

COMMUNIQUE ISSUED AT THE 2ND ANNUAL BANKING AND FINANCE CONFERENCE ON INFRASTRUCTURE FINANCE IN NIGERIA HELD AT THE TRANSCORP HILTON ABUJA, 28-30 OCTOBER, 2008.

INTRODUCTION

The Chartered Institute of Bankers of Nigeria held its 2nd Annual Banking & Finance Conference from October 28 - 30 at Transcorp Hilton, Abuja. The Theme of the Conference was “Infrastructure Finance in Nigeria” and the objectives were:

- To provide a platform for practitioners and other stakeholders in the banking and finance industry to collaborate and co-operate in seeking solutions to financing infrastructure.
- To learn the alternative ways to finance infrastructure.
- To learn from the experiences of other economies.
- To find appropriate ways banks and other financial institutions can best act as catalysts to infrastructure development.

The Conference noted:

- (i) that recently, there have been anxieties over the global financial meltdown which impacted negatively on the activities of countries all over the world. It is important for Nigeria to reposition itself in order to face the challenges of the emerging environment. Nigeria should admit that it is not insulated from the global crisis and should therefore institute holistic and concerted efforts to engage other African nations to address the problems.
- (ii) the mistrust of the general public due to failed promises towards the development of infrastructure aimed at improving the standard of living of the citizenry.

Consequent on the above, the Conference **recommended** that the following steps should be taken in order to foster credibility towards attaining Vision 20-2020 goals:

1. Appointment of key Ministers and top Government officials should be based on credibility, qualifications and competence. The appointees should be assigned specific and measurable deliverables, empowered and rewarded appropriately.
2. The Conference acknowledged Government’s efforts by the recent enactment of the Infrastructure Act of 2006 and the establishment of Infrastructure Concession Commission. However, the Commission should speedily take steps, within the next six months, to institute a framework for concessioning and implementation. The design should include legal jurisdiction for infrastructural plan that would enable Nigeria attain Vision 2020 and beyond. That framework should also serve as a reference in order to encourage an effective Public-Private Partnership (PPP) to carry out the road map.
3. The Conference also recognized the need for the establishment of Sovereign Infrastructure Fund. However, in order to give credibility to the establishment

of that fund, it noted the need to identify key projects that would be funded from the Fund and publicized to enable the public track the performance of the Fund.

4. The Conference also recognized the efforts of Government in privatizing some institutions to improve the standard of living of the citizenry. However, Government should set up a framework to encourage liberalization within the environment for Public-Private Partnership (PPP) to thrive towards achieving infrastructural development. Investors in the PPP should enjoy appropriate tax incentives.
5. Whilst the Conference acknowledged the need for new infrastructure development to meet national goals, the need to maintain the existing infrastructure was emphasized. Government should therefore evolve an enduring system of awarding Project Maintenance Contracts upon completion and commissioning of key infrastructural projects.
6. In order to improve the standard of living of the citizenry, and to encourage private sector partnership, an Effective Pricing System should be adopted for services and utilities provided.
7. The Conference also acknowledged the challenges posed by dearth of the right quantity and quality of skills in the various sectors of the national economy. In order to bridge the existing gap and build capacity, the Government should set up a framework to attract Nigerians in the diaspora to support the development of all infrastructure including social infrastructure such as education, health, vocational skills, to mention a few.
8. The Conference also recognized the need for an Effective Lobby Group for the financial industry and believed that the Chartered Institute of Bankers of Nigeria (CIBN) was better positioned to facilitate such body. Albeit, the Institute should strengthen the process of professionalism, self-discipline and promote co-operation among its members.
9. The Conference recognized the effect of possible global credit squeeze. Thus, the country needs to consider the importance of internally generated funds. Therefore, it is imperative to create a vibrant long-term Bond Market earmarked for infrastructural development; the bonds should accord investors appropriate tax incentives.
10. The importance of Good Corporate Governance in the areas of transparency and full disclosure should permeate both the private and public sectors in order to engender confidence in the system.
11. Dated at Abuja this 30th day of October, 2008.