

IMMEDIATE AND MEDIUM TERM IMPERATIVES FOR PRESIDENT MUHAMMADU BUHARI - SEPTEMBER 22, 2016

1. Background:

In April 2015, I sent a short memorandum to you, Sir - then as president-elect. We never discussed the memo in detail and I am not even sure you got to read it bearing in mind the levels of human traffic visiting you in those heady days. I crave the indulgence of Mr. President to please read the memo (attached herewith as Annex II) and see how like every aspect of life, the memo was sometimes presciently accurate and at the same time off-target! It is on the basis of that message, and my commitment to write anytime I feel compelled that matters of urgent national importance confront you, that I address this with greatest respect and humility.

Mr. President, Sir

I address this and other past memos with all sense of responsibility for at least three reasons. First, I owe my modest political ascendency so far to you. Without your adoption and trust reposed in me and the recognition you have shown in spite of attacks on my person by some people around you, I will not be where I am today. I remain eternally grateful for this.

Secondly, Sir, poll after poll in Kaduna State before and after the 2015 elections clearly show that my fate politically and otherwise is uncannily tied to yours. If you do well, I stand to benefit immensely. If you do not do well Sir, whatever I try to do in Kaduna matters little to my present and any future political trajectory.

Finally, Sir, I am of the strong opinion and belief that you are our only hope now and in the medium term of saving the Nigerian nation from collapse, and enabling the north of Nigeria to regain its lost confidence, begin to be respected as a significant contributor, and not the parasite and problem of the Nigerian federation.

Mr. President, it is also clear to many of us that have studied your political career, that so long as you remain in the political landscape, no Northerner will emerge successfully on the national scene. All those wasting time, money and other resources to run in 2019 either do not realize this divinely-ordained situation or are merely destined to keep others employed and rich from electoral project doomed for certain failure.

As I explained to you shortly after your election in April 2015, you have to run again in 2019 if your objectives of national restoration, economic progress and social justice are to be attained in the medium and long term. You must therefore succeed for the good of all of us - individually and collectively, and particularly those of us that have benefitted so clearly from your political ascendancy.

Mr. President, Sir

As stated in my April 2015 memo, you have inherited serious political, economic and governance problems that you had no hand in creating but now have a duty to solve. These inherited problems were aggravated by the continuing slide in crude oil prices and the renewed insurgency in the Niger Delta that reduced oil production by more than 50 per cent! In my honest opinion, we have made this situation worse by failing to be proactive in taking some political, economic and governance decisions in a timely manner.

In very blunt terms, Mr. President, our APC administration has not only failed to manage expectations of a populace that expected overnight 'change' but has failed to deliver even mundane matters of governance outside of our successes in fighting BH insurgency and corruption. Overall, the feeling even among our supporters today is that the APC government is not doing well.

It is in light of all the foregoing that I intend to analyze where we are, and present some suggestions for Mr. President's consideration and further necessary action in three areas - ***Politics, National Economy and Governance.***

2. Political Situation:

Mr. President would recall the tribulations we went through with membership registration, congresses and the first national convention. And with the games played by various groupings within the party, it is correct to assert that you got elected in spite of our party leadership, and not due to its wholehearted support.

At the moment, with the appointment of B.D. Lawal and Dikko Radda to executive positions in the Federal Government, we have no more than one or two clear supporters or sympathizers in the NWC out of 20 members. We have no footprint in the party structure today and this situation can remain unchanged until the national convention of 2018!

Mr. President, Sir

Your relationship with the national leadership of the party, both the formal (NWC) and informal (Asiwaju Bola Tinubu, Atiku Abubakar, Rabiu Musa Kwankwaso), and former Governors of ANPP, PDP (that joined us) and ACN, is perceived by most observers to be at best frosty. Many of them are aggrieved due to what they consider total absence of consultations with them on your part and those you have assigned such duties. This may not be your intention or outlook, but that is how it appears to those that watch from afar.

This situation is compounded by the fact that some officials around you seem to believe and may have persuaded you that current APC State Governors must have no say and must also be totally excluded from political consultations, key appointments and decision-making at federal level. These politically-naive ‘advisers’ fail to realize that it is the current and former state governors that may, as members of NEC of the APC, serve as an alternative locus of power to check the excesses of the currently lopsided and perhaps ambivalent NWC. Alienating the governors so clearly and deliberately ensures that you have near-zero support of the party structure at both national and state levels. It is not too late to reverse the situation.

You appear to have neither a political adviser nor a minder of your politics. The two officials whose titles may enable them function as such generally alienate those that contributed to our success. The SGF is not only inexperienced in public service but is lacking in humility, insensitive and rude to virtually most of the party leaders, ministers and governors. The Chief of staff is totally clueless about the APC and its internal politics at best as he was neither part of its formation nor a participant in the primaries, campaign and elections. In summary, neither of them has the personality, experience and the reach to manage your politics nationally or even regionally.

Those of us that look forward to presenting you again to the electorate in 2019 are worried that we need to sort out the party’s membership register, review the primaries system to eliminate the impact of money in candidate selection, and reduce the reliance of the party on a few businessmen, a handful of major financiers and state governments for its operations and expenditures. A surgical operation is needed in party machinery, financing and electoral processes if the future political aspirations we desire for you will not be made more difficult, if not impossible, to actualize.

Mr. President, Sir

It is a constitutional reality that to succeed, the Federal Government must work harmoniously with two other arms of government; the National

Assembly and the Judiciary. These relationships need improvement as well. The relationship with the Senate was marred by the betrayal the party suffered at the hands of many of its members, while the recent ‘padding scandal’ has created tensions with the leadership of the House of Representatives. These challenges are difficult, but not impossible, to fix once the Judiciary concludes the Saraki cases in a timely manner.

The paralysis within the National Judicial Council in the face of the current worrying state of the Judiciary, compounded by the lack of harmonious relationship with the Supreme Court, Court of Appeal and the all-important Federal High Court, make the expeditious disposal of the Saraki cases not only unlikely, but puts the administration at risk of a humiliating loss of some key anti-corruption cases. Once again, it is not impossible to reverse the situation.

Mr. President, Sir

The public service we inherited is the product of one and a half decades of doing business in the mould of the PDP. The senior public servants are largely corrupt, with a sense of entitlement that they have a first claim on the country’s resources, before any is spent for the benefit of the 99.5 per cent that are ordinary Nigerians (and voters!).

Persons on director grade today in the federal public service were mere Grade Level 9-10 officers when President Obasanjo took office in 1999, so PDP’s way is the only way they know and are comfortable with. Due to these orientational and ideological differences between the federal public service and what you believe Mr. President, most of them are unable to serve you with integrity, dedication and commitment. We therefore generally have an uneasy relationship with the bureaucracy as well.

This state of affairs is far more difficult to reverse immediately, but must be attempted if you are to succeed, as no nation develops beyond the capability, competence and capacity of its public service. It is within the realm of both politics and governance that you must navigate to extract the best out of the public service while suppressing its base desires.

Mr. President, Sir

This memo started with the state of our politics because it trumps everything else. If we don’t get the political machinery smooth and working, it will be a miracle if we are able to get the economy and governance right. The distraction of genuinely unhappy political actors will affect our ability to face

our national problems; we need to pull together in the same direction to resolve them.

We have been incredibly lucky and successful so far without the support of, and in spite of, the prevailing patron-client political system, Mr. President. We are now in power and in a position to shape our national political culture in your image through active stakeholders and process engagement. We are not engaging at all, and taking things and important matters for granted. The consequences can be negative.

3. The State of the National Economy:

Without any doubt, Mr. President, you inherited an economy in dire straits. The Yar'Adua-Jonathan administrations not only blew the national savings of about \$27bn in the excess crude account (ECA) and ran down over \$40bn in foreign reserves they inherited in 2007, but earned and wasted nearly \$300bn of oil and gas income between 2007 and 2015. At the time you were sworn into office, ECA was down to some \$2bn and net reserves (allowing for swaps, forwards and other set-offs) were less than \$20bn with little or nothing to show for it.

Between 2007 and 2014, we used to earn an average of over \$3bn monthly from oil and gas sales and taxes. By May 2016, this had collapsed to about \$500 million. Mr. President, it is a simple truism that no nation loses nearly 80 per cent of its foreign exchange earnings without significant reprioritization and painful adjustments. This is a message we have failed to transmit to Nigerians clearly and we must. This, however, is merely the symptom and simplest explanation of our current economic problems.

However, we cannot, after more than a year in office continue to rely only on this ‘blame them’ explanation. We were elected precisely because Nigerians knew that the previous administration was mismanaging resources and engaged in unprecedented waste and corruption. We must therefore identify the roots of our enduring economic under-performance as a nation, and present a medium-term national plan and strategy to turn things around. We must persuade Nigerians that they have to withstand the individual pains of today for the collective gains of tomorrow.

With a clear economic strategy that shows our citizens some light at the end of the tunnel, it is not only easier for them to sacrifice and bear some pain, but enough to highlight the wasted opportunities, wrong choices and sub-optimal decisions made by previous administrations. We have no such clear roadmap at the moment.

Mr. President, Sir

In this era of global interconnectedness, nations compete viciously in the economic arena - for a larger share of international trade, investments, maritime and aviation services, and a whole raft of knowledge-based services and industries. This competition is neither moral nor fair, even if the advanced nations pretend to present it as such to those that are gullible.

No one cares about, or will ‘help’ us unless we get our act together and organize our political economy and national affairs to be regionally, continentally and globally competitive. It is not rocket science. In the last 50 years, many countries in Asia (Japan, China, Malaysia, Singapore, etc.), and Botswana, Mauritius and Seychelles in Africa have done it. We can do it within a generation, and we must begin this journey of redesigning our political, economic and governance structures, systems and staffing for superior performance and global competitiveness as soon as possible, under your leadership!

Mr. President, Sir

In every crisis there lies an opportunity for fundamental change. The current crisis of reduced oil production, unit prices and earnings, which has led to the deterioration of the exchange rate, escalation of levels of debt and interest rates, and reduced levels of industrial production and employment constitutes an opportunity for our nation to change decades of bad habits and wrong direction in our political economy and governance. This crisis should not be wasted.

Devoid of all the economic jargon and the many, even conflicting, opinions of the experts, the Nigerian economy suffers from the following fundamental and structural defects that must be addressed for us to move forward:

- i. **Oil Revenue Addiction:** The nation’s economy, politics and governance are centered around, and focused on distribution of easy oil and gas revenues amongst all tiers of government. The Nigerian economy has therefore been consistently reliant on oil and gas revenues - averaging 90% of foreign exchange earnings and 80% of government revenues, and accordingly characterized by low levels of:
 - a. national savings averaging about 15% of GDP evidenced by the low levels of ECA
 - b. taxes (5% of GDP versus global average of 20%), and
 - c. investment (FGN’s recurrent budget is 107% of its revenues and the capital budget is only nominally 30% of total budget, and is entirely borrowed).

ii. Rentier Economy, Perverse Incentives: Easy oil money creates an unproductive society with weird incentives. Today, our best and brightest people are attracted not to productive endeavors and sectors like agriculture and manufacturing, but ‘get-rich-quick’ schemes particularly in the telecoms, financial services, wholesale and retail trade, and the extractive industries, that appear to offer quick returns without creating jobs, adding very little value or doing little or nothing. A whole generation of Nigerians now believe that not only does corruption pay very well, but that honesty and hard work do not pay at all! This has to change and only you Mr. President has the antecedents to lead this.

iii. Persistent Infrastructure Deficits: No society can develop without physical and governance infrastructure. Our consistent reliance on government control, funding and management of the infrastructure sectors has led to persistent inefficiencies, corruption and escalating deficits:

- **Electricity**, which is the heartbeat of any modern economy is in very short supply in our country. Currently, we produce less electricity than the city of Dubai. The electricity supply industry whose reforms began in the year 2000, earlier than the reforms of telecoms, is now in serious crisis and nearly at the point of total collapse.
- **Water** supply, which is largely under the purview of subnational governments, is also in crisis, exacerbated by the failed participation and intervention of the Federal Government bureaucrats interested only in awarding contracts, collecting kickbacks and not caring if the projects are completed or even feasible in the first place.
- **Transportation** – interstate (Federal) **roads** are generally in a state of disrepair. The national **rail** system is still the colonial narrow gauge constructed by the British for the extraction of needed raw materials rather than for the encouragement of intra-national trade and connectivity. The **dual track, standard gauge national railway system** initiated by the Obasanjo administration in 2006 has been partly abandoned in favour of piecemeal implementation of sections rather than the integrated programme.

There is significant potential in the development of **inland waterways** but there has been no serious effort at seeing the dredging of Rivers Niger and Benue to completion. The **aviation**

sector is largely private and mostly insolvent. Virtually all the major airlines are beholden to AMCON, and their services are poor, unreliable and expensive.

- **ICT infrastructure** is slightly ahead of other sectors due to the deregulation and privatization efforts of 2001. We have nationwide GSM system but without full 3G and 4G networks. Furthermore, there is as yet no national fibre optic backbone with redundant satellite back-ups in case of natural disaster.
- **E-Governance infrastructure** with a foundation in a national biometric identification system is almost non-existent. While the NIMC is struggling to register 10 million Nigerian adults out of some 100 million, we have wasted billions in parallel biometric ID systems (FRSC, INEC, PenCom, Nigeria Immigration Service, NCC, CBN's BVN, etc. to mention a few) without a central, validated and rogue-free AFIS engine. The national potential to deploy these data and linking them with GIS, Land administration and tax compliance has therefore not been realized.

Mr. President, Sir

It is not difficult to reverse these negative trends and change the narrative to one of a nation with a growing, efficient and well-managed national infrastructure. All the plans and strategies are there. What is needed is political will, technocratic capacity and focus, which you, Mr. President must ensure are present here and now.

iv. **Absence of a Clear National Strategy of Export Orientation and/or Import Substitution:** Countries like Nigeria with large internal markets tend to first pursue generic import substitution strategies before graduating to some form of export-oriented industrial strategy. Small countries like Singapore are forced by their demographic circumstances to aggressively export to survive.

It is a matter of regret that with the exception of cement (2003-2007), Sugar (2008 to date) and Automobiles (2012 to date), no clear effort along any of the two strategies has been invested in recent times by governments. Indeed, only the cement strategy initiated by the Obasanjo administration appears to have totally succeeded.

Today, our country spends between 45% and 60% of our foreign exchange earnings to import what it should be producing (food and fuel)

and exports what we should be processing and refining to add value (Oil, Gas, Cocoa, Oil Palm, etc.). Indeed, Nigeria disgracefully imports for our large domestic market items as varied as Asphalt, Fuels, Rice, Wheat, Milk, Fertilizers, Poultry, Tomato, Fruits, Vegetable Oil, Sugar, Motor Vehicles, Motorcycles, Boats, Textiles, Consumer Electronics, Mobile Phones, Laptops and Tablets, etc. This is patently misguided. We must plan to produce as many of these as possible for our consumption and export to ECOWAS and the world.

Mr. President, Sir

We must therefore take advantage of our large internal market, natural endowments and comparative advantages in agriculture, minerals and human resources to be self-sufficient in food and fuels within your first term of office. It is neither impossible nor unduly difficult to achieve both goals.

v. **Unproductive and Expensive Public Sector:** We spend too high a proportion of our national resources on public sector wage bills and overheads. Federal public service salaries increased from about N600bn in 2007 to over N1,800bn in 2015. The total budget of the National Assembly has increased from N59bn in 2007 to N150bn under Yar'Adua and slightly down to N130bn by 2015. Similar situations exist in most of the states and local governments, leaving too little for capital investment in human development, infrastructure and social services.

Our judiciary today is dysfunctional and generally perceived to be corrupt, with courts of coordinate jurisdiction issuing contradictory rulings and judgments, while the appellate courts appear unable to exercise supervisory and disciplinary control over the lower courts.

Despite the successful introduction of a contributory pension scheme (CPS) nationally in 2004, the burden of the pay-as-you-go system remains a source of massive corruption and impunity. The CPS now has accumulated over N5,000bn and is considered a global model of a viable pension system. However, the funds are idle and are not being deployed as a source of reliable, long term financing for infrastructure, social development and housing sectors.

vi. **Endemic Poverty and Widening Inequality:** In the days when we were growing up, public schools were attended by the children of both the high and low. Public health facilities were equally patronized by both the rich and the poor. The quality of these social services and the attendant message of egalitarianism and social justice they conveyed,

enabled people of humble backgrounds like you and me, Mr. President, to rise to the higher positions in life depending on luck, ability and hard work.

Today, the exact opposite is the situation. The danger of this current state of affairs is that we are inadvertently creating successive generations of poorer, barely educated, unskilled, hopeless and angry children of the poor, side by side with increasingly richer, privately educated, skilled and optimistic children of the privileged. It is a demographic and social time bomb waiting to explode as the poor and hopeless youths are easy recruits of insurgents, violent politicians and criminals. Only you, Mr. President will appreciate this danger and do something about it with the urgency it deserves.

vii. Failure to Sharpen Competitive Advantage in Service Industries like ICT, Entertainment and Sports: Time and time again in the last 50 years, Nigerians have excelled globally in athletics, boxing, basketball, soccer and weightlifting. Yet we have never developed a national strategy to encourage and deepen our God-given endowments in sports. Indeed, appointment as minister of sports is seen as less prestigious than others.

The same attitude applies to service sectors like Art and Sculpture, ICT, Nollywood, Kannywood, music and other creative sub-sectors. Nigerian movies are now selling our nation positively and negatively all across Africa and the Black Diaspora. This is an important component of soft power which we have failed to think through, articulate to exploit to create jobs, wealth and prestige for our country. It is not too late to close this gap.

viii. Fiscal and Monetary Policy Mismatch: Against the background of the aforementioned issues, we seem to consistently suffer from disconnects and mismatch between the Central Bank of Nigeria (that is in charge of exchange rates, interest rates and inflation management) and the Federal Ministry of Finance (that looks after revenue flows, custom duties, tax policy and debt management).

The consequence of this is the nation suffering from high interest rates set by CBN in order to manage the exchange rate. Interest rates are also kept high to make it easier for FGN through the DMO to sell bonds and keep yields high. These have devastating impact on the real sector and job creation since no business can expand production (and employment) with the kind of interest and exchange rates offered by the banks.

The banks also find it more attractive to mobilize public sector deposits, purchase risk-free FGN bonds and lend little or nothing to private sector. Mr. President, business activities are shrinking because the private sector is suffering from multiple whammies of deteriorating and unstable exchange rate, high interest rates and dwindling purchasing power of customers.

Mr. President, Sir. It is neither too late nor impossible to achieve higher levels of policy coordination and consistency. It has been done in the past with the right chemistry between key economic policy centers. It must be done now.

4. Governance Issues and Challenges:

Government performance depends on political legitimacy and administrative capacity. It results from sound political vision, courage and the will of the President and other appointed and elected officials, supported by the administrative capacity of the public service. The functions of the public service include analysis of problems and providing advice, coordination of dispersed actors to achieve joint action, the execution and management of policies, and the regulation of the private sector to adhere to the national vision. You have the vision, courage and will, Mr. President. The jury is still out whether your most senior appointed officials share these qualities, and this must change for the better, Sir.

Mr. President, Sir.

Our **public service today** is too expensive, aging, outdated and inadequately skilled to discharge its mandate of providing administrative support to the political leadership. The nearly 600 MDAs at the federal level (and smaller number of counterparts at subnational levels) consume nearly 90% of our national revenues. This is why the FGN borrows over 100% of its capital budget! This is neither fair nor just.

The 800-page **Transition Committee Report** (summarized to 80 slides by Bain & Co.) went some way in recommending the merger of Ministries but implementation has been uneven and selective. Prior to this, the Obasanjo administration had done seminal work in merging ministries, (available on request) while the Oronsaye Committee has done some significant work in reducing duplication between parastatals and agencies. There exists therefore enough raw material to begin the needed restructuring of MDAs for optimal performance at the federal level. (Copies of both the Bain Summary and the Executive Summary of the Oronsaye Report are provided with this submission).

The **Machinery of Government**, the way and manner the President interacts with the State House, the Ministers and the Bureaucracy, including: the interaction between the Chief of Staff, SGF, Ministers, Special Advisers, Assistants and other aides needs further articulation and communication. It is clear, Mr. President, that the current system is delivering sub-optimal outcomes. A clear evidence of this is the lopsided nature of the appointments made so far, and the absence of any objective selection criteria other than pure chance and closeness to a handful of people around the President.

Another crisis is likely to be created if the current system (or lack of it) of appointment persists with the composition of boards of parastatals. I have had cause to register my concerns, which also mirrors the grievance of 23 APC Governors, about the way and manner this is being done (see Annex III attached). I am afraid that those that are tasked to do this, that are unwilling to be inclusive in the process, are those that neither knew who did what nor how you got elected, but now determine those who get appointed from the respective states.

With the greatest respect and humility, Mr. President, neither the Chief of Staff, nor the SGF, his Committee and National Vice Chairman North-West, of the APC know more than the government of Kaduna State, who contributed to our success at state level. For these officials to sit and decide the question of who gets appointed from Kaduna without our input is not only unfair, but likely to result in serious errors of judgment. Mr. President should reconsider and make the process more inclusive by giving the State Governors the opportunity to review what the political masters are doing.

5. Suggestions for Immediate and Medium Term Action:

Arising from the points made in earlier sections, I would like to summarize and restate the problems and recommendations for your immediate and medium term consideration. It is my humble opinion that our government appears to suffer from very serious perception problems on at least five fronts:

- a) Mr. President, there is perception that our government has been captured by a shadowy public service/PDP cabal such that we have won elections but the country is still run largely by these elements that are hostile to you and to us all.
- b) There is a strong perception that your inner circle or kitchen cabinet is incapable, unproductive and sectional. The quality and the undue concentration of key appointments to the North-East and exclusion of South-East are mentioned as evidence of this.

- c) There is a perception that your ministers, some of whom are competent and willing to make real contributions, have no clear mandate, instructions and access to you. Ministers are constitutional creations Mr. President and it is an aberration that they are expected to report to the Chief of Staff on policy matters.
- d) Mr. President, there is an emerging view in the media that you are neither leading the party nor the administration and those neither elected nor accountable appear to be in charge, and therefore the country is adrift.
- e) We are facing an unprecedented national economic crisis, but our administration has failed to roll out a coherent response and action plan, or even appeal to our patriotism with a rallying cry to unite and sacrifice in face of the adversity.

Mr. President Sir, it is the view of many informed citizens that while you are actively fighting corruption, the institutional weaknesses that enabled it to thrive under Jonathan, and the persons that participated in it, and oiled the system are still very much in charge, and many are around you. They also point to the recent appointment of key PDP apparatchiks of a few months back into important advisory and executive positions in the Presidency (National Assembly Adviser, NDDC Board and Cabinet Ministers) while enduring APC loyalists are ignored to make this point.

These troubling perceptions whether accurate or not must be addressed frontally by you Mr. President, and no other person. It is in light of all these points, arguments and perceptions, and with all sense of responsibility that I make the following suggestions for Mr. President's consideration, early decision and action:

- ❖ The President must communicate actively and directly with the Nigerian public about his vision – the government's plans, strategy and roadmap to take the country out of the current, dire economic situation. We need a five-year national development strategy and plan urgently.
- ❖ The President should speak to the nation – something akin to a State of the Union address on December 1 or January 1, preferably in a joint session of the National Assembly during which he will explain away some of the perceptions and lay out the national plans, strategies and roadmap above.

- ❖ Appoint as many of the current NWC members as possible to ambassadorial, executive and similar positions to give way for the restructuring of the party leadership ahead of the mid-term convention.
- ❖ Institute quarterly informal APC leadership council meetings in the State House to host, dine and consult with formal and informal party leaders to discuss and agree the restructuring of the party machinery after some of the actions above are done.
- ❖ Institute quarterly dinner with APC Governors and engaging them on party issues, executive and non-executive appointments and the like.
- ❖ Consider appointing a very experienced and nationally-connected person as your political adviser and bring in Chief Audu Ogbeh as an honorary political counsellor in addition to his executive functions.
- ❖ Constitute an informal task team of State Governors, National Assembly members and Party leaders to review the constitution of the party, assess financing needs, update the primaries system and task all State Governors to finalize the membership register in their respective states in accordance with pre-agreed guidelines, IT platform and biometric standards.
- ❖ Engage constructively with the NJC to impose quick sanctions on clearly erring judges, and appeals to the Judiciary to facilitate the expeditious resolution of landmark corruption cases.
- ❖ Initiate the process of replacement of the leadership and commissioners of the Federal Civil Service Commission, Police Service Commission and other central management agencies of the federal public service, and relaunch a federal public service reform program under the leadership of the minister of finance.
- ❖ Appoint a high profile economic adviser to the President, and constitute a two-level economic team – political level chaired by the VP and technical level consisting of key economic agency heads to do the more detailed technical analysis and present options for decision and action.
- ❖ Initiate sale of expired OMLs to India and China to raise at least \$20bn to add to our foreign reserves, stabilize our national currency, and create a fund for future generations to be managed by the Sovereign Investment Authority. Our children must not inherit what the previous administration bequeathed to us, and you can pull it off, Mr. President.

- ❖ Consider the privatization of other non-productive or potentially valuable assets like NIPP, Ajaokuta Steel and Itakpe Iron Ore, the balance of shares in Gencos and Discos, refineries and depots to raise revenues and achieve efficiencies.
- ❖ Accelerate TIN registration to double the number of tax payers to at least 10 million in 2017 and reduce the levels of personal and corporate income tax, while effecting an increase of the rate for value added tax.
- ❖ Commit to a three-year reflational budget with at least 40% of budget meant for capital projects, supplemented by robust PPP legislation to attract private investments in toll roads, intra-city rail systems, electricity generation and distribution, inland waterways, airports and concessioning of the narrow and standard gauge railway systems.
- ❖ Our entire investment environment and incentive structure needs a holistic review to enable us compete with our neighbors and peers. The investment policy review should prioritize encouraging local and foreign investors and fund managers to bring their capital and expertise to Nigeria.
- ❖ Develop an import substitution and export strategy taking one industrial sector, commodity or product at a time, similar to what was done successfully with cement. The key issue is to identify firms with potential and develop them into national, continental and global champions.
- ❖ Leverage on the fall-out of the padding scandal to scale down the budget of the National Assembly, put every MDA on IPPIS and begin the process of right-sizing the federal public service with the goal of drastically reducing the cost of governance.
- ❖ Constitute an implementation committee for the Oronsaye Report with the mandate to update and bring up modifications as necessary for the approval of the President.
- ❖ Institute a matching grants system that will encourage state governments to invest more aggressively in public education and healthcare to attack and slow the emergence of an inter-generational underclass and systemic inequality.
- ❖ Develop a national plan, strategy and roadmap for the ICT, entertainment, financial services and sports sectors, and appoint high profile ministers to drive the advocacy and implementation.

- ❖ Undertake a surgical operation on the leadership of the budgetary, fiscal and monetary management agencies to resolve conflicts between MDAs, replace tainted and incapable persons, and enable better coordination and policy consistency.
- ❖ Effect personnel changes in the Presidency, the ministries (cabinet and permanent secretaries) and constitute a small team to review all future appointments for competence, capacity, integrity, diversity and inclusiveness.

I am conscious of the likelihood that my memo may be misunderstood, misinterpreted and even perverted. I am willing to accept the usual accusations of arrogance and ambition, but Mr. President knows that none of these hold water. I ran for state Governor because you directed me to do so. From 2010 when we joined your team, I have no other interest other than your place in history as our President. I believe in your integrity, commitment and sense of duty to make our nation better. I am distressed that our government is seen not to be succeeding mostly due to the failures, lack of focus and selfishness of some you have entrusted to carry on and implement your vision. I am troubled that our own mis-steps have made the PDP and its apparatchiks so audacious and confident. It is time to act decisively, Mr. President. I hope this memo will contribute in some way in regaining our governance momentum.

Mr. President, Sir. You have both a crisis and opportunity in your hands to turn around our country in the right direction. We pray that Allah gives you the strength and good fortune to succeed. This is an honest, frank and objective view of an admirer, a mentee, and a loyalist. I hope it helps, and I apologise if it displeases you. My duty to you is to tell you the truth as I see it. I have no interest other than the progress of our party, our president, our government and our country.

Respectfully and most humbly submitted, Sir

***Nasir Ahmad El-Rufai, OFR
Governor of Kaduna State
September 22, 2016***

ANNEX I
DRAFT DECISION AND IMPLEMENTATION MATRIX

S/No	ISSUE/SUGGESTION/RECOMMENDATION	ACCEPTED (A) REJECTED (R)	RESPONSIBILITY	DEADLINE
A.	POLITICAL			
1.	Careful analysis of APC's NWC membership to identify those suitable for federal appointments.		PMB	Oct 31, 2016
2.	Appointment of Special Adviser (Political) to the President to coordinate and lead political engagement.		PMB	Oct 15, 2016
3.	Announcement of Audu Ogbeh as Honorary Political Counsellor reporting directly to the President.		PMB	Oct 15, 2016
4.	Quarterly consultation meetings/luncheon/dinners with <ul style="list-style-type: none"> - Party Elders/Leaders - State Governors - NASS membership - Senior Judicial officers 		PMB	Oct 2016 – Dec 2018
5.	Directive to State Governors to conclude computerization and biometric capture of their membership registers.		PMB	Oct 31, 2016
6.	Initiate constitutional amendments of the APC Constitution to include guidelines for direct primaries for party aspirants.		PMB	Oct 31, 2016
7.	Constitute task team to focus on key corruption cases and others needed to support APC change agenda in the socio-economic landscape.		PMB	Oct 31, 2016
8.	Constitute PMB Political Team consisting of trusted ministers, aides, governors, legislators and party leaders to guide, counsel and ensure implementation of issues A1 – A7 and brief the President regularly.		PMB	Nov 30, 2016

B.	ECONOMIC			
9.	Appoint Special Adviser (Economic Matters) to the President and designate him/her Chief Economic Adviser (CEA) to coordinate economic policy matters, agencies and issues.		PMB	Oct 31, 2016
10.	Establish two-level economic teams and announce to the nation: i) Economic Policy Team (EPT) headed by the Vice President with key ministers, CBN Governor, Special Advisers and not more than 3 State Governors. ii) Technical Working Group headed by the Finance Minister or CEA with key agency heads like FIRS, NNPC, Customs, Accountant General, BPE, NCC, NERC, CBN, NBS etc to debate and do detailed options analysis for decision by Economic Policy Team.		PMB/VP VP	Oct 1, 2016 Oct 15, 2016
11.	Task EPT to produce a National Perspective Plan (2017-2030) and Five Year Plan (2017-2021) to guide our development efforts.		PMB VP B&P	Dec 31, 2016
12.	Task the EPT to form steering sub-committees and workgroups at policy and technical levels to come up with Sector Implementation Plans for:		PMB	Oct 31, 2016
	1) Revamping the Electricity Supply Industry to be led by NERC.		PMB NERC	Oct 15, 2016
	2) Phased implementation of the National Transportation Master Plan (Roads, Rail, Air Transport, Inland waterways and Sea Ports) to be led by Federal Ministry of Transport.		PMB MoT	Oct 31, 2016
	3) Development of national fibre optic backbone, 3G and 4G networks nationwide and redundant satellite backup systems to be led by NCC.		PMB NCC	Nov 30, 2016
	4) Reducing our housing deficit and development of an affordable mortgage system.		PMB MoWPH MoF/CBN	Nov 30, 2016
	5) Build up a national E-Governance Infrastructure that will collate, validate and harmonize all the biometric data of citizens with FRSC, INEC, Pencom, NIS, CBN, NCC, FIRS, etc under the leadership of NIMC to produce a National Multipurpose ID Card for every		PMB NIMC	Dec 31, 2016

	Nigerian.			
	<p>6) Import Substitution/Export Growth Strategy with specific groups to focus on developing roadmaps for:</p> <ul style="list-style-type: none"> o Refined Petroleum products o Bitumen o Fertilizers o Rice and wheat o Milk o Textiles o Tomato o Electronics o Vegetable Oil o Fruits and Juices 		VP Relevant Ministers	Dec 31, 2016
	7) Enhanced competitive advantage in sports, ICT and software development, entertainment and Art/sculpture to be led by various sector ministries.		PMB	Dec 31, 2016
13.	Compile all expired OMLs and offer them to India, China and other interested investors to raise between \$20 - \$40 billion in signature bonuses that can be deployed to (i) stabilize the exchange rate by raising the foreign reserves to \$40-\$50 billion (ii) increase the sovereign wealth fund and (iii) finance essential infrastructure and housing deficits.		PMB MoSP	Oct 31, 2016
14.	Evaluate some idle assets for privatization like Ajaokuta Steel, Itakpe Iron Ore, NIPP power stations, 40% equity in Gencos and Discos owned by FGN and State Governments, and capital injection to dilute FGN in development banks.		PMB VP BPE	Oct 31, 2016
15.	Review tax policy and accelerate TIN registration nationwide to widen and broaden the tax net, reduce personal and income tax rates while raising VAT to 10% as fair compensation.		PMB MoF	Oct 31, 2016 <i>Effective from Jan 2017</i>
16.	Review investment policies to further ease doing business, waive visas for Africans and introduce Visa-on-arrival for Investors, etc		PMB MoT&I	Dec 31, 2016
17.	Institute matching grant system to compel state to invest more aggressively in public primary, secondary and vocational education, and primary healthcare and health insurance for all citizens of their states.		PMB	Oct 31, 2016

C.	GOVERNANCE			
18.	Review the 80 page Summary of the Transition Committee (2015) alongside the Oronsaye Committee Report (2013) for implementation to reduce the cost of governance at federal level.		PMB MoF	Oct 15, 2016
19.	Initiate the process to replace the leadership and management teams of the following central management agencies to ensure the re-launch of a public service reform, renewal and strengthening programme: <ul style="list-style-type: none">- Federal Civil Service Commission- Federal Character Commission- Police Service Commission- Fiscal Responsibility Commission- Federal Judiciary Service Commission- Revenue Mobilization, Allocation and Fiscal Commission.		PMB Att.GF MoF	Nov 30, 2016
20.	Reduce the National Assembly budget for 2017 to not more than N65 billion and require the publication of all line items for all the Consolidated Revenue Fund Charges (UBE, INEC, NDDC, National Assembly and NJC) in the interest of full transparency, and put every federal employee on IPPIS by January 2017.		PMB MoB&P MoF	Oct 15, 2016
21.	Effect personal changes in the Presidency, the Ministries and key agencies, while constituting a small team of trusted persons to review all future executive appointments for competence, capacity, integrity and diversity.		PMB	Oct 31, 2016
D.	MISCELLANEOUS			
22.	Proclaim the first Thursday of December every year as the day the President will address the nation through a joint session of the National Assembly to: <ul style="list-style-type: none">- Articulate government plans, strategy and roadmap to strengthen the unity of our people, develop our economy and create a just and egalitarian society.- Outline steps being taken in pursuit of our change agenda to secure the country, fight corruption and manage its political economy to work for every citizen.- Present the legacy we inherited, the challenges we are facing and calling on all patriots to come together and		PMB	Oct 15, 2016
			PMB MoI	Nov 30, 2016
			PMB MoI	Nov 30, 2016
			PMB MoF MoI	Nov 30, 2016

	sacrifice for a better future for generations unborn.			
23.	Institute a system of periodic radio/TV media interactions with the President and Vice President to continue messaging and connecting to Nigerian citizens.		PMB VP	Nov 30, 2016

ANNEX II

Starting well the work of change - Thoughts for President Buhari - April 2015

We have done the impossible.

We have defeated an incumbent president and our party has won large majorities in both houses of the National Assembly. All things being equal, we will likely win the majority of the 29 governorships being contested on April 11, in sha Allah.

Congratulations sir. Now the real work begins.

Expectations are at an all-time high. It is a giddy moment for Nigeria because under your calm and consistent leadership, we have shown that achieving the impossible only takes longer. To sustain this, we must set the right tone and direction of your administration in a manner that is both timely and appropriate.

You must send the right signals very early on that not only “change has come to Nigeria” but in reality things will change in the shortest possible time. The people believe in you. They trust you. I have great confidence that you are determined to discharge that trust.

It is in the light of the above that I decided to write this memo to present my thoughts on what I consider critical to your success in the coming days, weeks and months. We must neither lose the enormous goodwill that you currently enjoy, nor the governance momentum people expect, once you are sworn in.

I have seen these avoidable events happen to the Obasanjo, Yar’adua and Jonathan administrations. President Obasanjo almost completely wasted his first term in office by trying to do things the old way and with the same familiar set of characters. We must guard against that being our fate.

First and foremost, I am concerned about your staying alive and well. You are trained in the art of conventional warfare and survival. You are by nature a careful and thoughtful person. However, your religion, culture and personality sometimes combine to create room for fatalism. I believe we must always prepare for the worst, while of course hoping for the best. In this transition period and thereafter, you must be especially mindful of potential attempts to cause you physical harm or worse.

This may sound far-fetched, but the desperation of those that seek power for financial gain has no limits. My suggestion is that you take a short break, perform the Umrah and engage in both rest and reflection as soon as the transition team begins its work.

The political system and economy you are about to inherit are broken.

Our various peoples are more divided today than possibly even during the Nigerian Civil War. Political actors have become transaction-oriented across parties, including ours. National security and military institutions have been desecrated and politicized. Public

administration has been excessively corrupted. Law enforcement is weak and selective and the justice system so privatized that money often determines judicial decisions at all levels.

The economic situation is dire and oil prices likely to remain in the \$50 per barrel range for some time to come. Our debts have multiplied in the last eight years while reserves and financial system stability are currently under very serious pressure.

It is 1984 for you all over again—only far worse. These are some of the reasons why I said a year ago that I sympathized with you.

You must therefore put forward some organizing principles around which your administration would be designed that will enable Nigerians identify and adopt as a unifying vision for the next decade or so.

In my humble opinion, these principles should be national unity, social discipline, personal sacrifice and the constant signalling of hope for a better tomorrow.

You must through your words, your personal example and the selection of the team around you, unite our nation by creating a sense of inclusion that gives people of proven honesty, competence and commitment, roles in your government. The mistake of the outgoing regime of creating a strong appearance of an Ijaw enclave, or the Katsina-Kano cabal of Yar’adua, must be deliberately avoided. There will be a strong “it’s our own turn” sentiment among many of our own allies and comrades. This must be strongly resisted.

We must also move away from the PDP culture of excessively zoning positions without regard to merit. Primacy should be given to capacity to get the job done ahead of ethnic and religious considerations. Federal character should first prioritize competence, capability and honesty, while consciously making an effort to reflect our diversity.

The PDP system of leadership by identity-centered allocation brought the nation to near-collapse. It is your duty to bequeath a better one. It is the exhibition of equal concern for all citizens in all regions that will unite our people and reduce the negative use of ethnic, religious and regional identity in governance.

All across our society, you must preach a new message of sacrifice. The cost of governance must be reduced while tax collections increased as a matter of national survival. This requires consensus on sacrifice by all groups. Times will be hard. Fixing what has been broken will need sacrifice on the part of everyone.

Government officials should be humble. The fanfare, protocol and the sirens that excessively separate the people from their leaders must be moderated as a matter of conscious and deliberate policy. You will have to set the tone for a new era of modesty. You have to make ostentation socially abhorrent and, to use the language of today’s youth, uncool. You will have to enjoin all APC governors, legislators and ministers—and everyone in the service of the federal government—to do the same. Our people will make these sacrifices willingly when they see their leaders making the same.

Individual discipline, respect for rules and regulations and compliance with the rule of law are major tenets of your first outing as head of state. If anything, things have worsened dramatically in thirty years. Indeed, indiscipline, and impunity are some of most serious challenges you will have to confront. You must remind our citizens consistently to be personally disciplined, respect rules and obey the law. You must require political leaders to do same, and as usual, confirm that you will lead from the front.

While the nation is more deeply divided than ever, the North appears more cohesive than ever. This is a phenomenon that needs to be nurtured, moderated and mobilized for the overall good of Nigeria. There are many lessons here to learn from Ahmadu Bello's style of inclusive leadership that gave primacy to respect of minority rights and concerns. Addressing the recent devastation of parts of North-Eastern Nigeria and the emergence of unprecedented security challenges in the North-West and the Middle Belt require collaborative actions and cooperation between the state governments and your administration. This must be approached with single-minded vigour.

A key requirement of setting the right tone and direction of your government is to choose the right people early to constitute your core team that will work in the State House. Over the years, you have worked with many persons and have assessed their capabilities, strengths and weaknesses. It is vital you bring this to bear in your (1) constitution of the transition team, (2) choice of personal staff, (3) prominent cabinet positions and (4) leadership of key regulatory institutions and federal executive bodies. These initial decisions all combine to send signals to political, economic and diplomatic stakeholders about the direction of your government. Getting these wrong spells doom for any administration. The transition team you announce sends the first signal within and outside the party and our nation regarding the direction of your administration.

As you may have noticed during the composition of your campaign council directorates, there are at least three groups continuously competing for your attention, struggling for control, and seeking to determine who gets on that and other lists for various reasons. Each group is important and contributed to your success. The challenge is how to moderate individual and group expectations, discourage factionalism, and make key appointments in a manner consistent with the tone and direction of your administration.

The Lagos group more or less led by Asiwaju Bola Tinubu is the most organized and proactive. This group made a key contribution in our electoral success, but like all groupings it naturally exaggerates its role in order to increase its influence in the coming administration. The group will use the media to promote its own "GMB Boys" or suggest "Northerners" of their choice that they think would do their bidding. Some already are boasting that they will choose the next petroleum minister and the executive leadership of the NNPC. They will seek direct control or great influence over key economic portfolios, including agencies involved in revenue generation (NNPC, FIRS, Customs, etc.) law enforcement (Attorney General, EFCC, etc.) and financial services regulation (CBN, SEC, PenCom, etc.). This group will seek an alliance with some GMB family members to help strengthen their pre-eminent position in these areas.

The national chairman, Chief John Odigie-Oyegun is under pressure from the APC leadership to ensure that the party plays a prominent, rather than a back seat, role in your administration. The chairman is being guided behind the scenes in this effort by the likes of Senator Lawal Shuaibu, Dr. Hakeem Baba Ahmed, Senator Bukola Saraki, Hubert Shaiyen, Dr. Kayode Fayemi and Senator Bunmi Adetunmbi. This group essentially desires an entrée into your government through the party and are concerned more with political power than commercial transactions. While the chairman's agenda is altruistic and progressive, some of those pushing this effort are, not surprisingly, driven by personal positioning and advancement. This group will attempt to take strong positions in the transition team as policy entrepreneurs and "technocrats" and representing the party hierarchy as a first step in controlling the machinery of the federal government. They will therefore focus on ensuring that they have a say in who occupies administrative and bureaucratic offices like that of the Chief of Staff, the SGF, Head of Service, key Permanent Secretaries and headship of parastatals.

The third group is essentially an amalgam of the remnants of your original TBO-CPC-BSO apparatchiks and the campaign team loyal to, or able to tolerate Governor Rotimi Amaechi. Even here there are outliers as this group is neither cohesive nor with a clear agenda other than affection for you as a person. Indeed, rivalries between group members sometimes divides its attention as we saw during the campaign period. This group is probably the most loyal to you even if some members are positioning themselves for what they feel is well-deserved, cherry-picks of executive appointments and positions in your government. This group will essentially look forward to controlling the State House (The Villa) and be the main personnel in the President's office. The group will ally easily with your family members to deepen and broaden its influence.

A fourth group is likely to emerge to include former, outgoing and current state governors. Under the PDP system this group wielded a lot of power over federal appointments while exclusively retaining control of their states and local governments. I think this is one area in federal-state relations that needs urgent and fundamental reforms. The fifth group that would emerge if you do not keep a close watch on the party organs and the replacement of likely vacancies in party leadership positions is the APC National Executive Committee, National Caucus and the Board of Trustees.

Finally, the National Assembly will present both a challenge and an opportunity. One of the challenges is how to accommodate the South-South and South-East in the leadership schema of the NASS bearing in mind their voting behavior and results of last week's elections. The opportunity is for you and the party to allow the NASS members to freely choose their leaders in much the same way we elected our candidates without external imposition of 'zoning' and other PDP habits that nearly brought our nation to its knees. My suggestion is that you avoid endorsing a candidate or recognize any so-called geopolitical zone having any exclusive right to any position in the NASS leadership. Let them have as many rounds of elections as possible to produce the leaders. Thereafter, let seniority in NASS automatically determine leadership as we have seen in the US Congress and other developed economies. Let the rigid rule of leadership by geographic allocation be gradually but surely phased out.

The quality and caliber of the personal staff you appoint, along with a handful of key executive positions will either reinforce the tone and direction of your government or contradict it. The key positions to watch out for are Chief of Staff, Deputy Chief of Staff, Principal Secretary to the President, Secretary to the Government of the Federation and the Head of Civil Service. Others are the visible advisory positions – the NSA, Economic and Political Advisers. All these are appointments that can be made without needing Senate confirmation and even before inauguration so that work can start without delay.

Cabinet appointments are constitutional and subject to Senate confirmation. So are the service chiefs and heads of Federal Executive Bodies like the Civil Service Commission, Police Service Commission and the EFCC, etc. The SGF-designate can establish which of these offices have imminent or likely vacancies available so that the search for replacements can begin in earnest. The President is required to nominate a minister from each of the 36 states. It is vital that while our unity in diversity is observed, the caliber of persons to the following ministries will also reinforce the tone of direction or contradict it – Finance, Defence, Petroleum, Power, Works, National Planning, Education, Health and Agriculture. It is important that these persons are carefully selected with emphasis on integrity, competence, capacity and chemistry to work well with the President. I urge that you seriously consider filling most of these positions with “political neutrals”— technocrats and subject-matter experts who are not necessarily very active in our political party or in any of the identifiable groupings described above.

Next in order of priority is the selection of heads of various regulatory agencies like the CBN, NCC, NERC, SEC and the Anti-Corruption agencies. Once again, those nominated for Senate confirmation in these positions either raise new questions about the tone and direction of your government or send clear signals about the new policy direction. Many of the positions are due for renewal and work needs to start in earnest to search for the most suitable persons that reinforce your national vision of unity, discipline, modesty and sacrifice. Other sub-cabinet appointments are key to our success, and such must be taken equally seriously. These include the FIRS, NNPC, BPE, BPP, DPR, UBE, FERMA and so on. It is vitally important that even key positions that do not immediately come up for renewal, such as governor of the Central Bank, be made available for new leadership.

Mr. President-Elect, I cannot overemphasize the importance of setting up a mechanism for recruiting and vetting all potential candidates, via a small committee of three to five people that will be appointed by you. This committee, separate from a transition committee, and working mostly quietly behind the scenes and reporting directly to you, should be dominated mostly by people that are not too deeply political. I urge you to prioritize setting up such a committee now.

Permit me to conclude this note with a checklist of what I will call “hot-button” issues that will confront you beginning from the middle of April 2015. Many of them have been brewing for a while but kept under wraps by the outgoing administration ‘until after the elections’:

1. Risk of Fuel supply bottlenecks due to non-payment of “subsidies” and subsidy regime itself.

2. Shutdown of the crude oil export terminals due to disputes about levies (and bribes)
3. Position on the \$2bn budget support loan from the World Bank and AfDB being rushed by Minister of Finance
4. Merging of duplicating agencies to save costs as recommended in the Oronsaye Report.
5. Rushed nomination of executive director and President of Africa Development Bank by the Minister of Finance and the Presidency.
6. Security sector review and development of rapid response counter-insurgency strategy, particularly urgent depoliticization of the SSS and polluted branches of the armed forces.
7. Treasury Status – Extent of Salary & Pension Arrears, Crises in state finances, etc. at least 24 states are unable to pay salaries without bridging loans. There is a need to look very closely and early into the operations of the Federation Account. Insolvent states can only add to our inherited significant security and political challenges
8. Immediate Budget Review – Supplementary Budget to refocus tone and direction including the proposed review of VAT and luxury taxes.
9. Agricultural Inputs Prioritization for the 2015 cropping season to avoid a famine in 2015-2016. Maize prices have collapsed due to imports, while warehouses are filled with imported "duty-free" rice much below our farmers' production costs.
10. Quick Wins and Strategies – Electricity, Insurgency, Road Repairs, Abuja Renewal, etc.
11. A careful look at the exchange rate particularly the sustainability of the current resurgence of the Naira and the stock market and avoiding being blamed for any future exchange rate adjustment.
12. An early consideration of currency policy and operations, including recent re-denomination, redesign and rationalization of notes and coins in light of the alleged massive seigniorage of the CBN in the last few months to finance elections and bail out the recently privatized Electricity Distribution companies.

Fortunately, I believe that the Hand of God was tilting in our favour from the very first day the APC was conceived. There are also tons of goodwill, and millions of talented people, especially young people, willing to support you and make a success of your presidency. I hope that this memo adds to the menu of suggestions you have on your table. I wish you all the best of luck sir, and will continue to work and pray for our collective success, to bring our nation back to the track of peace, progress and prosperity.

I am sure you know that you can always count on me to contribute in any way that improves our chances of success.

**Nasir Ahmad El-Rufai
Abuja.**

April 6, 2015

ANNEX III

Reconstitution of Federal Government Boards - November 3, 2015

Background:

1. There are over 520 extra-ministerial departments, parastatals and agencies with over 5,000 board-member vacancies that need to be appointed by the President.
2. Most will be direct appointments while a handful of executive bodies and commissions shall be nominations subject to confirmation by the Senate.
3. The PGF has learnt that the President has appointed a committee chaired by the SGF with membership drawn from within and outside the APC NWC to recommend suitable persons to fill these vacancies.
4. The PGF is informed that respective State Chairmen of the APC have received letters from the APC National Headquarters requesting the transmission of 50 names per state for the vacancies in question.
5. The PGF in its last meeting in Bauchi on October 29 noted with concern that:
 - i. The state governors as grassroots APC leaders and those that bore most the burden of the party before, during and after the elections were neither consulted nor represented in the committee.
 - ii. The numbers of board members requested of the State APC branches when added would account less than half of the total board-member vacancies, making the PGF wonder what office or organs will appoint the over 3,000 vacancies.
 - iii. In view of the varied complaints emanating from party leaders and faithful, governors and the general public about the appointments made so far by the administration, it is imperative that the bases for the composition of Federal boards be broadened to ensure all key stakeholders are involved in a manner that is accountable and transparent.

The Way Forward:

6. After detailed deliberations and consultation with party leaders at national and state levels, and with all sense of responsibility, the PGF recommends that the approval given by the President on the composition of the Committee be reconsidered, reviewed and amended along the following lines:
 - a) The Presidential Committee on Constitution of the Federal Governments Boards be chaired by the Vice President with the National Chairman of the APC as First Vice Chairman while the Chief of Staff to the President be Second Vice Chairman
 - b) The two Deputy National Chairmen and the National Secretary of the APC should represent the party as members.
 - c) Six governors to represent the PGF, with one representing each geopolitical zones.

- d) Two senators and four house of representative members to represent the National Assembly.
- e) Three ministers to represent the Federal Executive Council, two of whom shall be women.
- f) The Attorney General of the Federation and Minister of Justice, and
- g) The Secretary to the Government to be a member and the Secretary of the Committee

Suggested Modus Operandi:

7. The Committee's main assignment will be to:
 - a. undertake an inventory of vacancies and when they fall due,
 - b. allocate firstly, the Chairmanship slots and then
 - c. distribute part-time board membership vacancies between the six geopolitical zones on the basis of:
 - i. 30% equality of the states,
 - ii. 40% proportional votes APC got in the presidential election, and
 - iii. 30% population evidenced by PVCs collected.
8. These electoral and political considerations and the attendant formula will not be applicable to vacant positions of CEOs and full-time positions like executive chairmen or vice chairmen, directors-general, managing directors and executive secretaries of federal parastatals, commissions and other agencies which the President shall appoint based on merit and need to reflect the federal character of the nation.
9. The six Governors representing the geopolitical zones along with the regional, zonal and state leaders of the party will then report the outcome of the zonal and state distributions to the states in their zone for further sub-allocation in each state based on the criteria above.
10. The state leadership of the party will then nominate names and forward resumes of party faithful that are qualified to be board members to the Vice President for initial review and onward transmission to the SGF for compilation before submission for the approval of Mr. President.
11. The deadline for completion of the assignment of the Committee should not extend beyond December 31, 2015 so Mr. President can have most if not all of the roads constituted in January 2016.
12. Above views and suggestions are respectfully submitted for the consideration of Mr. President by the PGF.

**Owelle Rochas Okorocha
Chairman, PGF**

November 3, 2015