CRITICAL EVALUATION OF THE PERFORMANCE OF PETROLEUM TRUST FUND (PTF) WITH EMPHASIS ON PROJECT EXECUTION AND MANAGEMENT

BY

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DECLARATION

I declare that the work done in this M.B.A. thesis is wholly our efforts. No thesis of this nature has been presented in any form anywhere for any other degree prior to our research. All materials used from other sources have been duly referenced.

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APPROVAL

This project has been read and approved as meeting the requirement of the post - graduate school and the Department of Business Administration, Ahmadu Bello University, Zaria, for the award of the degree of master of Business Administration. (M.B.A).

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DEDICATION

Dedicated to my Beloved wife (QUEEN) Hauwa Ahmed Wudil, and my two sons Faisal Ibrahim and Ahmed Ibrahim.

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All praise and thanks be to Almighty Allah , the most grateful and the most merciful, who creates and disposes. The peace and blessing of Allah be upon the noble messenger Muhammad, his house hold and his faithful companion.

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ABSTRACT

Nigeria has witnessed various changes in the economy. It has also witnessed the transition from colonial rule to independence and self government. Our economy set ups and the new world economic order and realities.

Petroleum has an overwhelming impact on the history of Nigeria over the past three decades. It tois held great promise for Nigeria, its potentials for positive contributions to our development as a modern economy are still enormous.

From 1971 - 76 the government acquired a lot from petroleum production and its sole in the economy because more prominent because petroleum began to gain more ascendancy among Nigeria's agricultural and mineral resources. The period referred to as oil boom era was the beginning of Nigerias over dependence on petroleum production, since then the oil became the major source of foreign exchange earning and government revenues. It also constituted a great share in the nations gross domestic product, the nation at that time recorded an unprecedented rate of economic growth.

CHAPTER ONE:

INTRODUCTION

1.0 GENERAL INTRODUCTION

Petroleum has an overwhelming impact on the history of Nigeria over the past three decades. It has held great promise for Nigeria. Its potentials for positive contributions to our development as a modern economy are still enormous.

Nigeria has witnessed various changes in the economy. It has also witnessed the transition from colonial rule to independence and self government. Our economy was partially restructured in live with the new political set ups and the new world economic order and realities.

The basic economic activity in the pre colonial Nigeria was Agriculture with patterns of specialization dictated by ecology and culture. While all other occupations were either seasonal or part-time. Trade was zonal and at inter regional levels all the time. Long distance trade was specialised and restricted to high value commodities.

Trade at that time served to integrate the entire colonialists dimantled the pre colonial production and exchange systems. Thus

local manufacturer collapsed due to the flow of imported goods while the production of food crops was neglected in favour of cash crops. New trade links that commercial centres mere also established since independence the Nigerian economy improved the gross national domestic product composition changed while at the sametime it experienced improvement in the national development plans from 1971 - 76 the Government acquired a lot from petroleum production and its role in the economy became more prominent because petroleum began to gain more ascendancy among Nigeria's agricultural and mineral resources.

The period referred to as the oil boom era was the beginning of Nigeria's over dependence on petroleum production. Since then oil became the major source of Foreign exchange earnings and government revenues. It also constituted a great share in the nations gross domestic product, the nation at that time rewarded an unprecedented rate of economic growth.

The petroleum industry, especially since the 1970's has played a very dominant role in the growth and socio-economic development of the Nigerian society. Oil exports provided the bulk of Government revenue and most of the Foreign exchange earnings. In Nigeria since 1975 oil revenue have accounted for over 80% of gov-

ernment revenues and over 90% of foreign exchange earnings is extracted essentially from foreign oil companies for transportation and electric sector, in addition to the provision of employment opportunities and domestication of complex and sophisticated oil technology. The Government consistently played a move direct participatory role in the overall growth of the petroleum industry. This was to guarantee an orderly development of the Hydrocarbon resources and also ensure the maximisation of the national economy.

The exploitation of petroleum led to the dramatic explosion in Government revenues which enabled the Federal and state government undertake a vast expansion in he development in infrastructure and the provision of social services. It also meant a faster growth of National income than would have been possible without petroleum. The Federal Government embarked on series of development plans and rolling plans as evidenced by the construction of new trunk roads and upgrading of roads and bridges giving Nigeria a vast net work of tared roads, enormous sums were also expended in expanding Educational facilities, telecommunications ports, water resources, iron and steel rolling mills all of which could not have come from Foreign aids.

The collapsed of internationally oil prices on the early 1950's distabilised the whole economy, fiscal deficit in our national budget emerged, leading to a lot of economic crisis at the time. Double digit inflation, involuntary unemployment, unfavourable balance of payment deficit, international debt crisis increased poverty, deteriorating standard of living and low capacity utilisation etc engulfed the whole nation.

By 1986 the Government introduce the Structural Adjustment Programme in the effort to make new changes in the size and structure of its expenditure due to sliding income. Since then deregulation, privatisation and commercialisation became the order of the day. The failure on the part of Nigerian's previous Government to stablise the nation's economy, made the present government to come up with new economic policies. Example the petroleum (special) trust fund has been established to work modalities to provide adequate social services for its citizen.

1.1 ESTABLISHMENT OF THE FUND

Following the approval of new pricing of petroleum products, the former Head of State, and Commander in chief of armed forces, General Sani Abacha in his October 1994 broadcast to the nation,

promised that the resulting gain would be put into special account to be invested in social and infrastructural projects for the benefit of the people."

The Federal Government by Decree No 25 established. A Petroleum (special) Trust Fund. In order to ensure the efficient and diligent utilisation of these gains A nine member board of trustee to manage the fund and implement its programmes was constituted and inaugurated on 21st March 1995.

The Decree setting up the trust find provide that the fund with receive and manage all monies from sale of petroleum product less some specified deduction. These include marketers margin, disbursements to the Federation account and NNPC, payment of Value Added Tax (VAT) and Excise duties.

The balance is retailed by the fund for the discharge of its functions under the decree. The first time that a structure outside the standard fiscal bureaucratic machinery of government for the Development of the Nigerian economy. Although this study cannot cover everything that has to do with PTF specific issues which are highly relevant will be discussed.

1.2 STATEMENT OF THE PROBLEMS

The basic issue is how to effectively spread the billions of Naira in the tilt of the domestic agency to meet the demands for assistance coming to the Fund's headquarter in Abuja from various quarters not even the presidency has been left out in asking for assistance. The petroleum (special) Trust Fund now seek to answer the needs of all government organisations.

1.3 OBJECTIVES OF THE STUDY

The main objective of the study is to analyse the performance of the PTF with emphasis on the project carried out by the fund, how these projects and executed and managed.

The study will also look at the project initiation and the general intervention policy which aims at enabling the Fund achieve the basic objectives of its establishment. These are the utilisation of gain accruing from increase in prices of petroleum promotes to, in the short term resuscitate the nation's collapsing social services and infrastructural facilities and in long term lay a foundation of revamping the economy for increased production of goods and services with a view of improving the standard of living of all Nigerians. The enabling decree establishing the fund identities seven

key sectors in live need for intervention these are Roads, Road transportation and water ways, Education Health, Food supply, water supply securities services and other projects, look at the type of projects existing and new projects also look at the method of intervention and the condition precedent to intervention.

1.4 SIGNIFICANCES OF THE STUDY

As a Trust Fund, established to function as an intensive intervention and domestic finance organisation within government development strategy, PTF shall seek to revive the confidence of Nigerians in a public institution's ability to implement development projects creditably. The operational philosophy of the implementation of projects that will have positive impact in the upliftment of the general condition of living for all Nigerians.

The First's mission shell be to establish and operate can open modest and effective organisation for the purpose of achieving efficient honest and timely execution of carefully designed socio-economic project spelt out or implied by the enabling decree but carefully privoritised to enhance the general condition for all Nigerians in the shortest period of time possible.

To contribute to the fund's mission qualified and talented professionals and companies of high personal and corporate integrity are employed.

1.5 SCOPE OF THE STUDY

The scope of this study will be a general review of the petroleum (special) trust Fund with emphasis on its project management and how these projects are executed it could also lower the contributions of PTF to the Development of the Nigerian economy since its inceptions. This study cannot cover everything that has to do with PTF but specific issues which are highly relevant shall be discussed.

1.6 LIMITATIONS OF THE STUDY

The study is supposed to lower all issues concerning PTF projects execution and management thus will not be so because of some limitations. The study will limit itself to some of the projects achieved.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 PTF AND THE NIGERIAN ECONOMY

In an address by the Late General Sani Abacha, Head of State and Commander in Chief of the Armed Forces of the Federal Republic of Nigeria at the Inauguration of the board of trustees of the petroleum trust fund on 21st March 1995 said that "the establishment of the trust Fund is a precedent in the management of Public Fund in our country. It is the First time that a board constitute outside the Standard fiscal bureaucratic machinery of government, has been assigned the role of an antoniming domestic and agency. In essence, the trust fund with function as an intensive, interaction finance organisation working within the administrations development strategy."[1]

The chairman of the petroleum special trust fund General Muhammed Buhari said the PTF is necessary because the economy is down according to him" nearly all the major infrastructure of the country built gradually over the years are collapsing, the education and health sectors are all but gone and effort must be made urgently to restore them at least to some thus resembling what

they were some 30 years ago". As for the rural areas they are all but forgotten in the provision of water supply schemes for human and animal needs, urban road are everywhere in a desperate state of despair, increasing insecurity in towns and highway which all require serious attention.[2]

Chafe (1995) described the importance of petroleum in the Nigerian economy, to him "the petroleum in the Nigerian economy, to him "the petroleum industry especially since the 1970's has played a very dominant role in the growth and socio-economic development of the Nigerian society."[3]

Also in another forum Chief Tayo Akpata scribe of the PTF observed that the "original aim of the fund is an intensive intervention in the social and infrastructural facilities in the country. It is not a substitute for the annual budgetary allocation of the various tiers of government in the establishment or rehabilitation of social and infrastructural facilities in the country."[4]

The 1995 budget gives special mention to the trust fund as a major plant of the administration's development programmes. The budget has been widely acclaimed as bold and imaginative and this has further encouraged our determination to achieve its ob-

jectives. It follows that government is keen that the trust funds activities which are integral to those goals should succeed.[5]

The former petroleum minister professor Tam David West said the Petroleum Trust Fund is the greatest coup of the Abacha junta in his words "The Petroleum (special) Trust Fund is a chito of crisis. It is borne out of the desire to solve a crisis and to that extent it is a good concept."[6]

2.2 SECTORAL INTERVENTION POLICIES

ROADS, ROAD TRANSPORTATION AND WATER WAYS

The fund shall intervene in this sector in the following areas.

1. Identify Federal highways, state and urban roads in advanced stage of deterioration design rehabilitation and or reconstruction needs and implement the projects.
2. Develop and implement sustainable road maintenance system as a component of the rehabilitation/reconstruction works, this will reduce accidents and therefore contribute to the expansion of economic activities nation wide thus acting as a catalyst to increased national productivity.
3. Intervene with the Federal, State and local government in the rehabilitation of their various mass transit fleet and

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strenghtening their institutional capacity to maintain the fleet to working conditions at all times. Measures to increase cost recovery will be strengthened.

4. Provide additional new bases, ferries/boats, spare parts and tyres.

EDUCATION

As one of the basic human needs and is not only accepted as being a means of meeting other needs but also as a means of accelerating development and improving productivity by promoting economic growth.

The Fund shall intervene on the sector on the following ways to improve on the quality of education.

1) Rationalisation and zoning of educational institutions across the sector for rehabilitation to satisfy immediate needs and facilitate raising of standards.

2) Provision of text books, exercise books and all other reading materials by encouraging local production and distribution of low priced editions through zonal bookstores.

3) Provision of equipment for workshop, laboratories and computer centres and institutions strengthening to maintain and sustain their operation.

4) Strengthening educational resources centers to produce local teaching aids and supervise school.

5) Encouraging major studies and preparation of major educational projects for funding by external agencies.

HEALTH SECTOR

Intervention in this sector is also considered vital and with address the following areas.

1. Rehabilitation and/or upgrading of infrastructural facilities in selected health institutions across the sector
2. Rehabilitation of existing medical equipment and furniture in selected health institution across the sector
3. Reinforcement of existing drug revolving funds and introduction of same on other areas where they do not exist but modify the system to include large procurement of drugs consumable directly from reputable manufacturers.

4. Encouragement and sponsorship of studies for preparation of major capital intensive health projects for funding by external agencies.

5. Institutional strengthening for more effective planning and operation of health institutions.

6. Encouragement of community participation in the maintenance of health institutions and their general operations.

FOOD SUPPLY (PRODUCTION)

The agricultural sector of the economy cultivate about 34.40% of the total land area, employ about 44.60% of the population and contribute about 37.0% of the Gross National Product (GNP). This is the most single important national economic activity.

Intervention in this sector will include among other

1) Land preparation and provision of all necessary infrastructure through established government agencies

2) Facilitate the formation of farmers cooperatives societies to provide information on technologies, Credit facilities through established banks, input like Fertilizer herbicide etc, tractor services and other consulting and supervising agencies.

3) Reactivation of agricultural extension services and farm training centers to enhance the farmers knowledge of modern agricultural production method and import.

4) Promotion of cash crop production along with food crop production to further improve national population and therefore the economic well bring of the population.

5) Promoting the establishment of agro-allied industries to utilize farm products at peak seasonal levels thereby avoiding wastage.

6) Introduction of modern techniques for animal fattening livestock breeding and inland fisheries to improve rural economic activities and availability of animal protein to the people.

WATER SUPPLY

The principal objectives of water supply projects is to ensure the supply of drinking water for basic human needs (drinking, cooking and washing) while the sanitation objective of the projects are to ensure the safe disposal/recycle of wastes and promote efficient sanitation behaviours. Intervention will facilitate health and food supply and will be in the following areas.

Urban Centers

1. Immediate rehabilitation of existing water supply scheme
2. Promotion of local production of consumables in water sector
3. Encouraging studies and preparation of major projects for funding by external agencies.

Semi Urban Centers

1. Effective rehabilitation of all existing boreholes and massive sinking of additional ones and associated pumping, storage, and reticulation facilities, solar operated pumps.
2. Additional water supply for animal consumption may be provided by earth dams or burrow pits near settlements and grazing routes.

Rural Areas where systems that require little maintenance will be developed for:

1. Effectiveness rehabilitation of all existing boreholes and massive drilling of new ones in rural and semi-urban areas and the installation of head pumps or similar devices such as windmills to provide portable water for both human and animal consumption. This requires storage tanks with simple reticulation.

2. Additional water supply for animal consumption through small earth dams or simple burrow pits rear settlement or grazing route.

The socio-economic development of the generality of the people but do not fall within the sectors specifically mentioned above, for example.

1. Rural electrification by connecting local government headquaters to the national grid.
2. Telecommunication connections to local government head-quarters.
3. Project that can enhance the revenue generation of the fund such as intervention in the refineries etc.

2.3 ZONING OF THE COUNTRY

The board of trustees has already approved an organisational structure for the Fund which provide for the directorates:- Administration Finance and programmes which along with consultants and auditors, make up the trim bureaucracy of the fund it has also divided up the country into six zones as follows.

1. Zones I: Lagos, Oyo, Ogun, Ondo, Osun with Lagos as Head-quarters.

2. Zone II: Abia, Anambra, Enugu, Imo, with Enugu as Headquarters.
3. Zone III: Kebbi, Sokoto, Katsina, Jigawa, Kano, Kaduna with Kaduna as the Headquarters.
4. Zone IV: Yobe, Borno, Bauchi, Taraba, Adamawa, with Maiduguri as the Headquarters.
5. Zone V: Kwara, Kogi, Benue, Nigeria, Plateau FCT with Jos ad Headquarters.
6. Zone VI: Edo, Delta, Akwa Ibom, Cross River, Rivers with Benin as the Headquarters.

A zonal project implementation committees made up of all the state coordinator in the zone under the chairmanship of a trustee of the board will be responsible for the implementation of projects in the Zone, the committee screen and prioritize projects, in the zone. The committee will also prepare feasibility studies for selected projects and supervise the project consultants involved.

At the state level the will be a state projects implementation unit under a state coordinator, its members, who must come from that state include a representative of the state government three other drawn from each of the three senatorial districts of the state.

The state implementation unit is responsible for recording, collating and presenting projects to the zonal office. It also executes the project approved through project consultants from preparation appraisal, implementation to commissioning and evaluations.

2.4 FUND ALLOCATION POLICIES

Because of the Deplorable condition of infrastructure nationwide and the near breakdown of social services there is competition and conflict in the demand for funds submitted by ministries, parastatals state and local governments.

In order to provide a rationale basis for the allocation of funds, given the inadequacy of available statistical data, the fund adopted an allocation Formula that provides for such factors as the need sectors, multiplier effects and the capital intensity of projects.

Broadly, available first are to be allocated for three types of projects.

By the time funds are disbursed the three projects will receive the following percentage of the total.

1. Federal Projects 48.50%
2. State Projects 50.00%
3. FCT Projects 1.50%

CHAPTER THREE

3.0 INTRODUCTION

The purpose of this chapter is to introduce the research method that is used in conducting this research work. Attempt shall be made through the use of primary and secondary data and information collection to organise the research work. The organisation of the study is also presented in five chapters with the limitation of the study coming last after the method of Data collection and Data analysis.

3.1 RESEARCH METHODOLOGY

The methodological techniques employed for this study is that of primary and secondary Data and information collection, the petroleum (special) Trust Fund being a project of its own kind for the First time in this country makes the collection of Data and information restricted to only the Fund's area of jurisdiction in terms of project execution and management, also because it is a national issue the activities of the Fund is evaluated with the aim of getting insight and knowledge as well as its contribution to national Development.

Data and information collected for this study was basically sourced from the fund's national Head Office at Abuja on the activities of the Petroleum (special) Trust Fund also relevant materials for the projected already executed by the fund in their zonal areas were collected in the zonal offices particularly the ones for zone III with its Headquarters at Kaduna and Zone iv with its headquarter at Jos.

3.2 METHOD OF DATA COLLECTION

Primary Sources:

This took the form of discussions and interviews with the staff of the fund at the Headquarter in Abuja and other zonal offices particularly in Kaduna and Jos, Data and information collected from them has to do with the process of project identification, packaging execution and management of such projects in additions to the process of selecting consultants for such projects.

Secondary Sources:

The secondary sources of Data and information includes the following written Document and Journals, books Magazines Newspaper (Dailies) Pamphlet, Information or materials obtained from

various intellectual symposiums in project execution and management around the country.

Also nationals on seminars and workshops as well as media programmes of the fund is used to evaluate on the activities of the fund.

3.3 METHOD OF DATA ANALYSIS

For a study like this on the activities of the petroleum (special) Trust Fund, a national issue and first of its own kind the method adopted for data analysis is of the "content analysis" that is reading through the books magazines, journals as well as various intellectual discussion on the relevance of the find's programmes, similarly, documents on seminar's workshop and symposium as well as media programmes. For publicity campaign and enlightenment on the fund's activities are all evaluated and analysed.

3.4 ORGANISATION OF THE STUDY

The study is organised into five chapters all in the following presentations, chapter one is a general intreduction of the study, tracing the evolution of the Nigerian economy, since the era of the oil boom, up to the establishment of the fund also covered is the

objectives and significance of the study and the problem statement to the scope of the study.

Chapter Two is literature review and the conceptual framework to the study.

Chapter Three is basically the research methodology method of Data and information collection and analysis while chapter Four lowers the Fund's process of executions and management of the projects and all the issues involved.

Chapter Five which is the last chapter provide a summary of the study, the relevant conclusions drawn on the study and also recommendations to enhance on the performance of the Petroleum (special) Trust Fund Programmes for national growth and development.

3.5 LIMITATION OF THE METHOD

Although the study was supposed to cover all issues concerning the Petroleum Trust Fund project execution and management this was not so because of the following limitations of the method adopted for the study.

1. Being a new programme, first of its own kind, the research no any other source than the one adopted for collection information on the activities of the fund.
2. The inability of the fund's officer to release vital document related to project being undertaken on the excuse that the work is still in process as such cannot adequately quantity on the total cost components of the projects. This is particularly for road rehabilitations and Health and Educations projects.
3. The functional overlap of some governmental agencies and parastatals with the activities of the PTF was creating delays on the fund's projects as well as the nature and diversity of the programme interms of sectoral project executions.
4. Because off the organisational structure of the Fund's management and zoning of the country it was lambarsome or difficult to cover all the zones on the ongoing projects as such limiting the study to already executed projects.

CHAPTER FOUR

DATA PRESENTATION & ANALYSIS

4.0 INTRODUCTION

This chapter aims to look at the organisational set up as well as the operational structure of the Petroleum (special) Trust Fund in the country. It would also look at the projects executed in all the seven sectors, and make an overall analysis on the performance of the Fund.

The organisational structure consists of its administrative structure including the board of trustees as well as the consultative committee and its consultants. The operational structure consist of the fund's management information system and its project cycle the project are executed in the seven sectors which are Education, Food supply, Water supply, Health, Road, Road transportation and water ways security services and other projects.

4.1 ORGANISATIONAL SET UP OF THE FUND

The organisational set up of the PTF gives an overview of its administrative structure consultative committee and the use of consultants.

ADMINISTRATIVE STRUCTURE:

The organisational set up of the PTF gives an overview of its administrative structure consultative committee and the use of consultants.

ADMINISTRATIVE STRUCTURE:

A nine man board of trustees with major General Muhammed Buhari (rtd) as the chairman sits a top a tripod administrative structure of the fund divided into Administration, Finance and programmes.

To realise its goals, the country is divided into six zones, three in the North and three in the South. Each of these zones has a zonal office.

The zonal office is a service department of the fund's headquarters at the zonal level.

It is a liaison office between the funds headquaters and the group of states constituting the zone. The zonal secretary is the administrative head of the zonal office. Each zone has a zonal consultative committee. The trustee from a zone is the chairman of the zone and presides over the zonal consultative committee meetings in

which their functions are advisory. These functions include the identification and collection of information on projects the inspection of projects monitoring of progress based on consultants reports and raising observations where necessary for the attention of the management of the Trust Fund.

Along with consultants and auditors, this structure makes the teams vibrant and highly responsive bureaucracy of the fund. A cost analysis of this bureaucracy of the fund. A cost analysis of the bureaucracy showed that the ratio of administrative cost of project cost is below ten percent. The same ratio in the world bank is about 44%.

CONSULTATIVE COMMITTEE:

The Petroleum (special) Trust Fund outlined a spectrum of sectors in which the fund can scrutinise and approve projects. These are road and road transportation including water ways, education, health, food supply, water supply, security service and such other sectors as may be approved from time to time. The fund hold consultative meeting with Federal and state ministries as well as parastatals to work mutually acceptable condition for intervention.

CONSULTANTS:

On variable which accounts for failed projects before the coming of the Petroleum Trust Fund is shoddy supervision either by monitoring ministries or consultant enlisted. Yet the enormity of project staddling several sectors handled by the find required the employment of result oriented professionals this has ensured the actualisation of the Petroleum Trust Fund experiment and draw a curtain on a past beset with lamentable failures. The fund achieves this through the services of diverse professional consultants. These consultants assist with the planning, designing and supervision/ execution of projects by contractors and suppliers. The fund engages the services of both local and non resident firms or individuals provided they meet they meet the criteria set by the fund. The board of trustees award contracts through tenders while the Project Implementation Committee (PIC) supervises and monitors the execution of project on behalf of the board.

4.2 OPERATION SET UP OF THE FUND

The operation set up of the fund includes the project cycle as well as the management information system.

THE PROJECT CYCLE:

The bench mark of a successful implementation of a project undertaken by the trust fund is its project cycle. It consists of various stage that an identified project goes through from identification to completion. This process ensure that the duration from the identification of a project to its full completion and appraisal ready for implementation does not exceed go days it also guarantees that implementation proceed efficiently to meet set target schedules, lost and quality.

A typical PTF project cycle starts with the identification of a project. This is categorised screened and prioritised according to set guidelines. A feasibility study is then carried out which emaciates the objective develop brief technical specifications, lost estimates programme of implementation, benefits and risks. At the preparation stage detailed engineering drawings, tender documents, tender action and tender reports are produced. These are studied and a project appraisal report with recommendations for contract award is made ready. Implementation, supervision and commissioning of the project follows. At the evaluation stage final

programmes of work, costs and lessons from successes and failure for guidance in future projects is documented.

MANAGEMENT INFORMATION SYSTEM

The major functions of the fund are computerised. The project implementation cycle relies heavily on a computerised data and management information system. The objective is to ensure prompt and effective communication between the fund's office and external consultants.

4.3 SECTORAL PROJECTS EXECUTION

The projects executed in all the sectors outlined the broad objectives in the seven areas of the fund's intervention, status of project implementation as well as future plan the fund applies project implementation cycle to prepare, execute, set deadlines and targets and monitor project execution.

EDUCATION

Preview: the fundamental changes faced by the nation's educational sector interms of school's enrolment have brought so many problems and difficulties associated with it. Inadequate facilities and equipment for conducive learning ranging from classrooms,

books scientific equipment and other physical materials all as a result of too much enrolment in schools. That is why in recent time the educational sector has been dilapidating.

AN ASSESSMENT OF THE FUND'S PERFORMANCE

Education has been the bed rock of the national development. It ensures sustained and improved productivity owing to the fund's recognition of the importance of education to the nation, much attention has been given by the fund for the sector rehabilitation of facilities. Consequently, qualitative consultants were given the mandate to plan the projects after which competent contractors will appointed for the rehabilitation of the educational institutions, procurement and distribution of text-books teaching aids and other education consumables nationwide the rehabilitation programme will consist of all Federal Universities, all colleges of Education, all Federal Polytechnics and all Government Colleges. In addition, one state tertiary institution, three secondary school one technical college and three vocational training centers will be rehabilitated by the fund in every state and two primary schools in every local government area.

The fund also appointed and commissioned National Teacher Institute (NTI) in association with best Education Management (text books,) journals, stationary and other items) required at each level of the educational system.

To demonstrate it's seriousness the fund has started the rehabilitations in many schools which renovation works have begans such as Ahmadu Bello University, Zaria, University of Lagos and Federal University of Technology Owerri. Also a ninety eight million Naira (98,000.000) contract has been awarded by the fund. For some project at the Bayero University Kano. Which will emphasise on the rehabilitation of all physical infrastructures as well as the provision of facilities. Already a number of primary and secondary schools in the nation have benefited from the fund rehabilitation exercise.

The fund has already sunk are billion Naira into the appraisal's preparations, feasibility studies project specification and contract documents. Yet this is about 5.5% of the Eighteen billion Naira allocated to the sector. Using a project to analysis as an example, the fund has in February this year awarded contracts worth ₦371.2 million for the rehabilitation of five tertiary institutions in zone one (western zone) the beneficiary institutions specified in the con-

tract are the university of lagos, University of Agriculture Abeokuta, Federal University of Technology, Akure, Obafemi Awolowo University, Ile-Ife and Yaba College of Technology Lagos. The project to be rehabilitated in the University of Lagos include Hostel blocks, Academic block at the college of medicine, Moremi hall, faculty of Arts library, faculties of law, Engineering, Environmental sciences as well as the dualisation of Tafawa Balewa road. While those to be rehabilitated in the Yaba college of technology include the Engineering complex old administrative block generator house and access road.

To boost the advent of science and technology the find will in 1998 rehabilitate some federal and state polytechnic in zone are as part of the ongoing National Health and Educational Institutions Rehabilitation Programme (NHERP).

Yaba college of technology, lagos state polytechnic Ado Ekiti and Ede Federal Polytechnics are all to benefit on road rehabilitation drainage construction and rehabilitation, water supply and distribution, provision and rehabilitation of laboratory equipments telecommunication facilities to the rehabilitation and constructions of buildings.

Conclusion: On the contrary, the fund's programmes in the educational sub-sector will go a long way in solving some of the difficulties encountered by both the members of staff students of the school involved while the morale of the staff will be boosted as a result of increased facilities the students will benefit more, this sector if properly managed with develop well within the shortest possible time.

FOOD SUPPLY

Preview: A striking, if not tragic feature of the oil boom in the 1970's was the correspondingly parodoxical adverse effect it brought on the nation's agricultural sector.

Ironically, the oil boom dampened the hitherto high interest in the food supply sector, massive importation of about everything became a national past time: Indolence and inertia also set in as people abandoned the farm in search of contracts or imaginary lucre in the urban centres the consequences, the ripples of which still never berate were as glaring as they were disastrous from being the main stay of the economy agriculture plummeted to the abyss of yielding next to nothing on the foreign exchange index, such symbols of national pride as the groundnut pyramids disappeared,

the cotton gineeries were forced to close slops; while the cocoa and rubber plantation were deserted' Nigeria became a major importer of food in recent times instead of being self sufficient also instead of a major exporter of general cash crops became a major importer of the same commodities.

AN ASSESSMENT OF THE FUND'S PERFORMANCE

Although the agricultural sector is the chief employer of labour in Nigeria, it has continued to suffer neglect as its agricultural and agro allied technology is a almost century behind. Food is still produced by crude and out dated implements.

Successive governments have come up with various food enhancement programmes, (operation feed the nation, lower revolution, Back to land, National Accelerated food production programme etc) but the declining productivity in the agricultural sector has only slightly improved necessitating in decisive intervention by the petroleum (special) trust fund, the purpose of the intervention in this sector is to make food more readily available to he largest proportion of Nigerian populace through an accelerated food production programme.

Specifically, the fund's intervention in the food supply sector comprises rehabilitation of agricultural and livestock production facilities, procurement and distribution of agriculture and veterinary inputs, master plan study for development of Fisheries and providing support to the national Agricultural reservation and storage facilities, rehabilitation of farm power machinery, irrigation projects and aerial spraying for control of migratory pests. However the programmes implementation in this sector emphasizes the utilisation of existing government facilities and infrastructure particularly those of the agricultural development projects (ADP) the Federal and State Ministry of Agricultural Coordinating Unit (FACU) sometimes comes as Institutional Support Consultants.

The fund's supply to the sector has made appreciable progress especially in the five areas that constitute the first phase of the intervention. For instance, between April and May 1997 the fund repaired all tractors under the First Phase of the Rehabilitation of Farm Power Machinery have been assessed; and the contractor are on tthe verge of collecting their awards to commence work.

To complement the efforts of the increased crop production rehabilitation of livestock production facilities has just flagged off.

It was preceded by a 2-day workshop. Project slated for rehabilitation include the national veterinary research institute (NVRI). Vom and Seven Zonal diagnostic laboratories located at Kaduna, Kano, Oji River, Yola, Ikere, Sokoto and Maiduguri others are Animal health and livestock production infrastructure including three veterinary unics per state and the federal capital territory.

Under the National Agricultural Research Programme (NARP) 18 research institutes are currently under going rehabilitation. This has two major components, the rehabilitation of infrastructure and the research grant scheme. In 1996 the fund paid counterpart contribution of N368,000,000 to this as requested. Already the construction of (NARP) National Council on Agricultural Research Headquarters in Abuja has started, the contract having been signed. In addition, an increase in research grant to research was affected.

Equally embarked upon by the fund, is a comprehensive mass vaccination programme against such major disease as rinderpest, pestde-petit ruminant, and the new castle discuss. Closely allied to this is a concerted effort by the fund against migratory pests such as quelen birds. The programme kicked off in 16 Northern

States in January 1998 at a cost of about N323.000,000 and utilises environment friendly chemicals.

The fund's intervention in fisheries in intended to embrace both fish farming and aqua culture studies in these areas have already reached an advanced stage.

Under the fund's food supply intervention, it is intended to procure and distribute such input as veterinary drugs, agricultural and livestock inputs (agro-chemicals and implements, improved seed, livestock supply, supplementary feeds) etc and local poultry improvement, vaccines, cold storage equipment and consumable. The sum of N1.10 billion has been spent mainly on the livestock and farm power machinery repairs. Similarly, fund intended to undertake a tree crops and root crops programme with mini silos used as mechannism for on farm storage.

The fund's intervention in fisheries is intended to embrace both fish farming and aquaculture studies in these areas have already reached on advanced stage.

Conclusion: From what has been done so far, it is very clear that intervention in the indentified areas will make a revolutionary impact in the lives of the bore ficiaries. Food production, will surely

increase as farmers will be move committed to their farms doe to increased incentives in facilities. Similarly the agricultural sector is excepted to regain its lost glory by attracting more foreign exchange earnings and government revenues. Thus the fund's impact will be remarkable in the near future.

WATER SUPPLY

Preview: The water supply sector is concerned with the provision of adequate water for domestic industrial, agricultural and a variety of other socio economic purpose. It is also involved in sanitation projects for encouraging disposal of waste and promoting safe disposal habits.

AN ASSESSMENT OF THE FUND'S PERFORMANCE

The fund's intervention in water supply projects lower rural, semi urban, urban and regional water supply projects. The fund places emphasis on institutional strengthening and the promotion of local manufacture of treatment chemicals, spare and machines. In executing the mandate, consultants were appointed by the find to appraise 18 water projects to prepare their necessary basis for intervention.

A contract for the completion of the Joda Gezawa regional water supply scheme in Kano was awarded by the fund at the sum of ₦420,000.000. The scheme with an installed capacity of 4.8 m/d is designed to link up with the greater Kano water supply system to ease problems of water supply in the areas.

Similarity contracts for the rehabilitation of the water works at Victoria Island and Ikoyi (each with capacity to supply 10,000m^3 of treated water per day) which cost ₦348,000.000 and the 1004 tstate works. With capacity of 100m^3 per day were awarded by the fund. At the time of intervention by the fund, all schemes were operating at less, than 20% of installed capacity, Thus causing acute shortage of water supply in the areas 85% of the borehole had collapsed and the treatment plants were in dilapidated condition due mainly to old age machineries and lack of spare parts. The total project component as specified by the fund consisting of drilling 13 new borehole, with sub immersible pumps. Starters, cables and accessories, recharging of pressure filters with new filter media, repairs of high lift pump and purchase of new ones, repairs of switch gears control and renovation of all civil works and provision of running

spares. This when completed will go a long way in easing water problems nationwide.

The fund also provided counterpart funding for the lagos water supply scheme, a world bank assisted project intended to improve the water supply services to metropolitan lagos. The work consist of expansion of water intake and treatment facilities and institutional support. The project implementation has reached an advanced stage with tthe last phase being the iju water works upgrading and subsequent improvement.

The fund also initiated the rural water supply programme designed to loner all the total government areas through the rehabilitation of existing borehole schemes as well as massive drilling of new ones. In addition the fund in conjunction with the Federal Ministry of water resources has started tour of dums considered to be in a state of distress. The counterpart funding for the Ibadan water project has been approved by the fund and signed at a cost of N634 million while studies have been concluded by the fund for the rehabilitation of Rumuola - Diobu Moscow (Port Harcourt) Water distribution network. Makurdi water supply, Bauchi water supply scheme: Warri Effuran/Benin project and lake dam irrigation

and water distribution network, Gusau, Gombe and Hadeija Irrigation projects.

On 8th August 1997, the petroleum trust fund completed the already awarded Joda Gezena water scheme in Kano State. In addition the fund and Three States signed counterpart Funding agreement for the World Bank and ADB assisted water supply project in 1997. On February 11th 1998, the Fund and Akwa-Ibom State signed N372 million counterpart Finding agreement for the ADB assisted water supply schemes in the state.

Conclusion: The fund announced that it would help to alleviate the dearth of potable water in the country. The completion of various water scheme in the country speaks eloquently of the fund. (113 km) Onitsha - Owerri - At a road (127km).

To boost road transportation in the country, the fund has on 18th February 1998 donated 5 mobile work shop vehicles to the Federal Urban Mass Transit Agency for onward delivery to the governments of Ebonyi, Ekiti, Gombe, Nassarawa and Zamfara states conclusion: The road rehabilitation projects being under taken by the petroleum special trust fund speaks. So much for itself at present,

no state in the nation has not benefited from the construction and rehabilitation. The fund's symbols and construction equipments for the contract companies enveloped most roads in the nation. Our roads have started turning to their original looks, while our difficulties in terms of road transportation are getting solved.

HEALTH

Preview: The dilapidating nature of Health Institutions in Nigeria has reached an alarming rate in the past 18yrs. It is due to this reason that, many people regarded our hospitals as mere consulting clinics with no facilities to administer to the populace.

AN ASSESSMENT OF THE FUND'S PERFORMANCE

The board of trustees of the PTF has noticed with great concern the deterioration of infrastructure, lack of equipment with diagnostic instruments as well as acute shortage of genuine, safe and affordable drugs and other consumable in all the public health institutions in the country. Consequently the board decided to intervene by allocating substantial portion of its funds in health sector to address the problems with overall objectives of attaining the and conducive atmosphere of an efficient, safe and sustainable health

care delivery system at all levels nation wide. Drug revolving fund programme. The main objective of the programme is to ensure sustainable supply of effacious safe and affordable essential drugs and other consumables to all the three tiers of National Health, care delivery system in tertiary Secondary and Primary Health Care Institutions. Reputable manufacturers were engaged by the fund for the production and supply of genuine pharmaceutical products. The National Agency for Food and Drug Administration (NAFDAC) was also engaged by the Fund as the quality control consultants to supervise other running of the scheme while IAA associates is the zonal fund's management consultants mandated to oversee the cost recovery of the programme. It has been recognised from inception that differences exist in drug requirements from place to place depending on tthe prescription habit obtaining in the health institution. It is therefore the responsibility of the consultants to continuously distribute as well as redistribute drugs to the areas they are most needed. In August 1997, more than N5 million worth of items were redistributed to areas they most needed. This will encourage Rational drug use, establish a

drug formulary of the various units and ensure correct needs and quantification of the resources.

Scope of projects. The strategy employed by the fund is

1. Procurement, supply and distribution of genuine and effective drugs for sale to the public at affordable price through a drug revolving fund (DRF) scheme in selected tertiary and secondary health institutions and through the Bamako initiative programme in the local government dispensaries and clinics.

The Bamaku Initiative (13.1) is a resolution adopted by the African Health Ministers at a meeting held in Bamako, Mali in September 1987 to decisively address the problems of health care delivery in many parts of African including Nigeria. At the meeting, the minister, discussed various aspects of problems that affected health care delivery in Africa. Some of which are: Programme decline in productivity and investment with attendant fall in commodity prices.

Drought - which was aggravated by desertification soil erosion environment pollution etc. External debt burden for which repayment led to budgetary cuts in government spending including

Health Services, the Bamako indicative (B, I) programme is therefore an intervention aimed at reactivating primary health care services at local government using essential drugs.

2. Rehabilitation of Physical structures VIZ, building, logistics and other essential facilities.

3. Rehabilitation and procurement of Medical diagnostic instruments.

4. Support for the National programme on immunisation (NPI) through procurement of cold chain equipment, immunization accessories, vaccines and other consumables these items were handed over the various state's family support programme (FSP).

5. Other special intervention project include completion and equipping of Federal road safety mobile clinic Birnin Yere clinic and the rehabilitation and upgrading of the state central medical stores, Kaduna and pilot scheme improvement of prison public health at Kaduna.

Drug delivery to the Central stores of the state and Federal Institutions commenced in September 1996 and the national launched

scheme was performed on tthe 16th December 1996 in Kano (Zone III) by the executive chairman of PTF. The programme was launched in Sokoto and Jigawa on the 28th and 30th January 1997 respectively. Due to initial take off problems. However, the programme commenced on most of the states in the second quarter of 1997, Kaduna State launched the scheme in 29th, May 1997.

In 1996, drugs were ordered through Nigerian Manufacturers for secondary and tertiary hospitals out of which 95.5% have been delivered and sale have commenced nationwide PTF drug are currently sold in all federal health institutions and PTF designed designated referral hospital and six secondary hospital per state, the fund has also approved the supply of stationary for drug revolving fund. The PTF donated is utility vehicles to the Family support programme on immunization nationwide in 1996.

The fund is also about to begin the rehabilitation of the health institutions of Federal nature teaching and specialist hospital, Federal medical centers and designated specialist hospital for instance Murtala Mohammed, Sokoto, Yola General Hospital) Mall 733 health institutions nationwide are involved in addition diagnostic and

medical equipment will be rehabilitated or procured. About N12 billion has been invested.

The petroleum (special) trust fund embarked on the construction of the multi million naira Murtala Mohammed Hospital Sokoto in 1997, and also rehabilitated other projects in the state. The state took delivery of N28 million worth of drugs from the PTF for distribution to Sokoto Specialist Hospital and all the general hospital under, the drugs revolving programme DRF.

In 1998 rehabilitation work stated in the health institution in zone ii comprising Abia, Anambra, Ebonyi, Enugu and Imo State, Gwagwalada Specialist Hospital has taken delivery of PTF drugs surgical and cleaning disintective agents worth ₦80,991,747.70 between September 1996 and December 1997. The Chief Medical Director of the hospital received tablets and capsules of ₦2,936,745, syrup lotion ₦1,800,820, injections and infusions ₦3,726,820, surgical materials ₦7,356562 and cleaning materials (disinfectants) ₦4,270.800.

The Chief Medical Director said that the sales to out patient based or prescription of PTF labelled based prescription on pads flagged off on April 1 1997. Nothing that a total sale of about ₦3 million has

been made. In 1998 the fund distributed drugs worth ₦392 million to Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe State to enable them commence the PTF assisted drug revolving funded scheme in the North East Zone. Gombe state already received ₦49.6 million worth of drugs towards the provision of immunization materials and other essential drugs.

Delta and Edo received drugs worth ₦12 million worth of drugs the fund assisted the National Institute of Phamaceutical research and development (NIERD) Idu with ₦75.2 million in the conduct of its research work are sickle cell.

The fund also awarded contracts valued at ₦520.7 million for the rehabilitation of eighteen general hospital in zone three, the hospital are Anka Sokoto State, General Hospital Putse and Gumel in Jigawa State also General Hospital Funtua Katsina State and General Hospital Kaduna, Kaduna State, Muhammed Sanusi hospital and Gwarzo General hospital and Kano General hospital, Kano State, The rest and Butsari and Baure (General Hospital Katsina State, General Hospital Argungu and Zuru in Kebbi State and General Hospital Hadeija in Jigawa State.

Conclusion: The health sector has contributed a lot in the supply of drugs and other medical facilities to hospitals and other health institutions nation wide.

SECURITY SERVICES

In 1996, a total of N694 million was disbursed to the task force for armed force and police in 1997 in respect of the security sector the Armed Forces and Police PTF task force has been created by the former Head of State and has been allocated 20% of PTF's accruals.

OTHER PROJECTS

The other projects sector involves intervention in projects that can enhance the socio economic development of the generality of the people but do not fall within the other six sectors. Some of the projects include.

1. Commencement of the rehabilitation of the Kaduna International Trade Fair Complex for the testing of the 7th OAU/AEC all Africa trade fair
2. Consultative meetings with relevant ministries and consultant work for the following projects connecting local government

headquarter towns that are not on, to the national grid, linking of local government headquarter towns to Nitel network.

In 1997 Actual work will commenced on the following areas.

1. Connection of the local government headquarters towns to NEPA and Nitel greds.
2. The Rehabilitation of the Nigeria Railway selected stations.
3. Intervention in projects in the area of Alternative Energy Sources for Nuclear Energy Center Solar and wind etc.

In collaboration with Federal Ministry of power and steel and the federal ministry of communications. The fund has concluded modalities for linking all local government headquarters to the National grid of the National Electric Power Authority (NEPA) and the Nigeria Telecommunication Limited (NITEL)

The fund has also identified certain NEPA projects on the assessed percentage of completion stage of 51% and the above should constitute the take off projects of the First phase of the programme.

The body is also in the process of determining the cost of rehabilitating 280 railways stations across the country, priority is

given to 180 stations the fund will also determine the cost of rehabilitating three new railway workshops in Enugu, Zaria and Kafanchan and the construction of new one in Bauchi. Assessment visits have been completed for the Federal Ministry of Internal Affairs for PTF's intervention in the rehabilitation of prisons immigration services and Air border patrol units for the later, approval for the sum N82.20 million has been given to offset old debts incurred by the ministry, on the whole N1.9 billion has been spent in the other projects sectors.

4.4 AN EVALUATION ON THE PERFORMANCE OF THE FUND

Despite the Billions of Waira Spent by the Petroleum (special) Trust Fund on the execution of projects in the nation, certain areas still exist in which very little impact of the fund is felt. This could be attributed to both neglect and the problems of project implementation in the country, in general. His section therefore analyse the performance of the fund so far and draws attention to certain areas which are neglected.

4.4.1 EDUCATION

Through the fund a lot has been done in the Educational sector, most of the problem facing the sector still persist. In other words,

there are a lot of things that still need to be done. When one looks at the educational sector in the country and the problems embedded there in, one would easily conclude that the reconstruction and rehabilitation of physical structures is insufficient to revitalize the sector, in addition to that, working condition of the teachers should be improved so that they could become more committed to their jobs than before.

According to a reknown management schorlar Abraham Maslow "Human need could be stratified into five major categories physiological, security, social, esteem and self actualisation needs." The physiological needs being the lower level need lowers the basic human needs, so for a worker to be able to put in his best towards the achievement of organisational goals, he must be able to satisfy his physiological and security needs. When one looks at the salary earned by Nigerian teachers, it is not enough to satisfy these needs. This is the root cause that compelled many able teachers to abandon their professions in search of greener pastures.

In this case the government should review the salary scale of the teachers, faster discipline in the minds of the administrative

staff on the sector through the use of public campaign, training etc, and also adopt new policies in terms of recruitment and promotion of staff. The fund together with the government can revive this sector.

Also for the impact of the fund's payments to be felt nationwide, its policy of rehabilitating only 3 secondary schools per senatorial district and only 2 primary schools per local government area should be re-considered. This is because when one looks around, one will find out that there are some districts with about 20-30 schools especially in the Southern part of the country, so if 3 secondary schools in a senatorial district and 2 primary school in every local government are rehabilitated, what about the rest of the primary and secondary schools left behind in the country unrequired. As a matter of urgency the fund should increase the number of schools it rehabilitate annually.

4.4.2 FOOD SUPPLY

The fund has already done a lot in terms of food supply in the country but more still has to be done in order to boost agricultural produce in the country. Every year the Nigerian Agricultural and Cooperative Bank (NACB) be aside some amount of money to be

given to farmers as loans, but only a very negligible number of those people benefit from the scheme. The bulk of the money goes to different areas it is not meant for. The fund should in this case set up their own loans scheme and device a means for ensuring that loans set aside for rural farmer reach them in addition, the fund should assist in the procurement of agricultural equipments dig tractors and sell them to beneficiaries at affordable prices.

Also, owing to the fact that the system of agriculture in the country is still subsistence, the fund should ensure that the sector is mechanised this could be done through importation of machines, and the fund should ensure the prompt delivery of these machines to the beneficiaries without diversion.

4.4.3 WATER SUPPLY

The fund should be given credit in the areas of water supply but like in all other projects there is still much to be done for the impact to bee felt by the populace. So many areas have been neglected and even the ones that are considered witness delays in the execution process. For instance, the Kawo water project which was expected to have been completed in 1997, the inhabitants of Kano are still suffering due to non-completion of the works. Also

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the drilling of boreholes is yet to take off. The fund should do something on it and other project they are handling to ensure speedy completion.

4.4.4 ROAD, ROAD TRANSPORTATION AND WATER WAYS

As regards to roads construction nationwide the fund should be commended as it has undertaken the construction and reconstruction of many roads. The only problem in this area is that, the fund has laid more emphasis in the urban areas, leaving most of the rural areas untouched. Since the essence of establishing the fund is to improve the living standard of the populace it should also give the same priority to the rural areas. Most of the roads leading to our rural areas are inaccessible and in deplorable condition PTF should try and reconstruct these roads so that the economy will improve through inter-state business transactions.

4.4.5 HEALTH

The fund's policy on the rehabilitation of one general hospital and one comprehensive health centre per senatorial district is not sufficient. This should be extended to other hospitals in the country. Almost all the health centres in the country are in dilapidated

conditions. The is scarcity of doctors and other medical personnel due to the continuous brain drain in the country.

With regards to the fund's drug revolving fund, it is usually the most basic drugs that are supplied to tthe health centres and hospitals. Many of the essential drugs are not supplied especially when they are expensive.

4.4.6 OTHER PROJECT

The project of connective all local government headquarters to the NEPA national grid and rural telephone services which was scheduled to have taken of in 1997 and completed by 1998, has suffered from neglect. This is because the work did not commence in time, and as a result, most of the local governments are yet to be connected with these facilities and this explains the reason why activities in these areas are slowed.

In conclusion, it can be said that the petroleum (special) trust fund in its bid to satisfy Nigerian's growing demand for institutional transparency and accountability particularly from the public sector, adopted a rigid bureaucratic structure passioned with mis calculated bottle necks that breed inefficiency coupled with high

cost involved in running and maintaining the operational structures.

The board of trustees is also faced with tthe problem of how to effectively undertake their responsibilities it is in line with this that the fund engages the services of consultants. It is alledged that these army of consultants are being used to fleece the fund of millions of Naira through the inflation of project costs that are nevertheless approved the non-streamlining of the fund's activities are rendered redundant. Hence the setting up of the fund is seen as fundamentally defective as ordinary people are being squeezed by increasing the fuel price so that the fund and its consultants can come abroad. Billions of Naira already spent by the fund are mainly for project that ordinarily should require the attention of the existing organs of the government.

CHAPTER FIVE

5.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 SUMMARY

The Petroleum (special) Trust Fund has since its inception in 1994 contributed a lot in the restructure of the infrastructural facilities on the country. It may be said from the foregoing, that the PTF has in the short period of its existence contributed to the efforts of the federal government to improve the quality of life of Nigerians. The study covered the general introduction regarding the Nigerian economy taking into cognisance the political set-ups and the world economic order and realities existing at different periods right from the colonial era up till today. Also discussed was the establishment of the fund (PTF) in the country and the reasons behind the establishment. Justification for the study was also discussed. Also areas regarding the objectives of the study the statement of the problems, scope of the study as well in the limitation to the study and the research methodology approached to the study was touched.

policies regarding the health sector, food supply, water supply, education, security services other projects and road sector well all discussed. Also looked upon was the zoning of the country which was split into six zones. Touched was the fund allocation policies adopted in order to provide a basis for rationale allocation of funds. The project cycle was looked upon.

Finally, the study covered the organisational set up of the PTF. It's operational structure, the projects it executed so far and the analysis carried out in the general performance of in areas touched and those in touched by the fund.

5.2 CONCLUSIONS

The Petroleum (special) Trust Fund achieved a lot during its three years of existence it has help in restructuring infrastructures in the country while the government could not do, but despite all these are still some projects that have not been undertaken while some are neglected. Some projects are slow moving. Nevertheless, the trust fund embarked on the following projects during its existence.

In 1996 the PTF made substantial progress towards achieving its objectives. During the period under review the fund provided counter part funds for the world bank financed Lagos state water project in the sum of N1.05 billion and rehabilitated the Ikoyi, Victorial Island 1004 Estate water works. The fund also funded the Ioda Gezawa water supply scheme in Kano while the world bank assisted national water rehabilitation project received N492 million as counterpart studies for water supply schemes in Ibadan, Enugu, Port Harcourt, Ilorin, Makurdi, Katsina Bauchi, Maiduguri, Gombe, Benin and other urban centres were commissioned on National highways and urban roads involves the rehabilitation of 12,500km of Federal highways linking North-South, East-West axes and 100km of roads in selected urban areas nationwide. In the Health sector drugs worth N1.5 billion were supplied to secondary and tertiary health institutions. Cold store and chain equipment for the national programme on immunization were rehabilitated. Teaching hospital and all federal specialist hospital were commissioned.

For the educational sector rehabilitation of all federal secondary and tertiary educational institutions were commissioned. Educational consumables were also supplied.

The food sector received the sum of N368 million as counterpart fund for the world bank assisted National Agricultural research project consultancy services on the procurement for distribution of agricultural inputs and implements was commissioned with the establishment of the Armed Forces and Police Task Force for the PTF by the Federal government. The fund's budget was transferred to that sector.

The other project sector witnessed the rehabilitation within a short period of time of the Kaduna international trade fair complex for hosting the fair. Studies to link all local government with headquater towns to the national electricity grid, extend telecommunication services to all he headquarters and explore alternative source of energy were also commissioned.

In 1997 and 1998, some of these projects were completed while others are nearly completed. The fund made substantial progress in all the projects mentioned in all the sectors. The Trust Fund has contributed a lot where other government institutions have failed.

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Inspite of these achievements the fund forces some problems like its slow moving nature where up till now some projects delivery takes time and the drugs supplied are those that are commonly found.

To improve the standard of education the fund should try and rehabilitate more schools are the ones already. Rehabilitated are not enough to improve the educational sector.

In water supply sector some of its project completed, there is still the problem of water supply in some districts. In the other projects sector some local government areas have still not been connected to the national grid.

5.3 RECOMMENDATIONS

The Petroleum (special) trust fund has done tremendously well. Some of the things neglected by the government have been adressed, such as the rehabilitation of roads, provision of drug etc.

They have a clear idea and vision of what they want to do and set about doing by seeking professional from their consultants of this had been the case in the last 30 years or so of our independence

the situation in the country would have been far better. For Nigeria to drive its benefits from the petroleum trust fund. The following issues have to be given proper attention.

1. The petroleum trust fund should be efficient, they should try as much as possible to cut cost. If they are given out contracts they should know the exact value of these things (shadow price) or (real price) they should not over value contracts because the money is needed to do some other things and make life more meaningful to citizens.
2. They should try and develop more irrigation in the north. The PTF should go into housing to also alleviate the problem of housing for the people of Nigeria.
3. In the road sector the fund should try and rehabilitate roads in the rural areas as most of the roads rehabilitated are in the urban areas. There is also the problem of transportation they should also go into transportation.
4. In the health sector the fund should make sure drugs are delivered in time to the health centres and that certain drugs should be found.

5. In the Educational sector more school should be rehabilitated as the number to be rehabilitated are not enough for the impact of the fund to be felt.

6. The fund should try to import machineries be as to boost agricultural supply in the country as the system of Agriculture in the country is still subsistence.

7. In the other projects sector the fund should try and connect all local government areas to national grid.

8. The fund should set aside loans to farmers which will allow them carry out the responsibilities of forming so as to boost Agricultural supply.

9. The fund should embark on water supply projects so as to ease the problems of water supply in the country.

10. Finally the fund should try and be more efficient in carrying out its responsibilities as some of the projects are slow moving in nature.

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