria has informed the adoption of a decentralised form of government in the country. At independence in 1960, Nigeria was made up of three regions in a seeming confederal arrangement. In a bid to ensure more people's participation in governance, Nigeria adopted a true federation, with 36 states and 774 Local Governments at the second and third tiers of governance respectively. The business of political and socio-economic administration of the country is performed throughout the three levels of Government. The Nigerian constitution has allocated responsibilities and functions to the three tiers of national government.

Administrative Decentralisation

The Federal Government performs, to the exclusion of other two lower levels, those functions enumerated on the Exclusive Legislative List. These are 68 functions ranging from defence, and external relations, to banking, currency and energy. The Concurrent List has those functions that are mostly within the jurisdiction of the state Governments but on which the Federal Government

also has jurisdiction. These are about eight major functions such as industrial, commercial and agricultural development, post primary education and health. The Local Government is saddled with the tasks listed in the Residual Legislative List, which feature those local issues as construction and control of markets, car parks and public convenience, refuse disposal, primary education, primary healthcare, construction and maintenance of local roads, and housing.

The fiscal allocation of resources among the three levels is done by a statutory body named, the National Revenue Mobilisation, Allocation and Fiscal Commission. The principles used in determining allocations to the various levels of Government are those of derivation, tax-raising powers, administrative efficiency and fiscal independence.

The current formula for allocation of resources among the three levels from the Federation Account is as follows:

- Federal Government	=	47.19
- State Government	=	31.10
- Local Government	=	15.21
- Joint Government Shares	=	6.50

Powers of the Local Government Council

The main reason for the decentralization of administrative powers in the country is to bring development nearer to the grassroots. Considering that 80% of Nigerians are resident in the rural areas, the task of mobilizing the populace in the local communities can only be achieved through the functions assigned to the Local Government Council. On the demand side, the primary healthcare and primary education functions of the Local Government will ensure that citizens living in remote villages benefit from those social goods, which are provided by the Government. On the supply side, the agricultural function assigned to the Local Government will increase growth and productivity, while at the same time exposing the rural areas to such services as agricultural extension, and appropriate technology. These measures would have their multiplier effects on agricultural output and the economic development of the country. The construction and control of local roads, markets and housing are such services that can be better dispensed through the Local Government. In all the Local Government is able to mobilise the material and human capitals, which are sensitive to local conditions.

Problems of Local Government

Despite all these advantages attributable to Local Government administration, there are some disadvantages, which are continuously addressed by the competent authorities responsible for monitoring the effectiveness of inter-governmental relations in Nigeria.

- Fiscal Imbalance

The oft-repeated problem of local administration system is funding. There are regular complaints that responsibilities given to the Local Governments do not match the revenue, grant or tax-collection powers. In this regard, the Local Governments are barely able to pay salaries of teachers, talk less of undertaking capital projects on health and education.

- Administrative Capacity

The issue of inadequate capacity by the local authority to raise taxes in an economically viable manner might constrain efforts at administrative decentralisation. Oftentimes, the Federal Government would approach this task through de-concentration by deploying Central Government personnel to the local communities to minimize this problem.

Political Decentralisation

The three levels of Government in Nigeria do enjoy political decentralization apart from the fiscal federalism explained above. The Federal Legislature is bi-cameral: The Senate of Nigeria has three elected senators from each of the 36 states of Nigeria and one representing the Federal Capital Territory. The second chamber of the federal legislature has 360 members, representing federal constituencies on the basis of population. The States do have their local government areas created on the basis of population in a range of 150,000 – 800,000. Each State has a legislative house called the House of Assembly and it consists of members whose number shall be three or four times the number of federal representatives from the given state. Officials manning the legislative arms of the Federal, State and Local Government are elected during national elections. The head of the executive arms of the Federal, State and Local Governments are also elected respectively, while their personnels are drawn from the Civil Service.

Inter-governmental Relations

Although the question of the powers of the Federal Government in comparison to those of the other two levels is always recurring, Nigeria has a nationally accepted administrative decentralization process. The fiscal and political independence of the lower levels of government is always subject of negotiation. There is on-going debate and, indeed, agitation on resource control by states that are oil-producing, who have demanded about 25% of oil revenue. The percentage of allocations to the Local Government was recently raised from 10 to 15%. Due to some complaints that the States Governments were not making funds available to Local Governments, an arrangement has been put in place to ensure that Local Government funds are sent to them directly.

Conclusion

The importance of administrative decentralization and fiscal independence by the lower levels of government cannot be over-emphasised. Issues such as the mobilization of the entire populace for productive ventures can be dealt with through decentralization of functions and revenues. It is not a myth or mirage; it is a reality that should be made to work in order to enhance socio-economic development and the peaceful co-existence among the generality of the citizenry.

I thank you sincerely for your attention.

Hameed Opeloyeru
Nigerian Ambassador to Lebanon.