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An Appraisal of the Nigeria Economic Recovery and Growth Plan, 2017-2020

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Abstract

Since Independence and especially since the return to democratic governance in 1999, successive governments have made concerted efforts in economic and development planning. In a bid to revamp the economy already battered by mal-administration, the Buhari's administration recently launched the Nigerian Economic Recovery and Growth Plan (NERGP) with the broad objectives of restoring growth, building a globally competitive economy and accelerating inclusive growth by investing in the Nigerian people from 2017 – 2021. Against the backdrop of the failures of the previous plans, this study assessed the level of performance in the implementation of the economic plan, with a view to identifying the areas of success or otherwise and made recommendations for the future. The study relied on content analysis with secondary sources of data collection. The paper recommended that the Federal Government through the National Assembly should pass an Act on the NERGP, because one cannot build something on nothing. Also, there is need to expedite actions in passing the Petroleum Industry bill, since one of the key deliverables of the Plan is to reduce petroleum product imports by 60 per cent in 2018.

Key Words: Economic, Development, Planning, Development Plan, Implementation

Introduction

Successive Nigerian Governments have made concerted efforts in economic and development planning, in a bid to revamp the economy already battered by historical trajectory and orchestrated by maladministration. Efforts to harness available domestic and external resources towards the attainment of economic development and growth to meet the yearnings and aspirations of Nigeria started with the First National Development Plan (1962-1968), followed by the second National Development Plan (1970-1974), the Third Plan (1975-1980) and the Fourth Plan (1981-1985) (Adeyemi, 2001, p. 8). The Structural Adjustment Programme (SAP) was introduced in 1986 as a policy instrument to address the grave distortions that had reduced a booming and dynamic economy to a state of acute depression and negative growth during the 1982-1985. The Federal Government also embarked on three year rolling plans between 1990 and 1998 and long term perspective planning (Ikeanyibe, 2009; Iheanacho, 2014). With the return of Democracy in 1999, the desire to revive the ailing Nigerian economy became the hallmark of the then administration. Hence, an ambitious economic programme was introduced between 2003 and 2007 known as the National Economic Empowerment and Development Strategy (NEEDS). It was a medium term plan which focused on wealth creation, employment generation, poverty reduction and value orientation. Next was the Vision 20-2020, a perspective plan which aimed at making Nigeria a fully developed economy and one of the best 20 economies of the world by the year 2020. President Goodluck Jonathan’s administration introduced the Transformation Agenda, which was aimed at transforming our thinking, institutional organization and human capital to support the aspirations of the Nigerian people, through a blueprint on key policies, programmes and projects to be implemented during 2011 – 2015. The TA is not a standalone, strategic plan, as it builds on the foundations of the 1st National Implementation Plan (NIP) of the Nigeria Vision 20:2020 (NV20:2020). The (NV20:2020) is an expression of Nigeria’s intent to improve the living standards of her citizens and place the country among the top 20 economies in the world, with a minimum GDP of $900 billion and a per capita income of not less than $4000 per annum. Other objectives are to achieve fiscal prudence, fiscal balance, low inflation and availability of infrastructural facilities to propel the economy. Whilst these initiatives have achieved varying degrees of success, implementation across board has always been challenging.

However, in keeping with the above tradition of rolling out economic plans, the Buhari administration has launched yet another plan, this time a comprehensive economic intervention plan tagged the Economic Recovery and Growth Plan (ERGP). The ERGP, which comes on the heels of Nigeria’s slump into recession for the first time in 25 years and the sharp fall in oil prices from highs of about $112 a barrel in 2014 to below $50 in 2016, is targeted at propelling Nigeria back to sustainable, accelerated development and restoring economic growth in the medium term, 2017-2020 (Chike, et’ al, 2017). The ERGP is based on 3 strategic objectives supported by enablers and a clear delivery plan. The inclusive growth plan involves promoting national prosperity by ensuring that the following measures are put in place: *Restoring growth*; *Investing in the Nigerian people*; *Building a globally competitive economy*.

Against the backdrop of the failures of the previous plans, and given that the ERGP is almost two years into the implementation period, coupled with the fact that the period between mid 2018 and mid 2019 shall be dedicated to electioneering as against governance, there is need to reflect on the level of performance in the implementation of the ERGP, with a view to identifying the areas of prospects or otherwise and making recommendations for the future. The study is therefore divided into five sections. Section one is Introduction, the next section is conceptualization of economic growth, development and development planning. Section three took a brief review of development planning in Nigeria, while section 4 attempts an appraisal of the ERGP in terms of its successes thus far, but also identifying some apparent fears for the future given the current realities and lastly the conclusion is based on recommendations for re-strategizing into the future.

Conceptual Framework

Economic Growth: It is commonly defined as the change in national income over time, usually measured over one year. National income is the amount produced by a country in one year. We could also define economic growth as the increase in the production possibilities frontier (PPF) that results from an increase in the supply of resources or an improvement in technology.

A country's economic growth is usually indicated by an increase in that country's gross domestic product, or GDP. Generally speaking, gross domestic product is an economic model that reflects the value of a country's output. In other words, a country's GDP is the total monetary value of the goods and services produced by that country over a specific period of time (Kallie, 2017).

Development: The exact meaning of "development" is unclear – there is no general agreement about what it is or what should go in. It tries to see "how well off" people are in ways that include more than just income. There is a feeling of wider change and improvement about it, as well as "better off". It is not just "more of the same" which is what "growth" measures.

Seers (1969) suggested that development is when a country experiences a reduction or elimination of poverty, inequality and unemployment. For Owens (1987), development is when there is development of people (human development) and not development of things. In the same vein, the World Development Report (WDR 1991), argued that "The challenge of development… is to improve the quality of life…better education, higher standards of health and nutrition, less poverty, a cleaner environment, more equality of opportunity, greater individual freedom, and a richer cultural life." The Nobel Economist Sen (1999), writing in "Development as Freedom" described development as being concerned with improving the **freedoms and capacities** of the disadvantaged, thereby enhancing the overall quality of life. Sen pursued the idea that development provides an opportunity to people to free themselves from the suffering caused by early mortality, persecution, starvation, Illiteracy. From this perspective, development should be about increasing political freedom, cultural and social freedom and not just about raising incomes. Haller (2012) differentiated between economic growth and development. He said while economic growth concerns the quantitative side of economic activity (the increase of results, of quantities, of sizes), development has a larger scope, including qualitative changes that take place in economy and society. In fact, development is a qualitatively higher step of macro-economic evolution. We often refer to growth theories when we speak about the developed countries and to the theories of development when we approach the economic problems that are specific to the developing or less developed countries. Todaro (1982), saw development as a multi-dimensional process but gave a definition that is often considered as the other extreme of emphasis from that of Rodney (Ikeanyibe, 2009). He described development as a multi-dimensional process involving the reorganization and reorientation of the entire economic and social system. This involves in addition to improvement of income and output, radical changes in institutional, social and administrative structures as well as in popular attitudes, customs and belief. Todaro's definition gives the meaning, which the concept of development assumes whenever it is discussed in relation to countries. Development at this level of conceptualization is often understood in terms of economic development. This does not only signify economic development, but as Todaro noted above; it equally implies improving the social, administrative, political as well as people's cultural attitudes and beliefs that are anti progress (Ikeanyibe, 2009 p. 198).

In summary, development is about much more than advancing economic growth, the emphasis is placed on 'cultural and human value', 'self-esteem' and freedom from ignorance.

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Development Plan

A development plan is a document which details the overall strategy of the council for the proper planning and sustainable development of an area and generally consists of a written statement and accompanying maps. The plan usually includes the broad aims of the council for specific topics, e.g. housing, infrastructure, community facilities which are reinforced by more detailed policies and objectives (Wikipedia, 2018).

Development planning comprehensively involves predetermining a nation's vision, mission, policies and programmes in all facets of life such as social, human, political, environmental, technological factors etc. and the means of achieving them. Development planning presupposes a formally predetermined rather than a sporadic action towards achieving specific developmental results. More importantly, it entails direction and control towards achieving plan targets. It is necessary to underscore that development planning is not easy since it deals with many complex and futuristic events (Ayo, 1988, Okigbo, 1989 and Okojie, 2002).

Development planning, from the national standpoint, is the process whereby a government looks ahead into the future and maps out a vision of where the nation should be, in line with the perceived expectations of society. The vision forms the basis for the goals and objectives of society, while the programmes and policies for achieving these goals and objectives are predicated on the strategies mapped out by the development planners and technocrats of the system. Development planning also entails taking stock of available resources and projecting them into the future (Adeyemi, 2001).

Review of Development Plans in Nigeria

Since the attainment of political independence, the major problem has not been the inability to draw up well articulated strategies, programmes and policies as contained in the series of five-year development plans and rolling plans, but rather the inability to successfully implement the plan policies and programmes. Starting with the First National Development Plan (1962-68), the economy was able to achieve the GDP growth target of 4.0% per annum, although many of the key projects that were envisaged in the plan could not be implemented owing to non-availability of the required external financing and technical assistance. As a result, the plan only achieved about 50% of the public sector investment target.

The second plan made significant achievements, especially in the area of post-civil war reconstruction efforts. Some of the achievements of the third plan include the effective take-off of several agricultural and the public sector industrial projects. These include the world bank-assisted Agricultural Development Programmes (ADPs), the National Accelerated Food Production Programme (NAFPP), the Ajaokuta and Aladja steel plants, and the Oku-Ibokupaper mills, among others (Adeyemi, 2001; Kazuhara, 1993). However, the plan, on account of its welfare strategy, placed undue heavy reliance on imports to the detriment of the local production capacity.

The fourth National Development Plan (1981-85) turned out to be rather too ambitious as most of the resources expectations under the plan failed to materialize. The year 1981 marked the end of the first phase of the oil boom era, followed by the collapse of the international oil market between 1982 and1985. As a result of the sharp drop in the price of oil and its level of demand, foreign exchange earnings dropped from $25.0 billion in 1981 to about $7.0 billion in 1986. In the circumstance, most of the plan projects could not be implemented and government became saddled with a huge fiscal deficit. The situation was further compounded by governments' recourse to external borrowing to make up the shortfall in current accounts and to finance some of the key plan projects (Ikeanyibe, 2009; Iheanacho, 2014).

Next was the rolling plans and Vision 2010. The primary objective of the rolling plan was to afford the country the opportunity of revision in the midst of increasing socio-political and economic uncertainties. But the preparation of medium term plans turned out to be a yearly event and became almost indistinguishable from annual budgets. Rolling plans are being prepared annually at all levels of government. At the end of about ten year rolling plan from 1990 to 1999, Nigerians were not still better than they were during the years of fixed medium term planning (Okojie, 2002).

With the coming of President Obasanjo to power in 1999, he thought of a better economic plan to rejuvenate the weak economy of Nigeria. Accordingly, after a brainstorming session, his administration came up with the idea of a National economic empowerment and Development Strategy, NEEDS. NEEDS macro-economic framework was market-driven and focused on re-structuring and privatizing state-owned enterprises to improve the macro-economic environment for private sector-led growth take off. However, apart from restructuring in the banking sector, there was no significant response of NEEDS to the development challenges of the country as envisaged. The objectives of achieving wealth creation, poverty alleviation, employment generation, value re-orientation and infrastructural development underscored in the plan have remained elusive. There was rather loss of employment due to the privatization process and the infrastructural challenges of the country deepened (Okafor, 2016, p. 21).

In 2009, the Federal Republic of Nigeria set some ambitious objectives. One of which was to become among the top 20 economies in terms of GDP size by 2020. The Vision focused on two broad objectives:

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

The strategies to achieve these objectives were:

- To urgently and immediately address the major constraints to Nigeria’s growth and competitiveness, such as: epileptic power supply, weak infrastructure and institutions among others;
- To aggressively pursue a structural transformation of the economy from a mono-product to a diversified and industrialized economy;
- To invest in human capital to transform the Nigerian people into active agents for growth and national development; and
- To invest in infrastructure to create an enabling environment for growth, industrial competitiveness and sustainable development.

A look at how it has fared in terms of meeting its broad objectives shows mixed results. Firstly, the aim to achieve rapid growth did not materialize. While the Nigerian economy grew by 7.8% in 2010, economic growth has slowed and contracted by 1.5% in 2016. In a similar vein, the country has not been able to achieve significant improvements in terms of records of social development. Nigeria’s progress on the Human Development Index (HDI) is also not encouraging. Nigeria has had two different administrations since the adoption of Vision 20:2020, each having its own economic growth plan. Under President Jonathan the Transformation Agenda was the focus. With President Buhari, it is the Economic Recovery and Growth Plan (ERGP) and the focus seems to be squarely on the ERGP as opposed to the Vision 20:2020. The next section shall take a cursory look at the ERGP with a view to attempting an appraisal on the journey thus far. We are by no means arrogating to ourselves the task of evaluating the plan as it is still ongoing. However, we only aim at offering an academic discourse on the subject matter.

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The Nigeria Economic Recovery and Growth Plan, 2017-2020: An Appraisal

The ERGP is an economic programme designed by the Muhammadu Buhari's administration which came to power on May, 29th 2015. The government posited that "majority of Nigerians remain under the burden of poverty, inequality and unemployment", despite the high growth recorded in the economy between 2011 and 2015. They further argued that "general economic performance was seriously undermined by deplorable infrastructure, corruption and mismanagement of public finances". According to the government, after more than a decade of economic growth, the sharp and continuous decline in crude oil prices since mid-2014, along with a failure to diversify the sources of revenue and foreign exchange in the economy, led to a recession in the second quarter of 2016. Hence, in a bid to change the trajectory, the ERGP was launched to build on the Strategic Implementation Plan (SIP) for the 2016 Budget of Change which was developed as a short-term intervention measure to rescue the ailing economy (Ministry of Budget and National Planning, 2017, p. 5).

The ERGP was established based on 3 strategic objectives, thus:

a. *Restoring growth* - Monetary and fiscal stability, external balance, economic growth and diversification;

b. *Investing in the Nigerian people* - Health, education, social inclusion schemes, job creation and youth employment schemes;

c. *Building a globally competitive economy* – Improving the ease of doing business, investing in infrastructure and promoting digital led growth.

Following the above objectives, the ERGP made the following projections:

i. The inflation rate is projected to trend downwards from the current level of almost 19 per cent to single digits by 2020.

ii. Real GDP is projected to grow by 4.6 percent on average over the Plan period, from an estimated contraction of 1.54 percent recorded in 2016. Real GDP growth is projected to improve significantly to 2.19 per cent in 2017, reaching 7 per cent at the end of the Plan period in 2020.

iii. Crude oil output is forecast to rise from about 1.8 mbpd in 2016 to 2.2 mbpd in 2017 and 2.5 mbpd by 2020. Relentless focus on electricity and gas will also drive growth and expansion in all other sectors.

iv. Privatizing select public enterprises/assets, and refurbishing local refineries to reduce petroleum product imports by 60 per cent by 2018.

v. Nigeria is expected to become not only a net exporter of refined petroleum products by 2020 but also a net exporter of key agricultural products such as rice, cashew nuts, groundnuts, cassava and vegetable oil that take up a lot of foreign exchange.

vi. Unemployment will reduce from 13.9 per cent as of Q3 2016 to 11.23 per cent by 2020 which translates to the creation of over 15 million jobs during the plan horizon or an average of 3.7 million jobs per annum.

The drivers of these projections include: doubling tax compliance for non-oil sector; eliminating leakages at Customs; and reviewing rules for remitting surplus funds to FGN from independent revenue sources (Preston, 2017).

Positive signs for the ERGP

Since the launching of the ERGP, the programme has recorded some modest achievements that have shown positive signals towards the attainment of the broader goal of the medium term economic and growth plan. According to the Nigerian Bureau of Statistics, NBS the economy of Nigeria grew in the fourth quarter of 2017 by 1.92%. In the previous quarter, i.e. third quarter of 2017, the Nigerian economy had grown by 1.4%, and this latest figure for the fourth quarter marks the third consecutive growth since emergence from recession in the second quarter of 2017. This growth is compared to a contraction of –1.73% recorded in Q4 2016 and a growth of 1.40% recorded in Q4 2017. Quarter on quarter, real GDP growth was 4.29%. The year 2017 recorded a real annual growth rate of 0.83% higher by 2.42% than –1.58% recorded in 2016(NBS, 2018:3). The graph below shows the trend in economic growth of the country from Q1 2014 – Q4 2017.

Source: National Bureau of Statistics, 2018

According to Dipeolu (2018), the latest GDP figures now show the economy improving in all major sectors, including especially the non-oil sector which had contracted for quite a while.

> The figures recently released by the Nigerian Bureau of Statistics (NBS) for the fourth quarter of 2017 (Q4 2017) and the full year 2017 (FY 2017) show a consolidation of post-recession growth in the national economy. The growth of 1.92% in Q4 2017 was an improvement on both the previous quarter and the previous year. This quarterly growth contributed to an overall positive growth rate of 0.82% in 2017 which translates to a 2.24% points increase from -1.58% in 2016.

A breakdown of the report by the NBS shows that there are two encouraging aspects of the figures. The first is that all major sectors of the economy namely agriculture, industry and services are now experiencing positive growth. Agriculture, which accounted for 25% of GDP in 2017, grew by 4.23% in Q4 2017; while Industry grew by 3.92%. The Services sector, which is about 53% of GDP, returned to positive growth in Q4 2017. Although the increase was marginal at 0.10, it represented a positive swing of 2.76% points from the level in Q3 2017.

The non-oil sector grew by 1.45% in real terms during the reference quarter. This is higher by 1.78% point compared to the rate recorded same quarter, 2016 and 2.21% point higher than in the third quarter of 2017. The non-oil sector recorded an annual growth of 0.47% compared to –0.22 in 2016.

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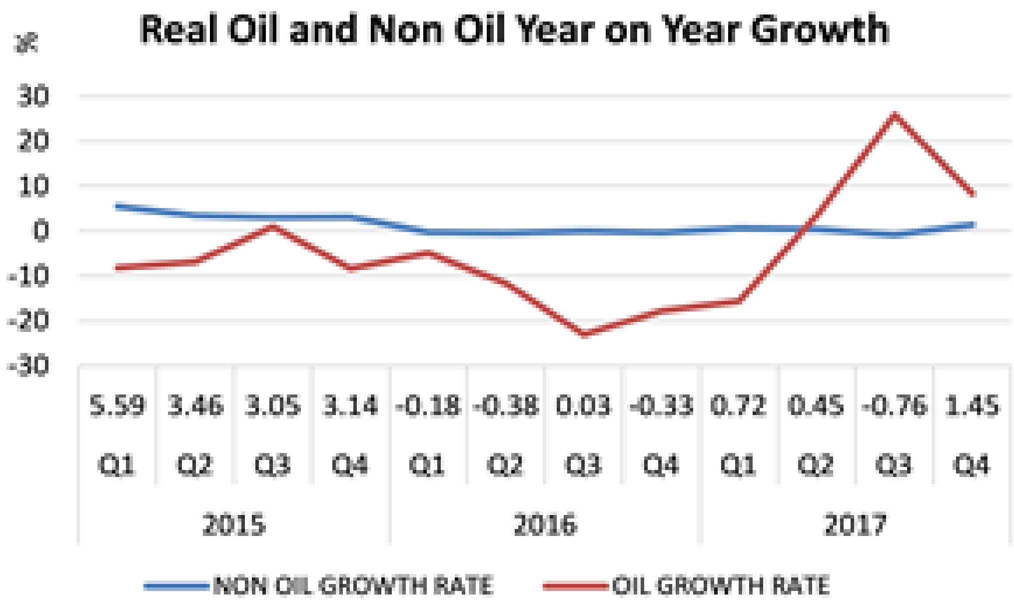
This sector was driven this quarter mainly by Agriculture (Crop), Trade and Transportation and storage. In real terms, the Non-Oil sector contributed 92.83% to the nation's GDP, lower from share recorded in the fourth quarter of 2016 (93.25%) but higher than in the third quarter of 2017 (89.96%). Annual contribution was 91.32% and 91.65% in 2016 (NBS, 2018:4).



Source: National Bureau of Statistics

Another positive sign is the fall in inflation. The Consumer Price Index (CPI) which measures inflation started the year 2018 by increasing 15.13 percent (year-on-year) in January 2018. This was 0.24 percent points lower than the rate recorded in December (15.37 percent) making it the twelfth consecutive disinflation in headline year on year inflation since January 2017 (NBS, 2018).

Also, sectoral distribution of Value Added Tax (VAT) data for Q4 2017 reflected that the sum of N254.10bn was generated as VAT in Q4 2017 as against N250.56bn generated in Q3 2017 and N207.35bn in Q4 2016 representing 1.41% Increase Quarter-on-Quarter and 22.55% increase Year-on-Year. According to the NBS (2018), Out of the total amount generated in Q4 2017, N121.09bn was generated as Non-Import VAT locally while N79.44bn was generated as Non-Import VAT for foreign. The balance of N53.57bn was generated as NCS-Import VAT.

The amount generated by the Nigeria Customs in 2017, totalling N1.01 trillion, is another booster to the attainment of the ERGP. In January 2018, it has kicked off by paying N58.8 billion into the Federation Account. If this trend continues, it will be easy for the service to meet her target of N1.3 trillion it has set for itself in 2018. This will go a long way in supporting the growth of the economy (Abdulwahab, 2018).

Another good sign is the downward slopping on the side of the inflationary trend in Nigeria. Although 14.33per cent is still on the high side, but considering that it has been a steady fall since April, 2017, one could argue that Nigeria is making a little progress. The graph below pictures the trend of the inflation in the last 12 months.

According to Trading Economics global macro models and analysts, the Inflation Rate in Nigeria is expected to be 14.00 percent by the end of this quarter. They further predicted that looking forward, in the long-term; the Nigeria Inflation rate is projected to trend around 11.20 percent in 2020.

Lastly, the steady increase in oil production in the past one year is a positive sign, given that oil is the mainstay of the Nigeria's economy at the moment. For example, in the Q4, 2017 Oil production averaged at 1.91million barrels per day (mbpd), which was -a 0.12million barrel lower than the daily average production recorded in the third quarter of 2017. Oil production during the quarter was higher by 0.15million barrels per day relative to the corresponding quarter in 2016, which recorded an output of 1.76mbpd (Bukola & Mbakaan, 2018). The third quarter witnessed another slight boost from 1.485 million bpd in the second quarter to 1.592 million bpd, an increase of 107,000 barrels per day. In September, there was a slight drop from 1.592 million bpd to 1.583 million bpd – a drop of 9,000 barrels per day. Production shot back up in October to 1.6 million bpd, an increase of 17,000 barrels per day. Then in November, production increased further to 1.751, a boost of 151,000 barrels per day (Opeoluwani, 2018)

Taking the trend of economic growth above in both oil and non-oil sectors into consideration, the Federal Government estimate of 3.5% growth in 2018 may be achievable.

Challenges or Weakness

Welcome though the above positive signs from the ERGP, it is important to note that the journey is still far going by the yearly timelines it has earmarked for itself and also due to some obvious lacuna in the plan and implementations. For instance, a comprehensive plan like the ERGP has no legal framework backing its establishment and execution. Analysts, especially Teriba Ayo, a renowned Nigerian economist, have argued that "If government cannot implement an annual budget without an enabling law, how would you think the ERGP would be implemented without a law backing it up? The plan is a joke. The Federal Government has no plan, but a set of objectives."

One of the major challenges that may constitute a stumbling block to the success of the ERGP is revenue. As Ndoma (2017) put it "with the collapse of the oil price, our revenue keeps going down, so we need alternative sources of revenue for the government." The major source of revenues for most countries is through taxation. But in Nigeria, our tax to GDP ratio is very low; it's about 6 per cent. The average in Africa is about 16 percent. But even the payment of tax by individuals, private and government agencies is marred with a lot of fraudulent activities. Revenue is therefore a serious challenge.

Indeed, numerous other vulnerabilities remain but one of the challenges that may drastically slow down the pace of the implementation of the ERGP is political risk. Nigeria's experience over the years has shown that implementation of Development Plans suffer neglect whenever there is a change in government. This point was recently buttressed by Chief Philip Asiodu who blamed the country's lack of economic development on the abandonment of Development Plans by successive regimes. Against this backdrop, the ''Political Will'' argument holds water only in the context of stability in government which is guaranteed where the Visioner (the President) is in office throughout the Plan period. This condition must be met for any National Plan to succeed. According to Asiodu, "Olusegun Obasanjo was a member of the Yakubu Gowon Administration which approved the Third National Development Plan (1975 to 1980) and was therefore in a good position to superintend the implementation process but this Plan which was aimed at diversifying the economy went up in flames after the Gowon Administration was toppled" (Uweala, 2017). By implication, a Plan can be jettisoned once there is a change of baton even within the same ruling party.

A similar concern is the fact that electioneering against 2019 shall soon be kick started. That means that the government of the day shall be more concern about how to win more votes and remain in office rather than paying attention to governance. By implication, the implementation of the ERGP might go into some obvious vacations. This will certainly affect the timeline especially between May 2018 and May 2019. Also, a review of key economic variables over the years indicates that penultimate and ultimate election years impact economic performance. Government spending usually goes up in an election year which tends to fuel inflation rather than spur growth, suggesting that the extra public expenditure ahead of polls was largely wasteful. In its communiqué no 77 of July 2011, the Monetary Policy Committee of the Central Bank of Nigeria observed that Inflationary pressures remained elevated during the first quarter of 2011 largely on account of "high expenditure levels associated with the April 2011 general elections" (Economic Confidential, 2011).

In March 2015 also (another election year), the MPC had "noted with concern, the gradual increase in the year-on-year headline inflation during the first two months of the year from 8.0 per cent in December 2014 to 8.2 per cent in January and further to 8.4 per cent in February 2015" pointing out that the major risks to inflation in 2015 was the "elevated aggregate spending in the run-up to the 2015 general elections" (Uwaleke, 2017).

Another matter of concern is the latest report released by the National Bureau of Statistics tagged "Unemployment and under employment report from 1st quarter to third quarter 2017". The shocking revelation by the report is that Nigeria's unemployment rate has arisen from 14.2% to 18.8% in 2017. It also said that Nigeria's labour population increased from 83.9 million in the second quarter to 85.1 million in the third quarter of 2017, a difference of 1.2 million in additional workforce (NBS, 2018).

The NBS also stated that the total number of people in full-time employment (at least 40 hours a week) declined from 52.7 million in the second quarter 2017 to 51.1 million in third quarters. It stated that the unemployment rate increased from 14.2 per cent in the fourth quarter 2016 to 16.2 per cent in second quarter 2017 and 18.8 percent in the third quarter, 2017. The number of people with the labour force who were in unemployment or underemployment increased from 13.6 million and 17.7 million respectively in the second quarter 2017, to 15.9 million and 18.0 in the third quarter 2017. It stated that total unemployment and underemployment combined increased from 37.2 per cent in the previous quarter to 40.0 per cent in the third quarter (*Vanguard*, 23rd December, 2017).

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Conclusion and Recommendations

The government's efforts to broaden the tax base by enhancing tax collection for the non-oil sector is commendable, and is sure to generate sustainable revenues in the long term. The introduction of the tax amnesty programme is also a welcome development. However, it also needs to maximize independent revenue that the federal government gets from all its agencies. The Fiscal Responsibility Act, need to be amended so that government can get more revenue from its agencies. This will go a long way to supporting the already dwindling oil revenue.

Government's initiative of setting up an Efficiency and Implementation Units with the objective of ensuring a reduction in overhead expenditures by as much as 25% and enhancing effective monitoring and evaluation of the ERGP across board is also commendable. However, there is need for the achievement of tangible results, which are measurable and relevant within the Plan period.

There is also need for the Executive to keep working closely with the National Assembly to expedite action on some priority legislation needed to spur economic growth. These include the Petroleum Industry Bill, the Land Use Act and all petroleum related bills awaiting attention and passage. The government has barely one more year to prove that the ERGP will not go the way of its forebears and one of the key deliverables of the Plan is to reduce petroleum product imports by 60 per cent at the end of this year, 2018. In order to achieve this, the passage of the Petroleum Industry Bill is not only important but sine qua non. The passage of the bill which is already at the last stage by the House of Representatives will among other things serve as a regulatory framework to engender transparency, while at the same time making the oil and gas sector more business-oriented and profit-driven.

Having identified political risk as a challenge in the execution of the ERGP between now and 2019, Nigeria needs an enabling law to back up the implementation of the ERGP. The idea of setting up a Delivery Unit in the Presidency and the ERGP labs recently launched to assist the Ministry of Budget and National Planning in steering and overseeing the ERGP implementation with vigour and focus is good but not sufficient. If the Delivery Unit is not a creation of the Law, it lacks the capacity to discharge its duties effectively.

Lastly, as we approach another election year, the concern raised by the Monetary Policy Committee of the Central Bank of Nigeria in July 2011 and in 2015 over the rising Inflationary trend due to high expenditure levels associated with the general elections must be taken into serious consideration. At the moment the level of inflation is 14.33 percent, with some prospects of falling below that before the end of the year. But the Central Bank of Nigeria need to put some monetary measures in place to check excess expenditure leading to inflation as the year goes by.

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