



Federal Government of Nigeria

Draft National Transport Policy

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1. INTRODUCTION

1.1 Transport in National Development

Transport plays a key role in the economic and social development of any nation. A well functioning and integrated Transport System amongst other things:

- stimulates national development and enhances the quality of life for all;
- allows markets to operate by enabling the seamless movement of goods and people;
- provides vital links between spatially separated facilities and enables social contact and interaction;
- provides access to employment, health, education and services;
- alleviates regional inequality and fosters national integration;
- increases access to markets and links local, regional, national and international markets; and
- promotes economic development by increasing access to labour and physical resources thus facilitating the realisation of a country's, comparative advantages.

The different Transport modes (road, rail, maritime, air and waterways) have specific features and advantages. The overall efficiency and effectiveness of the Transport system depends on the development of these modes and their interfacing/integration.

1.2 THE NIGERIAN TRANSPORT SYSTEM IN PERSPECTIVE:

The evolution of modern transport system in Nigeria can be categorized into two distinct phases. These are:

- a) The colonial period which marked the origin of modern transport system. The networks of rail, water and road developed then were geared essentially to meet the exportation of cash crops, such as groundnuts, cocoa, cotton and palm products and to the importation of cheap, mass produced consumption goods. These early transport systems were planned in the most economic way possible, as typified in sub-standard road and rail alignments and a sub base, which later proved inadequate to accommodate heavy vehicles.
- b) The post colonial period/attainment of independence. With a re-orientation of goals, transport became one of the instruments of unification of the country and an important tool for social and economic development. The development

of petroleum resources from the 1950's had significant impact on the nation's social and economic growth, putting increasing demands on the transport system.

Goods and passenger movements in Nigeria are performed mainly by road, with the railway and inland waterways playing significant, but less important roles. International freight movement is principally by sea while air transportation is the main passenger carrier.

Government's investment in the country's transport system is substantial. The replacement value of road network at 2001 prices is estimated at between N3,500 - N4,300 billion. The fixed assets of Nigerian Ports Authority amounted to N36 billion in 1999, but this represents an addition of unadjusted historical data. The replacement value could therefore be much higher. Investments in the Nigeria Railway Corporation are smaller, approximately N9.5 - N10 billion.¹

All the transport sub-sectors suffer from the effects of past shortages of resources, and this inadequacy has consistently been reflected in inadequate maintenance. In the road transport sub-sector, the lack of road maintenance often necessitates subsequent reconstruction. The inadequate replacement and the poor maintenance of vehicles, contribute to high social costs of atmospheric pollution, and results in high operating costs. In the case of the railways, the lack of necessary resources to keep tracks, rolling stocks and maintenance facility in reasonable working condition produced a serious deterioration of the railway system. Similar problems affect the inland waterways, resulting in its inability to perform useful functions.

The long-term shortages are growing, becoming seemingly insoluble. For transport operators, these problems create a feeling of despondency, decline in morale and exacerbate management/employee tension. Feeling of despondency and low morale cause further deterioration and growing problems of the system, creating a vicious circle. Breaking this circle is the overriding immediate objective of the country's national transport policy.

1.3 Challenges and Opportunities:

The Nigerian transport system faces great challenges and also offers several opportunities. The predisposing factors include:

- a) **The size of the country:** With area coverage of 923,768.64 km², spanning longitude 3^{0E}-16^{0E} and latitude 4^{0N}-14^{0N} Nigeria is a comparatively large country. It is inhabited by over 140 million

people. Transportation is a crucial instrument for linking the country economically, socially and politically.

- b) Nigeria's vast natural resources:* Nigeria is endowed with petroleum, gas and solid mineral resources. The country is also blessed with abundant agricultural and forest resources, which vary by the three ecological zones of the country. The country is endowed with a highly productive open sea with abundant and diverse marine resources within her coastline of 852km bordering the Atlantic Ocean in the Gulf of Guinea and her maritime area of 46,000 km. This variation is a factor in spatial interdependence. Transport plays an important role in the exploitation and distribution of these resources and in the reduction of spatial inequality and in poverty alleviation.
- c) The Growth of the Nigerian Economy:* Until the current decade, economic growth posed significant challenges to the Nigerian economy, especially during the decades of the 1980s and 1990s. However, between 1999–2008, the performance of the Nigerian economy improved significantly. Real Gross Domestic Product (GDP) grew at an annual average rate of 5.6% and was the highest in three decades. The economic growth rate of almost two times the estimated 3% growth rate of the population ensured a real per capita output growth of 2.6%. The oil sector tended to constitute a drag on growth. The composition of national output for the 1999 – 2008 decade shows that there is still the challenge of achieving broad-based growth. Three large sectors – crop production, *oil and gas, and wholesale and retail trade contributed the most to GDP.* The role of Manufacturing was limited while wholesale and retail trade, through a high contributor to GDP, had low linkage with domestic production due to low domestic production output and high importation. Overall, the Sectors of the economy are still plagued by numerous problems notably, poor and decaying infrastructure, epileptic power supply, institutions and regulatory deficit, etc. The defective structure of the nation's economy make her heavily dependent on export earnings from crude oil and on import of consumer and capital goods, thereby increasing the country's cargo throughput and boosting the overall maritime trade. The huge volume of cargo generated by Nigeria places her at an economic advantage in South-Saharan Africa.
- d) Strategic Location of Nigeria:* by its location, Nigeria has an extensive coast washed by the Atlantic Ocean and a geographically conducive shore which provide the opportunity of port services to landlocked countries in West Africa and

particularly Chad and Niger Republic, as well as serve as a hub for transshipment for the West and Central African sub-region.

Thus, the demand for transport is high and growing. This National Transport Policy acknowledges the need to support the country's social and economic growth to enable her compete favourably in international markets. This Policy above all, acknowledges the need to develop a transport system that ensures national security, opens up inaccessible areas and serves the overall well being of the people.

1.4 The Need for a National Transport Policy:

The introduction to the National Transport Policy document of 1993 states that:

“At present, the Nigerian transport system functions in a crisis situation”, and one of the principal causes, it identified was “a major imbalance between the needs of Nigerian society and economy for adequate transport facilities and the ability of the transport sector to meet such demands”.

This statement remains valid today, in 2010, in respect of most of the transport system. The imbalance in supply and demand for transport capacity overall, and in the development of the different modes of transport, has in fact increased over the period since 1993.

This does not mean that during these years no efforts were made to improve and maintain the system and make it function. A significant improvement exists, but overall the demand for transport services in Nigeria seems to exceed the supply. The Nigerian transport system is still in a very difficult situation that needs urgent remedies. Changes and improvement are obviously needed. Therefore, the present National Transport Policy strives to attain maximum realism both in the identification of the problems and in the assessment of the means to rectify them.

The responsibility for planning, developing and maintaining the nation's transport infrastructure is shared among the three tiers of Government. To this end, intra-state roads are the responsibility of State Governments, while the Local Governments are required to cater for intra-urban and rural feeder roads, which account for over 60% of the existing road network. The Federal Government is responsible for the national highways which constitute only 17% of the existing road network. In addition, the Federal Government through its Agencies is also responsible for Inland Waterways/River Ports, Sea Ports, railways, airports and pipelines.

Furthermore, high-level policies of government in particular, the NV 20:2020 economic transformation blueprint, 7-point Agenda, NEEDS, Public Private Partnership (PPP) and International Commitments such as the Millennium Development Goals (MDGs) all require a functional, reliable and effective transport system to, among other things, connect people, places, services, opportunities, etc.

This National Transport Policy therefore provides the guidelines for planning, development, co-ordination, management, supervision and regulation of the transport sector as well as:

- explaining Government's decisions and actions in the sector by espousing the goals and principles that guide it;
- identifying existing gaps and short-comings and how to address them;
- showing how actions in the different modes are linked in pursuit of common goals;
- providing the basis for a system of monitoring and accountability; and
- Ensuring consistency in the application of policy principles across all modes and in pursuit of different objectives.

2.0 POLICY GOALS AND OBJECTIVES

2.1 Policy Goals

The fundamental goal of this National Transport Policy is to develop an adequate, safe, environmentally sound, efficient and affordable integrated transport system within the framework of a progressive and competitive market economy.

An “adequate transport system” means that available transport infrastructure and services meet the needs of all Nigerians for access to the market, place of employment and to basic social services. The transport system will serve as an instrument for social, political and economic unification; strengthening the operation of markets, facilitating production and resource development, and promoting relationships with the outside world.

A “Safe transport system” means that all reasonable standards are set and actions taken to prevent accidents and minimise the number of potential victims and the destruction of property. Effective safety measures should protect transport operators and their employees, users of transport services and the public at large.

An “environmentally sound transport system” means that reasonable, effective actions will be taken to diminish atmospheric, water and other pollution, through proper planning of infrastructure and the establishment of appropriate regulatory standards.

An “efficient transport system” means that the transport services are provided in a way that ensures resources are used efficiently and the economic potential of appropriate technology is used to achieve sustainable gains in productivity in order to reduce costs and improve service quality. An efficient transport system also implies the progressive reduction of social costs, the control of other external costs of transport, and the expenditure of public funds in a way that is properly justified and carefully managed.

An “affordable transport system” means that adequate transport services can be enjoyed by all classes of Nigerians at reasonable cost, and where market mechanism fails to provide this, the Government will intervene to support the provision of essential transport services.

An “integrated transport system” means the effective connectivity between ports, rail, road, inland waterways and air, thereby making use of the advantages of different modes to ensure seamless movement of goods and people and better utilisation of resources.

2.2 Policy Objectives

Given the current condition of much of the transport sector, the rate at which the goals can be achieved will be subject to the realities of resource availability and practical implementation constraints. It will take some considerable time to make the scale of improvements needed across each of the transport modes to achieve these policy goals. It is therefore essential that the implementation of policy is based on a careful prioritisation of goals and objectives and that plans in each of the transport modes are realistic and consistent. All transport investment should be subject to careful analysis to ensure that the benefits, net of the costs, meets appropriate investments criteria and represent value for money; and that policies and plans are practical and sustainable. The Government's policy objectives for the sector are:

- to promote economic development, expand trade, and improve Nigeria's competitiveness through an efficient and affordable integrated transport system;
- to encourage and remove all barriers towards the private sector participation in the development, provision, maintenance, operation, and upgrading of transport infrastructure and services;
- to promote the use of public transport over private cars.
- To promote a culture of maintenance and continuous upgrading of transport infrastructure and services;
- to promote competition and efficiency and cost reduction of transport services in Nigeria.
- to improve the safety, security, reliability, quality, and speed of movement of goods and people, at local, national, and international levels;
- to develop transport infrastructure that ensures environmental sustainability and internationally accepted standards; and
- to support States and the Federal Capital Territory in the development and promotion of urban transport systems and local governments in developing and promoting rural accessibility.

2.3 Public Private Partnership (PPP) In Transport Sector Projects

2.3.1 Background

Globally, demand for basic infrastructure services has outstripped the supply capacity of existing assets. Many years of underinvestment and poor maintenance have left Nigeria with a significant infrastructure deficit which is holding back the country's

development and economic growth. Nigeria needs to make massive investments, beyond the means available to government in order to close its yawning infrastructure gap. The Federal Government has adopted a Policy framework for the private sector to play an important role in providing some of this new investment through Public Private Partnerships (PPPs). The use of private investment where appropriate to address the infrastructure deficit and improve public services in a sustainable way is regulated by Federal Government of Nigeria PPP Policy framework and the Infrastructure Concession and Regulatory Commission (ICRC) Act (2005). In line with the Government's commitment to transparency and accountability, the legal and institutional framework provided for PPP is to ensure that the transfer of responsibility to the private sector follows best international practice and is achieved through open competition.

2.3.2 Objectives

Within the context of this National Transport Policy, the objectives of PPP are as follows:

a) Economic

- To accelerate investment in new transport infrastructure and ensure that existing infrastructure is upgraded to a satisfactory standard that meets the needs and aspirations of the public;
- To ensure that all investment projects provide value for money and that the costs to government are affordable;
- To improve the availability, quality, and efficiency of transport services in order to increase economic growth, productivity, competitiveness, and access to markets; to increase the Capacity and diversity of the private sector by providing opportunities for Nigerian and international investors and contractors in the provision of transport infrastructure, encouraging efficiency, innovation, and flexibility;
- To ensure that transport infrastructure projects are planned, prioritised, and managed to maximise economic returns and are delivered in a timely, efficient, and cost effective manner;
- To manage the fiscal risks created under PPP contracts within the Government's overall financial and budgetary framework;
- To utilise federal, state, and local government assets efficiently for the benefit of all users of public services.

b) Social

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- To ensure balanced regional development;
 - To increase access to quality public transport services for all members of society;
 - To ensure that user charges for new or improved public transport services are affordable and provide value for money;
 - To respect the employment rights and opportunities of existing employees and to ensure that any redundancy or other social safety net issues are resolved before final project approval;
 - To enhance the health, safety, and wellbeing of the public;
 - To encourage the direct or indirect participation of small and medium sized enterprises in PPP projects.

c) **Environmental**

- To protect and enhance the natural environment;
- To minimise greenhouse gas emissions and other pollutants.

3.0 WATER TRANSPORTATION

3.1 Ports

3.1.1 Background

Ports represent a complex structure in a country's transportation system in three main ways. First, it provides a number of interrelated activities, which include:

- (i) Ship-harbour interface (pilotage, dredging, provision of berths, maintenance of navigational channels etc);
- (ii) Ship-port interface (loading and unloading of cargoes); and
- (iii) Port-land interface (delivering cargo to and from the hinterland).

These different functions require different organizations and their relationship must be taken into account in Port planning and policy.

Second, the Ports play a strategic role in the economy of a country. In Nigeria, practically all imports and exports move through the Seaports. Thus, the efficiency or inefficiency of the Ports affects profoundly the costs of imports and the competitiveness of exports.

Third, Ports, directly and indirectly, are large employers of labour especially, if indirect employment such as insurance, customs, haulage, clearance, storage, free zone activities, sorting out the incoming and outgoing cargo, industrial and other value added activities are considered.

In view of the above, Nigeria has a great potential for a buoyant maritime industry. To enjoy this inherent benefit, it is vital that Nigerian Ports system operates efficiently.

3.1.2 The Existing Situation

a) Port Development

At independence, Nigeria had two major ports at Lagos and Port Harcourt. The two Ports together with a few minor ones at Warri and Calabar adequately serviced the maritime needs of the country. By the second half of the 1970s, Nigeria's port facilities were severely overtaxed due to the oil boom and the associated improved standard of living which led to a sharp increase in import traffic. This increase, imposed major

strains on the system, leading to delays in ship handling and resulting in high demurrage.

In response to this, a massive investment programme was undertaken and Port capacity was increased by about 300 percent between 1975 and 1980. Today Nigerian Ports Authority (NPA) has 13 major Ports, 11 oil terminals and 128 private jetties within the port system. There are 102 hard quay berths 62 buoys and over 650 different cargo handling plants and equipment. All together, the country has a total cargo handling capacity of over 35 million tonnes. The installation of this capacity is a major national achievement and the present capacity of the Nigeria Ports can be considered adequate. However, some additional investment may help to improve productivity. In terms of traffic, the Ports are essentially import dependent. In recent times, the changes in import of ranged from between 31.6 percent and to 6.7% for general cargo; 53.5% and 44.5% for bulk cargo, and 23.6% and -22.6% in containerized traffic. Overall, cargo throughput increased from 20 million in 1998 to 30 million in 2000. As the nation's economy improves, the cargo throughput of the Ports will increase, while high fluctuations in cargo throughput may diminish.

b) **Port Management:**

The Nigerian Ports Authority (NPA) owns all the Ports. By Decree No 38 of 1999 which sets up her functions and power, NPA controls all public and private tasks in the sector. It maintains and operates every available asset (fixed and movable) while stevedoring, warehousing, chandering and industrial activities are executed by private operators under the supervision of NPA. By Section 124 of the Decree, the government exercises full control over Nigerian Ports Authority (NPA), operations: Government appoints the Chairman and the Board members, the Managing Director and Executive Directors and sets their salaries and remunerations. The Authority must seek approval from government to spend and borrow money, and make investments. The present Port organization makes NPA a Public Money. The centralized system leaves little room for competition and the Ports are characterized by high tariffs, excessive manpower and gross inefficiency. The Ports suffer from the problems of imprudent

management of resources in the face of increasing competition from Ports of neighbouring countries. The performance of the Ports is generally sub-optimal and there is a mounting pressure from the private Port sector to improve efficiency.

c) **Port Reforms:**

To improve service delivery, enhance management capability, modernized port development and; reduce government involvement and spending, the Government embarked on a Port Reform Programme by transferring responsibility for cargo handling operations at the port terminals from the Nigerian Ports Authority (NPA) to a number of private sector operators with the former as Landlord. However, the weaknesses in the interface between the port terminals and the inland transport system, particularly in Lagos, are still evident.

d) **Port Management Options**

Within the context of Port reform a number of Port management options have been considered. These are: Public Service Port; Tool Port; Landlord port; Privatized Port and Master Concession. Two main Management Models have been adopted namely: Service Port and the Landlord Port. The Ports which are operated as Landlord ports include:

- Federal Lighter Terminal, Onne
- Federal Ocean Terminal, Onne
- Kirikiri Lighter Terminal Phase 1
- Kirikiri Lighter Terminal Phase2 and
- Ikorodu Lighter Terminal.

Ports that are operated as service Ports are:-

- Lagos Port (Apapa Port Complex)
- Tin Can Island Port
- Container Terminal, Apapa
- Roro Terminal
- Calabar Port Complex
- Port Harcourt Port Complex

The Warri Port combines in equal terms the two Port management models. However, the Landlord model stands out and offers greater promise in terms of efficiency Productivity, going by the performance of Onne Port. Government will therefore adopted the landlord port model - a port concession approach which entails the separation of responsibilities of the

major actors in the port activities and functions. Under this arrangement:

- Existing Port terminals have been leased out to Private Companies who are responsible for operations, investment and maintenance of superstructures.
- The Public sector will be concerned with Port planning and development, regulation, nautical management, safety, security and the environment. Government remains Landlord and owns the land and Port infrastructure.
- The NPA, as an agency of the Public sector, which hitherto has been the operator will execute the public sector functions.
- Pending the establishment of a suitable regulatory agency, a Nigerian Port Commission will be created to undertake Economic Regulation for the sub sector.
- The port reform policy introduces the market principles through full private sector participation. Government intends to pursue a reform along this line believing that a liberalized Port sector will:
 - free the government of enterprise burden and enable her pursue more rigorously the task of governance;
 - Place Nigeria in line with international norms in Port efficiency and productivity; and
 - Allow the private sector to play its role in the development of the nations transport sector.

3.1.3 Policy Goals:

Emerging international market economy and the effects of globalization in the maritime sector require fundamental changes in the way ports are managed. The introduction of Port reform in Nigeria is based on the recognition that the Ports are major points in the distribution channel and, in line with global trends, the Nation's Ports, have to be efficiently managed. This policy document adopts therefore, private sector participation, liberalization and competition, in development, management and operations of Nigerian Ports for the following reasons;

- competition from Ports in neighbouring countries, namely, Kotonou Port in Benin Republic and Lome Port in Togo, which are serious competitors for shipping companies and shippers as preferred designations;

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- Pressure from the shipping and business communities for improved procedures, shorter turn-around time, transparent operations and reduction in costs and losses;
 - bureaucratic process caused by the excessive intervention of the public sector which are factors in ports inefficiency; and
 - Government alone is therefore committed to major Port reform that will ensure greater efficiency and productivity through Concessioning of Port operations to Private Sector Companies, on long-term lease, whilst safeguarding the public interest.

3.1.4 Policy Objectives

The policy implications of the aforementioned goals and outlook are that there is an urgent need:-

- a) To achieve the highest possible level of efficiency at the major seaports of Nigeria, in the shortest time possible.
- b) To monitor carefully, international maritime developments in order to make the necessary adjustments to maintain and improve the competitiveness of Nigerian Ports, in the quest to a hub in the West and Central Africa Sub-region

To achieve these, government will pursue the following specific objectives:

- enhance competition and raise performance standard of the Ports;
- ensure greater investment in up to date cargo handling equipment and information technology;
- Simplify tariffs and operational processes to enhance transparency;
- Free Port system from political, bureaucratic interference and make them responsive to customers' needs;
- Reduce financial burden on government through increased private sector participation; and
- Reform the institutional and structural set up in the Ports to support desired efficiency level.

3.1.5 Policy Strategies

To pursue and achieve the aforementioned objectives, Government will adopt a Port management model that will attract full private sector involvement and promote market principles, are prosecute a port reform programme that ensures improved efficiency, productivity, and private sector participation, through the following strategies:-

a) Private Sector Participation

- Encourage indigenous entrepreneurs in the port concession in order to build national capacity in the maritime transport sub sector;

b) Port Reform Model

- Regionalize the existing ports into functional but independent port complexes and
- Concession each port complex to a suitable private sector company.

c) Legal and Regulatory Framework

- Repeal the NPA Act of 1999 and enact a new Port Act based on the Landlord Management Model.
- Prepare a land use master plan for the Ports including the definition of appropriate traffic corridor within the Port. Such a land use master plan will serve as a guide for the establishment of concessions for subsequent construction in the Port areas.

d) Institutional Reform

- Restructure the NPA and properly designate its functions as a landlord;
- Establish Economic and Safety Regulator for the sector;
- Create a Port Advisory Council for all the Ports. Such a Council will be a purely consultative body, composed of the Port interests, users' representatives and state or local government representatives. Its main function is to identify problems of common interest and to search for common solutions.

e) Implementation

- Appoint an Implementation Committee, which will prepare an implementation time table, organize and supervise the implementation. The Bureau of Public Enterprises charged with the responsibility of privatizing some government establishment is in the best position to coordinate this implementation.

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- The Implementation Committee will prepare concession agreement for each type of concession. The agreement will specify the length of the concession, which will assure the concessionaire adequate time for planning and effecting the investments needed for the efficient and effective provision of services and/or conducting activities specified in the concession contract, as well as clearly stating his right and obligations.

f) Labour

- Put in place appropriate programmes for dealing with redundancies and employees compensations.
- Organise a Consultative/Educational programmes for the staff.

g) Policy Monitoring and Review

- Put in place a policy monitoring and review team which main task will be that of monitoring the effectiveness of this reform policy. It will identify the problems and proffer solutions, the execution of which it will again follow up. The monitoring and review committee should consist of Port management experts and the academia.

3.2 Inland Waterways

3.2.1 Background

An efficient coastal and inland waterway system will relieve pressure on the country's rail and road transport infrastructure as bulk goods can be transported over long distances at very low rates. The energy demand of the Waterways is low and the negative effect on the environment is minimal. The use of the waterways for transportation should therefore be encouraged as a matter of principle.

3.2.2 Existing Situation

Despite its advantages, the use of this transport mode has diminished particularly over the past three decades due to physical, investment and operational constraints, notably:

- High rate of sediment build up along the channel.
- Physical obstruction (wrecks, rock outcrop etc.).
- Poor government investment in infrastructure development

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- inadequate river Port infrastructure
 - poor landward connection to River Ports
 - poor communication and navigational aids

The Nigerian inland waterways are a major natural resource, traversing 20 out of the 36 states. The areas adjacent to the major rivers represent the nation's important agricultural wetlands. Agricultural products from the middle belt and particularly from Makurdi, and Lafia areas can be transported to Onitsha and Port Harcourt through the waterways. The Ajaokuta Steel Complex which is fed with coal and scrap metal imported through Warri, and Onitsha, a major industrial/trade center on the Niger, will both benefit from a waterways, for movement of bulk cargo.

3.2.3 Policy Objectives

Government recognizes the great potentials and benefits of the inland waterways and is resolve to address the outlined constraints to enable the country fully exploit and enjoy this mode of transport. It is therefore the objective of government to develop the inland and coastal waterways with private sector participation.

3.2.4. Policy Strategies

In order to achieve this objective government will:

- Eliminate the physical constraints to navigation in the country's waterways;
- Promote pricing policies that will shift traffic to the inland waterways;
- Restructure the National Inland Waterways Authority (NIWA) (which is charged with the responsibility of managing the waterways) to give ample opportunity for private sector participation in the management and operation of the waterways;
- Encourage indigenous involvement in the development of the inland waterway as a mode of transportation; and
- Establish an Inland Waterways Safety Inspectorate to curtail the high incidents of major and minor accidents. The potential dangers posed by poorly maintained vessels and incompetent operators will also be checked in addition to stricter endorsement of existing navigational and safety rules. Proper licensing and inspection procedure will be

adopted and appropriate sanctions imposed on those who infringe safety rules and procedure. Commercial river crafts will be properly inspected and licensed to promote safety in inland water navigation.

3.3 SHIPPING

3.3.1 Background

The Nigerian economy is heavily dependent on international trade. The total cargo throughput of Nigeria Ports was 14.2 million tonnes in 2000. The projected throughput is 17 million for 2005; 20 million for 2010 and 24 million for 2015. Such heavy dependence on international trade implies a virile maritime industry in the country. Many benefits await a country with such a maritime industry. Among these are:-

- Promotion of export trade, and accelerated national economic growth;
- Acquisition of shipping technology, thereby enhancing the nation's ability to engage in ship building and repairs;
- Backward linkages and creation and diversification of employment opportunities;
- Boost in government revenue and improvement in the country's balance of payment.

Unfortunately, these benefits have not been fully realized in Nigeria. Between 1971 and 1981, Nigeria accounted for 68% of the total trade of West and Central African sub-region but earned only 14.4% of the accruing revenue. In 1990, Nigeria was responsible for freighting only 3% of the country's total cargo, even though it had the mandate to carry as much as 60%. The relative share of indigenous carriers in the country's maritime trade has declined from its very low level of 7% in 1987 to an even lower level of 4% in 1990. To date, the shipment of cargoes depends almost entirely on foreign shipping lines. Government has made several efforts to arrest this situation notably

- Establishment of the Nigerian Shippers Council to improve the bargaining position of Nigerian shippers;
- Establishment of the National Maritime Authority to regulate freight sharing between shipping Conferences, thereby promoting national merchant marine;

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- Venturing into shipping through the direct presence of the defunct National Shipping Line and later the Unity Line;
 - Establishment the Maritime Academy of Nigeria, Oron, to promote technical manpower development in the sub-sector; and
 - Enactment, in recent time, the Cabotage Act to encourage indigenous carriers.

In spite of the aforementioned promotional and regulatory measures, only modest progress has been made and Nigeria continues to lose significant revenue to foreign shipping companies. With the present trend, Nigeria may not be involved in the carriage of her own cargo in the nearest future except adequate measures are taken.

3.3.2 Policy Objectives

Government's policy objective is to consolidate on the achievement of the existing promotional and regulatory measures and encourage indigenous participation in the carriage of the country's wet and dry cargoes.

3.3.3 Policy Strategies

In order to correct the anomaly existing and ensure that Nigerians are fully in control of the contrary's wet and dry cargo business, government will:

- facilitate full indigenous participation in the carriage of cargoes including the lifting of crude petroleum;
- promote human capacity development for the manning of maritime vessels by Nigerians;
- Put in place monetary and fiscal policies that adequately favour the shipping companies. In this regard, government will:
 - Create an enabling environment for indigenous private shipping companies to acquire vessels;
 - Make a special provision for the shipping industry in the context of domestic credits and foreign exchange;
 - Allow substantial tax relief and tax concessions for indigenous shipping companies;

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- Explore the possibility of international funding assistance and cooperation for the indigenous shipping companies; and
 - Encourage and promote a culture of financial discipline for the shipping companies to enable them build up fleet capacity.

4.0 LAND TRANSPORTATION

4.1 Introduction

Land Transport involves movement of people and goods on land, from one location to another. It is the dominant form of transportation in the World and includes rail, road and pipeline. In this National Transport Policy, Land Transportation includes; rail, road, Pipeline, Rural accessibility, Urban Transportation and Pipeline.

4.1.1 Rail Transport

4.1.2 Current Situation

The Nigerian railways network includes approximately 3,500km of narrow gauge lines. The network has been extended by a narrow gauge line between Onne and the Enugu-Port Harcourt line and a yet to be completed 320km standard gauge line from Ajaokuta to Warri.

The Nigerian Railway system has the potential to provide an efficient and cost effective means of transport, particularly on long distance routes serving high density traffic flows. Railways can provide the most cost-effective, affordable, energy saving and environmentally friendly form of transport, when traffic densities are high. When properly integrated with other modes of transport, economic levels of traffic can be consolidated to enable the railway to provide efficient services for high density flows of homogenous traffic carried over relatively long distances on a regular basis. The railways are also well suited for the movement by large numbers of inter-city passengers and high volumes of containerized cargo or bulk freight such as oil, coal, steel or agricultural produce.

Unfortunately, due to past neglect, the Nigerian railway system has not been able to meet this need. It has deteriorated in all areas, and caught up in a vicious circle of declining traffic, endemic deficits, decreasing capacity to serve its customers resulting in further loss of revenue. In short the railways have ceased to be economically viable. If the present imbalance of the transport sector is to be corrected and the goals arising from increasing industrialization be actualized, the Nigerian railway must be resuscitated.

However, the Nigerian railway system has suffered long term decline as a result of competition from road transport which, due to its flexibility, has eroded the rail traffic base. Traffic volumes have been declining due to the disappearance of intermodal nodes aggravated by the declining quality of railway assets and train services. The deterioration of the system has increased to such an extent that the railways are now barely operational, despite a number of rehabilitation attempts. The state of the railway has been worsened

by management weaknesses and the institutional arrangements in the railway system. The railways are therefore a serious drain on government resources, while currently failing to provide a useful economic function. There is an urgent need to address this situation by establishing a functional, efficient and viable railway system in the country.

The government has carried out a detailed analysis of the best means of transferring responsibility for the management and operations of the existing railway system to the private sector. Vertically integrated concessions have been identified as the first phase of PPP in the railways sector. The substantial commitment of investment that the government has made to rehabilitate the railway will give confidence to the private sector in the Government's resolve to re-establish the railway as an important component in Nigeria's transport system.

The draft 25 Year Strategic Vision for the Nigerian Railway System will be reviewed and updated to develop a comprehensive plan for the rehabilitation and expansion of the railway. This investment programme needs to be subjected to economic analysis to ensure that each of its components is justified before commitments are made and duplication of railway infrastructure avoided. Government is currently rehabilitating the existing rail network and is committed to the development of rail links to the ports and the Inland Container Depots (ICD) when completed. The network is to be expanded and modernized in segments as resources permit, and partnership with the Private Sector. Government is committed to concessioning the existing rail line to enhance efficiency and improved service delivery.

4.1.2 FUTURE EXPANSION

The foregoing considerations relate to the concessioning of the existing railway facilities and services. The Nigerian Railway systems run North East-South East and North West - South West. The system is essentially outward looking, having been built to meet the colonial needs for the export of resources out of the country. The need for East-West connections is now manifest considering the volume of freight and passenger traffic interchange between these regions. The "25 Year Strategic Vision for Nigerian Railway System" has indicated details of the East-West and other linkages to be added. These new lines can be funded on a **Build, Operate and Transfer** concession.

Nigeria is also prepared to take its place as a regional transportation hub and develop a railway with trans-national connections between Nigeria and neighbouring countries. The National Transport Policy recognizes this need, and in the spirit of NEPAD Nigeria will extend its railway network to:

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- Republic of Benin through Ilaro
 - Republic of Niger through Kaura-Namoda
 - Chad Republic through Maiduguri
 - Cameroon through Yola

4.1.3 Policy Goal

The primary Goal for the rail sector is to transform the system from its present condition to an efficient, flexible and competitive mode. Government is determined to reverse the decline of the Nigerian railways system, to enable it play its full part in the country's transport system.

4.1.4 Policy Objectives

In order to achieve its goal, government will:

- Rehabilitation/existing the railway infrastructure;
- concession the existing rail lines;

Moderate and Expand the network to link all Sea Ports, International Airports, Major Industrial and Economic Centres etc.

The objectives of the rail concessioning are as follows:

- Transforming the Nigerian Railway system from a non-performing and debt-ridden transport mode to a dynamic and more functional transportation system.
- Reducing the burden of the railway sector on the Federal budget through private sector investment.
- Encouraging the use of the rail to reduce road traffic congestion problems and other negative externalities.
- Strengthening the railway capacity and developing national capacity through local sourcing of maintenance and construction materials
- preparing a medium term plan for expansion of the rail system for inclusion in MITI, with short term priority given to:
 - extension of the network to ports;
 - link Abuja to the rail network and to the ports;
- developing a complementary inter-modal policy to support the operations of the railway, including the development of inter-modal terminals at key locations;

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- facilitating plans for further investment to increase the capacity of the railway and to expand the network to meet growing demand; and
 - establishing a National Railway Authority with responsibilities for the maintenance, rehabilitation and expansion of the railways,

4.2 Road and Road Transportation

4.2.1 Background

Nigeria has become increasingly dependent on the road system to meet virtually all its inland transport needs as the rail, pipeline and inland waterway systems have deteriorated. At the same time, the road network itself has suffered from continuing lack of maintenance and investment by the three levels of government, Federal, State and Local.

Nigeria has a total of 193,200 km of roads, made up of 34,123km of Federal roads, 30,500km of state roads and 129,577km of local government roads. As provided for in the Constitution, the different tiers of government have independent responsibilities for the planning, financing and maintenance of their roads. Three major issues affect the road network:

- misuse particularly as a result of axle overloading causing damage to roads;
- neglect of periodic and routine maintenance and an absence of emergency maintenance; and
- inadequate design and construction.

The above diagnosis reveals that:

- There is an urgent need to ensure an adequate and efficient maintenance of the existing road network. Failure to do so imposes high costs on road users and raises the cost of rehabilitation works.
- Past failures to ensure adequate and effective maintenance, due largely to the inadequacy of resources, are the major cause of the current massive need for road rehabilitation.
- In addition to rehabilitation needs, there is the need to check the misuse of road infrastructure due to excessive axle load.
- The costs of rehabilitation and improvement programmes are very high and government is finding it increasingly difficult to meet them.
- Lack of transit parks for trucks along the Federal roads;

-
- To find the funding to meet the high cost of rehabilitation and improvement programmes;
 - additional sources of revenue need to be considered to fund the roads, including user charges in the form of road tolls; and
 - better control and more efficient use of available funds is also needed;

4.2.2 Existing Situation

In 1985, about 23 percent of national roads were in a bad state. This rose to 30 percent in 1991 and 50 percent in 2001. The current dependence of Nigeria on its road system increases the urgency of addressing this issue. Unless roads and bridges are kept in good conditions they cannot support the desired socio-economic development of the country.

The Government will therefore introduce user charges on Federal Roads, as the primary means of augmenting as the primary means of augmenting the budgetary allocation for road maintenance and rehabilitation. The Ministry of Works is responsible for the construction of new roads and the major upgrade of existing roads whilst Federal Roads Maintenance Agency (FERMA) created in 2002 has the mandate for the routine maintenance of Federal Roads. The Government will continue to contribute to the funding of road construction and maintenance, and attract additional funding by promoting private sector investment in the upgrade and maintenance of roads and management of tolls through PPPs. In this way, performance risk will be passed to the private sector and there will be a strong discipline for efficient delivery of services.

A road study undertaken in 1998 indicates that N300 billion will be required over the next 10 years to bring national road network into a fairly good condition. After the recovery, an average of N24 billion will be required each year for subsequent maintenance and N32 billion per year for road rehabilitation. Further neglect of these roads implies a loss of network value of N80 billion per year and additional operating cost of N53 billion per year. Except roads and bridges are kept in good conditions they cannot support the desired socio-economic development of the country.⁵

4.2.3 Policy Goals

- i. Govt. hopes to achieve adequate and efficient maintenance of existing road network
- ii. Promotion of Private Sector investment in the upgrade and maintenance of roads through PPP.

4.2.4 Policy Objectives

Government policy objectives in the road sub-sector are as follows:

- New sources of revenue to close the resource gap;
- Measure efficient road maintenance and rehabilitation and
- protect the roads from premature deterioration.

a) sources of funding – These include

- Budget allocation from general government revenues
- User charges or taxation, and
- Private sector funding through investment

i) *Government Allocation.*

Due to competing needs, government allocation to the road network sub-sector over the years which has been dwindling is now grossly inadequate. Because of the social service functions of roads, government will continue to contribute to the funding.

ii) *Road User Charges*

Road user charges including fuel tax, vehicle registration tax, vehicle import taxes, driver licenses, road tolls and taxes on tyres, lubricants and consumable spare parts are gaining world-wide acceptance as a source of revenue for augmenting government allocation for road maintenance and construction. This is based on the argument that those who incur costs should be responsible for paying for them. User taxes when properly designed could lead to a more rational use of road capacity and even become a technique of capacity rationing through price mechanism. Government will henceforth emphasis user charges as a means of augmenting the budgetary allocation for road maintenance and rehabilitation.

iii) *Private Sector Investment*

Innovative approaches to the management and financing of the road network are emerging through private sector participants. Governments across the world are now working with the private sector not only to provide service, but to build new roads and maintain existing ones.

A major way of involving the private sector in road construction and maintenance is through road toll concession. Under this arrangement the private entrepreneur is giving the right to construct, overhaul, maintain and operate a road over an agreed length of time. The entrepreneur recovers his money from toll charges.

Toll concession may either be through government Toll Road Authority or by private investors. Government is resolved to involve the private sector in the maintenance of the road network and will:

- Develop detailed criteria for roads to qualify as toll roads
- Prepare a list of such roads and the potential ones that will go on toll concession
- Prepare construction and maintenance standard for roads to be placed on toll.
- Invite the private sector to participate in the maintenance of these roads on toll concession and the construction of new ones on a Build-Operate-Transfer basis.

Given the scale of the task to restore the road network to good order, a study is being commissioned to prepare an investment plan for road maintenance for the next decade. The plan will establish priorities and a programme of maintenance. The government will take measures to improve the management of the road network assets by ensuring that responsibilities are allocated to new roads authority with the capacity to carry out the role of the construction of new roads and the upgrade and the routine maintenance of existing roads.

iv) ***The Toll Road Issue***

Government considers the introduction of the toll roads in Nigeria a necessity, given the heavy resources needed for maintaining the roads. To this end, government will:

- Grant toll roads concessions to qualified private sector investors, who would either take over, for a certain period of time, the existing expressways, high volume highways, or, who under the Build-Operate-Transfer system would either construct a new road, or upgrade an existing one.
- Establish government owned autonomous Toll Roads Authority in the case of roads for which there are no private sector concessionaires.

For the concessionaires, government will:

- provide a list of the immediate, long term and periodic improvements required for each of these roads

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- provide a projection of probable costs and revenues for each road, under different scenarios.
 - Prepare necessary contract with the concessionaires, including proposed draft tariffs and methods of tariff revision.

In the case of public owned concessionaire, a public limited company would be established to take over and administer the roads that are suitable for toll road concession but are not taken over by the private sector. The Authority would have a similar status to a private concessionaire, but with the following differences:

- It would be bound by a government approved plan for upgrading the road (or, roads) to be taken over. This implies preparation of a suitable realistic program of improvements, with well specified targets and target dates.
- As in the case of private concessionaire, the Authority would derive its revenues from commercial concessions, but, in order to avoid improper behaviour, the Authority would have to adhere strictly to the rules regarding the granting of such concessions.
- After covering the cost of current maintenance, it will establish "periodic maintenance" or "road reconstruction" funds. Revenues over and above what is required for this would be transferred to the Road Fund. This would imply the establishment of an appropriate accounting and audit system.

Under the two arrangements, the concessionaire will contract out road complementary facilities such as service stations, fuel providers, restaurant and rest houses.

v) User charges and Road Fund Issue.

Because of the critical shortage of funds, falling far short of the minimum amount necessary for maintaining and improving the country's road network, government will put in place a system of user charges based on the following taxes:

- An annual vehicle registration fee, uniform for all the states and strictly enforced. Such a fee would be established according to the vehicle type, and weight, etc

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- Fuel tax, vehicle import tax, etc.

The user charges revenues will be augmented by:

- Revenues from toll roads' concessions, or, if toll roads remain in the government administration, net revenues of the Toll Roads Authority, less maintenance and reconstruction ("periodic maintenance") *reserve*;
- Grants from the government to reflect the non-user, or indirect benefits of the roads; and
- Special government grants to meet emergency situations (especially natural disasters).

Government will establish a Road Fund into which the income from the above stated sources will be lodged. The Fund will be administered by the National Road Commission (see section 4.2.5 b iii) which will:

- Prepare a set of road revenue allocation criteria for Government approval;
- Administer, monitor and supervise the allocation of funds for well specified road maintenance programmes.
- Develop and finance (fully, or in part) programmes aimed at the strengthening of road maintenance capacities;
- Administer any special funds which the Federal Government may allocate to the states and local governments for road development, road improvement and road maintenance.
- Perform other, related duties, which the Federal Government may entrust to it.

a) On Road Maintenance and Construction

(i) *Reassignment of Responsibilities*

The national road network is shared by the three tiers of government in the proportion of 17% for Federal Government, 16% for State government, and 67% for Local government. An essential principle of sound governance is that responsibilities should be focused at the level that has the knowledge and understanding of the problem and the capability to address them. Although intimate knowledge of the country's transport problems is principally concentrated

at the local and state government levels, the Federal government has superior professional, technical and financial capacity, which may justify extending its jurisdiction over some state, or even local roads. In the nearest future, government will consider a fair distribution of the roads to reflect the capability of the different tiers of government.

Previous criteria for the takeover of roads by federal government include:

- road connecting major industrial towns
- roads connecting state capitals
- roads connecting major seaports with the hinterland
- roads linking other road network of neighbouring countries.

The Federal government will consider, for the purpose of taking over additional roads, other criteria as:

- roads in physically constrained areas (hilly or riverine areas) where the cost of construction creates a problem to both state and local government;
- the development needs of disadvantaged areas;
- connection to major towns;
- connection between local government headquarters;
- any other criteria that may be found appropriate.

The Federal government will similarly cause the State government to increase its stock of roads. A benchmark of an Average Daily Traffic of 100 vehicles or any other appropriate criterion may be instituted for the transfer of roads from local to state government.

A network and need approach adopted in this way may result in the sharing of the network to be in the order of 50-30-20 for Federal State and Local governments respectively.

ii) Road maintenance/New Road construction

The purpose of maintenance is to preserve the value of an existing asset. In this regard, maintenance in the road sector is a necessity. A Road Maintenance Agency was established in 2002 by the Federal Ministry of Works and Housing. It has recently commenced road maintenance by direct labour and it is making an appreciable progress.

Clearly roads already built are considered priority projects essential for the functioning of the country's economy. At the same time it is clear that in order to meet present and future needs, government must anticipate and plan for expansion of the current system. This implies that road maintenance and reconstruction should be given a high priority.

Earlier, the sources of funds for road maintenance and construction were outlined. For a judicious utilization of this fund, government will put in place a coordinating body to be called National Road Commission. The responsibilities and duties of the Commission would be to:

- monitor the development and the condition of the Nigerian roads system.
- establish general road development and road maintenance strategies, based on the perceived needs of road users and the existing road conditions.
- bring together all the main stakeholders to assure a common approach and co-ordination between different programs affecting the needs for road development and improvement
- approve and develop uniform standards and regulations for road maintenance
- advise the Government on issues arising out of toll roads concession and toll roads' pricing,
- advise the government on all matters concerning road development, improvement and maintenance, and
- administer, monitor and supervise the allocation of funds for road maintenance

4.2.5 Road Transportation

Road transport accounts for about 90% of the internal movement of goods and people in Nigeria. Except the railway is revived and the inland waterways are developed, this proportion is likely to rise even higher in the nearest future. The predominance of the road over the other modes is not only because of its inherent advantages but because government has paid greater attention to this mode. At present the road transport in Nigeria is characterized by:

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- Large number of small-scale operators of goods and passenger vehicles, many with a limited professional and business capacity, resulting in inefficient services.
 - Uncoordinated activities and services leading to inefficient services.
 - Non compliance with traffic regulations and poor enforcement.

4.2.6 Policy Objectives

Nigerian road network was produced at a great effort and represents a huge national asset. The usefulness of this huge investment depends on how efficiently the roads are used. It is government objective to:

- Enhance road productivity through efficient utilization
- Enhance private sector operation

4.2.7 Policy Strategies

Road transportation is one mode of transport in Nigeria where the private sector participation is almost total. Government intends to promote stronger private sector involvement to enhance the productivity of the operators and will evolve a government-private sector partnership in the search for solution to the road transport problems. To do this, government will through the National Road Commission:

- Group small vehicle owners into cooperatives which can operate bigger capacity vehicles, have access to loans and credit facilities and effect organized operation.
- Promote training of operators and the dissemination of road transport information
- Promote compliance to road traffic regulation with specific reference to vehicle weight limitations.
Promote government road pricing

4.3 Rural Accessibility

4.3.1 Background

The nature of rural Roads within the context of regional development is to:

- provide the means for the evacuation of raw materials to industries and food products to urban markets.
- facilitate service delivery in the areas of education, health, social development, agriculture, etc.

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- allow rural-rural and rural-urban interaction for the exchange of goods and services.

Inadequate and inefficient rural roads therefore intersect with these functions and act as constraints to the achievement of socio-economic development. For these reasons, the Federal Government emphasizes the development of rural roads and apply the measures to facilitate rural accessibility. To a large extent, rural transport problems are inadequately addressed. There are also considerable difficulties in the development and maintenance of rural roads. For example, rural road development and maintenance could not take place without the collateral programmes of other bodies, as the defunct Directorate of Food, Road and Rural Infrastructure (DFRRI) the Petroleum Trust Fund (PTF), and Local Communities, the National Planning Commission; the Federal Ministry of Finance; Federal Ministry of Agriculture and Rural Development, State Ministries of Works and Rural Development and the Local Governments.

4.3. 2 Policy Objectives

Government is resolved to address these anomalies to open up the rural areas and make them contribute optimally to the social and economic development of the country.

The objective of government in rural transport policy is to:

- Open up the rural areas for local and regional markets
- Improve the institutional framework for rural road construction, maintenance and operation, for a more focused development
- Ensure sustainable funding for rural road construction and maintenance.

4.3.3 Policy Strategies

Given the number of institutions involved in management of rural roads, with a wide diversity of responsibilities, interests, capacity for planning and programme execution, coordination of rural roads development is a formidable task. To address these issues, Government will, as much as possible, focus on indigenous knowledge, initiative and effort in developing the rural roads network. However, the majority of Local Governments need capacity building to improve their technical know-how and improved resources in order to discharge this responsibility. Therefore, Government will pursue the following strategies:

- Create and strengthen the Transport Unit in the Local governments to handle rural roads management matters including construction and maintenance.

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- Give top priority to effective routine, periodic and emergency maintenance of rural roads in all local governments and communities through the use of Rural Road Maintenance Team that will be created by the local government.
 - Promote labour intensive technologies in the construction and maintenance of rural roads through focused training and to build human capacity in planning, design, construction, maintenance and supervision of road projects.
 - Make deliberate effort to encourage communities to continue with self-help schemes by assisting them technically, and in the provision of materials not locally available in the rural areas.

Funds constitute a major constraint to rural road development and maintenance. A more focused and reliable source of road network funding has been outlined earlier. Rural roads will benefit from the Road Fund allocations. To actualize this, the State government will set up Rural Roads Development Boards at the state level, with the members appointed by the states' governments, representing not only transport, but also other interests (especially, agriculture).

The responsibilities of such boards would be to:

- Allocate funds to local authorities for rural road construction and maintenance. Such funds would be supplemental to the resources generated by local governments.
- Set well defined criteria and strict conditions for the utilization of these funds,
- Organize, fund and possibly directly conduct appropriate training courses and workshops for members of local authorities and/or designated persons responsible for road maintenance employed by local authorities
- Provide technical assistance to local authorities.

4.4 Urban Transportation

4.4.1 Background

Nigeria is urbanizing at a very rapid rate. The total urban population in Nigeria in 1963 was about 11 million. This rate rose to 32.2 million in 1991 and by 2000 the urban population was estimated at 45 million. On the average Nigerian cities have been growing at the rate of 8% per year, far in excess of the country's population growth of 3.2%. Today the country has 11 cities with population above one million and there are 23 cities with population of over 200,000.⁶

4.4.2 Existing Situation

The urban transport problem today manifests in the form of:

- Poorly maintained urban road network and road complementary facilities
- Inefficient public transport system
- Poor institutional framework leading to poor coordination of urban transit services.
- Poor landuse-transport planning
- Poor and ineffective transport management.

4.4.3 Policy Goals

The major objective of government in the urban transport policy is to develop an efficient, self sustaining and reliable public transport system that meets the needs of the growing population of the cities of Nigeria, and to improve the infrastructure and institutional framework for public transport service delivery.

4.4.4 Policy Strategies

- (a) Urban Public Transport Government will introduce a well organized high capacity bus mass transit system which the existing infrastructure can accommodate.

In order to achieve this objective, government will:

- create dedicated routes for bus mass transit in the urban areas;
- Promote cooperatives or associations of numerous small transport operators in order to:
 - assure organized and coordinated services;
 - improve operators' managerial, technical and economic capacity; and
 - facilitate the access of mass transit operators to the capital market for resources to acquire vehicles;
 - promote full private sector participation and competition in urban transit service delivery.

On the long run government will introduce the Rapid Rail System into the major cities of the country.

(b) **Road Infrastructure**

Urban roads are the primary right-of-way which accommodate and ensure the safety of all modes - bus transit, automobile, walking and cycling. Priority must be given to the maintenance

and improvement of these roads and the construction of pedestrian walkways.

Government will:

- enhance the capacity of the existing infrastructure through proper maintenance of roadways and efficient traffic management.
- Ensure efficient traffic management through proper intersection control, better passenger.
- Pick-up and disembarking spaces, priority lanes, congestion control etc.
- Strict enforcement of traffic regulations.

Government will also:

- expand substantially, urban road infrastructure, with proper concern for the needs of public transport infrastructure (railway, dedicated bus routes etc.)
- promote road widening and extension in new areas as part of landuse planning and development.
- Provide facilities for alternative modes - walking and bicycling.
- Develop a multimodal 10 year transport network plan for major cities. The plan will include strategies for the development of pedestrian, cycling, public transit facilities and services along the roadway network.
- improve the efficacy of urban planning, which should take cognizance of transport implications of different land use patterns and prevent congestion inducing developments.
- improve roadway aesthetics and encourage traffic calming.

(c) **Institutional Issues**

Urban transport activities in Nigeria are characterized by the proliferation of management bodies, creating overlaps and conflicts in the provision and management of urban transport infrastructure and services and in the enforcement of traffic laws and regulations. There is therefore the need for an institutional reform which will advance the efficiency of urban transport system operations and management. To this end, the government will:

- Establish an Municipal Transportation Agency (UTA) in each major city, as an autonomous body which will be responsible for:

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- maintenance of urban road network.
 - planning, designing, and maintenance of urban transport infrastructure facilities.
 - Regulation, registration, licensing, permit of private operators.
 - Determining and implementing appropriate traffic management and control measures.
 - Liaison with the different government as the need arises.
 - Pricing issues to ensure social equity.
 - Formulating parking needs in line with local needs.
 - Ensuring intermodal coordination.
 - Undertaking research and development, identifying problems and proffering solutions.
- Create an Urban Transport Fund. Money collected from license fees, parking fees and other appropriate user charges within the city should go into this Fund for the maintenance of urban infrastructure. The fund will be administered by the Urban Transportation Agency.
 - For cities with special Federal interests, the Federal Government will aid the State and Municipal governments in the construction of new urban roads. For the other categories of cities, the provision of urban transport infrastructure will be the responsibility of the State and Municipal governments in which the city is located.

4.5 Pipeline Transport

4.5.1 Background

Pipeline is the newest mode of land transport. It is now widely used for the transportation of bulk liquid and gaseous consignments over long distances. The overriding advantages of this mode over others include:

- Flow continuity.
- Ability to traverse any terrain (hilly or marshy).
- Ability to withstand any weather.
- Low operating cost.
- Easy and routine operation.
- Limited periodic maintenance and inspection.
- Very low transit losses.

Pipeline transport as a mode of overland transport dates back to 1955 following the discovery and exploitation of petroleum in

Nigeria. The initial lines were limited to the oil producing regions of the Southern Nigeria and were owned by the oil exploring companies. The increasing demand for fuel in the Northern Nigeria and the need to ensure safe transportation of this hazardous good over long distances led to the construction of pipelines. Today, the country has a total of over 4,000 km of pipelines owned by both the public and the private sectors. The pipeline has become a very important mode of transporting petroleum products from refineries to NNPC pump stations and depots across Nigeria.

4.5.2 Existing Situation

Pipeline transport system in Nigeria is faced with the problems of:

- frequent vandalization of pipelines;
- illegal tapping of pipeline products;
- encroachment of pipeline right - of - way;
- poor safety measures manifested in frequent devastating fire outbreaks;
- poor handling of pipeline accidents and poor policing of pipeline route;
- old and corroded pipelines requiring replacement.

4.5.3 Policy Goals

Government policy objective is to provide an adequate and safe pipeline transport as a complementary mode to the road and rail transport system.

4.5.4 Policy Strategy

In pursuit of this objective, government will:

- Extend the lines to other areas of need within the country;
- Provide adequate regulatory measures for ensuring the security of infrastructure and the safety of persons and the environment in which the pipelines pass;
- Integrate pipeline into the total transport system;
- Provide terminal and interchange facilities at depot.

5.0 AIR TRANSPORT

5.1 Background

Air transport is an important component of Nigeria's transport system. From a functional perspective, it provides complementary services to other modes; for passengers and freight; on both domestic and international routes. The air transport sub-sector comprises of airports and air transport services. The significance of this mode derives from its ability to satisfy human needs by making goods and people available not only where they are needed but also when they are needed. Of all the different modes of transport, air transport performs the "place and time utility" functions best.

5.2 Airports

Airports and air navigational facilities constitute major infrastructure for the country's air transport sub-sector. From its three landing sites of Lagos, Kano, and Maiduguri in the 1920s, Nigeria today has a total of 19 airports and 62 airstrips distributed all over the country. Based on their design, characteristics and level of service, the airports may be categorized into three groups namely:

- International airports
- Domestic airports
- Local private airstrips

The international and domestic airports were built by governments and they belong to government. The operation and management are done by government through the Federal Airports Authority of Nigeria (FAAN) while the National Airspace Management Agency (NAMA), is responsible for regulation, traffic control and navigational aids for aircrafts. The airports navigational aids and air traffic control facilities are inadequate and in some cases, obsolete.

Because of the high fixed cost in the running of the airports and the relatively low income, only three of the airports operate at a commercial self sufficiency, while the others operate at a substantial loss.

Government's Civil Aviation Policy of 2001 has put in place appropriate machinery for development, improved, profitable management of the airports as well as improved traffic control and navigational facilities in compliance with International Civil Aviation Organization (ICAO) regulations, and international best practices.

5.3 Air Transport Services

Following the deregulation of the sector air transport services are currently provided by privately owned and operated airlines which operate mainly on domestic routes. Some of the airlines also provide services to the West African sub region and on international routes. The Government is committed to Safety Related Standards and Recommendations (SRSR) and associated procedures contained in the annexes to the Convention on International Civil Aviation and related documents. Nigeria, as a signatory to these conventions, is guided by international norms and conventions in the civil aviation industry. The safety regulation system provides for the regulation of standards for individuals, organizations and aircraft by means of rules, licenses and certificates embracing airworthiness the operation of aircraft and aerodrome standards.

The Nigerian Airspace Management Agencies (NAMA) is the country's sole Air Navigation Service Provider (ANSP), created by 1999 to manage the Nigerian Airspace to a level consistent with the requirement of the ICAO Standard and Recommended Practices (SARPs). NAMA ensures the safety of all airplanes and forestalls the intrusion by unauthorised planes (civil or military) into the country.

5.4 Policy Goal

To create an enabling environment for the private provision of air transport services and to ensure air transport safety in line with global best practices and ICAO (industry) standards.

5.5 Policy Objectives

- To continue to improve safety in the provision of air transport services.
- To make Nigeria a hub for such services in the West African sub-region.
- To improve the utilisation of the take-off and landing slots for safety.
- To ensure further investment in infrastructure and equipment for safety and security the Nigerian airspace.

5.6 Policy Strategies

The government will:

- improve safety in the provision of aviation services by strengthening the capacity of NAMA and other safety authorities and investing in modern airspace management technologies;

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- encourage competition in the provision of domestic aviation services;
 - protect the national interest and promote indigenous operations; and
 - promote education and training of staff in the aviation industry and enhance staff welfare.

6.0 POLICY REGULATORY FRAMEWORK

6. 1. Introduction

In a deregulated transport system, the private sector has the freedom to provide transport services as may be demanded government sets service quality, standards, controls tariff, enforces competition, especially in areas where access rights are required, sets safety standard and ensure that the goals and objectives of the nation's transport policy are realized.

6. 2. The Need for a Regulatory Body in Nigeria

Government's commitment to the use of PPP for the private sector to invest, operate and manage public transport requires clear definition of roles for the private sector and the government. While the private sector will invest in, operate and manage the transport system, the government will play the role of an enabler, planning and facilitating the private sector driven transport system, making it grow and sustain its productivity.

However, the government and the private sector cannot be the players, and at the same time the referee. There is therefore the need for an effective regulatory body, which will be independent of both government and the private sector, to regulate the activities in the transport sector.

6.3 Structure of the Transport Regulatory Commission

The Transport Regulatory Commission (TRC) will be the Independent Regulatory Body for the Sector; and will be structured as follows:

- Coordinate Economic and Safety Regulation activities in the transport sector;
- Have two Departments - Department of Economic Regulation and Department of Safety Regulation;
- The various modes will be units under each of the two Departments.

6. 4 Functions of the Regulatory Body

a) Transport Regulatory Commission

Coordinate the activities of the Economic and Safety Regulatory Departments and liaise with government as the need arises. It will have decision making powers on all aspects of economic, research, safety and technical

regulations and will resolve conflicts arising from economic and safety regulation issues.

b) Economic regulation

In a market driven transport sector, the force of competition will either eliminate inefficient operators or cause them to reform their practices. It is also possible that in the process, natural monopolies may emerge, which may undermine the safety and social service components of the transport system. In this and other related circumstances, there is the need for some checks and balances. This will be provided by the Economic Regulator that will:

- Protect the right and obligations of competing operators.
- Provide improved competitive environment for modes
- Protect the consumers by enforcing a minimum level of service quality
- Regulate fares and tariffs, etc.
- Enforce competition especially in the area where access rights are required
- Enforce legal rights of consumers.

c) Technical and Safety regulation

Transport safety has for long been an issue of great concern to the Federal government. Unfortunately, the institutions for enforcing safety are diffused and ineffective. Under the present arrangement, these safety institutions will come under the same Safety Regulator for effective co-ordination. The Safety Regulator will:

- Promote safe transport operation.
- Set mandatory operation standard.
- Approve and issue permits and licenses.
- Set technical standard and regulate the designs, construction, maintenance of transport infrastructure and vehicles.
- Domestic international conventions and protocols in respect of the aviation and the maritime industries.
- Produce and disseminate safety information.
- Encourage collaboration with and participation of all stakeholders in improving safety.
- Regulate the conveyance of dangerous goods.

7.0. Integrated and Intermodal Coordination

7.1 Integrated Transport

7.1.1 Background

The Nigerian land transport system is almost unimodal with over 90% of domestic freight and passengers transported by road. The over-reliance on road transport means that bulk cargoes are contributing disproportionately to damaging the road network and significantly increasing overall road maintenance costs. At present, road transport is insufficiently regulated and there is insufficient enforcement of existing commercial vehicle overloading control contributing to the exponential deterioration of Nigeria's roads.

Goods arriving by sea are best transported from the port by rail or inland waterways. However, Nigerian ports, except Port Harcourt and Apapa are not connected by rail and the waterways. The road is therefore the only option. The predominant use of the road is principally because transport development has favoured road over all other modes. This National Transport policy recognizes the need for the seamless movement of people and goods and for each mode to fulfil its distinct roles.

To optimally utilize the transport system and derive the full benefits of the different modes, there must be connections between ports, rail, inland waterways, air and road. This will ensure better utilization of available transport resources held to reduce transport costs.

7.1.2 Policy Objective

Government's policy objectives in this regard are as follows:

- take necessary action to ensure fuller integration of the available transport modes.
- Improve the connectivity of transport infrastructure and ensure, particularly, that the:
 - All major Ports are well-connected by rail.
 - River ports, rail stations and airports are connected by good roads.
 - Proposed Six Dry Ports are connected by road and rail.
- Develop standard interchange points for passengers and freight traffic

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- Promote intermodal transport and facilitate shift from road to other transport modes in order to achieve greater efficiencies and to lower overall transport costs.
 - Revive the role of the rail, inland waterway and pipeline networks, in order to provide the heavy dependence on the road system by providing efficient and cost-effective alternatives.
 - Encourage intermodal coordination and cooperation between the modes to optimise service delivery, minimise total costs and maximise the economic return on investment. the government will create a level playing field by introducing effective regulation and eliminating constraints or disincentives that result in inefficiencies. The customer will be given a choice of modes for which the determining factor will usually be based on cost, timeliness and reliability.
 - Review and update the Master Plan for Integrated Transport Infrastructure (MITI) and develop a five year plan with annual targets;
 - Undertake regular measurement and monitoring of the demand, output, capacity, efficiency and other performance criteria in the transport sector than has taken place in the past;
 - Ensure the right priorities in policy, planning, and efficient utilization of resources, in order to achieve the desired policy goals.

Set up coordination amongst stakeholders including government at all levels to allow for:

- develop and operate the required terminals;
- develop the supporting systems; and
- provide an appropriate legislative framework and incentives for intermodal transport to develop.
- update MITI that will plan and prioritise the development of the required intermodal infrastructure linking the ports, major airports and ICDs to rail and road;
- improve the regulation of transport operations, including the enforcement of existing road transport regulations and review the regulatory framework to ensure that it provides appropriate incentives for efficient intermodal operations; and
- develop the institutional framework for policy coordination within government and between transport operators to facilitate intermodal transport.

7.2 INTERMODAL TRANSPORT

7.2.1 Background

In Nigeria, inter-modal operations are constrained by a number of factors namely:

- (a) Inadequate physical facilities (rail system, hinterland freight terminals Information Technology etc);
- (b) Poorly organized freight forwarders; and
- (c) Ineffective system of documentation and custom clearance.

7.2.2 Policy Objectives

The Policy objective in intermodal operation is to combine, in the most efficient way, the operating advantages of different modes and to ensure that transport users enjoy a reliable service of movement from origin to destination.

7.2.3 Policy Strategies

Given the importance of inter-modal transportation and inter-modal services, the Federal Government, will

- conduct a study into the problems of intermodal coordination in Nigeria and proffer solutions; and
- implement the Master Plan for Integrated Transport Infrastructure (MITI) recommendations on integrated transport infrastructure in Nigeria to ensure adequate connections of the different segments of the transport system.

8.0 CROSS-CUTTING ISSUES

8.1 Safety in Transport

8.1.1 Introduction

Transportation safety implies the prevention of accidents and the minimization of accident losses. As Nigeria becomes more mobile, the possibility of accidents resulting in the death of people and the destruction of property becomes more of a reality.

The consequences of accidents to a nation are immense. Accidents cause significant losses to present and future productive manpower of the country, as well as, in many cases, profound social problems, deaths or serious injury often results in loss of bread winners, pushing the affected family into poverty, and jeopardizing educational upbringing of children. Accidents impose heavy costs on the health services, and constitute drain on foreign exchange through importation of vehicles and vehicle spare parts.

Safety promotion requires the development, implementation and the evaluation of policy programmes that will ensure the safety of goods and people in transit.

8.1.2 Road Safety

8.1.2.1 Background

Nigeria has a bad record of road traffic accident. In 1976, there were 53,897 road traffic accidents resulting in 7,717 deaths. In 1981, the number of accident reduced to 35,114 accident, but the fatality increased to 10,236. On the average there were 96 accidents and 28 deaths every day of that year. The situation in subsequent years is not significantly different, although fatality rate reduced to 9,707 in 1993 and 6,521 in 2000. International comparisons indicate that the chances of a vehicle killing someone in Nigeria are 47 times higher than in Britain.

Nigeria cannot afford this high accident rates and the associated consequences. Thus, government will ensure that the road transport system supports high level of safety and restores the people's confidence in the road transport mode.

8.1.2.2 Road Safety Policy Goals

Government policy efforts will focus on:

- A detailed understanding of the factors that account for the high road accident rate in the country.
- Strengthening the institutional capacity for ensuring traffic safety in Nigeria.

These calls for a more coordinated holistic approach to the question of safety within the road transport sub-sector.

8.1.2.3 Policy Strategies

To achieve the recommended safety measures, government policy will focus on:

- Modification of the behaviour of road users
- Raising of public awareness on road safety
- Crash prevention measures
- Enforcement of safety regulation; and
- Post injury management

a) Behaviour Modification

The vehicle operator is the key factor in road traffic accidents and by implications, the key factor in ensuring safety. The principal instruments in improving driver behaviour modification are education, training and law enforcement.

The first step in the education of road users is the development of a safety culture. Inculcating a fresh culture into an adult may be difficult. The most effective step on the long run is that which begins with the education of primary and secondary school children. Basic training in the understanding of traffic signs, road user attitudes, causes of accidents and methods of prevention are important in building a safety consciousness in the youth.

Proper training of drivers is also an important step in reducing accidents. Although driving is a profession that should be learnt, there are few adequate driving schools in the country to create the right avenue for learning. In view of the foregoing, government will:

- Introduce safety courses into the curricula of primary and secondary schools.
- Create an enabling environment for the private sector to establish driving schools in each major city of the country with government assuring uniformity and adequacy of training.
- Set and enforce minimum age.
- Establish minimum training period and driving experience for drivers of different vehicles.

b) Raising Road Users' Awareness

The Federal Road Safety has initiated and sustained some road safety awareness programme in the country. Enlightenment is necessary and government will continue to encourage the road Safety Corp to specifically :

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- conduct rallies at bus interchange points with film shows of road traffic accidents and talks on accident prevention.
 - use national and private radio and television stations to educate drivers and road users on the safe use of the roads.

c) Crash Prevention

The design, construction and maintenance of roads impact on road safety. Certain road segments tend to have more accidents than others. Such “black spots” will be identified and investigated with the objective of introducing appropriate corrections.

The design and operating characteristics of vehicles are largely determined by international standards, but vehicles may be ill-maintained, poorly repaired, and/or used inappropriately. Over the past five years, there have been large-scale importations of used vehicles, especially from Western Europe. Appropriate legislation and regulations will be put in place to regulate the type and quality of vehicles imported into the country. To this end government will:

- Set quality standard for imported vehicles.
- Set minimum standard for break system, tyre threading, lights and vehicle exhaust system.
- Identify “black spots” and “unsafe” conditions to guide the use of the roads

d) Enforcement

Traffic regulations are poorly enforced in Nigeria. To ensure safety, there is need for better laws, strict and tougher enforcement. In order to deal with this government will:

- Examine, restructure, empower and equip the existing institutional bodies for traffic safety delivery (i.e. the Road Safety Corps, the Police and the Vehicle Inspection Officers (VIO) to enforce road safety regulations.
- Prepare and introduce a strict vehicle inspection regulation to enforce safety regulations.

e) Post Injury Management

There is no absolute solution to road traffic accidents. Thus government policy strategy will aim at improving post-injury management through:

- Creation of first aid centers along major highways for accident victims.
- Acquisition and use of patrol ambulances on major highways.
- Encouragement of the private sector to establish road safety associations to help in the accident injury management.

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- Improvement of communication system along major roads to facilitate contact with first aid centers in case of accidents.

8.1.3 Railway Safety

8.1.3.1 Background

The Nigerian Railways has been far safer than any of the other modes of land transport.

8.1.3.2 Policy Goal

In the resuscitated Nigerian railway, government will:

- Set up a Railway Regulator in the Transport Safety Regulatory Department to:
 - set firm duties and responsibilities regarding safety for the different categories of stakeholders;
 - Set minimum standard for rail components (track, rolling stock, signalling and equipment etc).

8.1.4 Water Safety

8.1.4.1 Background

At the international level, there have been very few accidents involving ocean liners because they are operated strictly in line with international safety regulations. Although Nigeria Inland waterways is expected to domesticate these regulations and make them applicable to its national waterways, not much progress has been made.

8.1.4.2 Existing Situation

Water transport related accidents within Nigeria are therefore high. They are caused by:

- Use of un-seaworthy crafts
- Lack of standard berthing facilities
- Use of hazardous routes
- Overloading
- Excessive speeding
- Incompetent operators

8.1.4.3 Policy Objectives

To ensure safety in water transport, government will:

- Enforce water safety regulations through the Transport Safety Regulator.
- Provide formal and informal training opportunities for craft operators.

8.1.5 Civil Aviation Safety

8.1.5.1 Background

Aviation safety oversight is a means by which states ensure effective implementation of Safety Related Standards and Recommendations (SRSR) and associated procedures contained in the annexes to the Convention on International Civil Aviation and related document. Nigeria being a signatory to these conventions is guided by international norms and conventions in the civil aviation industry.

The safety regulation system provides for the regulation of standard for individuals, organizations and aircraft by means of rules, licenses and certificates embracing airworthiness and operation of aircrafts and aerodrome standard.

8.1.5.2 Policy Goal

Government will ensure a high level of safety in aircraft through compliance with ICAO and SARPs

8.1.5.3 Policy Objectives

Government, through the Civil Aviation Policy for Nigeria has put in place, appropriate safety strategy that:

- Aims at securing a high standard of aviation safety in Nigeria through the enforcement of maintenance and operation standard for aircrafts and in the use of aerodromes.
- Effects the safety requirements derived from international agreements and particularly the Chicago Convention and its annexes
- Takes from time to time, through the appropriate agency, preventive and remedial measures for enhancing air safety.

8.1.5 Transportation of Dangerous Goods

8.1.5.1 Introduction

With the growth in the nation's economy, the volume of dangerous goods transported has also increased. Correspondingly, the potential hazards to the public have also increased as exemplified by the numerous petrol tanker accidents and the associated destructions.

8.1.5.2 Policy Objective

Current safety regulations in this regard reflect the conditions of the past which are not fully appropriate under the present situation. There is the urgent need for regulation, which clearly states the conditions under which petrol, gas, explosives and other potentially poisonous and polluting substances can be carried.

8.1.5.3 Policy Strategy

The Federal Environmental Protection Agency (FEPA) is the appropriate government organ to develop such regulations. The Ministry of Transport will cooperate with FEPA to evolve new regulations to combat the hazards of the transportation of dangerous goods in Nigeria.

8.2 Energy and the Environment

8.2.1 Background

Transport constitutes a major source of environmental pollution, particularly the emission of greenhouse gases through pollutants as a consequence of the heavy consumption of fuel energy. This is particularly evident in urban areas where road vehicles and motorcycles are a major source of air pollution. Discharge of water polluting substances from ships is also a major cause of the destruction of marine ecosystem. Substances such as oil and fuel additives, batteries, old tyres and tyre patching equipment are now important sources of water contamination. Protecting the environment is the responsibility of the Federal Ministry of Environment but the transport authorities also have an important role to play, by helping to identify the sources of pollution and by carrying out environmental impact assessments as part of the project appraisal, and by initiating new renewable energy sources and regulatory reforms aimed at curbing the sources of pollution.

8.2.2 Current Situation

The Nigerian transport system is characterised by:

- Growing demand for transport services as a result of increasing socio-economic activity;
- Urban congestion in the major cities which has led to severe environmental damage;
- Low fuel price structures which has encouraged over-dependence on private cars and environmentally damaging fossil fuels;
- Poor quality of the road network which has contributed towards high fuel consumption.

8.2.3 Policy Goal/Objectives

- To develop transport infrastructure which environmentally sustainable and line with global best practice with internationally accepted standards. Government through the Federal Ministries of Transport and Environment, and the Energy Commission of Nigeria, would jointly measures to reduce the negative effects of transport on the environment;

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- Adopt/promote measures to reduce the negative effects transport on the environment;
 - Strengthen the Federal Ministries of Transport and Environment, and Nigeria Energy Commission of Nigeria to safeguard Nigeria environmental quality against transport related pollutants.

.2.4 Strategies

- To limit the consumption of fossil fuels using appropriate policy measures.
- To promote rail and inland waterway mass transit services will provide the public with alternative transport choices to reduce the consumption of fossil fuels.
- To introduce differential pricing for diesel, leaded and un-leaded fuel petroleum modified spirit (PMS) to encourage more efficient and more environmentally-friendly fuels.
- To promote the use of renewable sources as fuel.
- To promote environmentally sustainable investment decisions.

8.3 Research, Training and Capacity Building

8.3.1 Background

The basic data needed for effective planning and appraisal of transport projects is not available. Transport demand data is not collected consistently or accurately enough and the operation of the transport system is not monitored sufficiently to identify key problem areas and to establish priorities for action. Greater emphasis is needed on the collection and analysis of data and information relating to the demand, supply, performance and future requirements of the transport system to enable effective policymaking and for the planning of projects and other initiatives to develop the country's transport system. This can only be achieved if the skills are available to carry out the work and to utilise the results effectively in decision making.

Furthermore, there is a shortage of skills and a lack of institutional and organisational focus for carrying out the analysis, forecasting demand, project planning and appraisal to determine the appropriate actions and project priorities. These skills and capability need to be built within the relevant ministries, operating organisations and the associated research and training institutions in Nigeria. The situation is compounded by the civil service structure that transfers civil servants with general administration skills to the Ministry of Transport and continuously redeploys staff between Ministries. This result in the absence of professionals permanently assigned to the

Ministry of Transport and the loss of institutional knowledge. Transport professionals such as economists, engineers and planners should therefore be assigned permanent roles in the Ministry of Transport and the Parastatals. Unless this is done it will not be possible to implement the policies set out in this document successfully. Human resources are critical to the performance of the transport sector. An adequate and efficient pool of manpower is required to conduct research, plan, construct, maintain and operate the transport infrastructure and services. The success of any Transport Policy in itself depends on the quality and quantity of the human resources available to develop and implement the policy. Professional training for the acquisition of skills and competence in transport is provided by:

- the Nigerian Institute of Transport Technology, Zaria, charged with training middle level management staff;
- the Maritime Academy of Nigeria Oron, charged with the training of seafarers;
- the Nigeria College of Civil Aviation Technology, Zaria which trains pilots and air crew workers; and
- Professional bodies such as the Chartered Institute of Logistics and Transport (CILT) and the Institute of Transport Administration (IOTA).

The paucity of training equipment and inadequate funding constrain manpower development by these institutions. For skilled manpower in the transport sector, the country is still dependent on overseas training and experts. In a deregulated transport system, skill is as important an issue as funding. Indeed improved transport efficiencies depend on training and research, which create the climate for new ideas and management methods. There is an urgent need to improve skills in planning, analysis and research in the transport sector to improve the quality of decision taking in the sector.

8.3.3 Policy Goal

To develop the pool of human resources required to plan and develop the transport system, to maintain infrastructure and equipment; operate transport facilities and services and conduct appropriate basic and applied research in order to improve productivity and ensure better use of transport facilities.

8.3.4 Existing Situation

There are serious knowledge and capacity challenges in the Nigerian Transport Sector. The key institution in the sector, namely Federal Ministry of Transport suffers from lack of permanent professionals; data and statistics to determine future demand and capacity requirements of the sector are generally lacking and unreliable; and the existing training facilities for the sector are

inadequate and unable to retain qualified and experienced professional due to poor remuneration/conditions of service.

8.3.4 Policy Objectives

Government recognises the importance of research, training and institutional capacity building and will address the issues by:

- carrying out a periodic appraisal of manpower needs in the transport sector;
- promote and coordinate research in transport;
- professionalise the Ministry of Transport by creating professional and permanent positions with experts skilled in transport economics, policy and planning;
- develop human resource policies making it possible to place the professionals appropriately in the civil service structure;
- creating Centres of Transport Studies in three Federal Universities with a mandate to develop transport specialisations in major transport sub-sectors and undertake an agreed programme of research and training in these areas of specialisation;
- strengthening the Nigerian Institute of Transport Technology, Zaria; the Maritime Academy of Nigeria, Oron and the Nigerian College of Aviation Technology, Zaria as the apex institutions for developing manpower in the management and technical areas of the transport industry;
- liaising with such transport professional organizations in Nigeria as the Chartered Institute of Logistics and Transport (CILT) and Institute of Transport Administration (IOTA) to professionalize the transport industry; and
- strengthening the Planning, Research and Statistics Department of the Ministry of Transport to collate and disseminate transport statistics and research reports and to develop the use of appropriate planning and analysis techniques to improve the basis for government decision taking for the transport sector.

9.0 Policy Implementation

The achievement of the goals and objectives of this policy depends on its effective implementation by all relevant stakeholders notably, Federal, State and Local governments, private sector investors, transport service providers, relevant transport agencies, etc. The National Assembly plays a key role in legislating for the structural changes and appropriating funds for projects and programmes within the sector.

The FMOT as coordinator and primary adviser on transport as well as the other federal ministries, departments and agencies (MDAs) responsible for aviation, roads, rural roads, energy, environment, petroleum and regulation all have critical roles to play. Implementation of this policy will therefore require coordination not only across federal (MDAs) but between the different tiers of government as well as between the public and private sectors. The policy will be implemented in three phases as follows:

- An Immediate Action Plan;
- A Short Term Action Plan; and
- A Medium Term Action Plan.

9.1 Immediate Action Plan

As a basic condition for ensuring the success of this policy, Government will establish an inter-ministerial Transport Policy Implementation Unit consisting of the Ministries of National Planning, Transport, Works, Housing and Urban Development, Aviation and Agriculture and Water Resources to:

- prepare a comprehensive plan focussing on the immediate priorities and allocating responsibility for tasks and projects;
- prepare for a longer term programme of investment projects and policy implementation as the specific requirements in each sector are identified;
- specify annual targets/milestones to be achieved for the next five years and reporting arrangements by the task leaders; and
- set up a Policy Implementation Unit that will set the guidelines for monitoring transport policy and report progress on its implementation.

9.1.1 The Legal and Regulatory Framework

Government will:

- review existing transport laws and regulations in respect of road, rail, air and water transport to accommodate the new policy directions;

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- repeal all laws that may impede private sector participation; and
 - promote the enactment of new legislation to enhance the policy of reform and establish the transport authorities and multi-sector regulator.

9.1.2 **Institutional Framework**

Transport Policy Implementation Unit will:

- redefine the functions, objectives and the interrelationship among the three tiers of government, the Ministry of Transport, other Ministries and other transport institutions and organisations;
- prepare a comprehensive implementation agenda for the PPP programme with specific activities attached to it; and
- examine the current institutional structure of its own machinery to improve greater integration by creating a single Ministry of Transport which will be responsible mainly for policy issues in all modes of transport.

9.2 **Short Term Action Plan**

A Short Term Action Plan for the next three years will be drawn up to implement recommendations from the reviews of policy initiated by the Immediate Action Plan. Implementation of this plan will be monitored and working groups may be established to authorise actions. The Policy Implementation Unit will review actions taken since commencement of the policy to:

- establish what progress has been made and whether targets have been met;
- ask why targets have not been met;
- identify what implications of a failure to meet targets has on the subsequent; implementation of the programme; and
- whether the programmes should be modified in the light of experience and/or the availability of resources.

The Policy Implementation Unit will set up an Evaluation and Monitoring Unit to:

- set detailed criteria and guidelines for transport policy monitoring
- evaluate and monitor policy programmes
- produce periodic reports on the progress of the policy implementation

9.3 Medium Term Action Plan

The Policy Implementation Unit will review the Short Term Plan and any changes to the policy to:

- evaluate the overall achievements over the period under review against expectations;
- review the ongoing programmes to determine which have to be extended, modified or abandoned;
- determine the impact of the programmes or policy actions completed and assess their benefits and costs;
- identify any undesirable effects, and corrective actions necessary,
- identify the lessons learned from past achievements, failures and partial failures; and
- consider what changes may be needed in policy direction and the implications for the programme

9.4 Continuous Review of Policy

Economic development will lead to changes in transport demand and supply and unforeseen events can change priorities. The Transport Policy will therefore need to be continuously reviewed to take into account the new economic conditions and social pressures. The policy review must be objective and to bring about changes where necessary learning from past experience in order to improve future performance. The review will be carried out by knowledgeable transport specialists and researchers from the Universities and other related institutions.

10. CONCLUSION

Like other policy documents, the National Transport Policy (NTP) contains a set of ideas, aspirations, goals and visions; in this case for a better, responsive, integrated and affordable transport system capable of meeting the country's mobility needs. However, overtime, the ideals, attitudes, aspirations, visions, etc. contained herein may change and/or new problems and opportunities may emerge. The policy document is therefore intended to be a process rather than a blue print. As its implementation proceeds fresh issues may arise. While this will be addressed through appropriate policy directive, a policy review will be undertaken where the need arises.