



Plateau State Development Strategy

Overall Strategy

SEPTEMBER 2019



HE Governor Lalong set the vision for Plateau, laying out his priorities for 2019-2023

Non exhaustive

Pillar	Key priorities
	Sustainable economic re-birth <ul style="list-style-type: none">• Prioritize key crops and identify opportunities for processing• Tap into the potential of the mining sector• Develop tourism and ICT• Increase IGR within MDAs
	Physical infrastructure development <ul style="list-style-type: none">• Prioritize infrastructure projects with multiplier potential• Redevelop Jos market• Improve roads and sanitation infrastructure
	Peace, security and good governance <ul style="list-style-type: none">• Building on recent gains to ensure peaceable co-existence and equitable development• Reform and restructure MDAs• Sustain and increase partnership with development partners



This document lays
out the Plateau
Strategic Agenda and
implementation plan
to achieve the
Governor's vision

Chapter Overview

Introduction and overview

- Vision and macro trends impacting Plateau
- Synthesis of the sector-by-sector diagnostic
- Overview of the strategic approach

Sl. 04

Sector diagnostics and strategic initiatives

- Sector-by-sector analysis of key issues
- Identification of initiatives to address issues
- Initiative charters

Sl. 34

Strategy implementation

- Principles for implementation
- Program management office best practices
- Reporting and governance structures

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Pitch decks

- Materials to attract national and international investors
- Materials to partner with international donors

See additional materials



Introduction

Plateau state is blessed with resources but struggling to turn them to social and economic gains

Demographics

- + **Rising young population** with ~50% of ~4m inhabitants <15 years, similar to neighboring state such as Kaduna
- **Mid-range population density** of ~155 ppl/sq. km compared to a national average of ~212 ppl/sq. km
- **Over 40 ethno-linguistic groups** out of 400 ethno-linguistic groups in Nigeria
- **Slightly less educated population** (~48% completed primary school compared to a national average of ~55%)

Geography and resources

- + **Vast arable land and favourable soil** conditions for planting exotic crops such as potatoes
- + **Solid minerals** e.g., tin, columbite, with over a century of mining experience
- + **Potential natural tourist attractions** such as the Shere Hills, Wase Rock, Kurra Falls, Jos Wildlife Park
- + **Significant hydro- and solar-power generation potential**

Finances

- **Declining total revenues** of ~\$195M in 2018 with >60% from government support - a trend similar to all northern states
- **Higher % of tax revenues** (~\$32M in 2018, ~16% of total) than neighboring states such as Nasarawa
- **~2-3% share in yearly government support** to states, % share similar to those of neighboring states such as Taraba
- **>\$10M Estimated revenues from donor agencies** in 2018, largely from collaborations with AfDB and GIZ

Economics

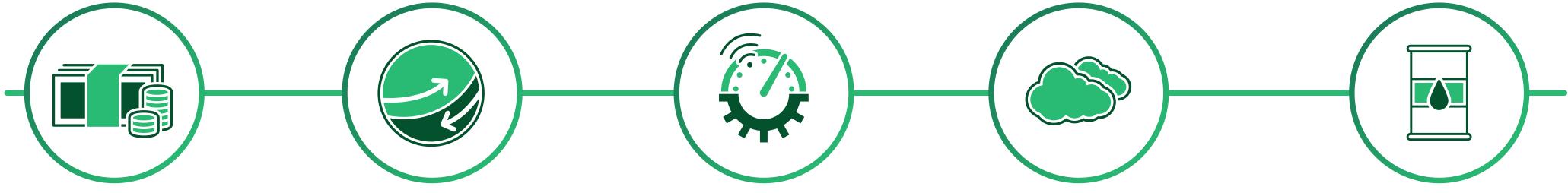
- **GDP/capita of ~\$2k, greater than neighboring states** such as Nasarawa and Taraba but ~50% less than national average of ~\$3k in 2015
- **Doing business relatively difficult**—ranked 26th out of 36 states in an economy hampered by an unfavorable business environment

Plateau went through a period of violence, but since 2015 has experienced increased security

Now Plateau wants to return to an era of peace, prosperity, and improved well-being for its citizens



Global macro trends will influence Plateau's resources and opportunities in the coming decade



	Available capital for investment	Global economic slowdown	Automation	Climate change	Lower oil prices
Trends	Worldwide financial assets growing at 9.5x GDP, leaving PE and investors looking for opportunities	Potential global economic slowdown will reduce consumption worldwide, shrinking export markets for non-essential goods	Increased automation worldwide will improve efficiency of production, making those who do not automate less competitive globally	Increased desertification and changing weather patterns will affect grazing and crop production zones	Increasing use of natural gas as a substitute for oil will prevent a major rebound of revenues for oil-producing economies
Implications for Plateau	Plateau may be able to benefit from the increasing number of PE deals in Africa	Plateau may experience reduction in demand and therefore revenue from certain minerals luxury crops (e.g., strawberries)	Market entry will be increasingly difficult in food processing sectors without automation	Herdsmen from northern Nigeria increasingly venture south, increasing potential for land conflict	Plateau unlikely to see significant increase in federally allocated funds, and will increasingly need to rely on IGR

Plateau will also be influenced by national and regional trends



Expanding intra-African trade

Trends

Ratification of Continental Free Trade Agreement by 50 African countries will ensure **a single continental market for trade and free movement of capital**



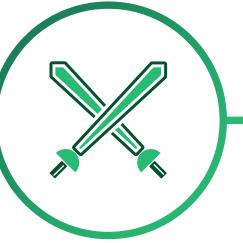
Increasing debt and high inflation rates

Increasing federal debt which limits transfers from the federal government to states, **and high interest rates**



National support for diversification

Growing government support for **local manufacturers and state governments** to diversify country from imports through subsidies & grants e.g. CBN's CACS scheme provides funding to local rice farmers to increase production



Recurring ideological conflict

Increasing number of violent incidents and displaced persons due to religious and ideological differences in northern Nigeria

Implications for Plateau

With Nigeria's recent signature, Plateau may have tariff-free access to a huge export market but face steeper domestic competition especially in agriculture products

Continued reduction in federal allocations will **limit Plateau's budget**, and a high cost to borrow will **limit Plateau's ability to take on additional debt**

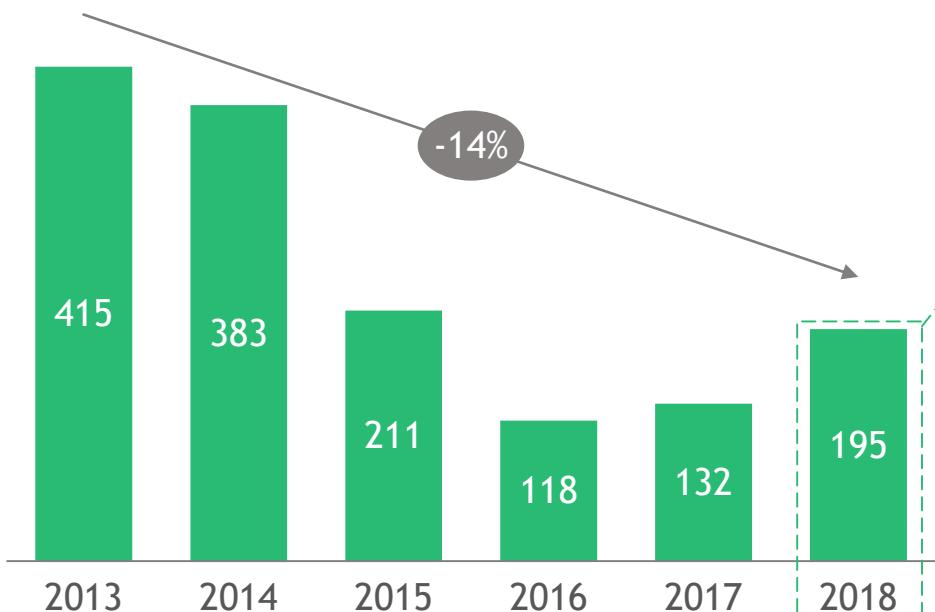


Potential increase in demand for raw materials, enabling **increased agricultural exports**, and potential increase in **federal revenues** targeted at diversifications

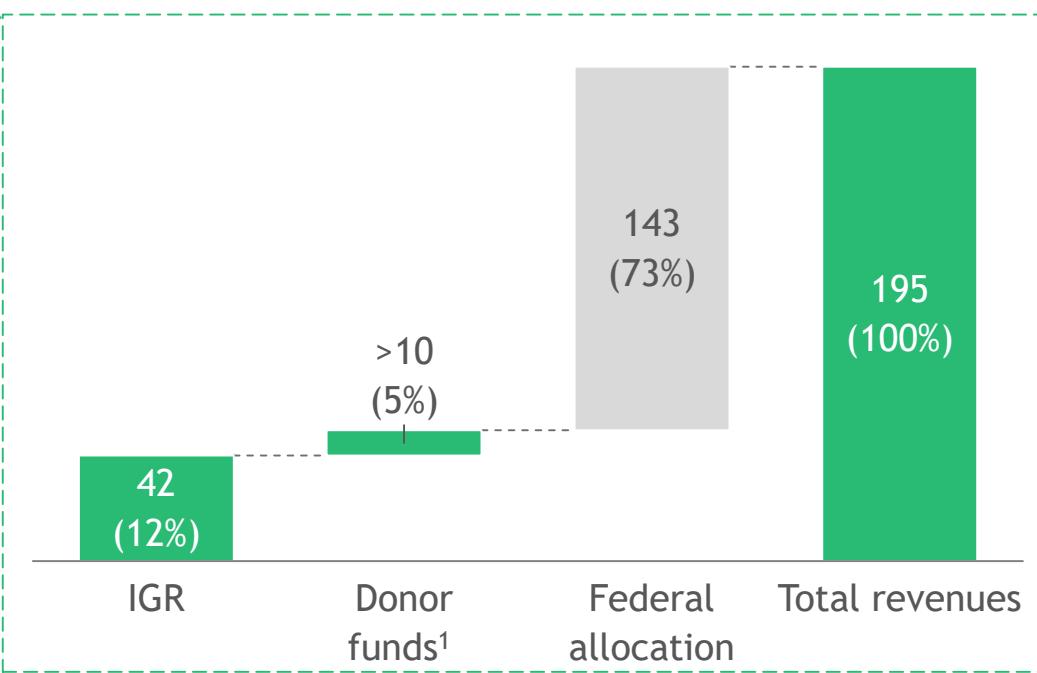
Potential investors into Plateau may be **disincentivized** due to increased risks of disruption to commercial interests

Falling state revenues will hinder Plateau's capacity to implement the needed structural changes

Plateau revenues over time (\$M)



2018 Plateau State Revenues sources (\$M)



1. Estimated donor funds likely greater than \$10M with AFDB's \$10M loan for potatoes as well as GIZ continuous investments in Plateau

Source: National Bureau of Statistics; BudgIT; Environnews; CBN Statistical Bulletin; World Bank; BudgIT; King Makers; CBN Statistical Bulletin (2018); BCG analysis



Synthesis of the sector-by-sector diagnostic

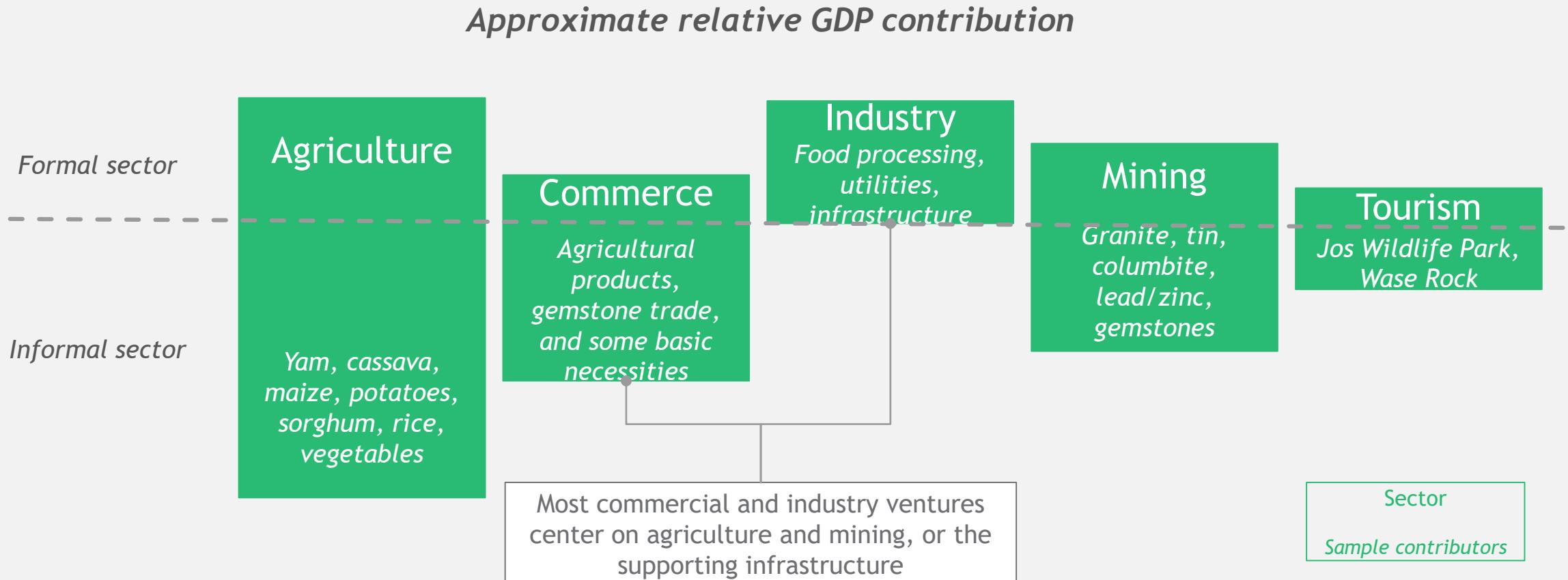
Plateau should focus its investment, development, and reform efforts to support its natural advantages

Plateau should leverage its natural advantages in **agriculture, mining, and tourism** as focal points to concentrate investments and grow GDP

Improvements in **infrastructure, peace and security, and human capital targeted in these sectors** can enable faster growth and sustainable development

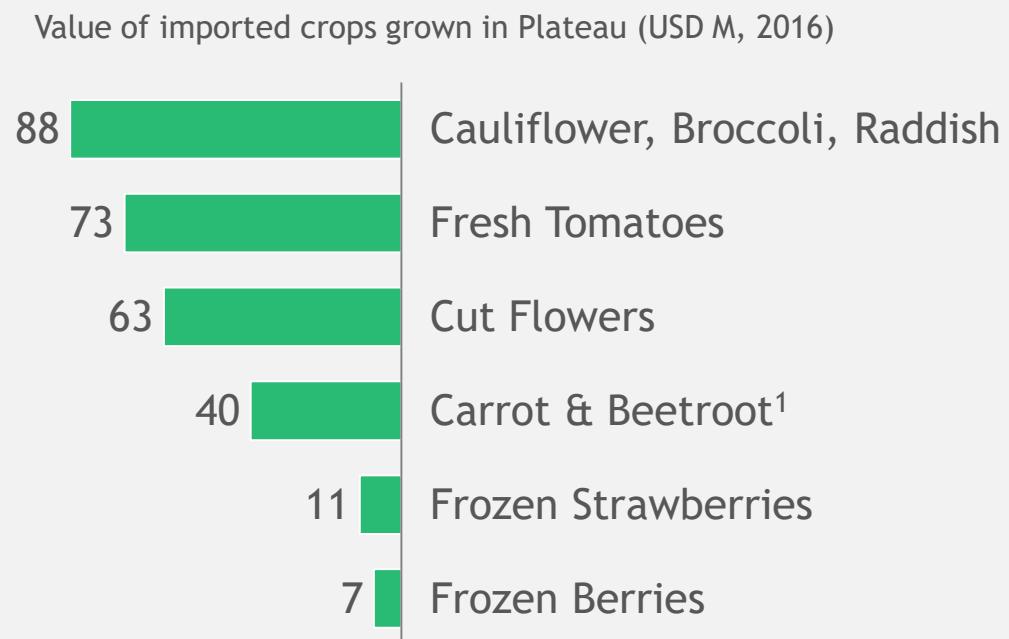
There are **multiple internal reforms** Plateau can pursue to improve revenue collection, governance, and financial management

Agriculture and mining underpin Plateau's commerce and industry, and form the primary economic pillars



The agricultural sector offers Plateau's greatest potential for growth

Plateau has a natural advantage in growing high-demand unique crops...



1. Carrot and beetroot are the major vegetable export from Nigeria
Source: Nigerian Bureau of Statistics

... but struggles to maximize profit across the value chain

- Productivity in major crops lags neighboring states due to limited employment of best practices (e.g., tractors, crop rotation)
- Farmers lack bargaining power and lose significant margin to offtakers, especially for perishable crops
- Poor roads and transport options limit the ability to bring crops to markets outside the state
- Lack of steady quality supply limits interest by processors and new potential markets (e.g., Shoprite in Lagos)

Mining and tourism also offer opportunities to build on Plateau's natural strengths



Mining

- + Plateau is blessed with rich mineral deposits, including most of the tin and columbite in Nigeria
- + Tin and columbite are highly valuable and contribute to most of Plateau's mining-related GDP

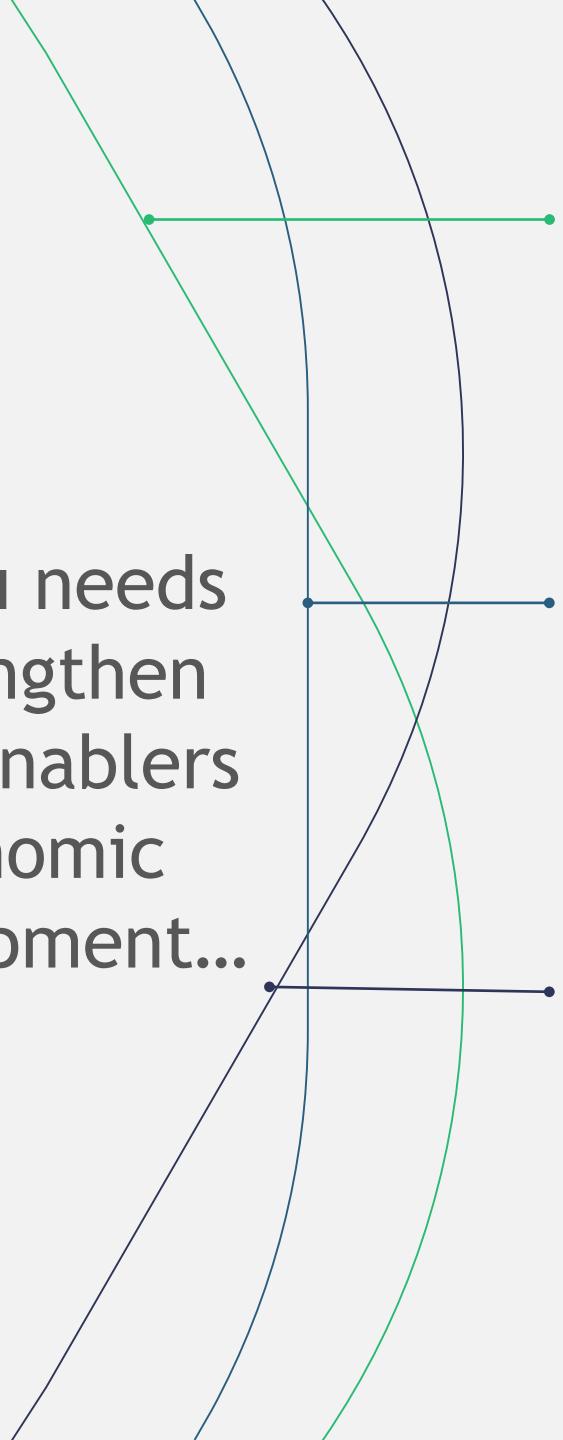
- Plateau has unclear information on reserves and concessions and is unable to directly capture value
- Doing business is difficult given the complexity of state and federal laws



Tourism

- + Plateau has multiple potential attractions such as rock formations, wildlife parks, cultural festivals, and volcanic hills
- + Government owns several sites with high potential for privatization

- Ownership of some tourist sites is unclear, leaving many sites unsecured
- Underdeveloped infrastructure makes sites difficult to visit



Plateau needs
to strengthen
3 key enablers
of economic
development...

Infrastructure

- Insufficient road construction and maintenance limit flows of goods and people
- Major agricultural, mining, and tourism areas lack electricity
- Uncoordinated efforts across multiple ministries minimize investment impacts

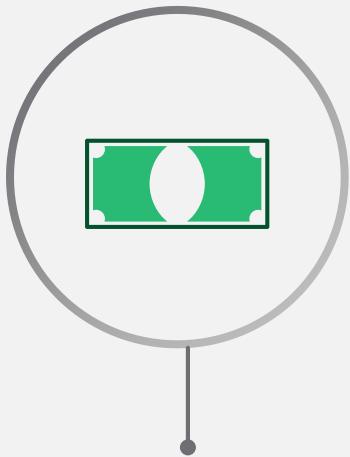
Peace and security

- Key economic centers suffer from insecurity, limiting investor interest
- Multiple uncoordinated stakeholders do not share intelligence
- Lack of counterparty funding prevents further training of mediators to prevent further violence

Human capital

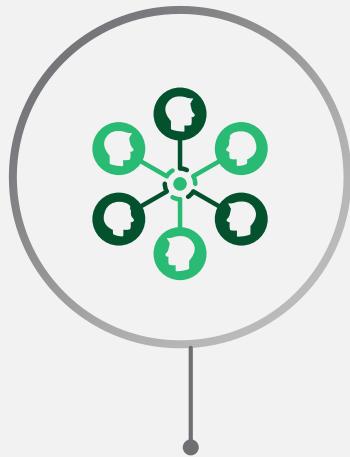
- Businesses and government are unable to find sufficient qualified workers
- Only ~30% of children graduate primary school, leading to significant education gaps
- School and hospital quantity is insufficient, and quality is not regularly measured and tracked

...and reform internal practices to fully realize its potential



Insufficient revenue collection

- Minimal TIN and land registration
- Complex fee systems
- Lack of electronic payment options



Poor cross-MDA coordination

- Too many MDAs with overlapping mandates
- Lack of coordinated planning across MDAs in similar sectors



Lack of data sharing & reporting

- No culture of electronic record keeping
- Information not shared across MDAs



Gaps in budgeting & expenditure planning

- Budget regularly exceeds available cash
- Prioritization not aligned with overall strategy or enforced

In this context, how does Plateau excel economically and socially in the coming decade?





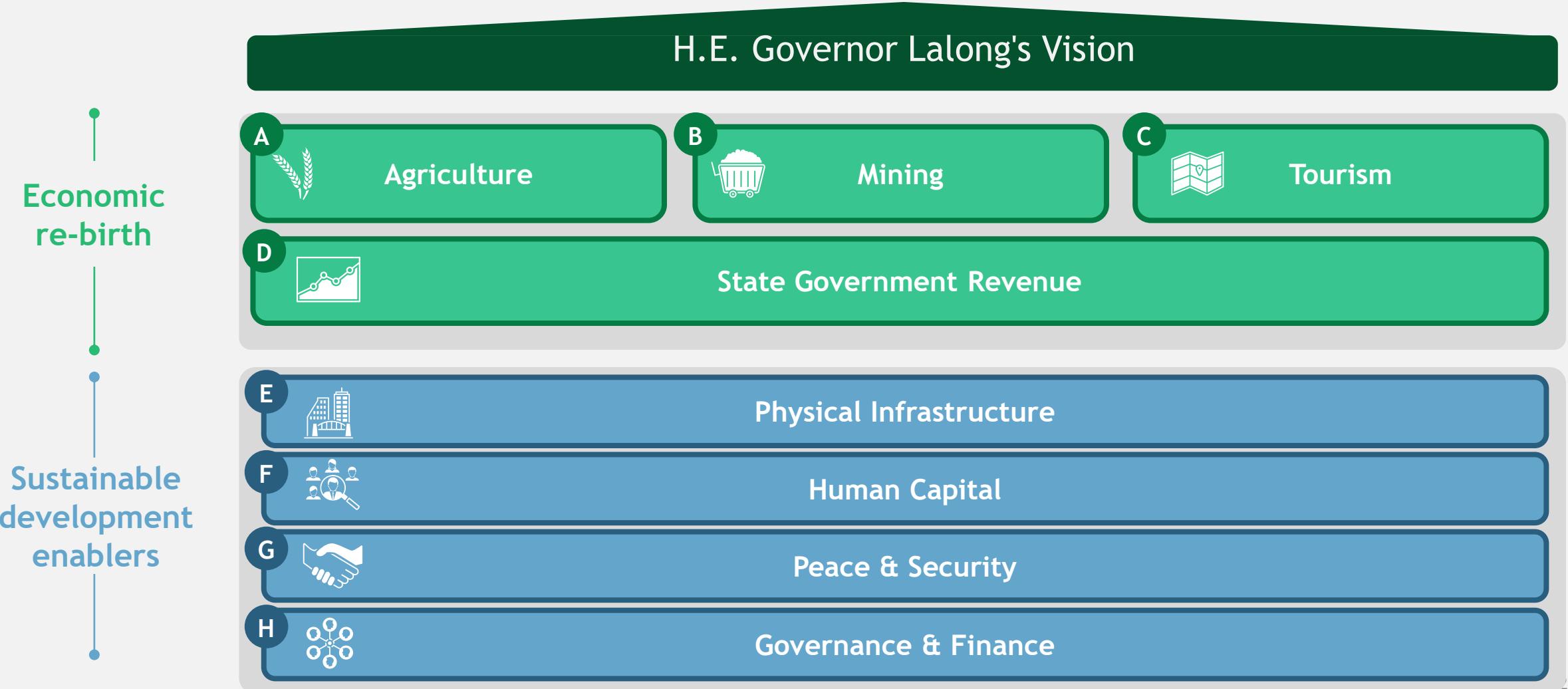
Overall strategic approach

Plateau must focus its
economic rebirth on
agriculture, mining, and
tourism...

...while ensuring sustainable
development through its
infrastructure, human capital,
peace, and governance
investments



The vision for Plateau will be supported by 8 strategic pillars

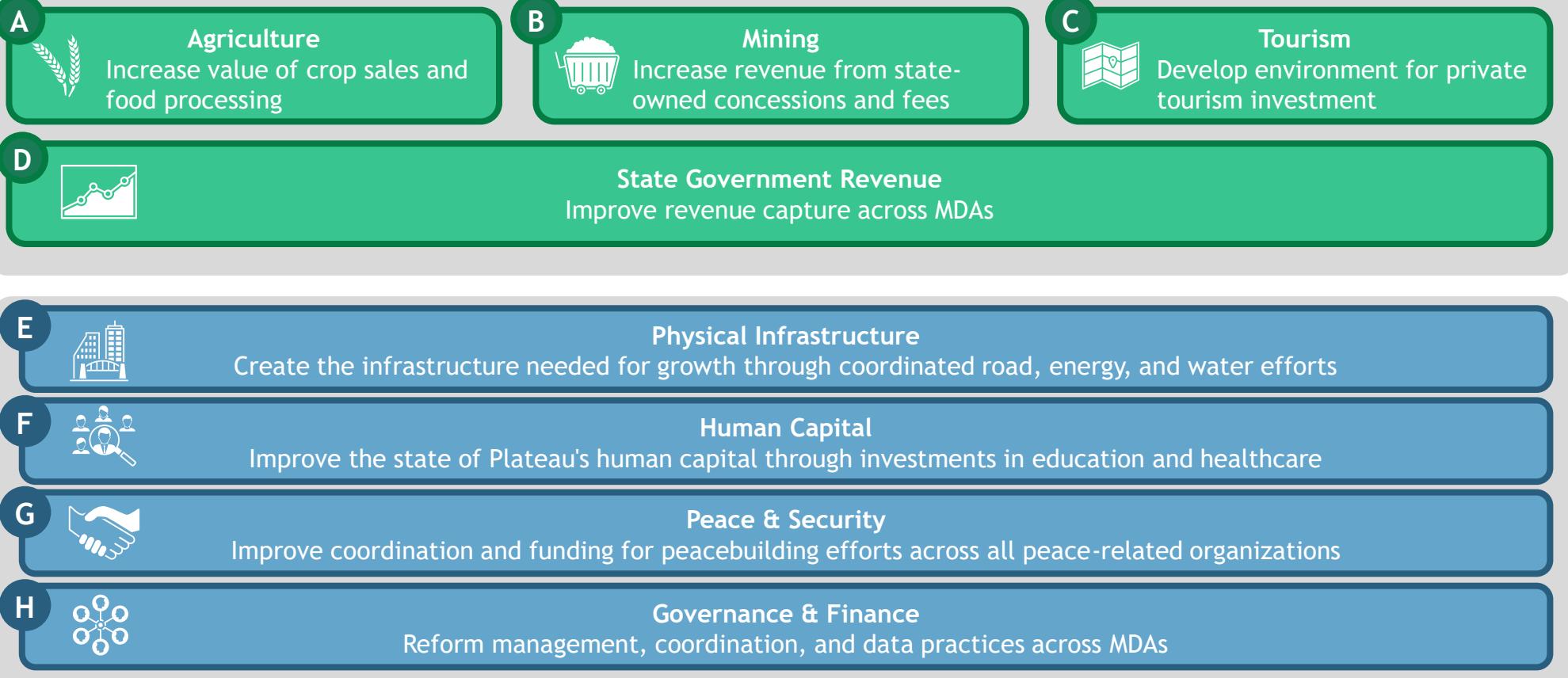


The vision for Plateau will be supported by 8 strategic pillars - Detail

Economic
re-birth

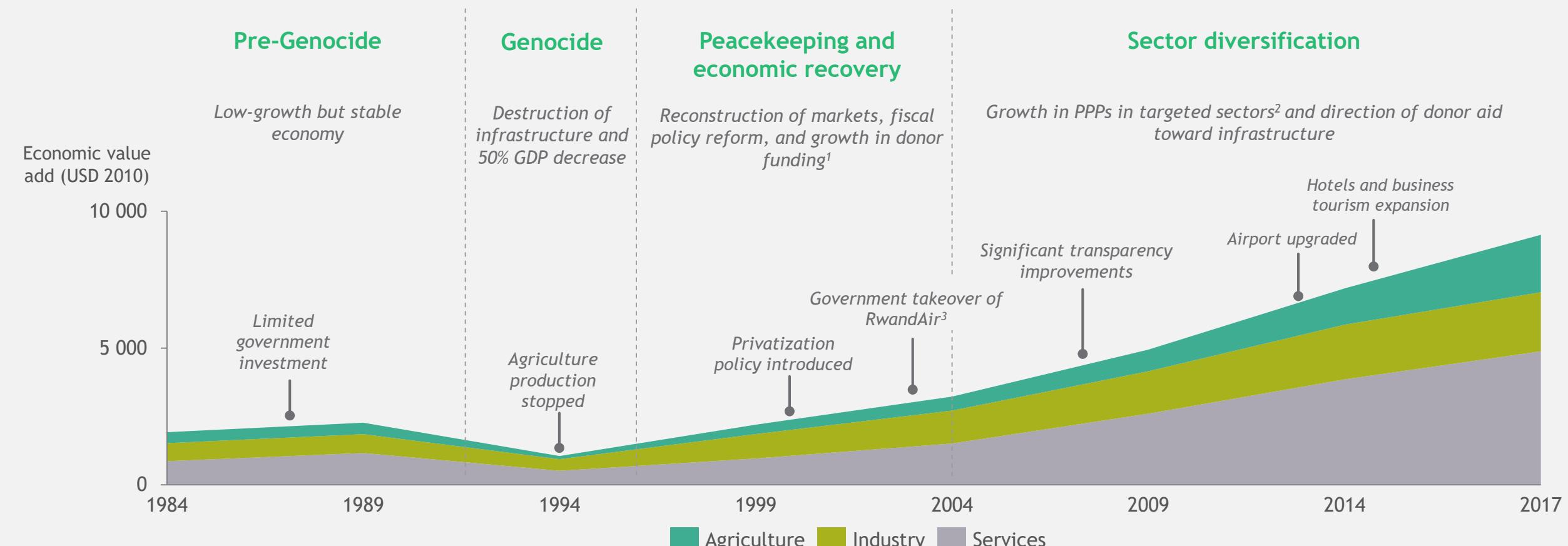
Sustainable
development
enablers

H.E. Governor Lalong's Vision



Sustainable development requires time to build on natural strengths while addressing underlying policy and infrastructure issues

Example: Rwanda's post-conflict path to growth



Notes: 1. Donor support first mainly used on emergency needs and to rebuild key infrastructure in stages such as schools, hospitals and rural clinics, education, roads and power; 2. Government typically invested half or more; 3. Meetings Incentives Conferences Exhibitions Center to boost business tourism 3. Continues to be loss-making
Source: Press search, BCG Analysis

These strategic pillars will be implemented through 35 initiatives across the state government (I/V)

Pillars	Primary initiatives
A Agriculture Increase value of crops sales and food processing	A.1 Promote cooperatives and encourage farmer participation to improve access to inputs and markets and improve farmer profits A.2 Develop the strategy and overarching policies to create an environment for cooperatives and processing investments to flourish A.3 Build capacity and disseminate knowledge through partnerships and technology to improve farmer access to information and increase profitability A.4 Attract investments into the agro-food processing industry through financial and regulatory incentives to capture more of the agricultural value chain
B Mining Increase revenue from state-owned concessions and fees and improve private investment	B.1 Maximize revenue collection by assessing current status of concessions, monitoring for noncompliance, and streamlining fee payments B.2 Improve attractiveness for investors through fiscal incentives, infrastructure provisions, and improved ease of doing business B.3 Maximize potential of PMDC by providing initial capital, clarifying financials, and capturing most valuable concessions in tin and columbite B.4 Improve investor-community relations by supporting community leaders and companies in the drafting and monitoring of CDAs

These strategic pillars will be implemented through 35 initiatives across the state government (II/V)

Pillars	Primary initiatives
C Tourism Develop an environment for private tourism investment	<p>C.1 Develop priority locations with most potential based on proximity to security and infrastructure availability</p> <p>C.2 Improve attractiveness for investors by offering tax exemptions and land, and streamlining ease of doing business</p> <p>C.3 Launch a targeted marketing strategy at specific customer segments to improve branding and positioning of Plateau</p>
D Revenue Improve revenue capture across MDAs	<p>D.1 Increase tax registration rates to capture more taxes through a push to bring more people into the tax net and streamline electronic payment options</p> <p>D.2 Reform land registration to track ownership and usage by streamlining the process and conducting a state-wide push for registration</p> <p>D.3 Increase transparency for cross-MDA tax payments by publishing fees online, streamlining payments into a single bill, and improving online payment options</p> <p>D.4 Streamline revenue collection across MDAs by completing the single online interface and minimizing cash collection</p>

These strategic pillars will be implemented through 35 initiatives across the state government (III/V)

Pillar	Primary initiatives
E Infrastructure	<p>Create the infrastructure needed for growth through coordinated road, energy, and water efforts</p> <ul style="list-style-type: none">E.1 Attract private sector investment for high value transport infrastructure by providing tax and regulatory incentives and offering PPPsE.2 Maximize revenue collection from existing road/vehicle streams by increasing inspection points and sharing systems across MDAsE.3 Ensure dedicated funding for road maintenance through the creation of a maintenance fund to improve critical transit routesE.4 Increase grid connections through private sector expansion of transmission lines to major economic centers via NESCO or Plateau State Energy CorporationE.5 Expand existing efforts to enable mini-grid investments through efforts to increase demand for electricity and additional prioritization of investment locationsE.6 Implement planned water laws and sanitation practices by gazetting the water law and developing a local plan to address open defecationE.7 Prepare the Water Board for commercialization by investing in improved metering and capacity trainingE.8 Create an overall development plan and improve coordination across infrastructure MDAs through regular budgeting and funding meetings

These strategic pillars will be implemented through 35 initiatives across the state government (IV/V)

Pillar	Primary initiatives
F Human capital Improve the state of Plateau's human capital through investments in education and healthcare	F.1 Increase number of teachers and children in schools by creating mandatory free schooling, rotating teachers to rural areas, and prioritizing counterparty funding F.2 Ensure quality of teachers and curriculum by creating a tracking system and regular reporting on key KPIs F.3 Grow ICT skills through partnerships between the ICT agency, local hubs, and educational institutions to develop government ICT needs F.4 Expand access to healthcare through prioritizing counterparty funding for doctors, creating mobile clinics and rotational programs for rural areas, and leveraging SMS F.5 Ensure quality of healthcare and service delivery by creating a tracking system and regular reporting on key KPIs
G Peace and security Improve coordination and funding for peacebuilding efforts across all peace-related organizations	G.1 Improve coordination among stakeholders to reduce role overlap, improve information sharing, and align yearly priorities G.2 Ensure security of key transit routes and economic centers by increasing presence G.3 Improve mediation efforts in conflict-prone areas through prioritization of counterparty funding and local training efforts

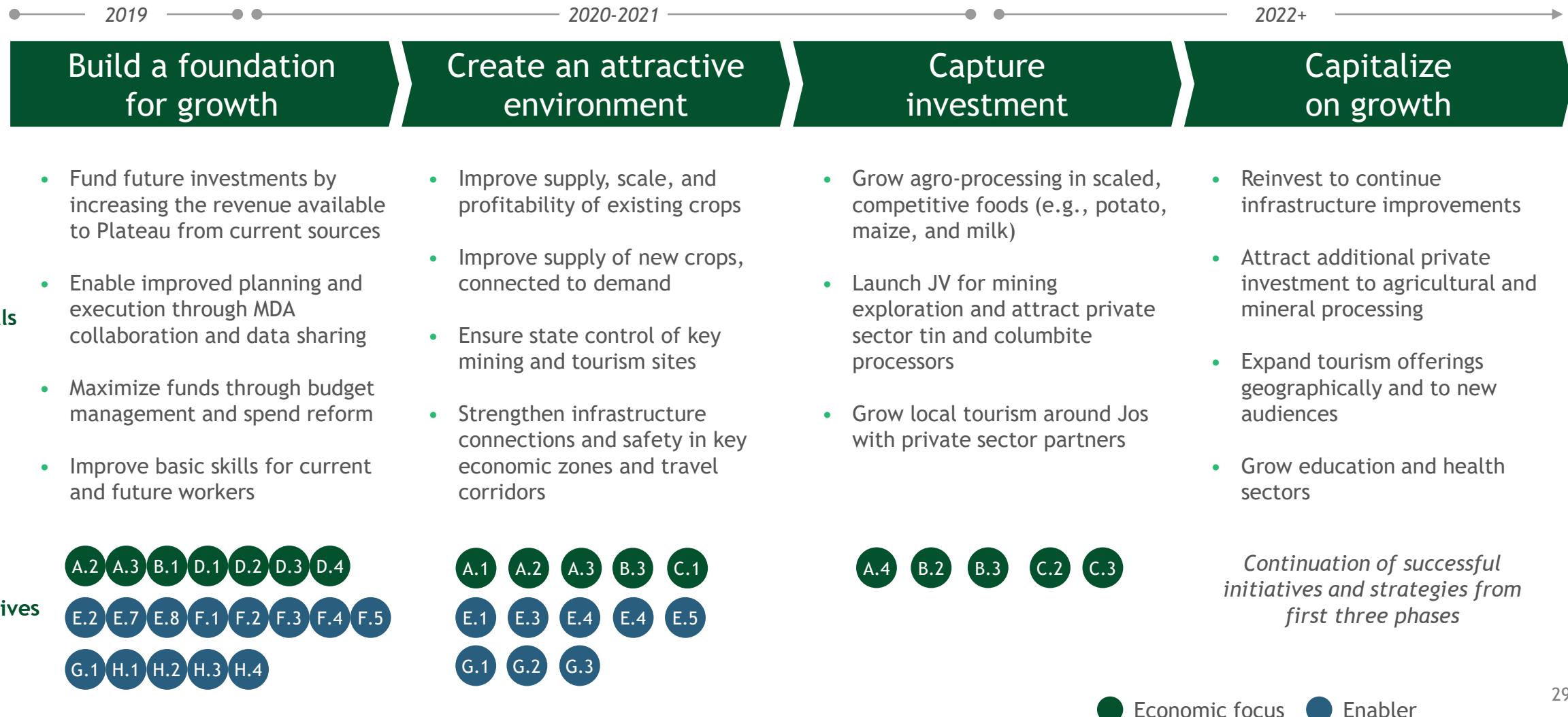
These strategic pillars will be implemented through 35 initiatives across the state government (V/V)

Pillar	Primary initiatives
H Governance and finance Reform management, coordination, and data practices across MDAs	<p>H.1 Reform budget management process to reduce budget variances and ensure focus on strategic priorities</p> <p>H.2 Execute spend effectively and accurately by aligning processes with budget priorities</p> <p>H.3 Reorganize MDAs and improve collaboration and accountability through reduction in MDAs and clarification of scope and responsibility</p> <p>H.4 Improve transparency and data sharing by standardizing and mandating collection and publishing of data and improving online access to statistics and laws</p>

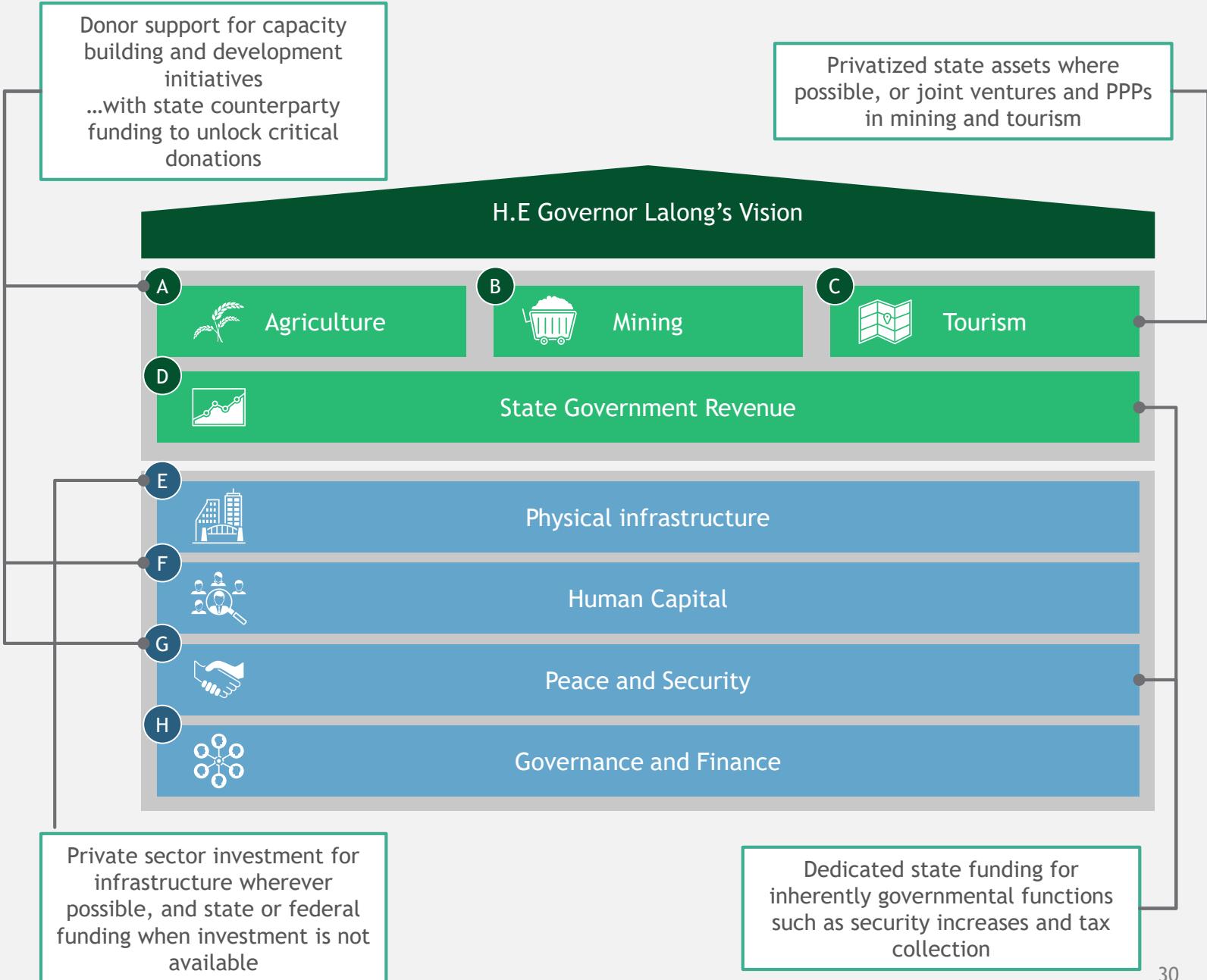
Plateau will build on institutional and business environment reforms to generate long term development



Detail: Plateau should sequence its near-term efforts to achieve long-term, sustainable growth



Funding the vision will require support from the state, private sector investors, and donors





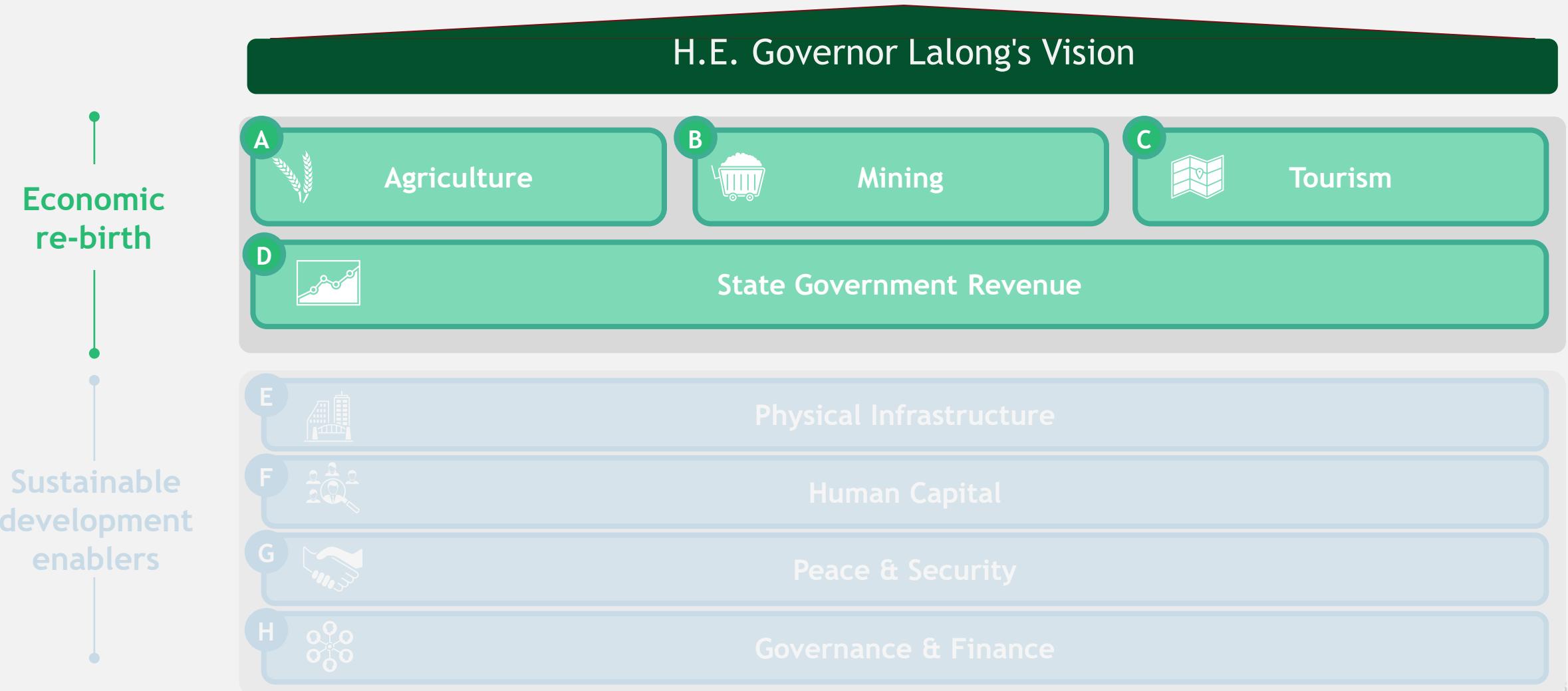


Sector diagnostics and initiatives

Across the 8 strategic pillars, what should the strategy and priorities be to achieve the desired end state?



The vision for Plateau will be supported by 8 strategic pillars



Agriculture

Goal

Increase value of crop sales
and food processing





Three key questions for agriculture

1

Are we growing the right crops? How can we increase production in efficient ways that maximize profitability?

2

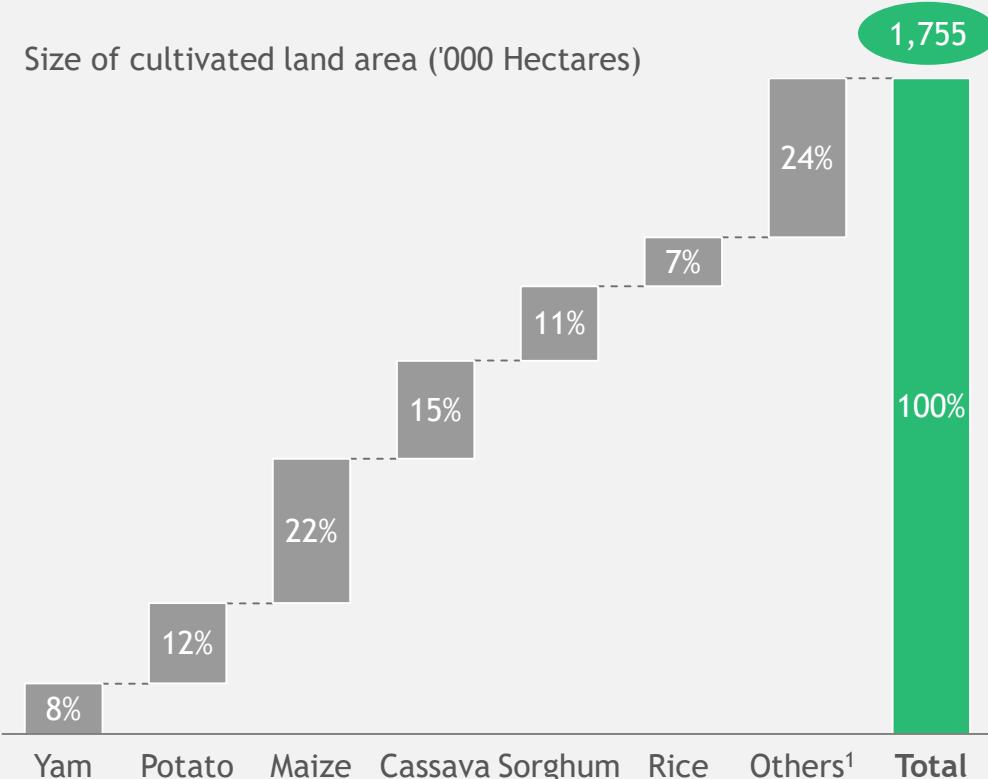
How can we sell in the right markets and capture higher value for our farmers?

3

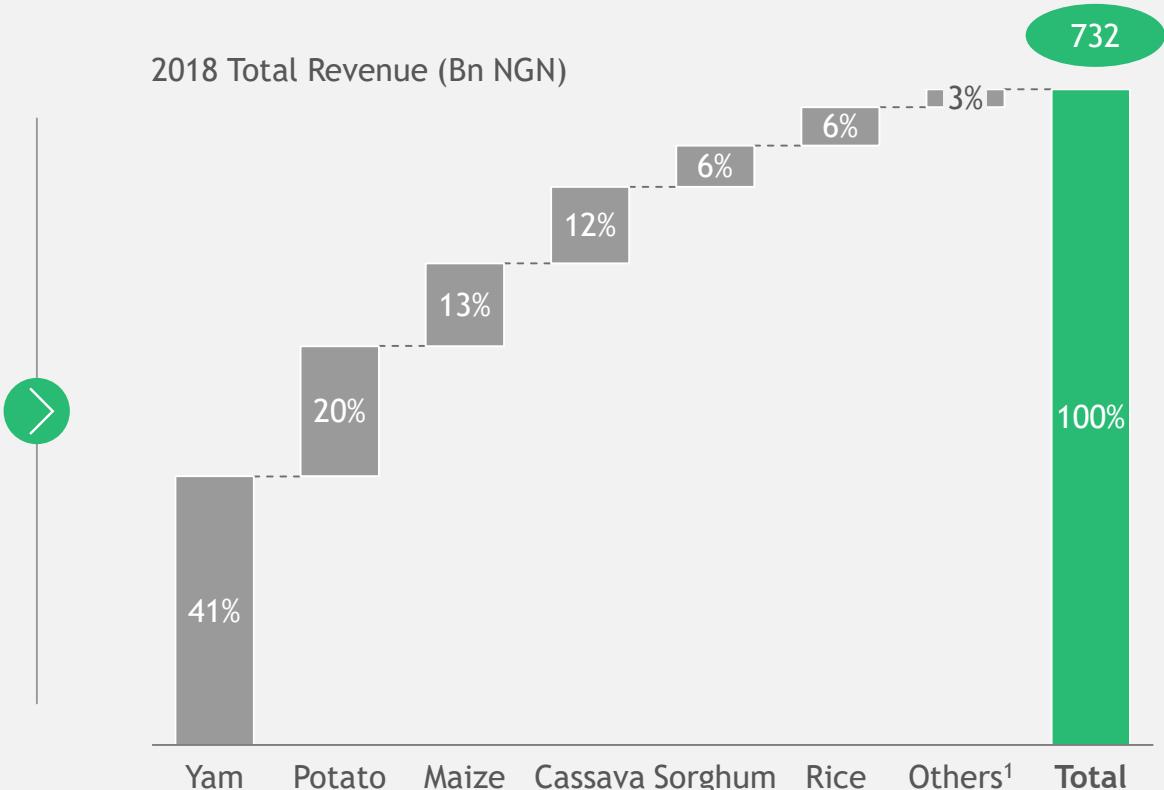
How can we add value by processing final products?

Six major crops drive agricultural activity in Plateau

Six crops take up ~75% of cultivated land area...



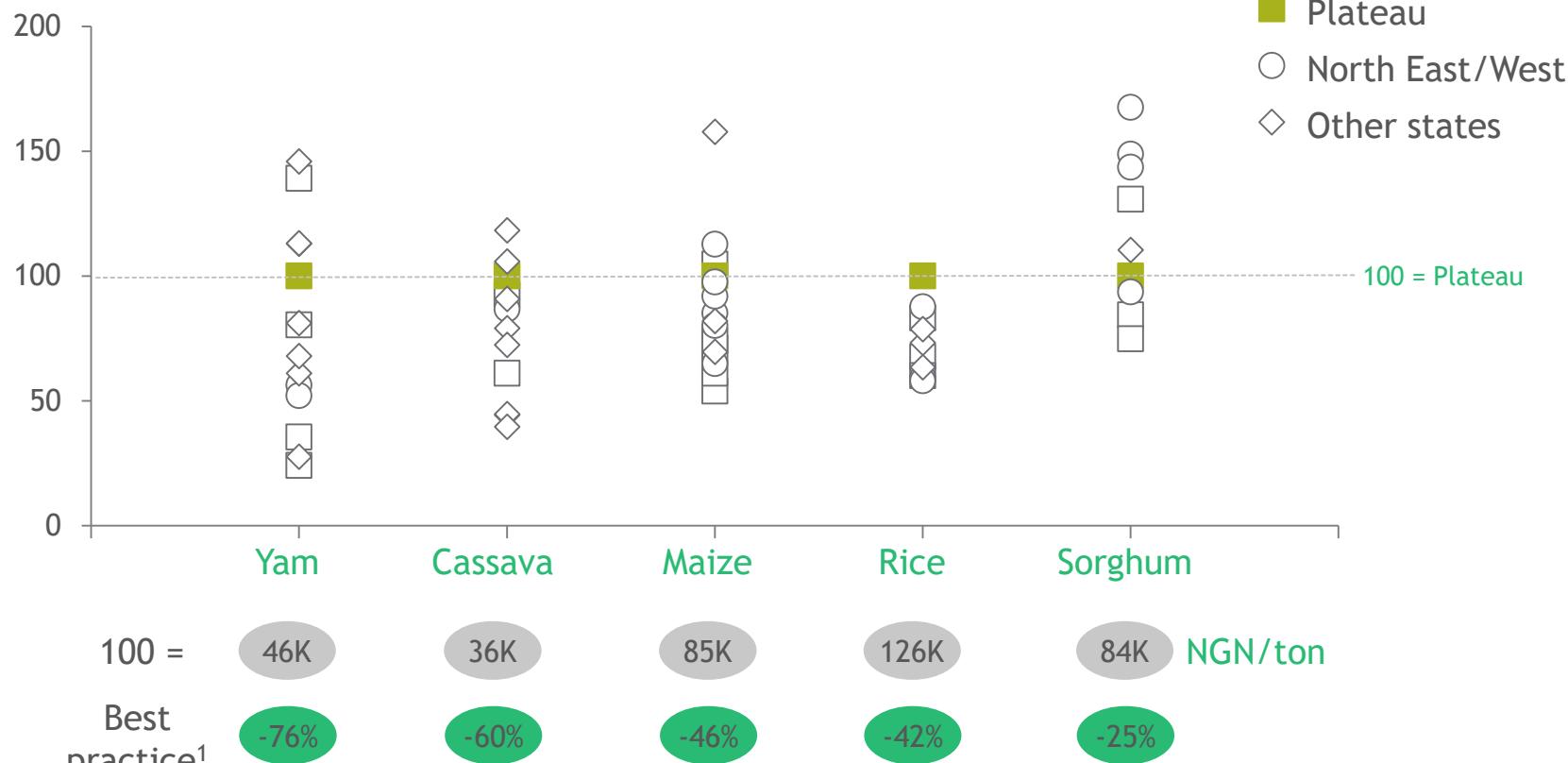
...with yam generating by far the most revenue



1. Includes tomato, cowpea, cocoyam, millet, onion, okro, benniseed, groundnut, and cotton. Revenue estimate is approximate and does not include cotton, okra, cocoyam.
Source: NAERLS, FAO, AfDB

Plateau's production efficiency trails other Nigerian states leading to higher cost per ton produced

Cost of Production Index: NGN per ton, indexed to 100



Likely contributing factors:

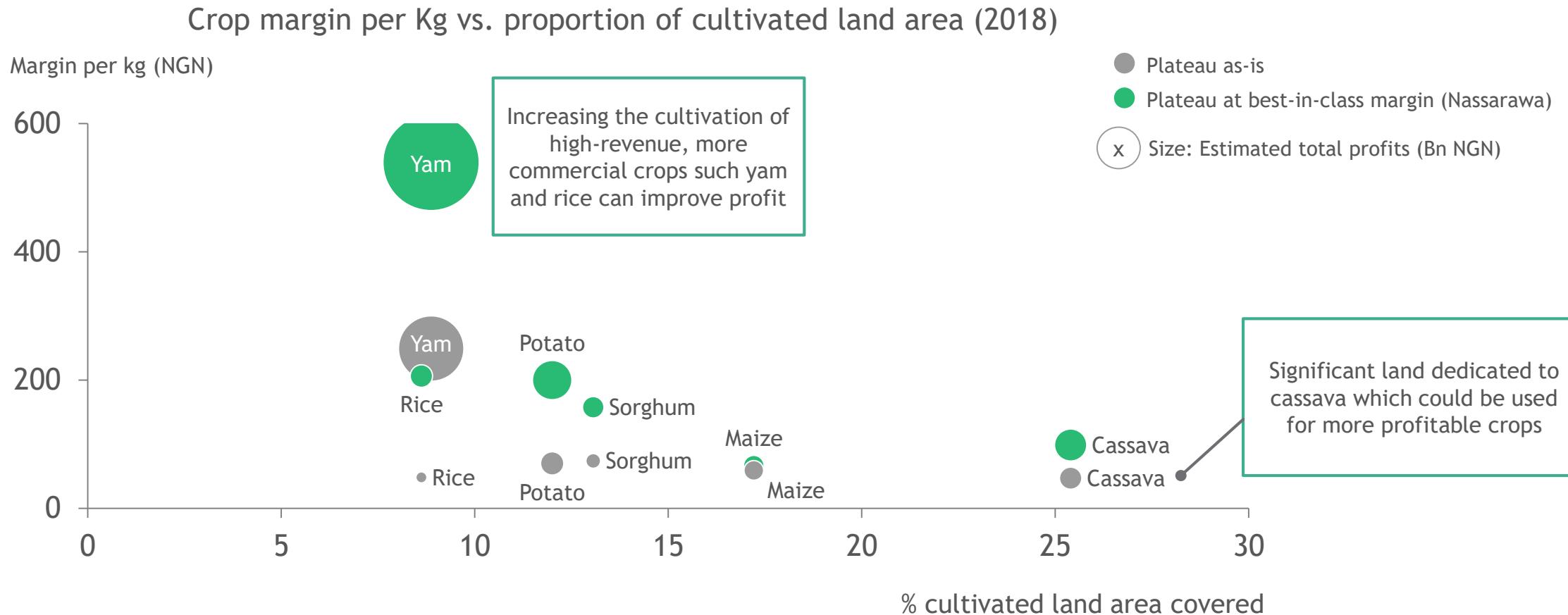
- Widespread use of low-quality seeds
- High price of good quality fertilizers
- Insufficient roads to connect rural farmers to high-quality seeds & fertilizers
- Relatively low mechanization rate (tractors, planters, rollers etc.)
- Low water supply (e.g. dams) during dry seasons shortens cultivation season - unpredictable yield
- Lack of adequate training on best practice farming methods (currently 1 trainer to 5000 farmers)

1. Cheapest producer, cost as a percent of Plateau's

Notes: Data unavailable for potato, Fonia, Groundnuts, Cotton, and other crops of current economic value

Source: NAERLS, Stakeholder interviews

Furthermore, Plateau is currently overly focused on crops that yield less profit



Source: NAERLS, FAO, AfDB

Notes: Data unavailable for potato, Fonia, Groundnuts, Cotton, and other crops of current economic value

Fruits & vegetables grown in Plateau have large potential markets outside the state

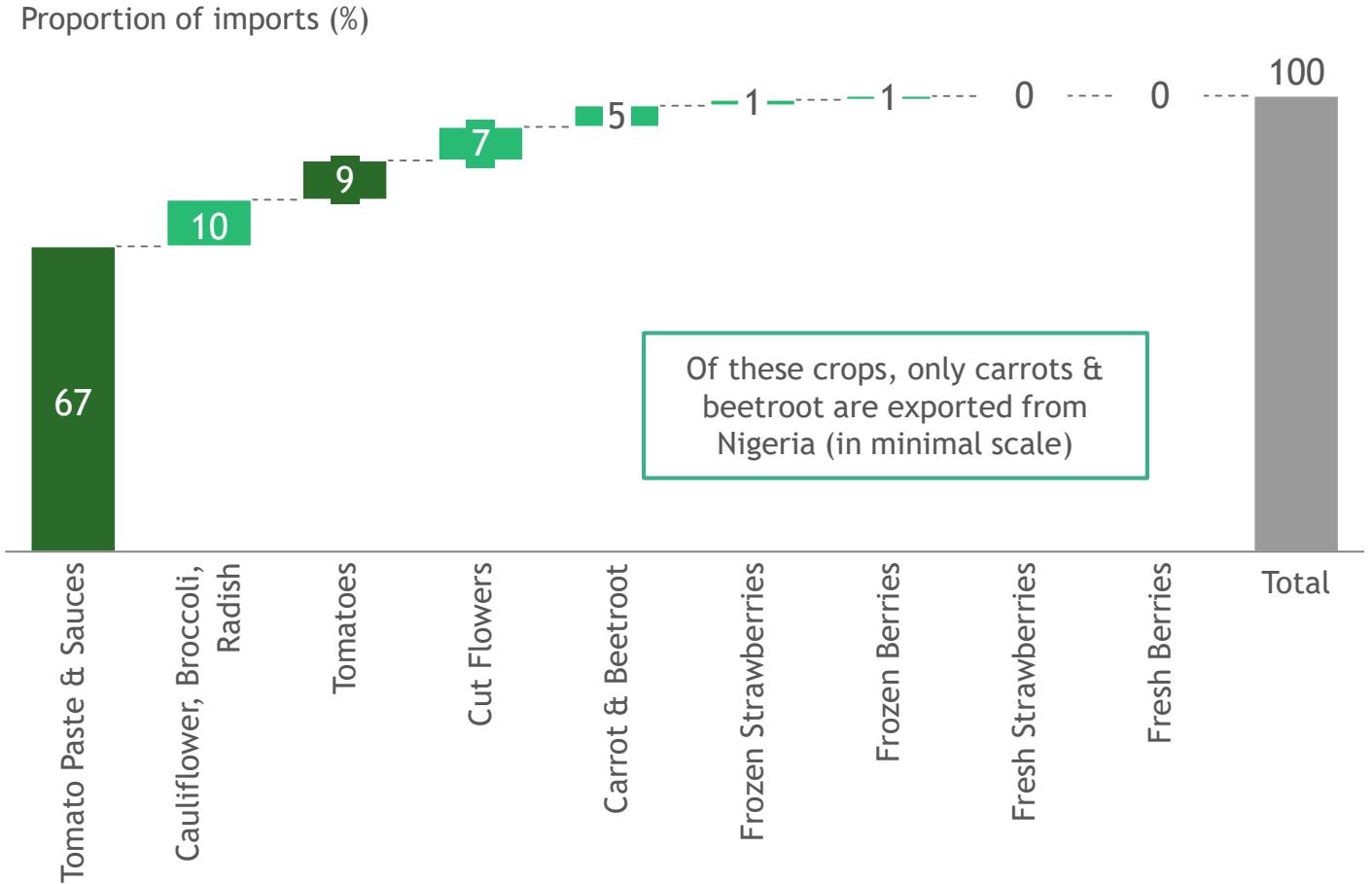


Fruits & vegetables predominantly grown in Plateau

- Strawberry
- Celery & cucumber
- Lettuce & cabbage
- Eggplant
- Zucchini
- Beetroot
- Carrot
- Broccoli & Cauliflower
- Radish & Soursop
- Tomato & pepper

Currently low-scale production by small-scale farmers - lack of institutional support or intervention programs

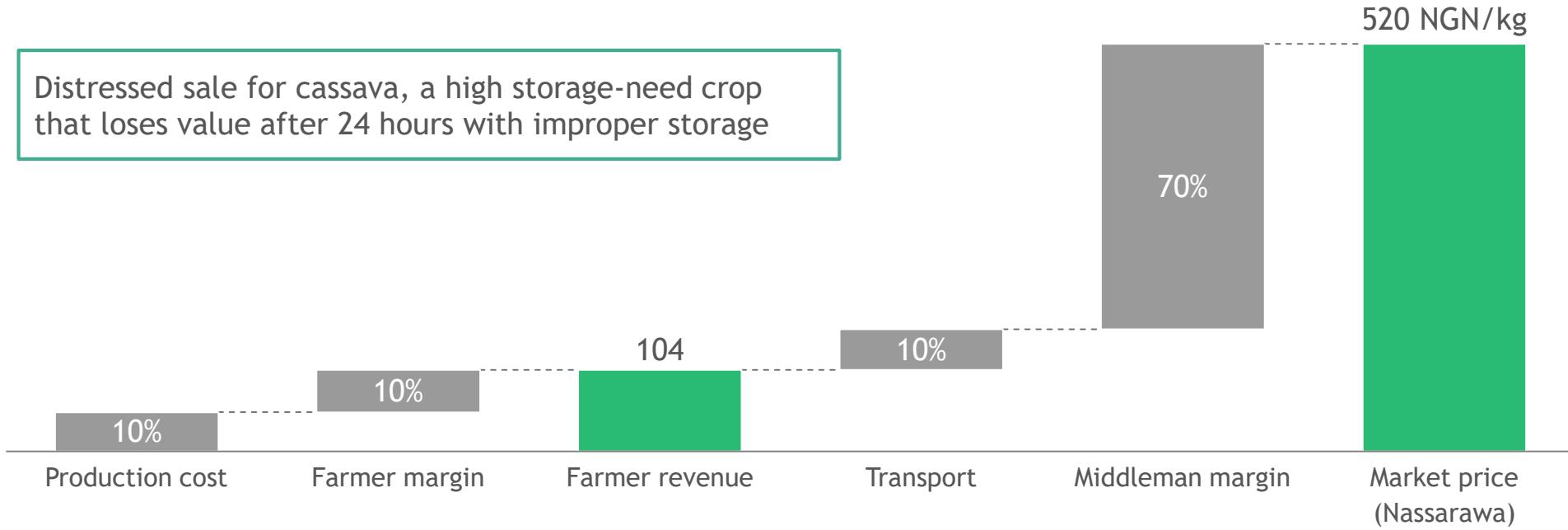
Of these crops, tomato has the highest internal market demand



Current off-taker model empowers middlemen

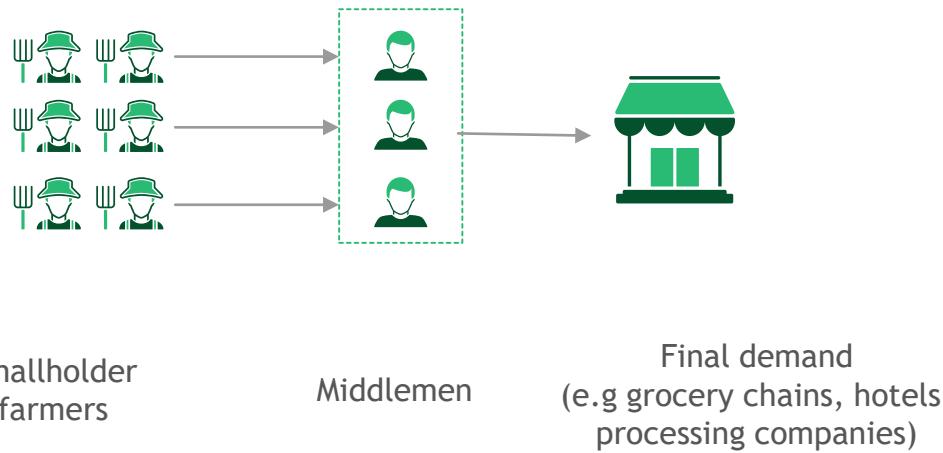
In current model, up to 80% of potential revenue could be lost to middlemen

Illustrative breakdown of cassava value chain (NGN)



There is an opportunity to improve the supply chain increasing consistency and transparency in the off-taker model

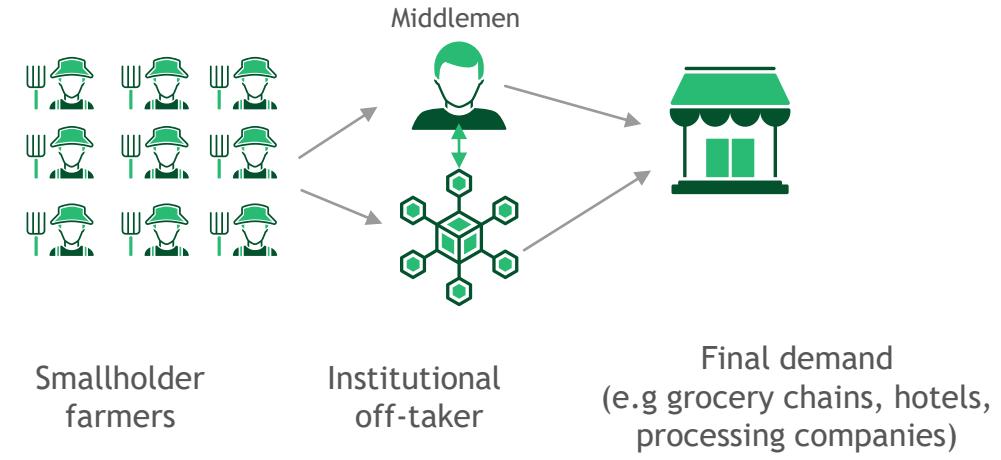
Current sales model



Implications:

- High potential for cartelization between middle men
- Limited farmer negotiating power
- Unpredictable supply to markets
- Loss of revenue & high wastage for farmers unable to find offtakers

Potential improved sales model



Institutional off-taker can "regulate" the market, avoiding cartelization practices both by acting as a buyer of last resort and by publicizing (NON MANDATORY) reference prices, empowering farmers with pricing knowledge

Plateau lacks significant processing capabilities, but also faces several challenges with setting up processing plants

Source: Stakeholder interviews



Infrastructural challenges & high costs

- High set-up costs, inconsistent water & power supply deter the set-up of processing plants across Nigeria (e.g. Erisco and Dangote Industries postponed production of tomato paste due to high costs)
- Lack of quality roads to connect processed goods to major markets will further reduce margins



Unpredictable and non standardized supply

- No large-scale farming for industrial inputs - sector is made up of smallholder farmers that lack the production know-how and tools to supply in a standardized scale
- High production variability due to inconsistent water supply, lack of storage etc.



Complexity of doing business

- Historical lack of peace & stability has led to the exit of some food processors from Plateau State: Vegro (potato processing) and Tomapep (tomato paste processing)
- Difficulty of doing business (e.g. land registration process) and lack of detailed state development masterplan for industrial areas could de-motivate investors

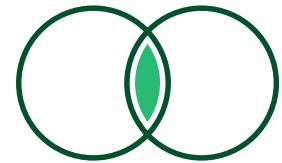


Lack of a targeted strategy to attract investors

- Current investor-attraction strategy includes adhoc presence at trade fairs and case-by-case tax rebates, but no single strategy to attract & incentivize processing plants

Additionally, state effort is hampered by multiple agencies that execute similar projects and compete for funds, leading to duplicated efforts

Program	MDA	Funding Source
Farming mechanization (tractors, land-clearing etc.)	<ul style="list-style-type: none"> Ministry of Agriculture FADAMA ASTC 	
Seed & fertilizer access	<ul style="list-style-type: none"> Ministry of Agriculture FADAMA PADP ASTC 	
Irrigation & water supply	<ul style="list-style-type: none"> Ministry of Agriculture FADAMA 	<ul style="list-style-type: none"> Government World Bank
Farmer training	<ul style="list-style-type: none"> FADAMA PADP ASTC 	
Rural access roads	<ul style="list-style-type: none"> Ministry of Agriculture Ministry of Works FADAMA RAAMP 	

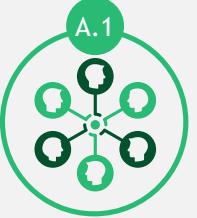


Currently, there is **no overall agriculture sector strategy** document to coordinate efforts, leading to duplicated efforts across MDAs

How does
Plateau increase
GDP from its
agriculture
sector?



Four initiatives to improve agriculture



Promote cooperatives and encourage farmer participation

Objectives

Improve access to markets and reduce cost of inputs to address the problem of small farm inefficiencies by leveraging collective power of cooperatives



Develop the strategy and the overarching policies

Enable the implementation of agro-business ecosystem improvement initiatives by setting policies that create an enabling and fair environment



Build capacity and disseminate knowledge

Increase amount of resources available to educate and empower farmers to adopt innovations by partnering with development organizations
Incentivize knowledge sharing between farmers to drive adoption at scale



Attract investment into agro-food processing industry

Improve attractiveness of various segments of agribusiness value chain to investors through financial and regulatory incentives (tax breaks, trade agreements etc.), stabilizing supply and improving ease of doing business



Nepal



Kenya



Malawi



China



Malaysia



India

A.1

Plateau can help farmers achieve scale through incentivisation of cooperatives...

Provide quality, low cost inputs and services to cooperatives...



Access to subsidized quality seedlings (with variety)



Improved access to subsidized, quality fertilizer



Improved access to water development projects



Improved cost sharing for machinery rental



...that will enable them to collectively improve their wellbeing



Improved production levels



Potential additional revenue for the government



Improved access to larger markets



Improved security (from increased collaboration in communities)

Recommended priority crops/produce

Priority 1

- Potatoes
- Maize
- Rice
- Yam

Priority 2

- Tomatoes
- Cabbage
- Carrot

Priority 3

- Livestock
- Milk

Longer-term

- Strawberries
- Soybeans
- Cut flowers

...and by creating an enabling environment for cooperatives to flourish

Free and voluntary membership	<ul style="list-style-type: none"> Bottom up approach: Cooperatives should be open to anyone interested in using its services and capable of assuming their responsibility as a member and not imposed on them
Autonomy and independence	<ul style="list-style-type: none"> Cooperatives should be autonomous, controlled by their members, who define the policies and make management decisions Agreements with other institutions, including with the state, must ensure democratic control by the cooperative members and its autonomy
Intercooperation	<ul style="list-style-type: none"> Cooperatives should work together to serve their members more effectively and strengthen the cooperative movement
Sense of community & knowledge sharing	<ul style="list-style-type: none"> Cooperatives should be encouraged to work for the sustainable development of their communities Cooperatives should be encouraged to inform the general public and be opinion leaders about the advantages of cooperation
Education and training	<ul style="list-style-type: none"> Plateau should support cooperatives in providing training to members on farming practices and to those leading cooperatives on good management practices
Government support on cost of inputs	<ul style="list-style-type: none"> Plateau should partner with the cooperatives to provide low cost quality inputs from a menu of benefits to choose from (e.g. funding alternatives for members, road construction, irrigation access)
Fraud prevention	<ul style="list-style-type: none"> Plateau should ensure that financial institutions serve as a 3rd party intermediary for all financial transactions between coops, private sectors, MDAs etc., to prevent against misappropriation of funds
Raise awareness and build trust	<ul style="list-style-type: none"> Plateau should build the trust of farmers in these cooperatives by keeping to commitments and providing pledged services to farmers as promised and on time

Cooperatives, government and financial institutions will play key roles in making cooperatives a success



Adhere to contract terms and consistently meet supply obligations
Clearly articulate needs from the government and identify issues in process
Support other cooperatives
Share information

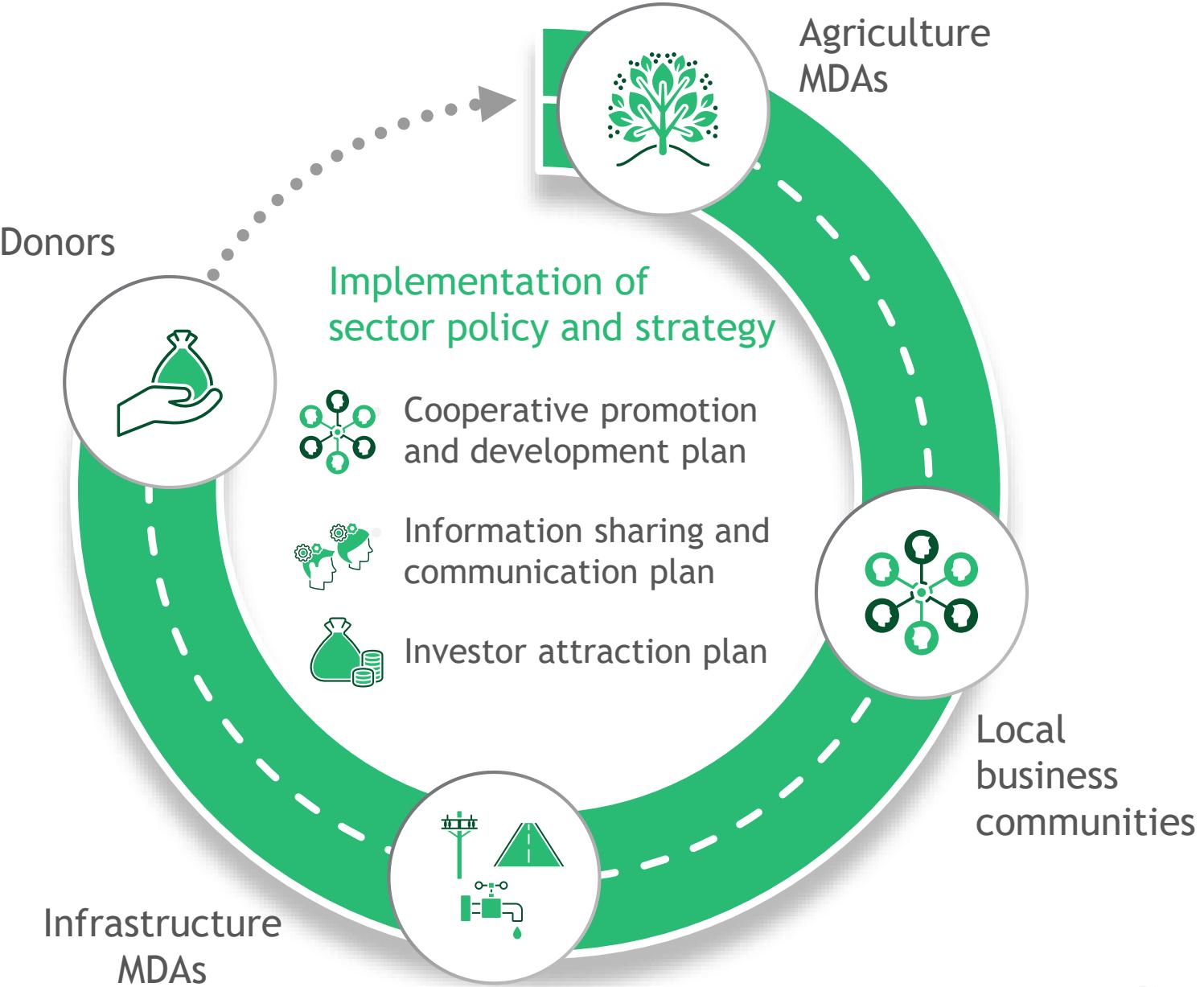


Set up legal framework
Provide implementation support and leadership in setting up co-ops
Provide subsidized inputs
Develop required infrastructure to support growth
Provide linkages to key markets



Monitor financial transactions and activities of co-ops to guard against fraud and non-compliance with contracts
Provide access to low interest loans

Coordination between MDAs and key stakeholders will be critical to implement new policies and achieve success



A.3

Plateau can also empower farmers with knowledge and information through the use of technology...



Leverage mobile tech. to empower farmers

123

Quick codes for commodity price information¹

- Farmers text "Rice" to a *xxx# number and receive the current market prices² instantly



Unique codes to claim benefits¹

- Farmers receive a unit code via text on their mobile, which they can use to purchase subsidized fertilizer from a govt. contracted distributor
- Govt. can track and monitor how fertilizer is distributed. This will increase transparency



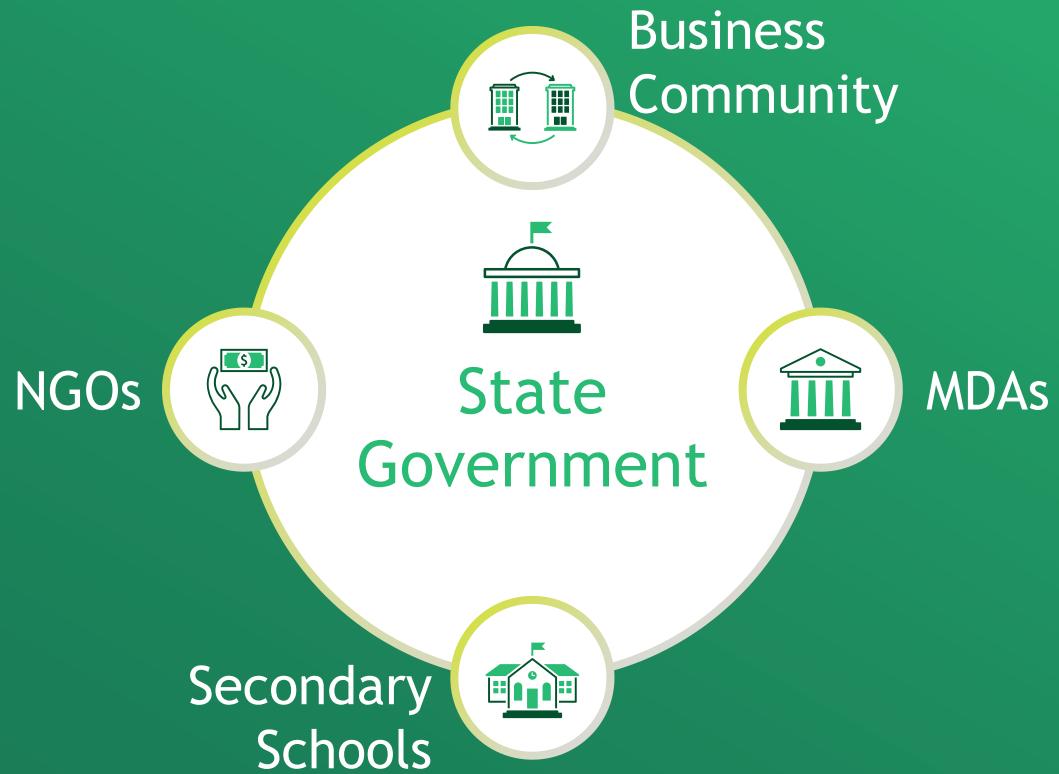
Bulk/Group messaging for knowledge sharing

- Farmers receive text messages weekly tips to help improve productivity
- Farmers can post any questions they have in a group message and get advice from other farmers

1. Extension workers will be key to teach the farmers how to use service; 2. Price received will serve as a benchmark to farmers in when negotiating with middlemen

A.3

... and broader partnerships to build lasting agricultural skills



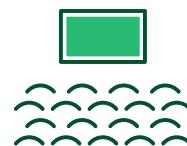
Adapted curriculums at schools

e.g., processing techniques for agro-food, sustainable farming practices, business basics



Internships

e.g., at processing plants to provide a path to employment



Training programs

e.g., for seed growing and demonstrating mechanization advantages



Sufficient scale

- Consistent crop supply
- Quality crops
- Transportation options from farm to processor



Connected infrastructure

- Constant power supply
- Quality roads to markets and airport
- Clean water supply



Assured security

- Reduced incidents of violence
- Reduction of loss of life and property



Attractive incentives

- Tax exemptions
- Subsidized energy supply
- Discounted land

Scaling crop production, improving infrastructure and security, and providing other incentives will enable investments into agro-processing

Benchmarks suggest clear practices that Plateau state should adopt and avoid in the creation of agricultural cooperatives



Practices to adopt

- Ensure responsibility for bolstering the sector allocated to a dedicated entity at the top of the ministerial structure (Ministry of Agriculture), with capable resources and adequate budget
- Build partnerships with universities to support provision of training to cooperatives
- Ensure availability of funding alternatives for cooperatives (subsidized inputs, offers directed at the cooperatives by financial institutions, NGOs etc.)
- Publicly recognize/acknowledge successful farmers/cooperatives to encourage continued participation
- Promote participation of cooperatives in legislative and political processes affecting the sector



Practices to avoid

- Top down enforcement of mandatory participation in cooperative
- State intervention mechanisms in the sector that reduce cooperatives' independence or autonomy
- Lack of dedicated resources or in-field support to cooperatives
- One size fits all approach and not taking into account the differences between cooperatives
- Lack of rigor in monitoring the application of the Law, and lack of conflict resolution mechanisms
- Not taking advantage of the support potential of NGOs to fund projects and cooperatives' capacity-building

Agriculture

Detailed initiatives



Promote cooperatives and encourage farmer participation (I/II)

Initiative objective

- Standardize supply and improve access to markets
- Reduce cost of inputs for farmers
- Improve quality and volume of productions

Actions

A.1.1 Support the establishment of cooperatives to achieve scale benefits

- Dedicate specific resources for distribution to farmers through cooperatives to incentivize joining. e.g. subsidized rental cost of machinery or cost of fertilisers should be larger for cooperatives than individual farmers; access to low cost credit, technical extension advice and some degree of price guarantee for farmers in co-ops etc.
 - Cooperatives should be given the opportunity to pick their preferred incentive packages
- Launch **contract farming schemes** with co-ops to develop markets for farm produce
 - ✓ Identify Institutional off-takers, aggregators etc. and size up demand
 - Obtain buy-in of key stakeholders (aggregators, farmers, co-ops etc.)
 - Define eligibility criteria for co-ops to join scheme (minimum vol., quality etc.)
 - Select and train farmers on how to consistently meet production targets
 - Design and negotiate terms of contract (Pricing, Freq. of supply etc.)
- Create a **pilot program for cooperatives** to demonstrate value of collective negotiating, access to inputs at scale, and a streamlined supply chain for off takers
 - Establish a small committee (approx. 8-12 farmers) representative of farmers that show interest in being a part of a co-op and organize meeting to ascertain level of interest in order to identify farmers interested in joining co-op
 - Define membership structure, associated fees (if any) and mode of operation of co-op



Kenya



Nepal

Initiative Lead

- A.1.1. Ministry of Agriculture, Ministry of Commerce and Investment, Office of SGS
A.1.2 Ministry of Agriculture

Deliverables

- Draft business plan for co-op with prioritised list of incentives
- List of Aggregators, off-takers and volume of demand defined
- Eligibility criteria defined
- Farmers join scheme and are trained
- Draft contract
- Members identified and committee created
- Initial list of interested farmers

Recommended timeline

- 4 months
- 1.5 months
- <1 month
- 6 months
- 3 months
- 1 month
- 6 months





Promote cooperatives and encourage farmer participation (II/II)

Initiative objective

- Standardize supply and improve access to markets
- Reduce cost of inputs for farmers
- Improve quality and volume of productions

Actions

- Register co-op with Ministry of Commerce to open access to benefits
- Develop start up guide on how to start an agricultural cooperatives
- Run pilot: Test and iterate initiative with small set of (~10-50) farmers
- Demonstrate success to donors and expand and scale over time

A.1.2 Launch/Boost programs to improve quality of inputs e.g., Seed growing, Fertiliser subsidy programs etc.



Malawi

- Create seed growing certification schemes and identify method and areas of implementation to improve farm yields
- Partner with co-ops/farmers to grow new seed varieties for Potato, Yam and Maize and as a reward, supply free fertilisers and support services (Trainings, machinery etc.) to the farmers
- ✓ Identify seed traders to introduce newly released certified seeds to farmers e.g., Romery, Bicco-agro products Ltd.
- Train farmers on how to produce and store seeds
- Expand on fertiliser subsidy programs to entice participation
- Run pilot: Test and iterate initiative with small set of farmers

Stakeholders

- Farmers, Seed traders
- Community leaders
- MDAs: FADAMA, PADP, ASTC, PAMSCO
- BOI, World Bank, AfDB, Bank of Agriculture

Note: PADP - Plateau Agricultural Development Program;

Initiative Lead

- A.1.1. Ministry of Agriculture, Ministry of Commerce and Investment, Office of SGS
A.1.2 Ministry of Agriculture

Deliverables

- Co-op registered with Min. of Commerce
- Start up guide on agricultural cooperatives
- Finalized plan ready for implementation
- List of interested co-ops/farmers
- List of key seed traders
- Farmers converted to seed growers
- Increased subsidies on fertiliser
- Finalized plan ready for implementation

Recommended timeline

- 1 month
- 2 months
- 6 months
- 2 months
- 2 months
- 4 months
- 12 months
- 6 months

Resources

- Funds to purchase seeds from traders
- Funds to run training program (e.g. from Donors such as GIZ, AfDB)

Metrics

- No. of farmers signed up to co-op
- Percentage increase in revenue for farmers
- Percentage reduction in average cost of production



Potential quick-win



Develop the strategy and the overarching policies (I/II)

Initiative objective

- Enable the implementation of agro-business ecosystem improvement initiatives by setting policies and guiding principles that create an enabling and fair environment
- Position Plateau state as an Agro-hub

Initiative Lead

Ministry of Agriculture

Actions

A.2.1 Develop overarching strategy to set priorities and targets for the sector

-  Key elements should include developing priority crops (Potatoes, Maize and Yam etc.), protecting price for farmers, attracting investors, developing basic infrastructure, enhancing sustainable mgmt. of resources; improving access to credit (*see sample strategy doc. in backup folder*)



Malawi

Develop one agricultural policy that fosters:

A.2.2 Fair, mutually beneficial relationships across the agribusiness value chain:

-  PADP to improve fair pricing through widespread dissemination of information on market prices to farmers on a regular basis, in order for them to make informed sales decisions (*See initiative 3.3*)
-  Clearly define objectives of MDAs (PADP, Min. of Agriculture, FADAMA etc.) and ensure sufficient coordination between them through quarterly meetings, where they share information on farmers, progress on initiatives, donor support needs etc. and identify areas to support each other
- Develop framework and terms to guide enforcement of agreements drawn up under Contract Farming or any other contracts
- Ensure financial institutions serve as 3rd party intermediary for all financial transactions between MDAs, distributor and farmers to reduce corruption

Deliverables

- Clear priorities and targets defined for sector
- Agricultural policy defined and approved
- PADP provides information on prices, markets, extension services etc. to farmers
- Document detailing out key objectives, obligations and mandate of MDAs
- Terms for violation of contract and guiding principles for enforcement identified

Recommended timeline

- 2 months
- 6 months
- 1 months
- 3 months
- 2 months

Note: PADP - Plateau Agricultural Development Program; BOI - Bank of Industry; NDB - National Development Bank; MDB - Multilateral Development Bank; FI - Financial Institution



Develop the strategy and the overarching policies (II/II)

Initiative objective

- Enable the implementation of agro-business ecosystem improvement initiatives by setting policies and guiding principles that create an enabling and fair environment
- Position Plateau state as an Agro-hub

Initiative Lead

Ministry of Agriculture

Actions

A.2.3 An enabling environment to attract investors:

- Introduce exemptions from sales tax, property tax, right of occupancy fees, land use charge, business premises registration and per annum renewal fees; Provide access to subsidized energy supply
- Work with BOI, GIZ (or other DFIs/FIs) to improve access to equity and debt financing including favorable interest rates, non-collateral loans etc.
- Develop incentives for farmers to join cooperatives such as exemptions from tax, access to low cost, quality inputs, subsidized purchase/rental of machinery, access to information and advisory services, access to cheap credit etc.

A.2.4 Development of infrastructure to improve accessibility:

- Identify investment opportunities for developing agro-hubs, primary supporting infrastructure such as roads, storage and freezing facilities based on PPP model, and reach out to investors (e.g., 30 year concessions to manage storage facilities, supported by a 3-5 years sale tax exemption window and subsidized cost of installation)
- Offer subsidies on cost of cold chain transportation

Deliverables

- Policies put into effect and access granted to investors
- Commitments from DFIs/FIs to provide financing to investors
- List of incentives to encourage farmers to join co-ops
- PPP model to develop and operate agro-hubs and supporting infrastructure defined

Recommended timeline

- 6 months
- 12 months
- 3 months
- 6 months

Stakeholders

- Ministry of Agriculture
- FADAMA; PADP; RAAM, ASTC
- Ministry of Commerce and Investment
- Ministry of Education
- BOI, GIZ, World Bank, AfDB, Bank of Agriculture
- PLASMEDA

Resources

- N/A

Metrics

- Clear and concise Agricultural policy document
- Number of defined investor attraction packages (e.g., land, tax, energy for processors)

Note: PADP - Plateau Agricultural Development Program; BOI - Bank of Industry; NDB - National Development Bank; MDB - Multilateral Development Bank; FI - Financial Institution



Build capacity and disseminate knowledge (I/II)

Initiative objective

- Increase amount of resources available to educate and empower farmers
- Incentivize knowledge sharing between farmers to drive adoption at scale
- Leverage technology to share knowledge with larger groups of farmers more easily

Initiative Lead

A.3.1, A.3.2 Ministry of Education

A.3.3, A.3.4 Ministry of Agriculture

Actions

A.3.1 Work with secondary school trade programs to adapt curriculum to include processing techniques for Potato, Maize and Yam (and other priority crops)



China

- Obtain current curriculum and update with new content on techniques for processing prioritized crops
- Get new curriculum approved by Ministry of Education and roll out in schools

A.3.2 Partner with companies (e.g., NASCO, ASTC) to provide trainings and internships to students



- Identify list of companies and target schools willing to participate
- Develop training programs for processing key crops (Potatoes, Yam, Maize...) to increase the availability of labor for the industry
- Design and setup internship program (Duration, department rotations, number of students etc.)

A.3.3 Provide information on markets, extension services and price to farmers



- Leverage technology to share information:
 - Create quick codes that farmers can text to get commodity prices
 - Use online tools to create text messaging service to deliver tips on best practices to farmers (e.g., BulkSMS.com, multitexter.com)
- Work with ASTC and FADAMA to create and share videos with customized and actionable content on, for example, how to improve productivity
- Leverage Farmers' Associations, co-ops, extension service workers, and other channels to ensure widespread awareness and adoption of communication/knowledge delivery channels

Deliverables

- New curriculum approved by Ministry of Education
- List of interested agro-processing cos. and schools with signed agreements
- Training program developed and rolled out
- Internship program developed and rolled out in schools
- Messaging service developed
- Training videos developed
- Marketing campaign rolled out state-wide

Recommended timeline

- 2 months

- 4 months

- 6 months
- 6 months

- 3 months

- 9 months

- 3 months





Build capacity and disseminate knowledge (II/II)

Initiative objective

- Increase amount of resources available to educate and empower farmers
- Incentivize knowledge sharing between farmers to drive adoption at scale
- Leverage technology to share knowledge with larger groups of farmers more easily

Initiative Lead

A.3.1, A.3.2 Ministry of Education

A.3.3, A.3.4 Ministry of Agriculture

Actions

<ul style="list-style-type: none"> ✓ Identify ways to incentivise increased sharing of information and best practice techniques through group messaging services. e.g., free use of tractors for 1 hour for every hour spent teaching other farmers <p>A.3.4 Partner with Seed Growers, ASTC, FADAMA etc. to build a training program that will offer farmers Seed growing certification and convert them to seed growers (see initiative 1.3)</p>
--

Deliverables

- List of incentives to drive knowledge sharing
- Seed growing training program established

Recommended timeline

- 1 month
- 6 months

Stakeholders

- Ministry of Education
- Ministry of Agriculture
- FADAMA
- ASTC
- NASCO
- PADP
- PAMSCO

Resources

- Funding for airtime, initial seeds, internship and training programs (from World Bank, GIZ, AfDB etc.)

Metrics

- Percentage of target schools with new curriculum
- Percentage of students participating in training/internship program
- Rate of usage of mobile platform



Attract investment into agro-food processing industry (I/II)

Initiative objective

- Improve attractiveness of various segments of agribusiness value chain to investors

Initiative Lead

A.4.1, A.4.3, Ministry of Agriculture

A.4.2, A.4.4 Ministry of Commerce and Investment

Actions

- A.4.1 Identify target investors (Private sector organisations, NGOs, FIs etc.) with regional ambition. For example:**
- Grand cereal: Manufactures of cereals, animal feed etc.
 - Pioneer milling company: Mills and processes brewing raw materials
 - NASCO - manufactures cereals, detergents etc. (FMCG Co.)
- A.4.2 Market new incentives to target investors to consider entry/further investment in Plateau state (see long list of incentives in initiative 2)**
- Create a promotion plan for agro-food processing industry for Potatoes, Yam and Maize. (Market Plateau state as the Agro-hub)
- A.4.3 Build up infrastructure to improve access to supply**
- Confirm viability of locations for agro-hub(s) to improve market access to farmers and processing companies; Develop a business plan and submit to Ministry of Agriculture and World Bank for approval
 - Release counterparty funding to World Bank investment proposal on Agro-hub development (\$4.8m - 8% of the required \$60m cost)
 - Prioritize basic infrastructure connectivity such as power supply and road for extension to agro-hubs
 - Push/lobby federal government to develop railway networks
 - Build up special area with adequate security for residential and commercial activities, where processing plants can be set up and its employees can live
 - Build agro-hubs, logistic/truck terminals, storage and freezing facilities especially near major agro-hub through PPPs (Tripartite agreements between Private org., Government & Farmers) - See initiative E1



Malaysia

Deliverables

- List of target investors for each action
- Marketing campaign to attract investors rolled out
- Locations for hubs validated; Business plan developed and approved
- Funding to meet conditions of World Bank investment acquired
- List of priority infrastructure developments to support agro-hub
- Storage and freezing facilities built in strategic locations close to districts

Recommended timeline

- 2 months
- Ongoing
- 4 months
- 6-12 months
- 6 months
- 24-36 months



Attract investment into agro-food processing industry (II/II)

Initiative objective

- Improve attractiveness of various segments of agribusiness value chain to investors

Initiative Lead

A.4.1, A.4.3, Ministry of Agriculture

A.4.2, A.4.4 Ministry of Commerce and Investment

Actions

A.4.4 Improve ease of doing business

- Integrate the One-Stop-Shop under the Office of the Governor:
 - Prioritize implementation of the One Stop Shop (OSS) by the Office of the Governor, by holding the Ministry of Commerce accountable for ensuring all key state and federal MDAs are integrated into OSS in a timely manner
 - Ensure the Ministry of Agriculture works with Ministry of commerce to streamline all registration processes
- Identify and offer investment incentives such as:
 - Exemptions on sales tax, property tax, right of occupancy fees etc.
 - Access to land at competitive prices and free land registration
 - Subsidized tariffs for power through NESCO
- Partner with PLASMEDA to help provide attractive financing options to SMEs needed to support growth of the agriculture sector
- Work with Ministry of Agriculture to identify primary infrastructure to increase agro-food processing:
 - Consistent and sufficient power supply (see initiatives on Energy)
 - Quality roads and sufficient security

Deliverables

- One Stop Shop functioning effectively

Recommended timeline

- 3 months

Stakeholders

- ASTC, FADAMA, PADP
- Grand Cereals, NASCO
- PLASMEDA
- Ministry of Commerce and Investment; Ministry of Justice
- Plateau State High Court of Justice

Resources

- Counterparty funding to World Bank investment proposal
- Funding to run promotion campaigns

Metrics

- % increase in investments along agribusiness value chain
- Number of newly established businesses



Potential quick-win

Agriculture

Case studies



Small Farmer Agriculture Cooperative in Nepal provided significant help to farmers to access finance, develop their business & improve their livelihoods



Context



Women-led Small Farmers Agro Cooperative Limited

- Est. in 2004, ~2000 members
- Provides financial & non-financial services to its farmers
- Affiliated with 2 institutions
 - NACCFL¹: Market access, capacity building & networking
 - SFDB² : Financial services



What did the cooperative do?

Adopted strict criteria for membership

- Entry fee requirement & must be a community member
- Ability to save a certain amount monthly

Strict screening of loan applications at each org. tier before approving low interest rate loans

Market linkage with NACCFL¹ provides tailored support e.g.

- Connecting farmers to buyers e.g. via a marketing dept. that helps connect to farmers to marketers in different cities in Nepal
- Technical & skills based training e.g. business plan development

SFDB² formed with group investments from co-op, GoN³, other commercial banks helps fulfill credit needs

- Mobilizes capital, savings & loans from comm. banks, donors, GoN³

1. Nepal Agricultural Cooperative Central Federation Limited and umbrella organization, 2. Small Farmers Development Bank, 3. Government of Nepal
Source: BCG Analysis



Nepal



Key successes

Access to micro loans which helped diversify rural livelihoods, increase incomes & business development

Won national award amongst 350 co-ops in the country

- Proper management of financial resources
 - 100% loan repayment
 - Developed sustainable culture of savings & loans investment
- Efficient governance system
 - Structured in a 3 tiered hierachal organization
 - Promotes democracy, consensus & cohesion within the group



Learnings for Plateau State

Ensure strict criteria to become member of co-op

- E.g. using financial buy-in & ability to save monthly criteria creates sense of responsibility & ownership
- Target most deserving farmers by doing surveys in community

Form partnerships with financial & non-financial organizations, DFIs

- To support co-ops grow, help farmers scale up and mobilize financial resources

Hierachal organizational structure for efficient decision making

- Ensures proper screening (e.g. loan approvals & other big decisions)
- Control of membership: ensure any break of contract will result in restricted access to benefits in the future



Kenya used contract farming to find markets for local products & ensure fair pricing



Context



A growing but fragile potato ecosystem

- Seed availability & quality a challenge for farmers
- Processors are unable to source sufficient quantities due to low yields
- Farmers have difficulty finding markets & fair prices for potatoes



What did Kenya do?

Launched contract farming scheme through the National Potato Council¹

- EAPC² acts as middle-man between farmers and potato processors
- EAPC² engages groups of farmers on a contractual basis to supply a set amount of potatoes by a specific date for a fixed price
 - All agreements require NPC¹ approval to ensure price fairness
 - Set price is maintained, even in the case of market fluctuations
- Farmers receive free high-quality seeds, fertilizers, and support services from EAPC² & in some cases directly from potato processors

Emergence of direct out-grower schemes among potato processors

- Some Kenyan potato processors introduced their own contract farming in to secure stable supplies
 - Similar to the EAPC² scheme, but cuts out the middle-man as well as the government supervision (likely offers a higher price)

1. A Public-private organization focused on developing the potato sector 2. East African Potato Consortium Set up by the NPC with international partners (AGRA and Grow Africa) to handle contract farming

Source: BCG Analysis



Kenya



Key successes

Easier access to industrial clients

- Farmers get access to markets & potato seed varieties required by processors
- Over 5 000 potato farmers have already signed up for the EAPC² contract farming scheme, and more than 22 000 are expected by 2020
- Lower risks of farmer exploitation through NPC's¹ involvement

Improved stability and higher revenues

- Farmers assured of stable sales and benefit from higher prices
 - Prices offered by processors per kg are twice higher than open-market prices (Sh45 vs Sh22)



Learnings for Plateau State

Introduce contract farming & a middle-man agency to monitor fair pricing

- Ensure adequate dissemination of info. on prices to enable fair pricing
 - Leveraging technology to share information
 - Incentivizing sharing of information between farmers
 - Encouraging & supporting contract farming schemes, which give visibility to farmers and to processors

Provide a clear and fair contractual relationship between stakeholders by setting appropriate policies

- Mechanisms to guarantee fair prices for farmers and processors



Malawi launched a certified seed growing program to improve yields and incomes across the legume value-chain



Context



Low seed quality hinders the development of the legume/beans sector

- Small-hold farmers rely on saved up seeds, which produce inconsistent/low yields
- Low seed volumes and demand deter seed sellers from introducing new varieties



What did Malawi do?

Developed a wide partnership with farmers to propagate new seed varieties

- Included small-hold farmers in seed production by working with NASFAM¹
 - Converted some small farmers into seed growers, by giving them certified seeds on credit for reproduction (for the first 2 years)
 - These growers were able to produce their own certified seeds and sell them to seed traders for a wider profit (Kw350 vs 250 per)
- Trainings and demonstrations were provided to farmers on how to produce and store high quality seeds

Created linkages between farmers and seed traders to market new varieties

- The farmer subsidy program² worked with seed traders to introduce any newly released certified seeds to growers and regular farmers

1. National Smallholder Association of Malawi, the largest farmer organization in the country 2. A national input support program that provides farmers subsidized seeds and fertilizers
Source: CGIAR; ICISAT; BCG analysis



Key successes

Improved farmers' yields and incomes

- Yields increased by 25-30% in the areas of implementation
 - For certain crops such as groundnuts, yields per hectare doubled
- Incomes among small-hold farmers using certified seeds increased by 30%

Boosted the market of certified seeds

- Certified seed sales and trade increased by ~15-20% annually
- More than 395 000 farmers were able to access certified seeds on a consistent basis



Learnings for Plateau State

Engage with key stakeholders to scale up adoption

- Include small farmers as part of the solution to scale up the adoption of new farming techniques/inputs
- In partnership with Universities, ASTC, etc. convert some small farmers into seed growers and link them to cooperatives

Ensure the creation of positive feedback loops

- Accompany market players in their efforts to become self-reliant during the post-launch phase
 - Ensure improved revenue of seed growers is used for the right purposes such as purchases more seeds to enable sustainable growth



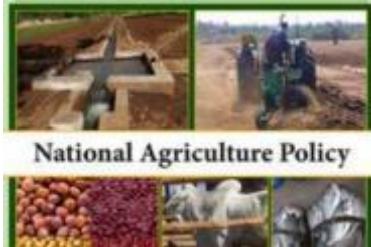
Malawi



The Malawi government created a national agriculture policy to address issues arising from having various incoherent sub policies that were uncoordinated



Context



National Agriculture Policy



What did Malawi do?

Government created a national agricultural policy

- To improve coherence across range of sub-sector policies
- To better coordinate their implementation
- Engaged with various stakeholders for buy in

Previous policy adapted dual approach

- Food self-sufficiency was main objective for smallholders
- Economic growth was main objective of medium-large scale farms

New policy recognizes need for more heterogeneous approach e.g.

- Now all farmers will benefit from public investments
- Help make all farmers move toward goal of moving beyond self-sufficiency for just food to commercial farming

Source: BCG Analysis



Key successes

Various stakeholders (e.g. private sector & donors) have bought in

- Although new, a lot of momentum surrounding the single vision
- Some donors referenced it to design new funding & programs
- Government departments already embedding it in their budgets

Having clear priorities & targets at national level makes it more achievable

- E.g. An entire chapter dedicated to implantation plans & specific parties who can take on ownership
- Government signaling it's clear about where it needs investments to grow sector



Learnings for Plateau State

Establish a clear & comprehensive Agriculture policy that will

- Help ensure focus on priority crops for processing
- Ensure several policy objectives are not conflicting
- Help with better coordination for implementation
- Improve communication and data sharing between MDAs
- Enhance sustainable management of agricultural resources
- Ensure positive contribution to agricultural development and to all agricultural players across value chain



Malawi



China restructured its TVETs to prepare future agricultural workers



Context

China's agriculture industry declined between 1980 and 2008, as the proportion of planting shrank even though that of fishery & forestry increased

2 major factors drove this situation:

- **Declining number of farmers:** ~200M farmers had dumped farming in favor of formal employment in cities and towns
- **Shortage of skills:** Current stock of farmers were unfamiliar with new agricultural technology, which hindered further employment



What did the Chinese government do?

Chinese government revised TVET's curriculum to focus on 3 major areas:

- **Practical student trainings** on present job demands
 - ~1/3 students received 11-15 hours of various skills training weekly
 - TVETs placed students with agricultural SMEs for internships
- **Career guidance** and advisory services
 - >50% of students across schools were satisfied with career counselling, and 90% believed it contributed to life planning
- **Integration of students & teachers into community agriculture efforts**
 - School resources were used to support 12 agricultural model villages
 - Teachers trained farmers in cultivation, pest control etc.

TVETs means Technical and Vocational Education and Training Colleges

1. Schools in focus are Xinjiang Agricultural Vocational Technical College, Nan Gong Vocational and Technical Education Centre, and Heilongjiang Nongken Vocational College

Source: World Bank; Media coverage; BCG



China



Key successes

- Students transitioned smoothly into agriculture sector
 - Majority of students pursued agriculture after schooling - ~90% employment rate of agricultural majors across the 3 schools
- Employers collaborated with schools to develop more TVETs
 - Xinjiang built a training centre for seed production and management majors, and developed eight training courses
 - Heilongjiang established province level school-enterprise cooperation group for food majors



Learnings for Plateau State

- Partner with schools to build a training centre for potato seed production, farming and processing
- Work with ASTC & FADAMA to identify skill gaps in the agricultural sector and partner with schools to adjust curriculum to include gaps
- Liaise with agro-processing companies e.g., NASCO, and communal farmers to offer students yearly one-month internship placements



Penang's government formed collaboration between government, industry & academic stakeholders to boost local agriculture processing industry



Context



- Developed international halaal hub
- Positioned as location of choice for halaal based food processing
 - Government worked with stakeholders to provide complete ecosystem
 - Land, infrastructure, services & incentives to investors



What did Penang State do?

PIHH² is the central point in sourcing ingredients for processing

- Strong linkages with local suppliers and other halaal parks in the region
- Local suppliers easily available-located near Juru agri. area

Dedicated agency¹ to spearhead promotion & development of hub

- Works in tandem with the States investment Promotion Agency

Penang State helped to build up industry ecosystem with stakeholders

- Dedicated 130 acres of prime land for the park
- Road, sea & air connections; positioned close to terminals
- Partnership with local universities for R&D

Attracted investors by offering

- Income tax, import duty & sales tax exemptions
- Policies that are conducive to FDI e.g.: 100% foreign ownership

1. Called Halaal Penang, 2. Penang International Halaal Hub, 3. As at 2013, 4. Dubai Airport Freezone Authority

Source: BCG Analysis



Key successes

Attracted large investments

- Both from local and global investors
- In diverse food processing sectors e.g.: cereals & meat
- Total investments in excess of USD 120MN
- More than 500 companies located in the hub³

Established international partnerships e.g:

- With DAFZA⁴ to support co's with access to fast growing markets

Set up entire halaal hub ecosystem thus establishing itself as a global halaal hub



Learnings for Plateau State

Locate food processing plants close to key agriculture sourcing areas & ensure good power, water and transport infrastructure in the area

- Close proximity and market linkages encourages use of local inputs
- Makes transporting raw materials easier, ease of exports as well

Have a dedicated agency to promote food processing industry

- Works with investment promotion agency to help secure & market industry

Government support to build up industry

- Investing in enabling infrastructure & forming partnerships

Offer attractive investment incentives e.g. fiscal incentives



Malaysia

Mining

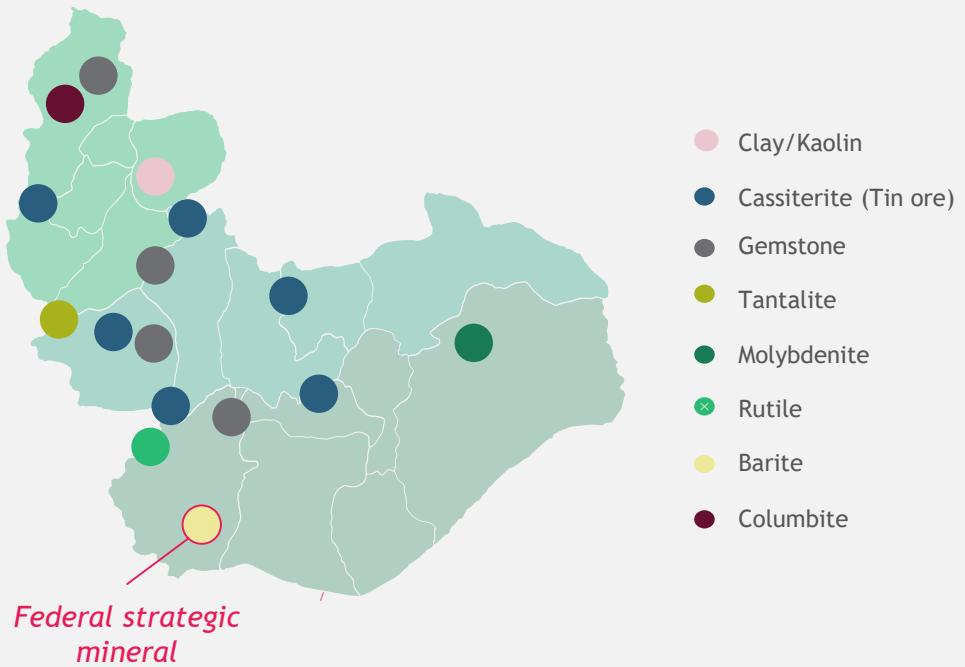
Goal

Increase revenue from
state-owned concessions
and fees



Plateau is blessed with generous mineral resources, especially in tin and columbite...

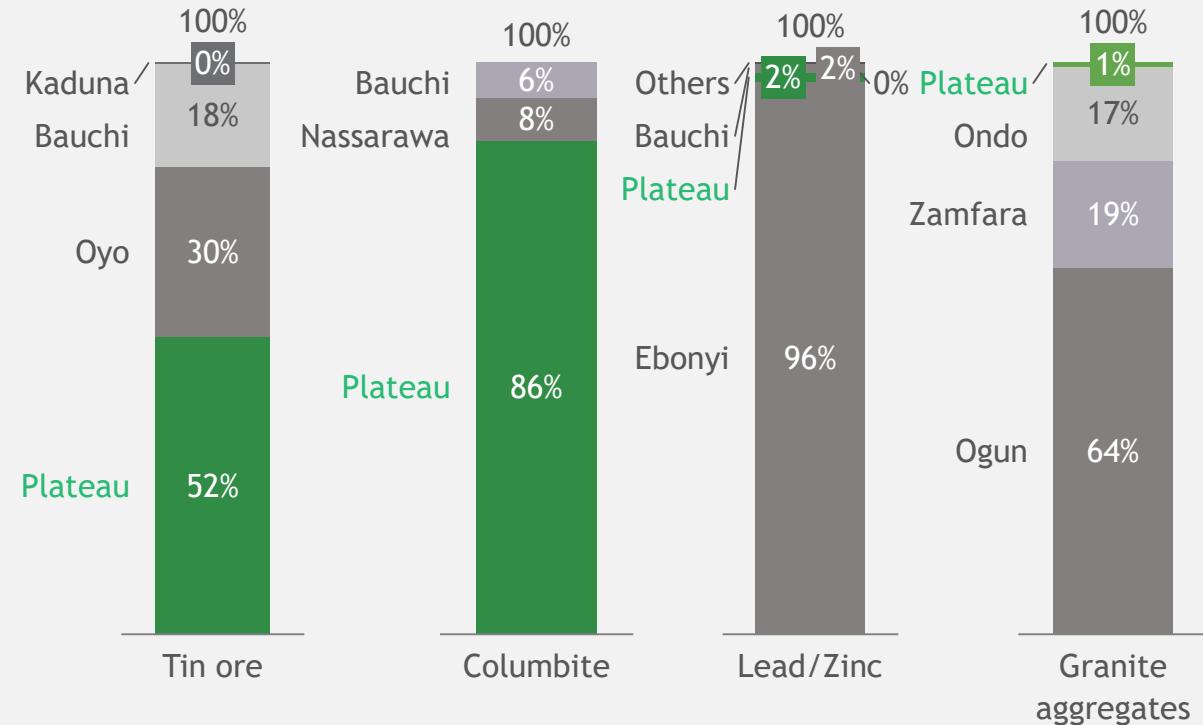
Multiple minerals currently mined in Plateau...



Lead/zinc mines not mapped by federal government, despite status as a strategic mineral

Note: All figures are from 2018
Source: National Bureau of Statistics

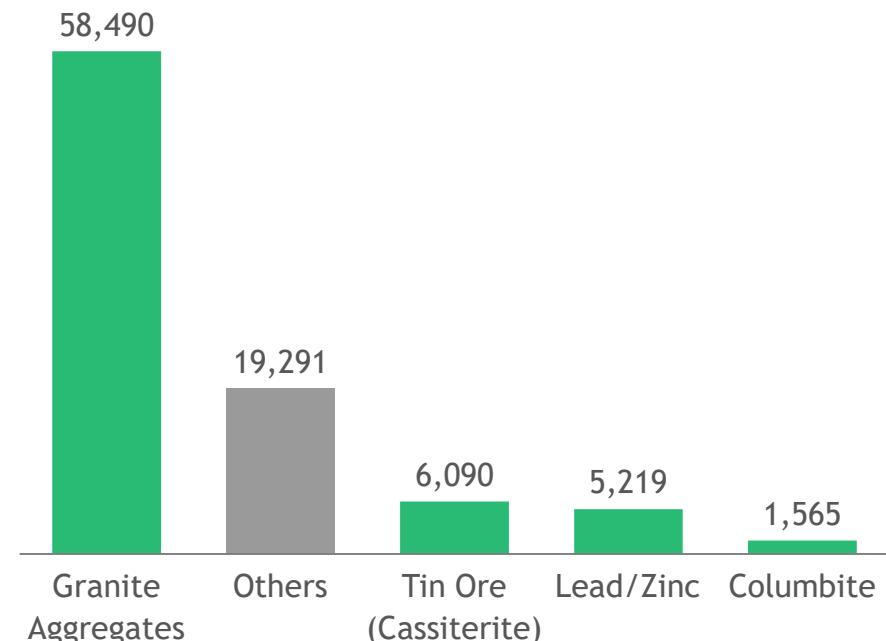
...with Plateau's tin and columbite accounting for most of Nigeria's total production by volume



Although granite is the most produced mineral in Plateau, tin and columbite are the key drivers of mining revenue

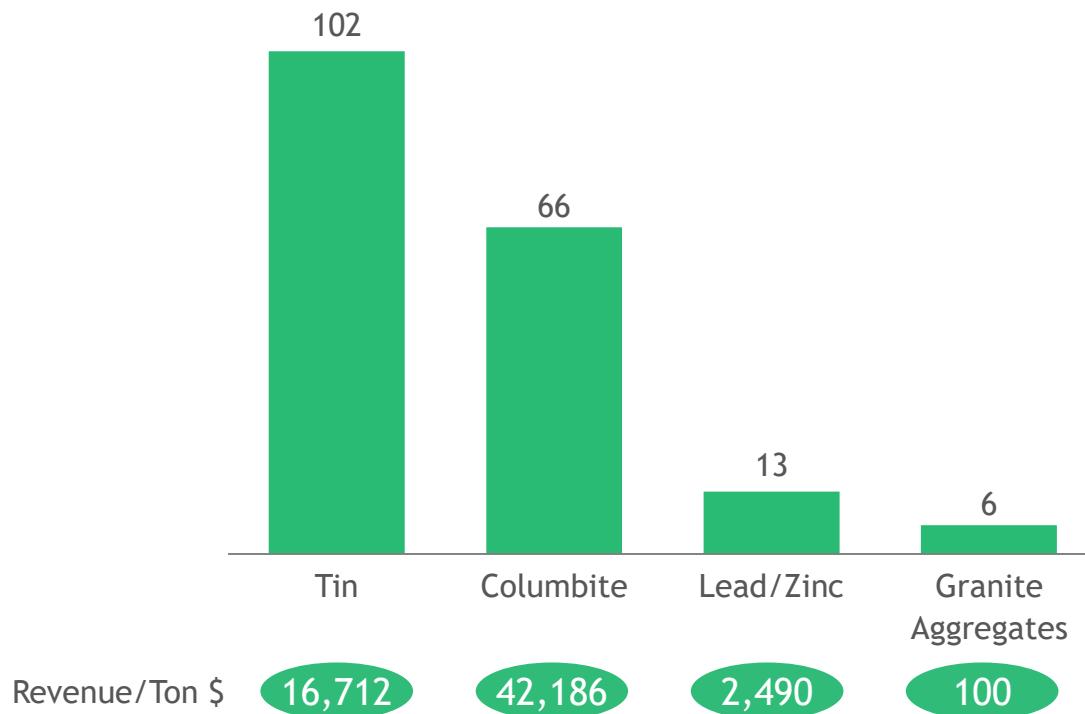
4 minerals make up ~79% of Plateau's mineral production...

2018 mineral production (Tons)



...with tin & columbite being the biggest contributors to Plateau's mining revenue¹

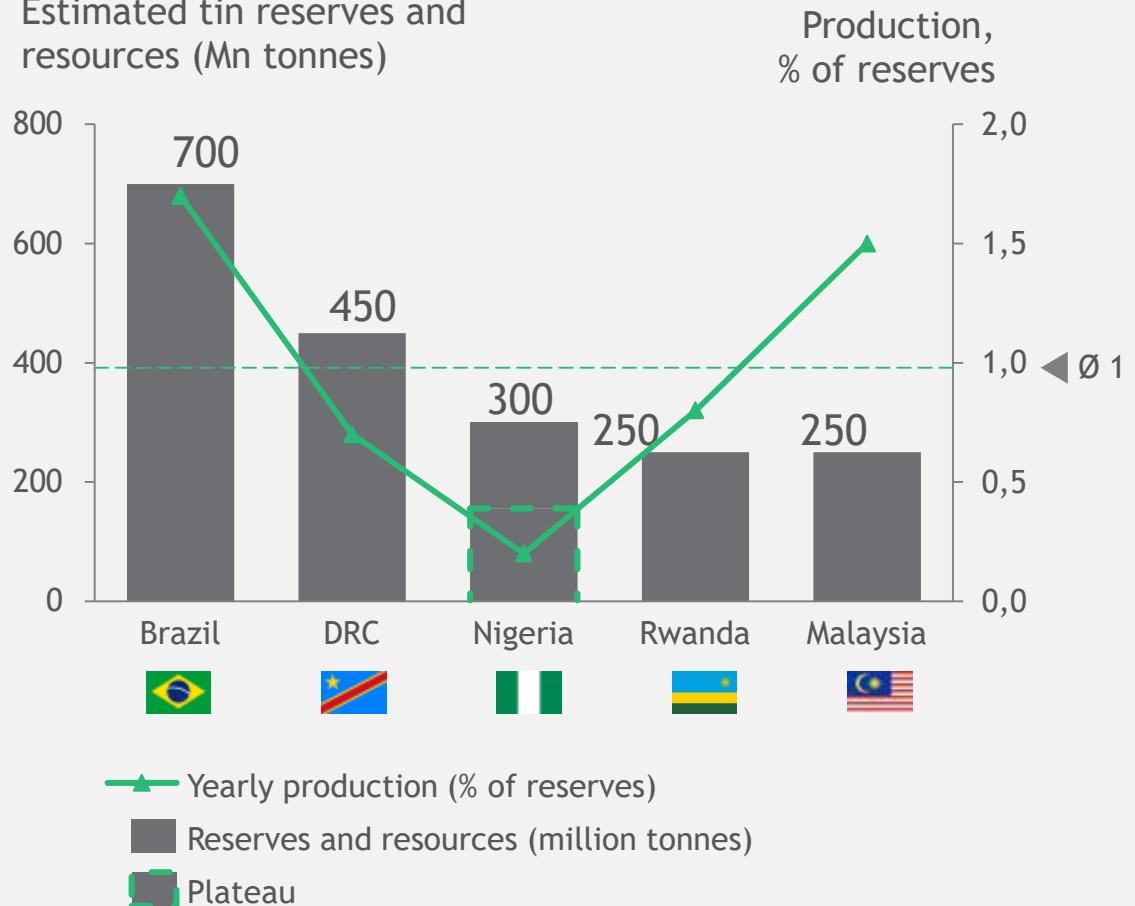
2018 Plateau revenue (USD Mn)



1. Revenue calculated based on Plateau's production and international mineral prices
Source: NBS; World Bank; Desktop Research; BCG Analysis

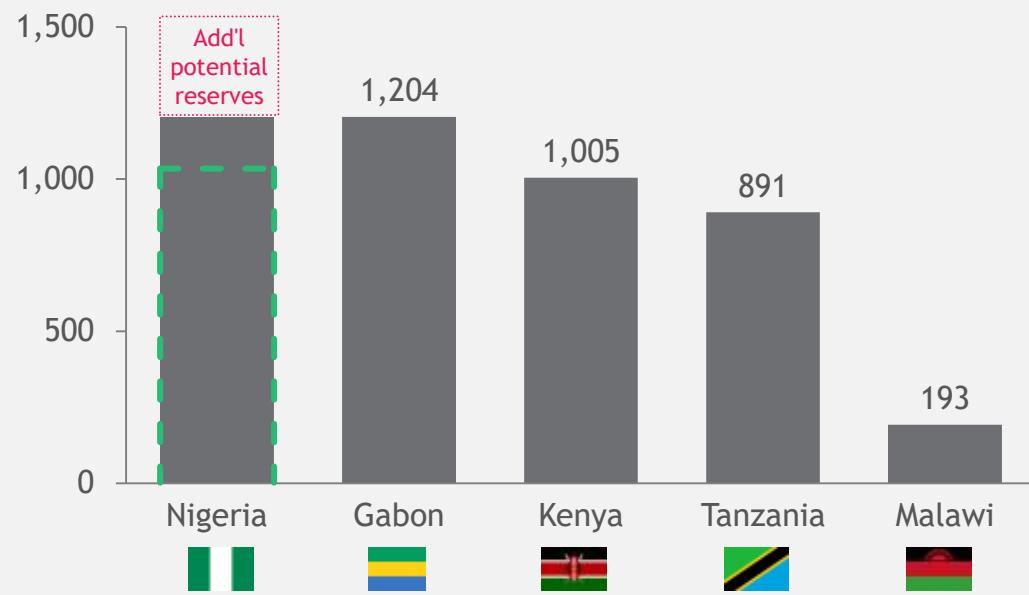
Compared to countries with similar reserves, Nigeria produces less tin and columbite than expected....

Estimated tin reserves and resources (Mn tonnes)



Production, % of reserves

Estimated columbite reserves and resources (Mn tonnes)



1. Scaled to a minimum of 0.2, maximum of 5. DRC's actual figure is 38, Rwanda is 29, Brazil is 146, Malaysia is 49, Malawi is 0.05 2. All figures in 2013

Source: SNL Metals and Mining; UN Comtrade; International Information and Engineering Technology Association (IIETA), United States Geological Survey (USGS) Minerals Resources Program,⁷⁶ CIA's World Fact Book

Potential revenue not fully captured due to lack of enforcement of existing fees

Multilayered set of taxes and fees...

Business	Registration (NGN)	Renewal (NGN)
Tin sheds/buying centers	50,000	30,000
Quarterly premise inspections	25,000	
State tipper association	50,000	30,000
Introductory fee/Indication of presence	50,000	30,000
Daily charge/tipper	500/trip	
Mineral traders	20,000	15,000
Artisanal miners	2,000/miner	1,000
Annual surface rent	30,000/Ha	
Haulage fee	17,000/ 30 ton truck	

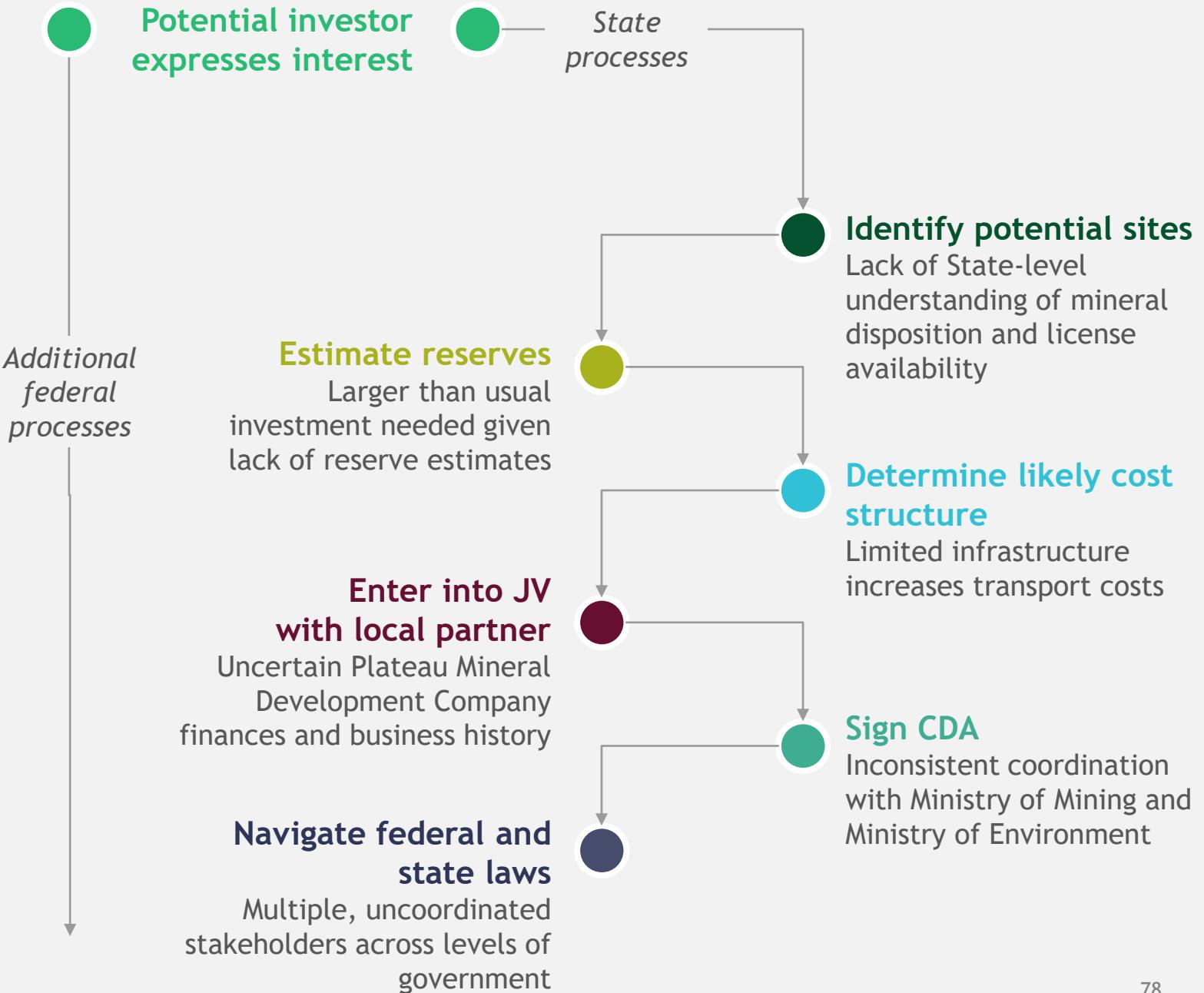
...complicated by inefficient collection

- State lacks complete information on land titling, mineral titling locations, and exact mineral dispositions
- Imprecise view of all currently operating mines
- Commercial registration and transport licensing done through different ministries, without tracking mining haulage
- Ore composition untested and taxed based on lower-value minerals (e.g., copper within lead ore)
- Lack of manpower and equipment to conduct spot inspections and regulate artisanal miner

Plus all federal fees



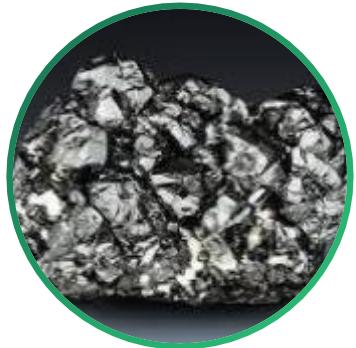
Complicated landscape for potential investors and multi-layer stakeholder management limits interest



How does
Plateau grow
GDP from the
mining sector?



In the short term Plateau should focus on...



Tin



Columbite

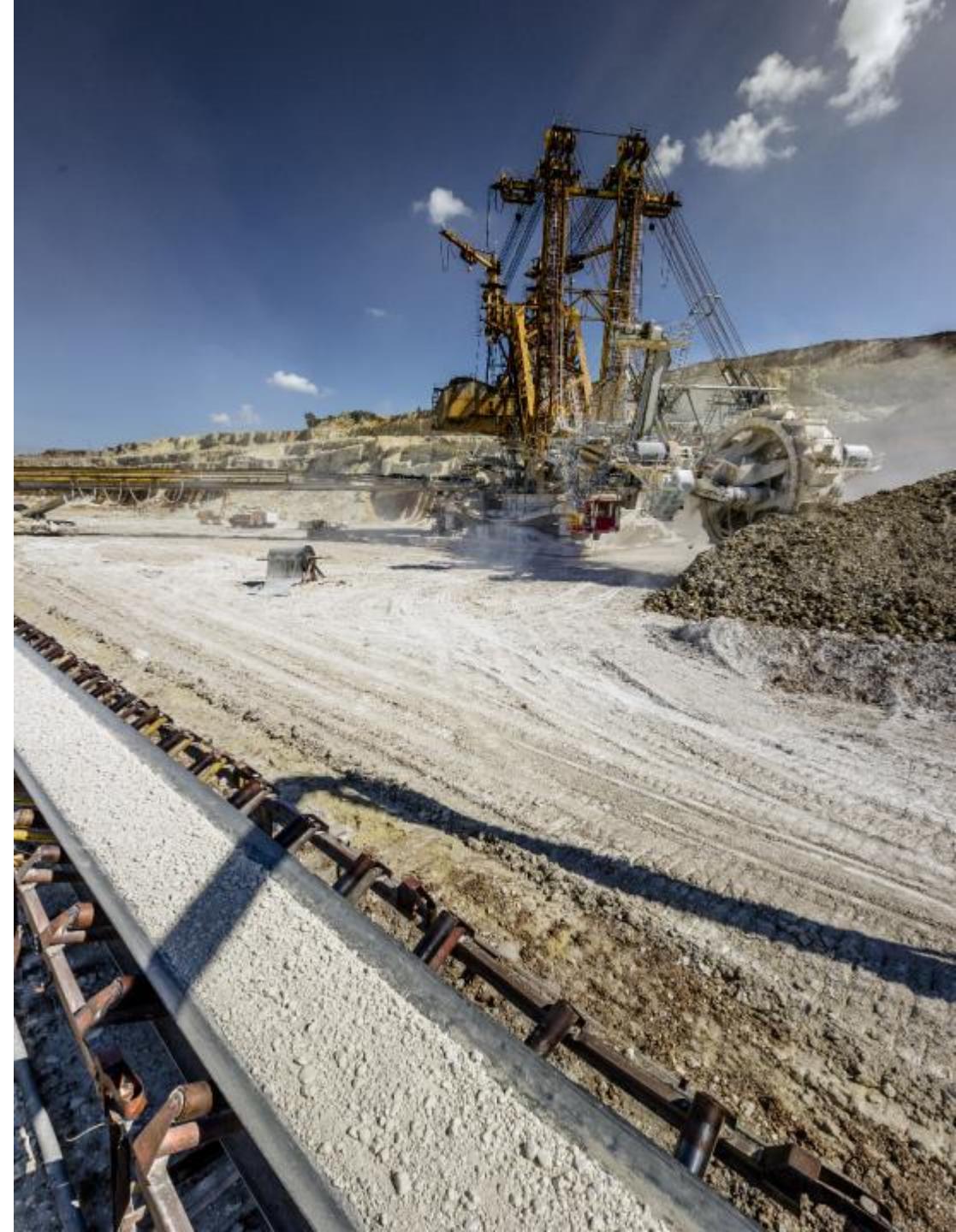
...and in the long term on



Lead/zinc



Gemstones



Four initiatives to improve the mining sector

Objectives



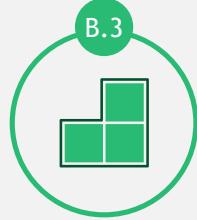
Maximize revenue collection

Improve revenue collection by **assessing current status** (operating status, fees and tax compliance etc.) of concessions, establishing a **comprehensive database on mining companies** operating in the state and improving process for **monitoring and evaluation** for noncompliance



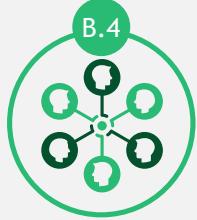
Improve attractiveness for investors

Improve **attractiveness** of upstream and downstream of value chain to investors through **fiscal incentives** (tax breaks, remittances etc.), quality infrastructure (guaranteed power supply) and improved **ease of doing business**



Maximize potential of PMDC¹

Accelerate clarification of PMDC's¹ financials, identify alternative joint venture structures to reduce perceived investor risk



Improve investors-community relations

Support community leaders in CDA process and ensure state ministry is involved in all CDA grants and monitors execution of CDAs

Mining

Detailed initiatives

Maximize revenue collection (I/II)

Initiative objective

- Assess current status of concessions and establish comprehensive database on mining companies
- Streamline and consolidate fees
- Improve process for monitoring and evaluation for noncompliance

Initiative Lead

- B.1.1, B.1.2 Ministry of Mineral Development
B.1.3 Board of Internal Revenue

Actions

B.1.1 Assess current status of concessions & create database of mining cos.:

- ✓ Work with Cadastral Office of the Federal Ministry and identify known mineral license holders and areas, available concessions, & operational sites
- ✓ Survey all held concessions and assess for operating status:
 - Correct haulage fees and surface rent are being paid
 - Work with IRS to determine payment status of fees and taxes
- ✓ Created a state registry (database) to record the ownership of all concessions
 - Work with Ministry of Lands, Survey and Town Planning to map to demarcate land parcels (digitally), with allocated ownership

B.1.2 Streamline haulage fees collection process:

- Implement yearly haulage fee structure based on production from sites and type of mineral transported
- Establish mechanism for collecting haulage tax in collaboration with the Board of Internal Revenue (including who is responsible for spot checks, final assessment and tax collection)
- Design path to electronic payment of haulage fees (i.e. create payment portal to be used and implemented with help of ICT)

Deliverables

- List of concessions, operating companies and operating status
- Tax compliance status of all operational mining companies
- Database of list of mining companies operating in the state
- New haulage fee structure implemented
- Mode of collecting fees and taxes identified and implemented

Recommended timeline

- 6 months
- 12 months
- 6 months
- 12-18 months
- 12-18 months



Maximize revenue collection (II/II)

Initiative objective

- Assess current status of concessions and establish comprehensive database on mining companies
- Streamline and consolidate fees
- Improve process for monitoring and evaluation for noncompliance

Initiative Lead

- B.1.1, B.1.2 Ministry of Mineral Development
B.1.3 Board of Internal Revenue

Actions

B.1.3 Improve process for monitoring and evaluation:

- Implement rotation of spot checks at concessions to assess licensing, registration of artisanal miners, haulage payments, etc. in cooperation with Federal agents and local efforts
- Create fee penalty for noncompliance with existing regulations

Deliverables

- Inspection schedule for mining sites

Recommended timeline

- 3 months

Stakeholders

- Ministry of Finance
- Ministry of Lands, Survey and Town Planning
- Ministry of Local government and chieftaincy affairs
- Local government councils
- Tax collection agents
- Plateau State ICT Development Agency

Resources

- ICT to develop/implement payment solution and database

Metrics

- % of fees collected
- % increase in revenue from fees

Improve attractiveness for investors (I/II)

Initiative objective

- Improve attractiveness of upstream and downstream of value chain to investors through fiscal incentives
- Improve quality of infrastructure (guaranteed power supply)
- Improved ease of doing business

Initiative Lead

- B.2.1 Ministry of Mineral Development
 B.2.2 PMDC
 B.2.3 Ministry of Commerce and Investment

Actions

B.2.1 Identify target sites, investors and develop investor packs

- ✓ Identify concessions with and without current operations, especially in tin and columbite, to be further explored by the state and develop a business case for investors
- ✓ Identify areas of high mineral concentration near existing infrastructure as potential sites for smelting and ore processing
- ✓ Define a long-list of 20+ potential extraction and processing investors and develop detailed profile for each
 - Develop customized pitch-book including benefits (such as cheap energy), PPP structures, production history of sites etc. for introductory meetings with investors
 - Maintain and update list of investors with high interest of investing in mining Examples of potential investors: Multiverse Plc., SBOG, Red mining etc.

B.2.2 Build promotion plan for investment opportunities

- Partner with One Stop Shop to develop investor outreach strategy
- ✓ Prepare marketing collaterals and promote opportunities to investors at events, 1-on-1 meetings etc.

B.2.3 Improve ease of doing business

- ✓ Integrate the One-Stop-Shop under the Office of the Governor:
 - Prioritize implementation of the One Stop Shop (OSS) by the Office of the Governor, by holding the Ministry of Commerce accountable for ensuring all key state and federal MDAs are integrated into OSS in a timely manner
 - Ensure the Ministry of Mineral Development works with Ministry of Commerce to streamline all registration processes (see next pg.)

Deliverables

- List of priority sites, target investors and Pitch book
- Marketing campaign to attract investors rolled out
- One Stop Shop functioning effectively

Recommended timeline

- 9 months
- 3 months
- 3 months



Improve attractiveness for investors (II/II)

Initiative objective

- Improve attractiveness of upstream and downstream of value chain to investors through fiscal incentives
- Improve quality of infrastructure (guaranteed power supply)
- Improved ease of doing business

Initiative Lead

- B.2.1 Ministry of Mineral Development
- B.2.2 PMDC
- B.2.3 Ministry of Commerce and Investment

Actions

- ✓ Streamline registration and certification processes:
 - Streamline and reduce the time to register a business
 - For potential JVs identified by PMDC, map out PMDC's role as point of contact and liaison for investors to navigate state & federal government
- ✓ Identify and offer investment incentives such as:
 - Exemptions on sales tax, property tax, right of occupancy fees etc.
 - Access to land at competitive prices and free land registration
 - Subsidized tariffs for power through NESCO
- Work with BOI (or other DFIs/FIs), PLASMEDA, to improve access to financing to investors incl. favorable interest rates, non-collateral loans etc.
- Implement alternative dispute resolution process when disagreements ensue involving companies in the mining sector
- Work with Ministry of Works and Ministry of Energy to identify primary locations for roads and power improvements to increase mining and processing of tin and columbite:
 - Fund the development of infrastructure through PPPs between Government, DFI and Private sector organisation

Deliverables

- List of incentives
- Clear guidelines on dispute resolution process
- List of priority infrastructure developments to support mining industry

Recommended timeline

- 3 months
- 6 months
- 6 months

Stakeholders

- Ministry of Commerce and Investment;
- Plateau State ICT Development Agency
- Ministry of Mineral Development
- PMDC
- Ministry of Finance
- PLASMEDA

Resources

- Consultant to develop marketing strategy
- Financing capital for investors and infrastructure

Metrics

- % increase in investment
- Number of newly established businesses
- Time to register business reduced to <21 days



Potential quick-win



Maximize potential of PMDC (I/II)

Initiative objective

- Accelerate clarification of PMDC financials
- Identify alternative joint venture structures to reduce perceived investor risk

Initiative Lead

B.3.1, B.3.3, B.3.4 PMDC

B.3.2 Office of the Governor

Actions

B.3.1 Accelerate clarification of PMDC financials

- State government should prioritize funds for share capital in PMDC

B.3.2 Build technical competency of PMDC

- State government should allocate funds to PMDC to recruit more technical adept staff and train current staff
- Partner with Plateau's tertiary institutions to provide internships for graduates

B.3.3 Prioritize concessions PMDC prefers to capture (both currently available and non-compliant concessions)

- Request revoke of license for priority list and request concession for PMDC

B.3.4 Define business plan and identify alternative joint venture structures between PMDC and investors to reduce perceived investor risk:

- Develop a business plan where PMDC identifies quick wins in the downstream sector (establishment of tin/columbite buying centers, tin sheds, etc.) and long term plan to expand into gemstones
 - Set up buying centres for artisanal miners near processing sites and make them attractive by setting up testing & purification facilities in these centre
- Find partners for JV with PMDC, where PMDC primarily holds licenses

Deliverables

- PMDC financials finalized
- Plan for internships with tertiary students and grads
- List of priority concessions
- PMDC Business Plan with Joint venture structures identified

Recommended timeline

- 12 months
- 6 months
- 6 months
- 6 - 12 months



Maximize potential of PMDC (II/II)

Initiative objective

- Accelerate clarification of PMDC financials
- Identify alternative joint venture structures to reduce perceived investor risk

Initiative Lead

B.3.1, B.3.3, B.3.4 PMDC

B.3.2 Office of the Governor

Stakeholders

- Ministry of Mineral Development
- PMDC
- PLASMEDA

Resources

- Auditors to help construct PMDC financials

Metrics

- PMDC financials finalized - Yes/No
- % of mining companies active and included database
- No. of PMDC JVs created





Improve investors-community relations

Initiative objective

- Support community leaders in CDA process
- Ensure state ministry is involved in all CDA grants and monitors execution of CDAs

Initiative Lead

Ministry of Mineral Development

Actions

B.4.1 Ensure coordination between Federal government and State government on objectives and expectations from CDAs

- Obtain copies of all current CDAs from Federal government
 - Check quarterly for new potential relevant mineral licensees or new CDAs

B.4.2 Support community leaders in CDA process

- Awareness campaign aimed at sensitizing local chiefs and processing companies on the state's policy on creation of CDAs
 - Ensure local chiefs are given support in CDA process for potential concessions
 - Ministry of Mineral Development to serve as intermediary between local chiefs and mining companies to ensure fairness

B.4.3 Control execution of CDAs

- Ensure State Ministry is involved in all CDA grants and monitors execution of CDAs through coordination with Federal Ministry and Ministry of Environment
- Monitor execution of CDAs and create legislation for concessions when CDAs are ignored/breached (e.g. Penalty for breach of contract)

Deliverables

- List of all current CDAs

Recommended timeline

- 3 months

- Ministry involved in all new CDAs
- Penalty for any breaches of CDA defined

- 6 - 12 months
- 6 - 12 months

Stakeholders

- Ministry of Mineral Development
- Ministry of Local government and chieftaincy affairs
- Local government councils
- Ministry of Justice

Resources

- N/A

Metrics

- % of CDAs state ministry is involved in
- % of sites in compliance with CDAs

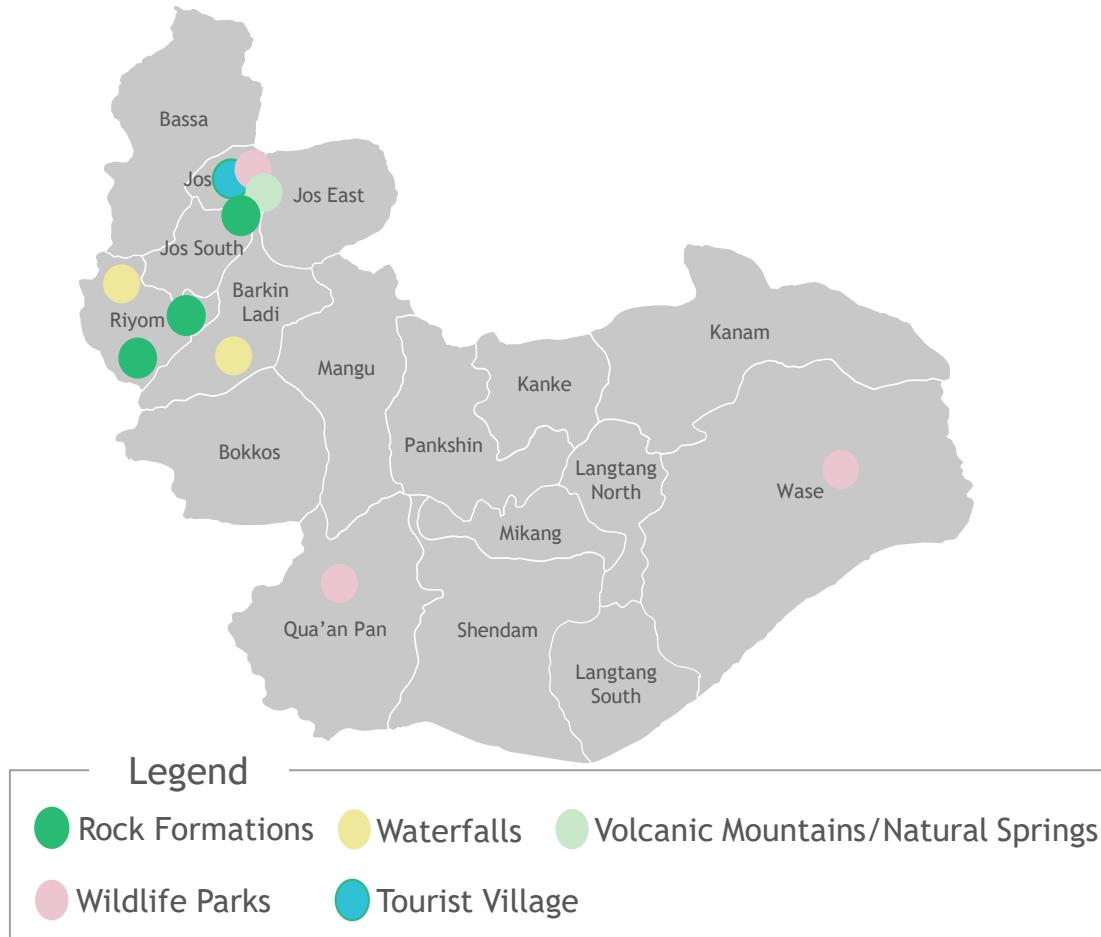
Tourism

Goal

Develop environment for
private tourism investment



Plateau is endowed with multiple tourist attractions, mainly in the northern end of the state



Rock Formations

- Shere Hills, Riyom Rock, Kahwang Basalt Rock Formation



Waterfalls

- Assop Falls, Kurra Falls



Volcanic Mountains/Natural Springs

- Kurang Volcanic Mountain



Wildlife Parks

- Jos Wildlife Park, Pandam Game Reserve, Wase Rock Game Reserve



Tourist Village

- Mado Tourist Village



Cultural festivals

- Wushiri, Afrizere, Nzem Berum festivals etc.

Its unique rock formations and wildlife park have long attracted visitors within Nigeria



Jos Wildlife Park



Wase Rock



Assop Falls

However, Plateau has been unable to maximize tourism's potential due to a number of factors

1

No **defined strategy** to monetize the sector

- Lack of a defined strategy to develop the sector, & attract investment
- Lack of communication strategy: No clarity on target customers, hence a mass marketing approach that yields minimal results
- No clear view of ownership of potential sites
- No promotion strategy to attract investors
- Complicated interface between Tourism Agency and Ministry of Tourism delay negotiations with potential investors

2

Abandoned or dilapidated tourist sites due to lack of funding

- Lack of government funding makes it difficult to develop tourist sites to basic enough level to attract private sector investment
- Mado Tourist Village and Wase Rock Game Reserve are currently dormant
- Jos Wildlife Park faces cash flow difficulties with paying suppliers & game personnel, upgrading assets etc.

3

Lack of **infrastructure**

- Road infrastructure and flight networks make it difficult for tourists to access Plateau and its tourist sites
- Jos Wildlife Park lacks basic security infrastructure (e.g. fencing), leading to illegal poaching, mining, tree-felling, illegal farming etc.
- Lack of funding for other supporting infrastructure (e.g., hotels, site security)



Four primary prerequisites typically enable tourism development



Connectivity

- Air, Land, Sea

Quality & availability of infrastructure

- Hotels
- Restaurants etc.

Quality of cultural & tourist offerings

- Natural and cultural resources (e.g. mountains, wildlife parks etc.)

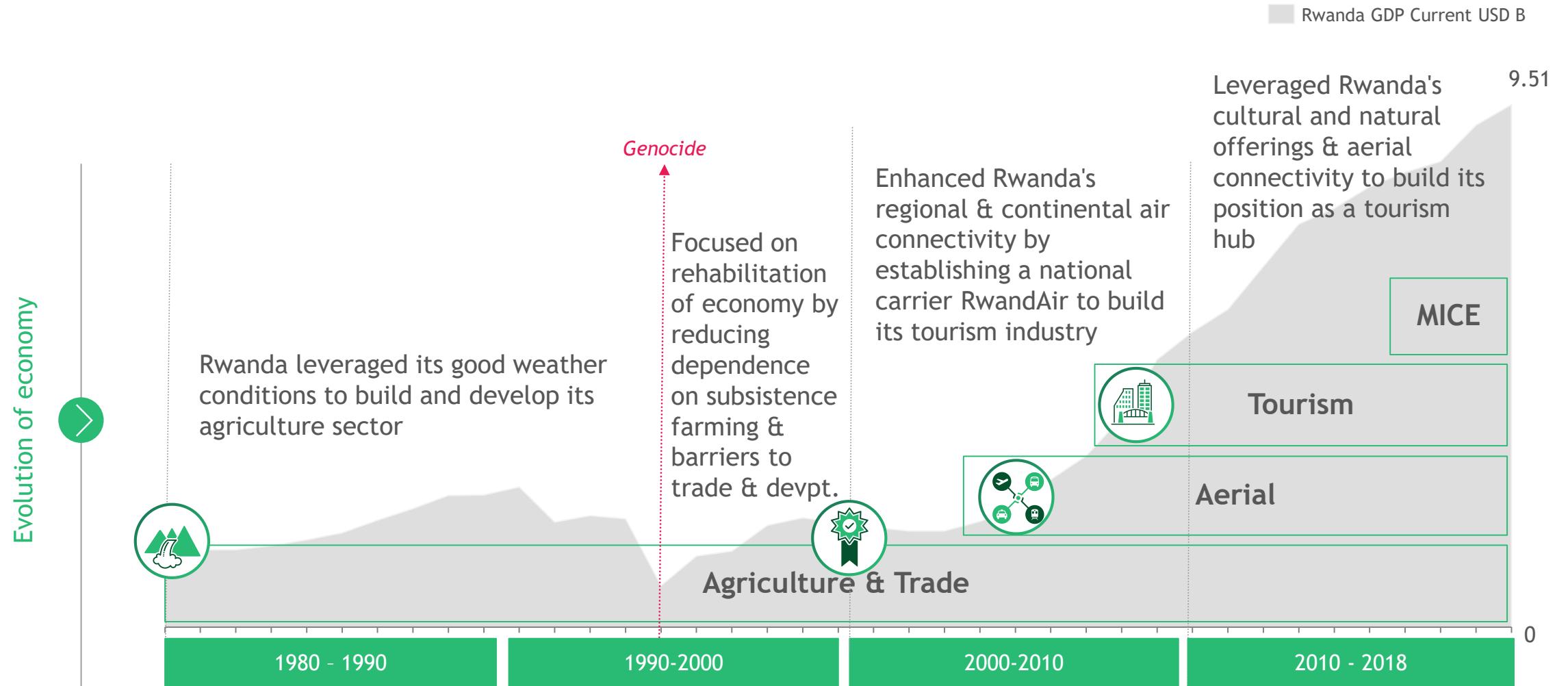
Enabling environment

- Favorable business and labor regulation
- Political & Social Stability



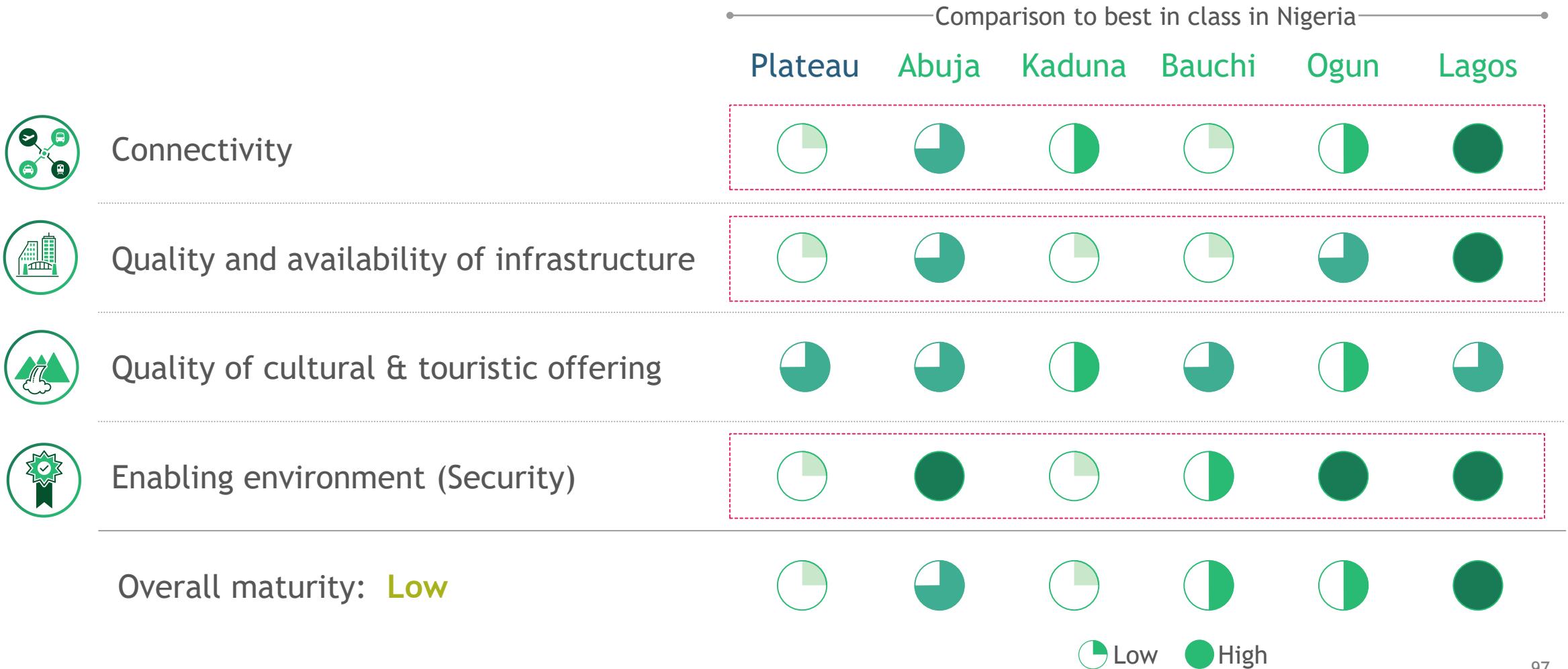
Benchmark: Rwanda has grown its tourism industry and GDP by evolving from a agriculture and trade center and developing its connectivity

Non-exhaustive



Note: MICE - Meetings, Incentives, Conferences, and Exhibitions

Plateau State is lagging behind its peers in most of the four key prerequisites



Benchmark: Olumo Rock

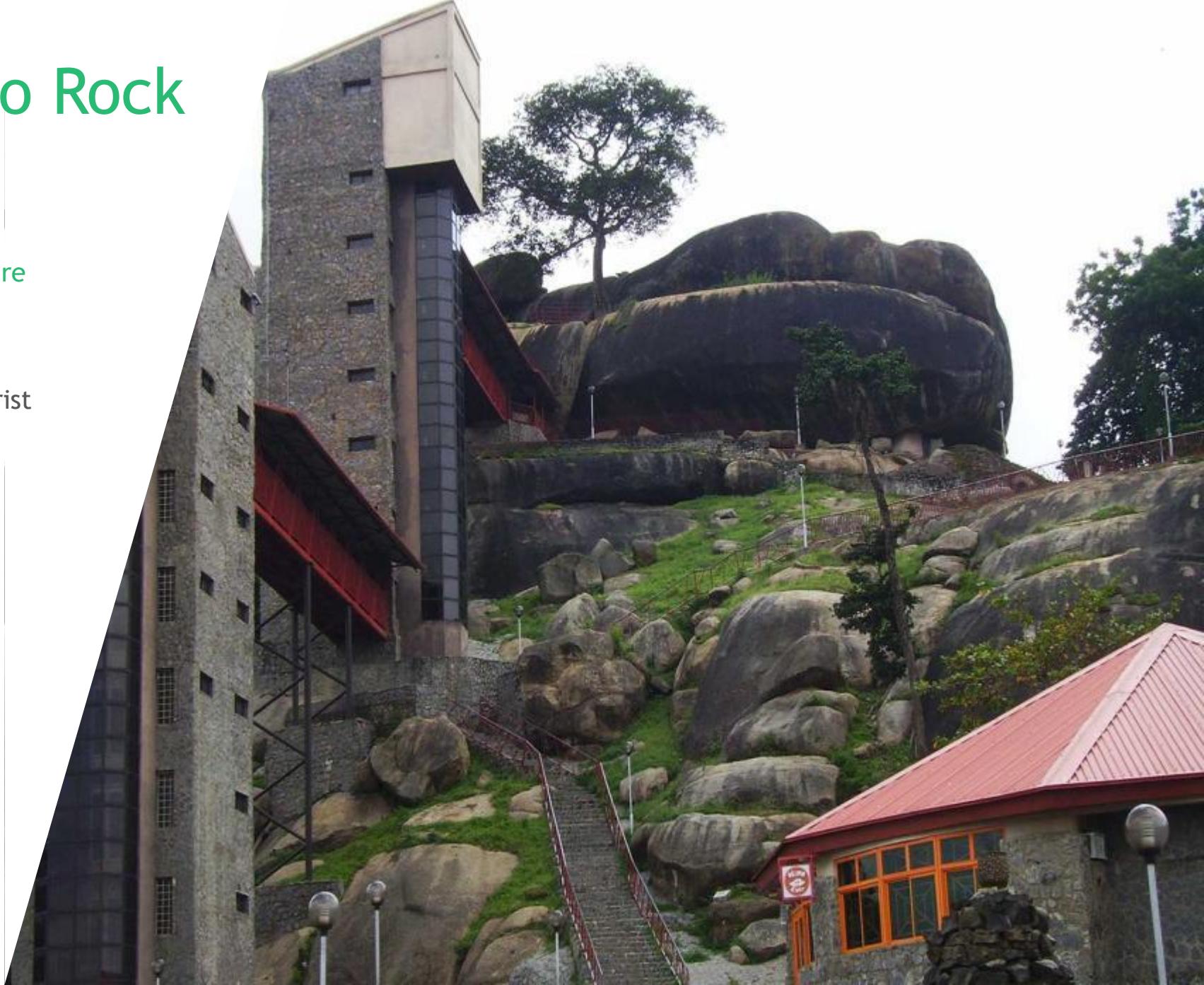
Ogun State

About

- The state gov't developed infrastructure and policies that encouraged private sector development of hotels and restaurants around the Olumo Rock
- It is now one of the more popular tourist destinations in Nigeria

Key success factors

- **Accessibility:** <2 hours drive from Lagos state
- **Infrastructure:** to support tourist activities such as hotels, restaurants, a museum and art and artefacts shops onsite etc.
- **Experience:** Availability of tour guides on site to provide an enriching experience to guests
- **Marketing:** Tours are marketed through travel websites such as Viator, TripAdvisor etc.



How does
Plateau grow
GDP from the
tourism sector?





Three initiatives to improve tourism

Objectives



Develop priority locations that have the most potential

Develop market for tourism: **prioritize sites for investment** to attract tourists e.g. sites near Plateau North, and **develop critical infrastructure** required to support sector (water, power supply, roads, security)



Improve attractiveness for investors

Improve attractiveness of **both tourism and hospitality industry** to investors by **offering incentives**, such as tax exemptions, remittance of profit etc., to tourism companies



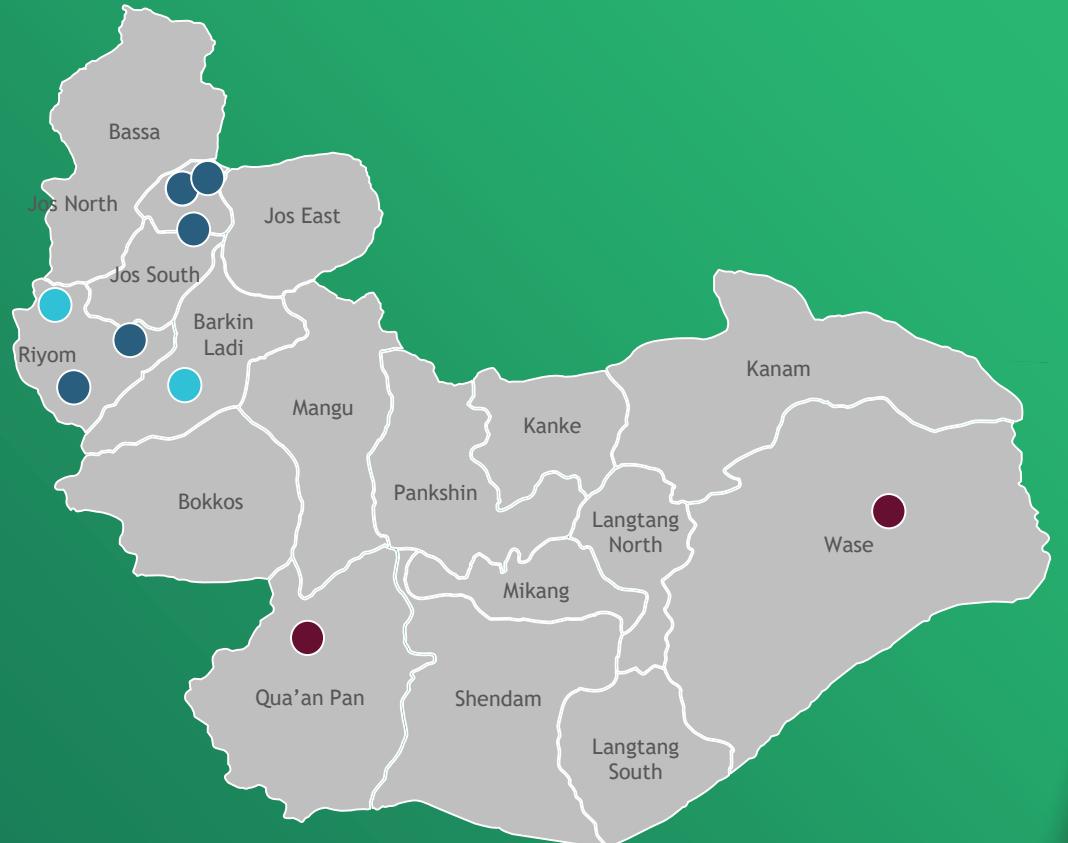
Launch a targeted marketing strategy

Define **target customer segments** (families, couples, outdoor enthusiasts etc.) and develop targeted **marketing campaigns** to improve **branding and positioning** of Plateau as a destination of choice and not a place of conflict

Plateau should concentrate investments to maximize benefits to multiple sites...

- Prioritize clustered sites in close proximity to one another with existing infrastructure (e.g., those close to Jos town center and airport)
- Concentrate increased security around these clustered areas
- Improve infrastructure near these clusters
- Offer tour packages across clusters of sites
- Grow a reputation for safe and fun tourist visits, then build from there

...and expand with time



Example prioritization plan for tourism development

- **Wave 1**
 - Shere Hills, Riyom Rock, Assop Falls, Jos Wildlife Park, Mado Tourist Village
- **Wave 2**
 - Kurra Falls, Kahwang Basalt Rock Formation
- **Other waves**
 - Pandam Game Reserve, Wase Rock Game Reserve etc.
 - Expand to new ventures (e.g., Resorts, Amusement parks etc.)

Improving infrastructure and providing security and other incentives will enable investments into tourism industry



Connected infrastructure

- Easy, safe connections from the airport
- Roads in good condition between primary tourist sites around Jos



Assured security

- Security presence around tourist sites, routes to and from airports
- Reduced violent incidents and reduction of loss of life and property



Attractive incentives

- Tax exemptions
- Streamlined business registration
- Access to financing
- Reduced land prices



Increased likelihood of private sector investments (e.g., hotels, privatized sites)



Several tourist archetypes exist for a tour company expanding into Plateau

Example of target tourist archetypes

1



The adventurers

2



Groups/families

3



The lovers

Example Initiatives
to be developed¹

Shere Hills: Develop to attract mountain climbers, hikers and thrill seekers. Also, ensure tour guides are present on site for tourists

Riyom rock and Assop Falls: Create joint package tours of Riyom and Assop falls for tourists looking for the perfect nature-inspired pictures

Jos Wildlife Park: Develop for family, friends or couples as a place they can have a picnic and learn a thing or two about wildlife. Partner with Ministry of Women Affairs and Social Development to allow women sell handcrafted items such as stuffed animals, souvenirs etc.

Create on week long “Peace Festival”: consolidate various current cultural days and complement with events like music performances, competitions for youth etc. in conjunction with Jos wildlife park

Suitable to all three archetypes

1. Based on proximity to Jos Town

Detailed initiatives



C.1

Develop priority sites that demonstrate potential (I/II)

Initiative objective

- Develop market for tourism: prioritize sites for investment to attract tourists e.g., sites near Plateau North
- Develop critical infrastructure required to support sector (water, power supply, roads, security)

Initiative Lead

Ministry of Tourism

Actions

C.1.1 Identify clustered, high-potential sites for potential investment

- ✓ Survey potential sites for development (see back up slide) and create a list of ~5 priority sites and events to be developed to attract tourists. Prioritize based on distance from Jos town and build further out. i.e. furthest places are lower priority
- ✓ Verify current ownership of sites and transfer ownership of govt held sites from the ministry to the tourism agency, and after prioritization, offer cash and resettlement help to purchase sites currently held by individuals
- ✓ Ensure specific tourist areas are included in the zoning law, and that the law is gazetted, to prevent people from building on them

C.1.2 Build up infrastructure & services to support tourism activities

- Confirm viability of sites for development and develop a business case for investors and submit to Ministry of Tourism for approval
- Prioritize improvement of basic infrastructure in prioritized sites such as:
 - Roads to and from Plateau state and priority tourist sites (see initiatives on Roads and Transport, E.1)
 - Consistent and sufficient power supply (see initiatives E.4 and E.5)
 - Hospitality: incentivize development of hotels by hotel chains prominent in Nigeria such as Golden Tulip, Tsogo Sun, Protea Hotels (by Marriott), Wheatbaker etc. (See incentives in initiative 2)
 - Attract SMEs to open businesses (Souvenir shops, restaurants etc.) around key sites
 - Link up tour groups with Operation Rainbow for additional security

Deliverables

- Long list of priority sites and events for further development
- Locations for development validated; Business plans developed and approved
- List of priority infrastructure developments to support tourist offerings

Recommended timeline

- 2 months
- 6 months
- 6-12 months





Develop priority sites that demonstrate potential (II/II)

Initiative objective

- Develop market for tourism: prioritize sites for investment to attract tourists e.g., sites near Plateau North
- Develop critical infrastructure required to support sector (water, power supply, roads, security)

Initiative Lead

Ministry of Tourism

Actions

- Create program to certify tour guides at key tourist sites
 - Seek alternative forms of financing infrastructure through PPPs between Government, DFI and Private sector organisations

Deliverables

- Certified tour guides
- Improved security patrols near tourist sites

Recommended timeline

- 3 months

Stakeholders

- Ministry of Tourism
- Tourism Agency
- Ministry of Commerce and Investment
- Office of the Governor

Resources

Metrics

- List of priority sites for development and required supporting infrastructure completed (Yes or No)
- Number of certified tour guides



Improve attractiveness for investors (I/II)

Initiative objective

- Improve attractiveness of both tourism and hospitality industry to investors by offering incentives, such as Tax exemptions, remittance of profit etc., to Tourism companies

Initiative Lead

C.2.1, C.2.2 Ministry of Tourism

C.2.3 Ministry of Commerce and Investment

Actions

C.2.1 Identify target investors (Tourism companies, Hotels, Entertainment companies) and develop investor packs

- ✓ Develop value-propositions and incentive packages. Examples of incentives: Free land registration, low cost leases, tax exemptions etc.
- Define a long-list of 20+ potential investors and develop detailed profile for each
- Gauge interest and maintain list of investors with high interest of investing in tourism in Plateau state
- Examples of potential investors:
 - Hospitality companies that own, manage and franchise hotels, resorts and vacation properties: Golden Tulip hotels, Wheatbaker hotel etc.
 - Entertainment companies: Solution Media and Infotech Limited (Owners of Hi-Impact amusement park in Lagos)

C.2.2 Build promotion plan for investment opportunities identified

- Tailor investment attraction activities to each type of investor
- Identify potential conferences and large-scale meetings which Jos could host as a central location
- Attend trade shows, organize a local investor weekend for tourism, update the Plateau website and showcase various potential attractions
- ✓ Prepare marketing collaterals and promote opportunities to investors online, at events, roadshows, 1-on-1 meetings
- Connect potential investors to local financing institutions (PLASMEDA)
- Organize site visits for investors and meetings with key stakeholders

Deliverables

- List of target investors
- Investor packages on tourism in Plateau state
- List of incentives accessible to investors
- Marketing campaign to attract investors rolled out

Recommended timeline

- 2 months
- 6 months
- 6 months
- Ongoing





Improve attractiveness for investors (II/II)

Initiative objective

- Improve attractiveness of both tourism and hospitality industry to investors by offering incentives, such as Tax exemptions, remittance of profit etc., to Tourism companies

Initiative Lead

C.2.1, C.2.2 Ministry of Tourism

C.2.3 Ministry of Commerce and Investment

Actions

C.2.3 Improve ease of doing business

- Prioritize implementation of One Stop Shop by the Office of the Governor, by holding the Ministry of Commerce accountable to streamline and reduce the time to register a business and promote investments in the state
- Improve coordination between Min. of Commerce and Board of Internal Revenue for hotel registration, fees collection and implementation of e-payment solution
- Work with PLASMEDA to provide financing to SMEs to setup businesses in key tourist location, including favorable interest rates, non-collateral loans etc.
- Improve coordination and collaboration between Tourism Agency and Ministry of Tourism by instituting oversight of their operations from Office of Governor
- Implement alternative dispute resolution process when disagreements ensue (e.g., potential land disputes with locals relating to ownership of land close to tourist sites)

Deliverables

- One Stop Shop functioning effectively
- Improved collaboration between Tourism Agency and Ministry of Tourism
- Clear guidelines on dispute resolution process

Recommended timeline

- 3 months

- 3 months

- 6 months

Stakeholders

- Ministry of Tourism; Tourism Agency
- Ministry of Commerce and Investment
- ICT
- Office of the Governor
- Board of Internal Revenue
- PLASMEDA

Resources

- Consultant to develop marketing strategy

Metrics

- % increase in investment
- Number of newly established businesses
- Time to register business reduced to <21 days



Launch a targeted marketing strategy (I/II)

Initiative objective

- Define target customer segments (families, couples, outdoor-enthusiasts etc.)
- Develop targeted marketing campaign to improve branding and positioning of Plateau as a destination of choice and not a place of conflict

Initiative Lead

Ministry of Tourism

Actions

C.3.1 Define target customer segment interests (See back up slides)

- ✓ Gather different individuals that are representative of each archetype to test out some of the priority ideas (output in Initiative 1)
- ✓ Gauge interest of each archetype in the various ideas (output of initiative 1) to be developed and identify most interested segments (This could also be done through a survey)
- ✓ Develop value propositions and customized incentive packages for customers
 - e.g. Create a loyalty program linked to benefits such as free airtime, points that can be used on local flights etc.
 - Festivals can be combined into a week-long events to attract tourists
- Maintain database of customers for targeted marketing in the future

C.3.2 Build marketing plan to rebrand Plateau state as the destination of choice for local tourists looking for a low cost get away in Nigeria

- ✓ Prepare marketing collaterals and promote opportunities to customers online (Jumia travel, Trip advisor, Instagram etc.), and at events
- ✓ Tailor marketing campaigns to attract all priority customer archetypes (see back up slide for archetypes)
- Partner with well known organisations, such as airlines, to market and raise awareness of tourist offerings
- ✓ Create a calendar of all the various cultural festivals in the state to showcase to tourists
- Partner with popular events, such as the Governor's golf tournament, Hiking club etc., to attract participant to explore tourist sites in Plateau
- Lobby conference and meeting organizers to come to Plateau for high profile domestic business events

Deliverables

- List of target customer interests
- Incentive packages created
- Database of tourists created
- Marketing campaign to attract investors rolled out
- Active Plateau Instagram account and website

Recommended timeline

- 3 months
- 6-12 months
- 3 months
- Ongoing
- 1 month



Launch a targeted marketing strategy (II/II)

Initiative objective

- Define target customer segments (families, couples, outdoor-enthusiasts etc.)
- Develop targeted marketing campaign to improve branding and positioning of Plateau as a destination of choice and not a place of conflict

Initiative Lead

Ministry of Tourism

Stakeholders

- Ministry of Tourism; Tourism Agency
- Plateau State ICT Development Agency
- Office of the Governor
- PLASMEDA

Resources

- Funding to develop key sites, to develop website

Metrics

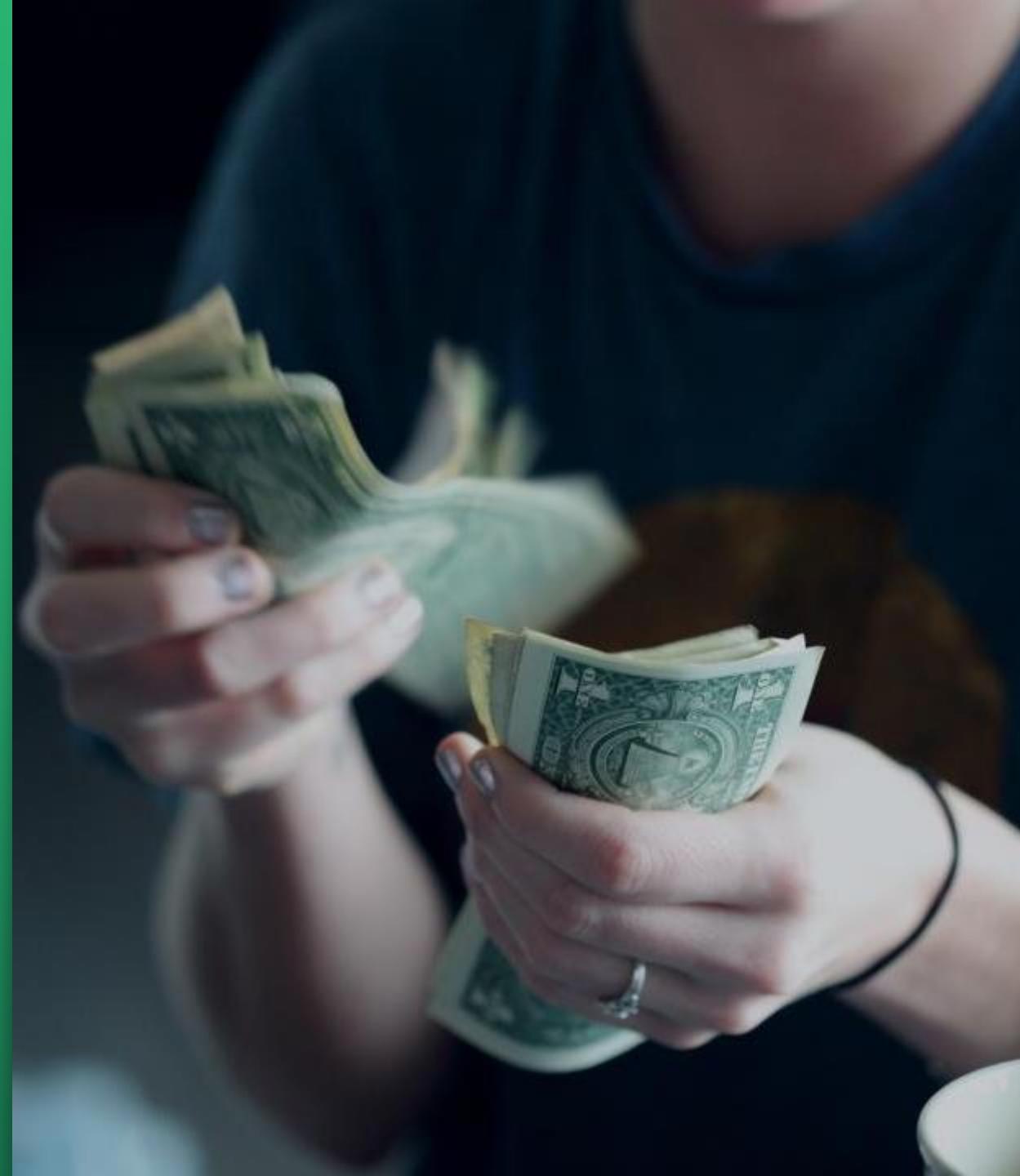
- % increase in no. of tourists visiting state



State Government Revenue

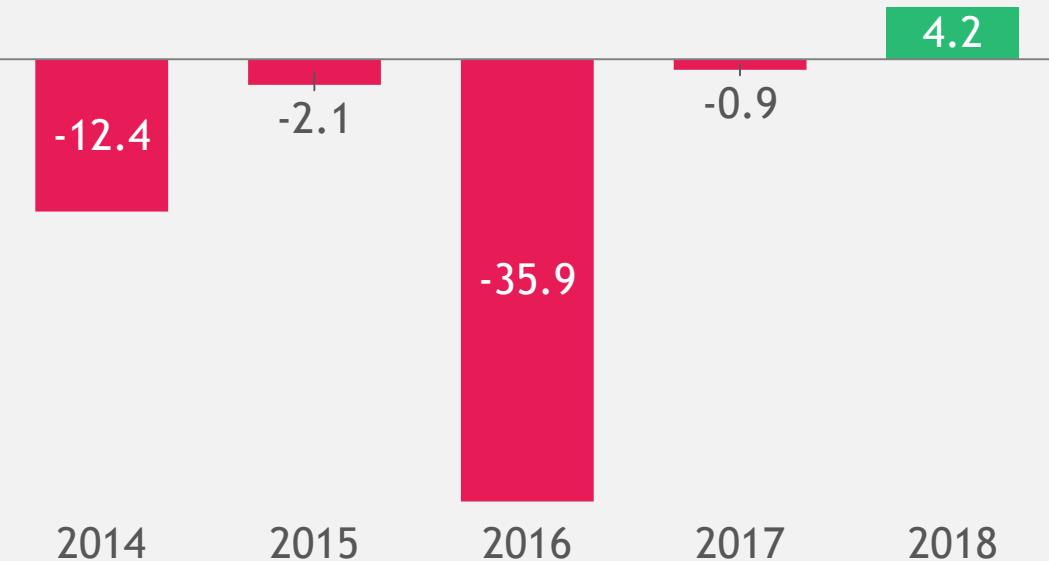
Goal

Improve revenue capture
across MDAs



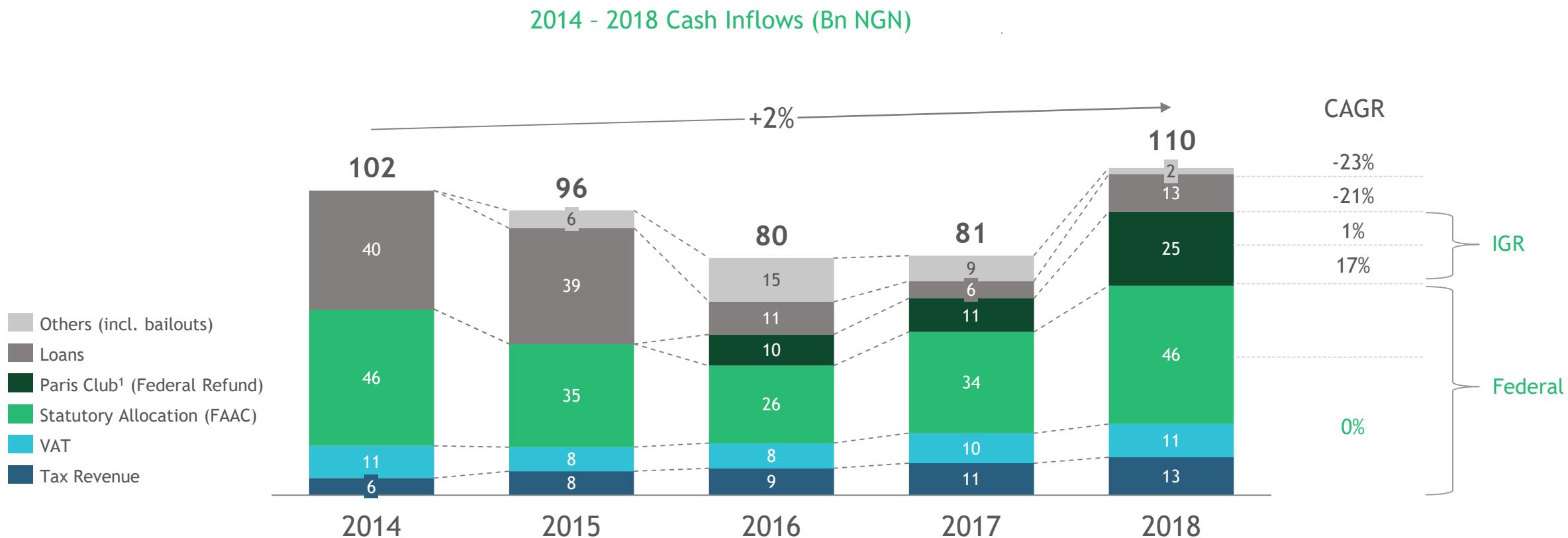
For the first time
in the past 5
years, Plateau's
financials were
net positive in
2018

Public Account Cashflow (Bn NGN)



Source: Plateau State Financials

However, this growth is mostly driven by federal financing, not by IGR



Source: Plateau State Financials



IGR generation not reaching maximum potential in several areas, due to multiple factors

Revenue Source	Potential initiatives to generate more revenue
 Land Use & Registration	<ul style="list-style-type: none"> Invest in land registration schemes to increase land titles (10% achieved currently) and ground rent and property tax collected
 Income tax	<ul style="list-style-type: none"> Increase Tax Identification Number (TIN) registration for majority of population working in informal sectors (e.g. agriculture, mining), by using alternative data capturing for the unbanked (e.g. phone number & biometrics instead of BVN) <ul style="list-style-type: none"> Tax revenue currently concentrated in urban areas (Jos accounts for ~80% of total income tax)
 Vehicle Registration & Licensing	<ul style="list-style-type: none"> Increase rate of vehicle registration by streamlining payment processes and data capturing Increase licences & fees on commercial transport (e.g. carriages)
 MDA Revenue Remittance	<ul style="list-style-type: none"> Incentivize MDAs to declare all revenue realized by eliminating manual fee collection and increasing the use of bank payments which can link to TSA
 Mining	<ul style="list-style-type: none"> Establish comprehensive database on mining companies operating in the state, operating licenses and minerals mined by mandating local registration with the Ministry of Mineral Development Increase efficiency of haulage, surface extraction and environmental impact by creating harmonized one-time invoice
 Agriculture	<ul style="list-style-type: none"> Minimize informal trade routes by creating a regulated structure for agricultural commerce, through which taxes can be realized (both from farmers and buyers)
 Telecommunications	<ul style="list-style-type: none"> Charge telcos environmental impact tax for operation within Plateau
 Water & Energy Resources	<ul style="list-style-type: none"> Reduce rate of infrastructure project abandonment (e.g. power line extension), to increase energy generation, potentially for sale to neighboring states Improve NESCO's capacity to generate more energy, leading to increased dividends for the state (Plateau has a stake in the company)

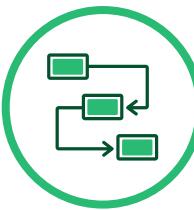


Four key factors deter full participation and timely payment of taxes & fees



Standard registration data excludes a large proportion of the population

- Using standard means of identification (e.g. BVN, utility bill) excludes majority of the population who are unbanked or in the informal sector



Too many steps in the process prolongs registration period

- High rate of application drop-off from land title applicants
 - Average time for land registration: 186 days
 - Until recently, JMDB permits required 30 steps (now 7 steps)
 - Separate registration interfaces (MDAs) break the payment chain for payees



Lack of incentives for people to pay

- Taxpayers get no additional benefits for paying or repercussions for unpaid taxes e.g.
 - Banks requiring land registration proof before granting loans or requiring
 - TIN certificate required for access to state funding (e.g. SME Loans) for individuals and SMEs



Manual payments increase government overheads and can reduce trust in payment rates for payees

- Personnel handling costs for manual payments reduce revenue realizable (by up to 15%)
- Manual payments also include likelihood of corruption in the form of differential charges that are not declared as official revenue

How does
Plateau improve
revenue
collection across
MDAs?



Four initiatives to improve IGR



Increased tax registration rates

Execute large-scale identification of taxable individuals and improve incentives for tax payment. Streamline process for ongoing tax payment



Land registration reform

Improve transparency of land registration process by providing resources for registration. Streamline process to reduce registration timelines



Increased transparency for cross-MDA tax payment

Increase transparency of taxes due from companies operating in Plateau State. Align tax due across multiple MDAs into one singular payment bill for corporates



Streamlined revenue collection across MDAs

Eliminate or minimize manual cash collection by MDAs and improve transparency by streamlining revenue collection into one singular interface, led by Board of Internal Revenue

Objectives

Benchmark



Mali



Burundi



Rwanda



Kenya

D.1

D.2

Plateau should incentivize TIN and land registration and simplify the process to capture more IGR

Incentivize registration

- Subsidize the cost of first time registration
- Launch awareness campaigns to increase citizen cognisance of benefit of tax payments



TIN & Land registration



Streamline process

- Leverage technology to automate the process and remove bottle necks
- Improve approval coordination at all levels of government
- Assist citizens with registration



Capture more IGR

D.3 D.4

Align taxes due across MDAs into single bill payable online/at LGAs

Example list of fees to be consolidated



Land use and registration



Income tax



Vehicle registration and licensing



Annual surface rent



Haulage fees



Water and Energy

All payments through online portal

OPAP
one page all payments

How to pay

1. Select to pay with either: **APRR** or **Revenue Item**
2. If **APRR** is selected:
Enter APRR and click on **Validate APRR**: if successful, this will load APRR details (including Name and Amount)
3. If **Revenue Item** is selected:
 1. Select Monitoring Agency
 2. Select Revenue Item
 3. Enter Amount
 4. Enter Customer Name and Phone Number
 5. Click Continue to Payment Details
 6. Click Go Back to edit
 7. Click Pay Now to Proceed to Payment
 8. Enter Card Details and Click on Pay
 9. Wait for processing and Payment Status

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Revenue

Detailed initiatives



Bring more citizens into the tax net (I/II)

Initiative objective

- Incentivize first-time registration, especially for informal workers/rural dwellers
- Streamline payment process

Initiative Lead

Board of Internal Revenue

Actions

D.1.1 Incentivize first-time registration, especially for informal workers/rural dwellers



Burundi

- ✓ Launch tax awareness campaign (mass media, town halls etc.) on benefits of tax payment and how paid taxes are spent (done in major local languages)
 - Leverage farmers associations and, once established, co-ops and agro-hubs as intermediaries to persuade farmers on importance of paying taxes
- ✓ Subsidize the cost of first-time registration
 - Seeking funding from USAID or other NGOs to support the cost of initiative
 - Determine model for registering unbanked citizens (e.g. leverage USSD (Mobile) for registration and TIN sent to individual via text message)
 - Enforce TIN number identification for access to state-subsidized services (e.g., healthcare, education, subsidized farming inputs)
- ✓ Increase number of tax registration points in each LGA to help citizens register

D.1.2 Streamline payment process (See initiative 4 for more details)



Mali

- ✓ Staff tax registration points in each LGA with officials or agents to help taxpayers with tax filing
 - Leverage SANEF to seamlessly link TIN with BVN
 - Use agent-based network (airtime and mobile money agents) as alternative payment points
 - Partner with Telecos & onboard agents on how to process tax payment
 - Launch e-filing tools and tax fairs to train citizens on how to pay taxes using mobile and e-payments (long-term)

Deliverables

- Educational materials and mass media plan for tax awareness
- Signed order on reduced first-time cost
- Developed and tested data capturing model, ready for mass rollout (ICT/Telecos)
- Signed cross-MDA agreement on TIN as a pre-requisite for state services
- Launched tax centres in each LGA
- Agents deployed in each LGA during payment windows
- Developed and tested e-filing tools and training materials

Recommended timeline

- 2 months
- 4 months
- 4-6 months
- 6 months
- 8 months
- Ongoing
- 4-6 month



Bring more citizens into the tax net (II/II)

Initiative objective

- Incentivize first-time registration, especially for informal workers/rural dwellers
- Streamline payment process

Initiative Lead

Board of Internal Revenue

Stakeholders

- Board of Internal Revenue
- Local Government Officials
- Tax collection agents
- Plateau State ICT Development Agency
- Ministry of Finance

Resources

- State funding for:
 - Media campaign
 - Subsidizing registration cost
 - Operating tax registration points in each LGA
 - Developing digital tax registration technology
- Manpower for tax registration points

Metrics

- Percentage of relevant citizens registered
- Increase in NGN collected in taxes
- Number of new taxpayers per year
- Percentage of taxes paid on time





Reform land registration process to increase land titling & related taxes (I/II)

Initiative objective

- Streamline registration process to reduce timeline
- Improve transparency and accessibility of land registration resources, especially at the local level

Initiative Lead

Ministry Lands, Survey and Town Planning

Actions

D.2.1 Streamline land registration process

- Optimize registration process to reduce timeline from 186 days to 21 days target, through automation and removing bottlenecks/redundant steps in the process
- Streamline MDA and local government interdependencies that prolong process e.g., improving approval coordination at all levels from local and state government

D.2.2 Launch land registration campaign

- Assign a land registration time period over the next 4 years (e.g. 3 months per year) during which citizens will be assisted to register their lands
- During this period, assemble a task force of land registration officials to go into remote areas and assist citizens with swift registration
 - This team could include: lawyers, notaries, local government officials, Lands and Survey officials, Board of Internal Revenue officials etc.
- Work with ICT create database for land holding records
- Set up legal/court system for dispute resolution
- Execute land registration incentivisation program (e.g., step-by-step guides or workshops)
- Waive historical ground rent on new registrations (e.g. for registration of unused land, owners will only be charge for prior year's rent, and for land in use, owners will be charged at a cap of 3 years



Rwanda

Deliverables

- Process diagnostic report with identified bottlenecks
- Re-designed process aligned with 21-day target
- Streamlined cross-MDA approval process
- Alignment on annual land registration “grace period”
- Assembled task forces to cover all LGAs
- Defined legal process for dispute resolution
- Launched informational program
- Ground rent waivers for new registration implemented

Recommended timeline

- 1 month
- 2 months
- 2 months
- 2 months
- 4 months
- 4 months
- 5 months
- 6 months



Reform land registration process to increase land titling & related taxes (II/II)

Initiative objective

- Streamline registration process to reduce timeline
- Improve transparency and accessibility of land registration resources, especially at the local level

Initiative Lead

Ministry Lands, Survey and Town Planning

Actions

- Subsidize the cost of first-time registration during this window
- Estimate costs and prioritize funds for the tools required to implement this project e.g., transportation, forms, staffing remuneration

Deliverables

- Signed order on reduced first-time cost
- Deployed tools to support task force operations

Recommended timeline

- 4 months
- 1 month

Stakeholders

- Board of Internal Revenue
- Ministry Lands, Survey and Town Planning
- Legal Practitioners (notaries, lawyers etc.)
- Jos Metropolitan Development Board
- Department of Justice

Resources

- State funding for:
 - Subsidizing registration cost
 - Task force operations
- Manpower for land registration task force

Metrics

- Percentage of land registered
- Average number of days to register land vs. 21 day target
- Increase in NGN collected in ground rent and property tax



Increase transparency and accountability for cross-MDA tax payment (I/II)

Initiative objective

- Align tax due across multiple MDAs into one singular payment bill
- Increase transparency of taxes and fees due from companies operating in Plateau State

Initiative Lead

Board of Internal Revenue

Actions

D.3.1 Align tax due across multiple MDAs into one singular payment bill coordinated by Board of Internal Revenue

- Set up One-Stop-Shop for cross-MDA taxes and fees payable by companies or individuals
 - Determine all fee categories that cut across multiple MDAs (See back up slide for preliminary list)
 - Meet with affected MDAs to determine singular point of contact to collect all fees due (See back up slide for cross MDA collaboration)
 - Submit new one-stop-shop process for approval by relevant parties
 - Implement approved process using manpower and digital tools to execute

D.3.2 Increase transparency of taxes and fees due from companies operating in Plateau State

- For each sector (e.g., mining, agriculture, telecommunications, water and energy resources, tourism and hospitality), itemize all taxes and fees due by companies operating in the state
- Publish bill payment guide online, customized by sector and by company size (where applicable), including payment process and payment point of contact (MDA interface)
- Launch push communication to companies during tax payment windows (letters, SMS etc.)
- Establish mechanism to identify non-compliance (who is responsible for monitoring, enforcement and sanctions)

Deliverables

- Itemized list of fees that cut across multiple MDAs and relevant MDAs identified
- Re-designed collection process through a singular MDA interface
- Workshops with affected MDAs to assign MDA point of contact and sign off on updated fee collection process
- ICT development of tools required to support new process

- Fee payment tutorial guide published on state website and advertised to increase awareness
- Implemented process to communicate taxes and fees due
- Designed mechanism to identify non-compliance, including manpower required and sanction categories
- Approved monitoring process, ready for implementation

Recommended timeline

- 1 month
- 1 month
- 2 weeks
- 2 months
- 2 months
- 3 months
- 4 months
- 4 months



Increase transparency and accountability for cross-MDA tax payment (II/II)

Initiative objective

- Align tax due across multiple MDAs into one singular payment bill
- Increase transparency of taxes and fees due from companies operating in Plateau State

Initiative Lead

Board of Internal Revenue

Stakeholders

- Board of Internal Revenue
- MDAs
- ICT Development Agency

Resources

- State funding for:
 - Developing necessary digital tools for collection
- Political will of MDAs to collaborate (top-down ordinance from the Governor or state lawmakers)

Metrics

- Number of payment processes optimized through a singular point of contact
- Increase in NGN collected in taxes



Streamline revenue collection by using a singular payments interface (I/II)

Initiative objective

- Eliminate or minimize manual cash collection by MDAs
- Improve transparency by streamlining revenue collection into one singular interface

Initiative Lead

D.4.1, D.4.3. Board of Internal Revenue

D.4.2. Plateau State ICT Development Agency

Actions

D.4.1 Eliminate or minimize manual cash collection by MDAs

- Mandate e-payment options for revenue collection by MDAs (direct bank payment, POS payment, ATMs and other electronic means)
- ✓ Establish model for agent-based revenue collection at the local government level that links back to TSA/e-payment portal
 - Determine best agent network to use as payment points (e.g., airtime agents, mobile money agents, consumer goods depots etc.)
 - Determine mode of payment at these points (e.g., POS or mobile payment)
 - Recruit, train and equip agents to collect revenue on behalf of MDAs



Kenya

Deliverables

- e-Payment revenue collection implementation plan
- Defined agent-based collection model
- Completed recruitment and training plan for agent network
- Procured tools required for agent network

Recommended timeline

- 2 months
- 1 month
- 3 months
- 6 months

D.4.2 Improve transparency by streamlining revenue collection into one singular interface

- Launch tutorial campaigns on how to use non-manual payment methods and Plateau State Internal Revenue Service (PSIRS) Portal - tailored for individual and corporate tax and fee payers
- Include link to portal on state's website
- Make necessary upgrades to position PSIRS portal as central e-revenue collection point

- Launched training materials and awareness campaigns on e-payment through PSIRS portal
- Upgraded PSIRS portal to handle increased traffic

- 1 month
- 2 months



Streamline revenue collection by using a singular payments interface (II/II)

Initiative objective

- Eliminate or minimize manual cash collection by MDAs
- Improve transparency by streamlining revenue collection into one singular interface

Initiative Lead

D.4.1, D.4.3. Board of Internal Revenue

D.4.2. Plateau State ICT Development Agency

Actions

D.4.3 Mandate all MDAs to remit revenue through the Plateau State Internal Revenue Portal

- Pass bill stating that all MDAs must remit payments through cashless means
- Get approval from state legislature
- Set up mechanism to align MDA bank accounts with TSA
- ✓ Create incentive system to reward MDAs who report more revenue than budgeted (e.g., higher % of retained revenue)
- ✓ Establish sanctions for MDAs found to be collecting revenue through unapproved channels (e.g., 5% cut in budget allocation to MDA)
- Ensure Board of Internal Revenue automatically remits the correct percentage of revenue to MDAs with clear link of payments to specific bills for easy reconciliation
- Communicate incentives and sanctions to MDAs

Deliverables

- Drafted and submitted bill
- Signed bill approved by governor, legislature and relevant MDAs
- Approved incentive and sanction system
- Circulated communication to MDAs

Recommended timeline

- 2 months
- 8 months
- 1 month
- 2 weeks

Stakeholders

- Board of Internal Revenue
- Tax collection agents
- Plateau State ICT Development Agency
- Ministry of Finance
- Governor
- Lawmakers

Resources

- State funding for:
 - Agent network operations
 - Upgrading revenue collection e-platform
- Manpower for revenue collection points

Metrics

- Percentage increase in revenue reported through PSIRS Portal



D.4

Potential avenues for Board of Internal Revenue to support other MDAs

Revenue Source	Potential cross-MDA collaboration	Potential coordinating MDAs for One-Stop-Shop
 Land Use and Registration	<ul style="list-style-type: none"> Invest in land registration schemes to increase land titles (10% achieved currently) and ground rent and property tax collected 	<ul style="list-style-type: none"> Ministry of Lands, Survey and Town Planning JMDB
 Income tax	<ul style="list-style-type: none"> Increase Tax Identification Number (TIN) and streamline payment methods for businesses 	<ul style="list-style-type: none"> Ministry of Commerce and Investment
 Vehicle Registration and Licensing	<ul style="list-style-type: none"> Increase rate of vehicle registration by streamlining payment processes and sharing data across MDAs Increase licences and fees on commercial transport, mechanics etc. Train VIO on how to use PSIRS portal 	<ul style="list-style-type: none"> Ministry of Transport Ministry of Commerce and Investment
 Mining	<ul style="list-style-type: none"> Increase efficiency of haulage, surface extraction and environmental impact taxes by creating harmonized one-time invoice <ul style="list-style-type: none"> Boost with staff to ensure payment through inspections Implement one time yearly haulage fee based on production of mining sites and an average distance 	<ul style="list-style-type: none"> Ministry of Mines and Mineral Development Ministry of Commerce and Investment
 Agriculture	<ul style="list-style-type: none"> Minimize informal trade routes by creating a regulated structure for agricultural commerce, through which taxes can be realized (both from farmers and buyers) Set up designated points in hubs for tax registration and payment 	<ul style="list-style-type: none"> Ministry of Agriculture RAAM Ministry of Commerce and Investment LGA officials
 Water and Energy Resources	<ul style="list-style-type: none"> Water board needs to ensure registration of all the water agents, water companies etc. Improve fee collection by stopping leakages, reducing losses due to inefficiencies in transmission (power) and theft 	<ul style="list-style-type: none"> Ministry of Water and Energy Resources Ministry of Works JMDB

Revenue

Case studies



Benchmark: Burundi Revenue Authority launched tax campaigns with local stakeholders to widen contribution of informal sector



Burundi



Context



Informal economy doesn't have basic tax literacy & is unaware of the development benefits of taxes

- Unsure about why they should pay taxes
- Not aware of how to go about registering & paying
- No moral social obligation to pay taxes

Burundi wants to move to fair & equitable tax system which involves informal economy contributions



What did Burundi do?

Burundi Revenue Authority launched campaign targeting informal markets

- Launched tax literacy & awareness raising campaign
 - Conducted by local administrators & market managers-made it more effective than if conducted by tax authority officials
 - Launched call center for further support
- Encouraged informal traders to register for a taxpayer identification number¹ to assist bringing them into the tax net
 - Campaign started in shopping malls, extended to markets & radios
 - Locally trained students worked with tax authority officials to do a census of non-registered tax payers & register them
 - Students & officials visited small traders in shopping centers to help register them
 - Cost of the program was supported by USAID² & TradeMark East Africa



Key successes

~7,000 new taxpayers were registered during the campaign period

- Overall tax revenues increased since launch of program
- They have been issued TINS
- Boosted no. of tax declarations

Increased taxpayer literacy

- Helped build awareness & knowledge of how to pay taxes
- Contributed to sense of moral obligation to pay taxes

Built positive perception

- Public feel they are being treated fairly & in a transparent manner given the outreach to them



Learnings for Plateau State

Involving officials who are closer to informal sector than tax authorities can be an effective strategy for raising awareness

- Establish support from the relevant local stakeholders from local administrators to funders
- Involve those stakeholders from outset

Raise tax literacy & awareness re development role of taxes so people understand why they need to contribute

- Educate informal sector on how to declare & pay taxes
 - E.g.: by having sessions at main markets where informal sector trades
 - Be explicit about link between tax and development e.g: improved health facilities

1. TINS, 2. United States Agency for International Development

Source: Press Search; BCG Analysis



Benchmark: Mali created a partnership model with informal traders by delegating management of taxes to official trader organizations



Mali



Context



Poor revenue collection and high levels of tax avoidance in informal markets

- Tax collection in Bamako was responsibility of local government
- Traders didn't trust the government and preferred avoiding tax
- Informal market represents a big tax base given how large this market is in Bamako



What did Bamako do?

Local Municipality delegated management of tax & markets at informal markets in Bamako

- Selected 5 markets with more than 1000 traders for the delegation project
- Grouped the traders within each market into official trader associations
 - Mainly formalized the already existing structures, since traders naturally form unofficial groups to protect their rights
- Created an umbrella organization to group all market associations and provide them with technical training
- Conducted a census on the number of potential taxpayers in these markets, and used the numbers as a starting point for negotiations
- Signed a management agreement with each association, which makes the associations responsible for tax collection, maintenance, and policing of their respective markets
- Agreed to invest part of the tax collection back into the markets

Source: Ledna; BCG Analysis



Key successes

Led to increased tax collection

- Municipality has improved tax collection by ~100%
 - Due to a very targeted collection approach
 - Voluntary approach given traders knew government will reinvest some of the taxes to developing their markets
 - Resulted in further development of municipality

Improved working environment of the markets

- A portion of taxes are used for maintenance needs of markets e.g: water & sanitation
- Investments in commercial facilities



Learnings for Plateau State

Conduct research to focus on the correct target markets

- E.g.: survey to establish which informal markets have big tax potential
- Target these markets instead of targeting all at once

Establish win-win partnerships between informal trader associations & local authorities to increase tax collection & help increase productivity

- A cooperative approach helps to build trust
 - Establish official trader associations
 - Develop contracts between tax collecting 'trader associations' and local authority with clear list of responsibilities incl. tax collection
- Government can get buy in by re-investing some tax collected back into market by providing training to improve productivity



Benchmark: Rwanda implemented land reforms to improve land tenure and boost revenue collection



Rwanda



Context



Genocide and demographic pressure disrupted the informal land tenure system

- Rwanda functioned on an informal land tenure system, which provided poor protection to owners
- Competing claims between returning refugees and families occupying the land created tensions
- High population density and strong demographic growth heightened the stress on the old system



What did Rwanda do?

Initiated a land regularization program to register and track land ownership

- Introduced a legal framework¹ on the use and management of land
- Created a national registry to record the ownership of all plots of land
- Mapped and demarcated land parcels (digitally), and allocated ownership
 - Fair and inclusive allocation to men, women, and children
 - Land registration fees were set at ~\$8 per individual
 - Land allocation was mainly done through local level adjudication
- Gave custody of the registry to the RNRA² once all land was recorded
 - Creation of an independent and self-financing land titles registrar office tasked with maintaining the registry and administering properties
 - The land services are able to collect land taxes and fees on leases
- The full registration process required \$60 Million and the active involvement of ~6,000 workers

1. National land Policy (2004) and the organic land Law (2005), 2. Rwanda Natural Resources Authority
Source: CFPI;IISD; CABI; AFDB; BCG Analysis



Key successes

Strengthened land tenure in the country

- More than 11,4 Million parcels have been mapped and registered, representing the great majority of land in the country
 - Prior to the reform, less than 1% of land was registered
- Reduced land-related conflicts during the post-genocide period
 - Less than 1% of land was marked as disputed

Increased tax revenues and gave an economic value to the land

- Land-related tax revenues increased five-folds since implementation, giving local districts the ability to invest further into their communities
- Gave land a tangible economic value, since ownership provides the right to lease or mortgage the asset



Learnings for Plateau State

Work at a local level to educate people and solve conflicts

- Local level land surveying helps involve the community and allows a higher level of precision in land demarcation
- Community level adjudication provides an easier environment for conflict resolution

Provide land registration services at a low cost

- Higher adoption levels can be achieved by removing the cost barrier, which can have a high impact in rural areas



Nairobi county adopted hybrid model using e-payment system & on the ground physical agents to assist with increasing revenue collection



Kenya



Context



Inefficiency & inconvenience experienced in Nairobi's revenue collection

Not all residents were paying fees

- E.g.: parking fees, permits
- Long queue system discouraged payment
- No accountability system existed
- Corruption due to lack of transparency



What did Nairobi do?

As part of broader ICT Transformation Programme, Nairobi adopted hybrid model to improve revenue collection for various public goods & services

- Epayment cash light system complemented with agent stalls
 - Enables users to pay parking fees, vendors to pay market fees, etc...
 - Accessible online & through agents with PoS¹ terminals
 - Users can pay using M-money², debit cards, ~30 partner banks and independent agent stalls spread across metropolis
- To ensure payment, enforcement team of officials deployed
 - Team carried PoS¹ terminal with camera, barcode reader, GPS tracker
 - Barcode reader authenticates receipts & certificates issued upon payment
 - Camera used for pictures of offenders could be presented at court as evidence if they deny they were unavailable

1. Point of sale, 2. Mobile money, 3. 2013-2017, 4. As at 2017

Source: BCG Analysis



Key successes

Raised revenue collection by ~65%³ over a ~3 year period

Enabled revenue officers to check real-time updates from system & ensure amounts collected by all departments are accounted for

- Helps with accountability & the challenge of transparency & fraud
- Previous corruption cost the city millions every year

New system designed to ease payments

- No need to stand in long queues
- Trained on the ground agents to help citizens with payments

Revenue collected from diverse sectors & parking services have contributed the most (~88%)⁴, followed by land rates (~86%)⁴



Learnings for Plateau State

Ease revenue collection & consider introducing hybrid payment model

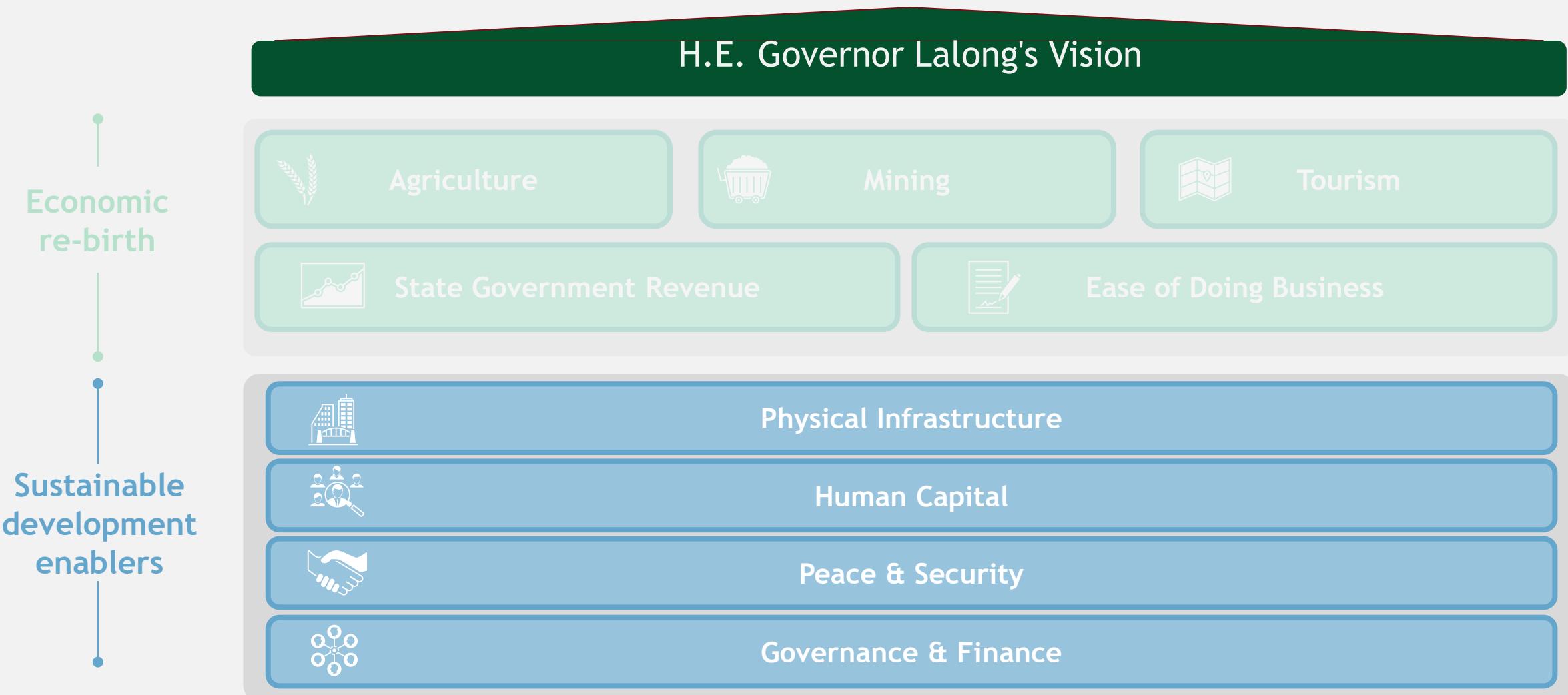
- Model that gives users options to ease payments e.g
 - E-payments for those who prefer to pay themselves
 - Agent stalls spread across the city to cover main areas
 - Complemented with on the ground agents equipped with good payment technology for those who don't have access
 - Avoid methods which result in long queues and unaccountable processes

Build accountability into the payment system

- Ensure revenue officials are keeping track of payments by all departments
- Real time information updates & accountability checks could help

Ensure credible 3rd party co. handles the technical part & avoid unnecessary changes in payment process if the current payment process works well

Sustainable development practices will boost economic reforms and enable long-term growth



Sustainable development can only be achieved through a systemic approach

Good governance

- Public investment efficiency
- Ease of doing business
- Trust in government



Physical Infrastructure

- Investment costs
- Access to public goods (education, health)

Human Capital

- Workers' capabilities
- Ease of dialoguing across differences

Peace and civil society

- Ease of doing business
- Incentive for skilled workers to migrate

Infrastructure

Goal

Create the infrastructure needed for growth through coordinated road, energy, and water efforts



Three primary areas of infrastructure development will enable GDP generation in Plateau



Roads and transport



Energy



Water



Roads & Transport: Several factors limit roads' support to GDP growth



Insufficient road construction

- Lack of coordination between Ministries of Works and Finance on timelines inhibits timely payments, hindering effective budgeting and delaying projects
- Inadequate communication reduces potential for combined efforts (e.g. Ministry of Works and RAAM¹ sharing construction assets), and could damage existing infrastructure (e.g., sewer pipes cut in road construction)



Inefficient investment, cost spirals, and additional expenditures for non-road infrastructure



Insufficient maintenance planning and funding

- Poor financing mechanism for maintenance - lack of a constant source of funding results in one-off approvals and delays
- Lack of coordination between Ministries of Works and Finance slows payment of mobilization fees, delaying repairs



Roads fall into disrepair and disincentivize long-distance supply chains and commerce



Revenue generation well below potential

- Insufficient number of vehicle inspections, impounds, and recoveries due to lack of resources
- Lack of coordination between Ministry of Transport and Board of Internal Revenue inhibits data collection on registered vehicles and reduces effective fee collection
- Large number of revenue generating government-owned assets (e.g., fuel dumps, quarrying machine, drilling machine) abandoned and now in disrepair



Less revenue for road construction and maintenance

1. Rural Access and Agricultural Marketing
Source: Stakeholder interviews



Energy: Several issues limit sector's contribution to Plateau's economy



Generation

- Insufficient connection to areas of potential demand (e.g., mills, processing plants) hinders NESCO's ability to profit from additional generating capacity
- Poor maintenance of existing plants due to inadequate funding for skilled manpower recruitment
- Unclear profitability and data on mini-grid success limits private sector investment in potential generating sites (e.g., additional hydropower)



Transmission

- Large number of transmission projects started simultaneously and then stopped due to change in federal government priorities
- Transmission lines built not connected, preventing access to end markets
- Electricity theft due to infrastructure vandalism (e.g., power lines) reduces transmitted energy and minimizes revenue
- Lack of NESCO investment to leverage status as an integrated utility



Distribution

- NESCO's high connection costs limits broader access to grid
- Tariff caps limit profitability in rural areas due to increased costs of transmission and distribution, limiting investment
- Lack of information on mini-grid investment return limits donor and investor interest in off-grid areas

Water: Despite recent reforms in the water sector, several factors still affect access to clean water



Poor inter-stakeholder collaboration

- Lack of data sharing which inhibits planning and management of water resources e.g., data on number of hospitals without boreholes
- Lack of project coordination or map accessibility leading to damages and unplanned repairs to existing infrastructure (e.g., repairs of sewer pipes cut in road construction)



Insufficient revenue generation

- Poor quality of meters creates difficulty in tracking household consumption levels
- Water theft due to pipe burst and illegal connections reduces revenues generated
- Inactivity of water sector law limits ability to commercialize water resources



Inadequate monitoring of expenses

- Poor tracking of spend data reduces number of completed water projects



Unaddressed water contamination

- Environmental and behavioral practices such as poor sanitation reduces quality of water contamination from mining, reduces the quality of water supply



Lack of skilled maintainers

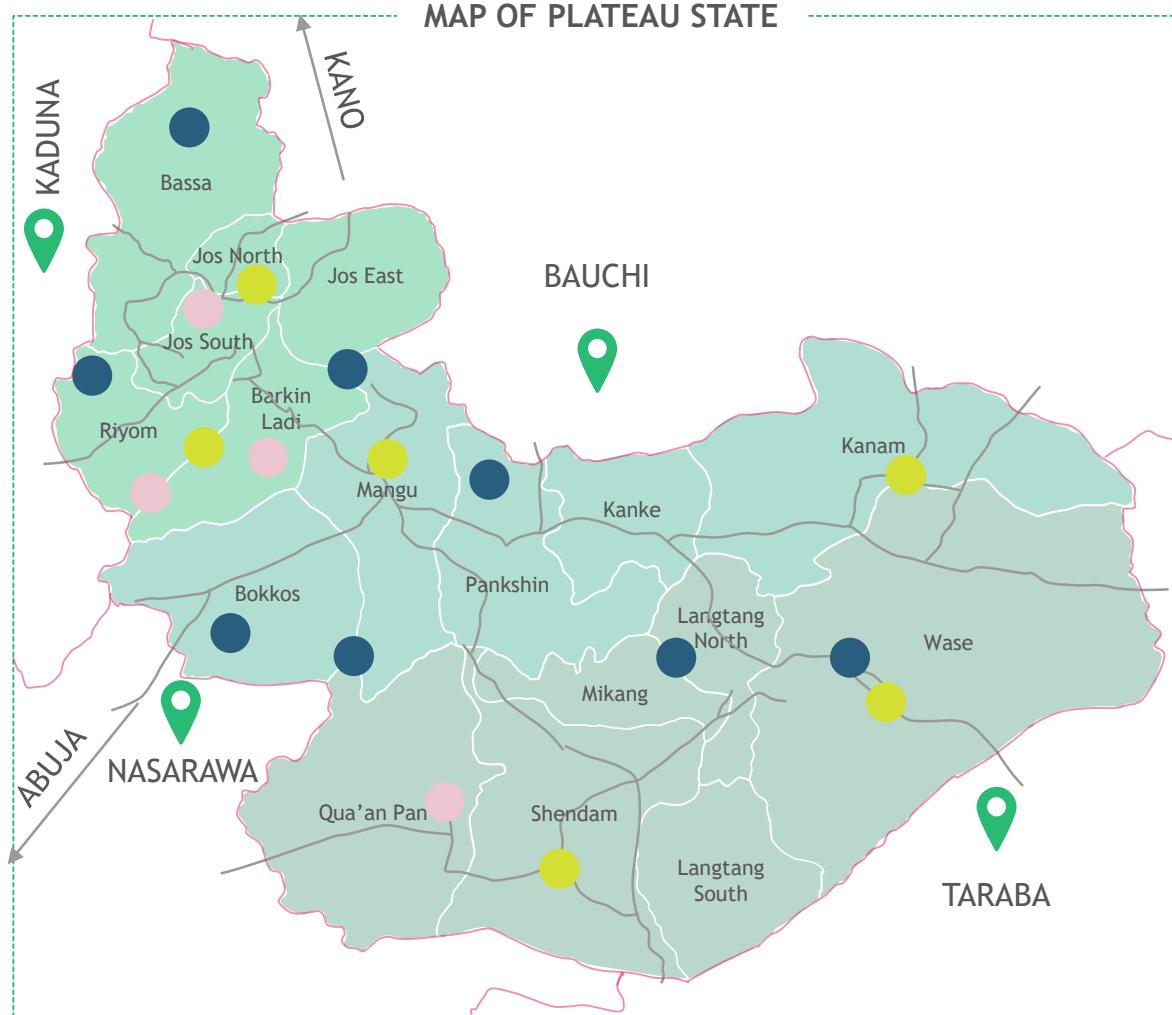
- Inadequate maintenance of boreholes due to technical skill gap in available manpower

How does
Plateau address
its infrastructure
issues?



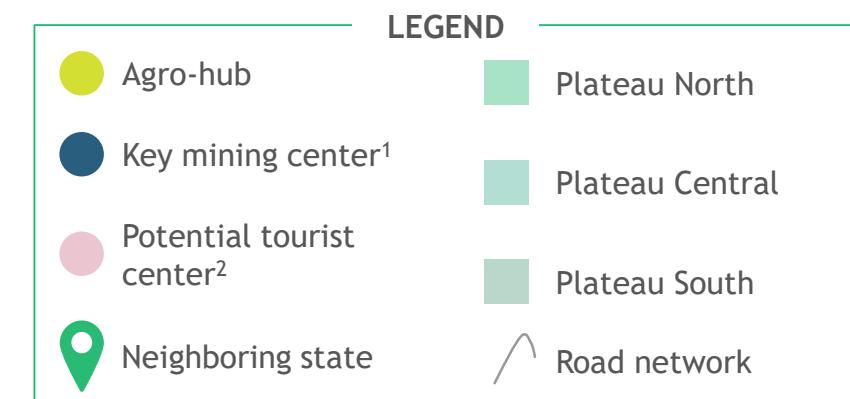


Infrastructural development must support agricultural, mining and tourism objectives of the State



Plateau must align its infrastructure development plan to agricultural, mining and tourism objectives

- Good roads provide important connectivity with greater population and transportation centers
- Reliable electricity supply is required to operate machinery & equipment, and provide lighting
- Regular water supply is necessary for irrigation & mineral processing purposes



1. Areas producing tin and columbite 2. Major wildlife, rock formation and water fall areas
Source: Stakeholder interviews; National Bureau of Statistics



Initiatives to improve infrastructure focus on three primary areas



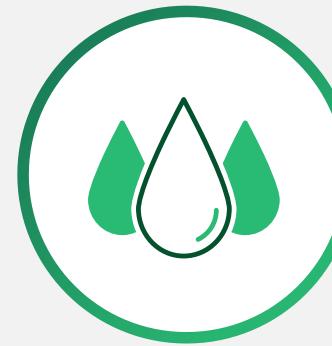
Roads and transport

- Improve federal gov't and private sector investment for high-value transport infrastructure
- Maximize revenue collection from existing streams
- Ensure dedicated funding for road maintenance



Energy

- Increase total grid connections through private sector expansion
- Expand existing efforts to enable mini-grid investments



Water

- Implement planned laws and better sanitary practices
- Prepare Water Board for commercialization



Three initiatives to improve roads and transport



Improve federal & private sector investment for high-value transport infrastructure

- Improve enabling environment for Public Private Partnerships
- Secure federal government support to re-open key railroad routes

Objectives



South Africa



Maximize revenue collection from existing streams

- Increase contribution of existing revenue streams to IGR

Benchmark



Uganda



Ensure dedicated funding for road maintenance

- Reduce delays in road maintenance

Infrastructure - Roads & transport

Detailed initiatives



Roads and Transport: Improve federal government and private sector investment for high-value transport infrastructure (I/II)

Initiative objective

- Improve enabling environment for Public Private Partnerships
- Secure federal government support to re-open key railroad routes

Actions

E.1.1 Enable private sector investments in roads, transport and bridges

- ✓ Work with the state government to gazette PPP⁴ state laws allowing tolls & concessions for private investors e.g.,
 - Lagos State "Roads Law", which enabled privatized toll roads
 - South Africa removed requirement of one alternative route per toll road, incentivizing PPPs¹ by reducing toll avoidance by drivers
- ✓ Look for partnerships (e.g., BOT¹, BOO²) to build terminals and truck stops³ along key transit, trading, and economic routes (e.g., agro-hubs, food-processing and mining areas)
 - Identify frequently used routes and those with high potential traffic from the agriculture and mining strategy (see initiatives A.2.4 and B.2.3)
 - Dedicate land, plan energy & water connections, and create tax breaks for companies willing to invest or set up shops in designated transport hubs & routes



South Africa

Initiative Lead

E.1.1: Permanent Secretary, Ministry of Works

Deliverables

- Gazetted state law allowing tolls and concessions for private investors
- List of agro-hubs, food processing and mining routes, terminals/stops for prioritized investment
- List of potential private investors and attractive incentives for them

Recommended timeline

- 9 months
- 6 months
- 6 months

1. Build, Operate and Transfer 2. Build, Operate and Own 3. Truck stops could serve as collection points for haulage fees, prime locations for restaurants, hotels, gas stations etc. 4. Public Private Partnerships



Roads and Transport: Improve federal government and private sector investment for high-value transport infrastructure (II/II)

Initiative objective

- Improve enabling environment for Public Private Partnerships
- Secure federal government support to re-open key railroad routes

Actions

- E.1.2 Lobby the Federal Government to fund repairs and privatize railroads connecting key economic routes e.g., rail roads leading from agro-hubs, food-processing centers to major agricultural off-taker markets in Abuja and Kaduna
- E.g., Federal Government partnered with FOCAC² to access a \$500m concessionary loan from China's EXIM Bank to construct Abuja-Kaduna railway, linking farmers to off-taker markets in Abuja

Initiative Lead

E.1.2: Permanent Secretary, Ministry of Works

Deliverables

- Prioritized list of railroads for the Federal Government to re-open or privatize
- Engagement plan with Federal Government

Recommended timeline

- 5 months

Stakeholders

- Ministry of Works
- Ministry of Agriculture
- Ministry of Energy and Water Resources
- Ministry of Lands and Survey

Resources

Metrics

- Average time to ship perishable goods to major markets
- Increase in number of PPPs² in future road developments



Roads and Transport: Maximize revenue collection from existing streams (I/II)

Initiative objective

- Increase contribution of existing revenue streams to IGR

Initiative Lead

- E.2.1: Permanent Secretary, Ministry of Transport
E.2.2: Permanent Secretary, Ministry of Transport

Actions

E.2.1 Determine right quantity and placement of inspection officers needed to maximize collections from impounds and inspections

- Work with the Board of Internal Revenue to determine the number of vehicles and vehicle owners in each LGA¹, including vehicles registered in other states but used in Plateau
- Estimate the required number of inspection officers for each LGA¹ based on vehicle data received from Board of Internal Revenue
- Identify gaps in quantity and placement of inspection officers in each LGA¹ by comparing estimates on required number of inspection officers with actual number of inspection officers
- Estimate the costs of recruitment and likely impact of new officer recruitment on revenues generated
- Reserve funds at the beginning of the year to recruit new inspection officers

E.2.2 Work with Board of Internal Revenue to improve sharing of vehicle registration data, enabling faster verification of vehicle and driver licenses during inspections

Deliverables

- Number of vehicles and vehicle owners in each LGA¹
- Required # of inspection officers in each LGA¹
- Estimated gap in quantity and placement of inspection officers in each LGA¹
- Estimated recruitment costs and increase in revenues
- Recruited inspection officers
- Access to vehicle registration data on Board of Internal Revenue database

Recommended timeline

- 3 months
- 3 months
- 3 months
- 5 months
- Next budget cycle
- 3 months



Roads and Transport: Maximize revenue collection from existing streams (II/II)

Initiative objective

- Increase contribution of existing revenue streams to IGR

Initiative Lead

- E.2.3: Permanent Secretary, Ministry of Transport
E.2.4: Permanent Secretary, Ministry of Works

Actions

E.2.3 Improve collection of haulage fees from truck drivers

- Republish policy on payment of haulage fees, and set fines for defaulters or violation of policy
- Engage Ministry of Mineral Development to identify prime mining areas and haulage routes
- Work with Board of Internal Revenue to disperse more officers on haulage routes and roads leading to prime mining areas, to improve collections

E.2.4 Lease or sell high-value abandoned infrastructure to private investors for repairs & usage and collect rent

- Make a list of all abandoned infrastructure within the Ministries of Works & Transport (e.g., fuel dump, quarrying machine)
- Assess value and investment needs of abandoned infrastructure, identifying and leasing high-value assets to investors for repairs & usage, and onwards collect rent on a yearly basis

Deliverables

- Republished policy on haulage fees and fines for defaulters
- List of prime mining areas
- Timeline and manning plan to distribute personnel to collect haulage fees
- List of abandoned infrastructure
- Value and investment needs of abandoned infrastructure
- List of high-value assets for lease to private investors

Recommended timeline

- 1 month
- 3 months
- 5 months
- 3 months
- 6 months

Stakeholders

- Ministries of Works and Transport
- Board of Internal Revenue
- Ministry of Mineral Development

Resources

Metrics

- Increase in revenue collections/total number of vehicles



Potential quick-win



Roads and Transport: Ensure dedicated funding for road maintenance

Initiative objective

- Reduce delays in road maintenance

Initiative Lead

E.3.1: Permanent Secretary, Ministry of Works



Actions

E.3.1 Create a road fund, separate from funds at Ministry of Finance, directly for maintenance

- Lobby state government to institute an act, creating a road fund for maintenance (e.g., the National Road Fund Act signed in 2018 to support maintenance of Nigerian federal roads)
 - Define type of roads covered by fund e.g., high-value state roads
 - Define source of funds for the road fund e.g., fuel levies, % of fees collected from haulage fees, license fees, and road safety fines
- Solicit funding donations from mining and food-processing companies in exchange for prioritization of roads to maintain, tax rebates, etc.
- Operate the fund like a private enterprise to reduce bureaucracies (i.e., a private sector majority governing board, separation of roles of multiple stakeholders)
- Work with Ministry of Finance to ensure that the road fund is separate from funds at Ministry of Finance and restricted to maintenance (not construction)

Deliverables

- Gazetted act on road fund with types of road covered and source of funds
- Pledges from companies for funding for specific roads
- Operating model and board structure
- Guarantee that road fund is separate from funds at Ministry of Finance

Recommended timeline

- 12 months
- 12 months
- 3 months
- 3 months

Stakeholders

- Ministry of Works
- Ministry of Finance

Resources

- Funding for road fund
 - Levies collected from state government

Metrics

- Increase in funds available for road maintenance

Source: Media Coverage

Potential quick-win 154

Infrastructure - Roads & transport

Case studies



Roads & Transport: South Africa supports its road maintenance budget with a “user-pays” system



Context

Toll roads were first introduced in South Africa in 1984 as a form of road use tax and have grown from an initial 27 km to ~3.5k km

They constitute ~16% of the National Road Network (~20 km). Toll fees became necessary when the government couldn't afford road maintenance from its fuel tax revenues



What did South Africa do?

SA made a comprehensive legal framework in the National Roads Act:

- Ensured that tolls collected from users were spent only on maintenance of toll roads
- Removed the requirement of one alternative route per toll road in 1996 to incentivize PPPs by reducing toll avoidance by drivers

SA launched E-toll in Gauteng province as a means of electronic payment

- Electronic tolling allowed for free-flowing traffic without stopping
- Whilst the move was not received well by public, revenue from the system funded freeway improvement projects in the province

SA partnered with 3 private companies to build toll on high value roads

- A total of 3 PPPs between 1998 and 2000 were made for a term of 30 years



South Africa



Key successes

- Increased funding for road maintenance
 - Concessions fees increased from R3.98 Million in 2010 to R 5.84m in 2014
 - Road maintenance expenditure increased by R6m in the same period
- SA modernized its “user pays” system with the E-toll initiative



Learnings for Plateau State

- Institute state laws/changes to state laws, allowing tolls and concessions for private investors
- Look for private sector partnerships to build tolls along high-value roads
- Legally guarantee that collected tolls would finance maintenance & operations of the toll road to make users more receptive to paying



Roads & Transport: Uganda Road Fund finances the maintenance of 80,000km public roads in the country



Context

- Road transport is key to Uganda's economic success and social development, but often times it has to compete for funding with other key sectors in Uganda (e.g., health, education, and security)
- Many countries established special off-budget accounts such as Road Funds to earmark selected road use taxes & charges for road sector
- The performance of the 1st generation Road Funds was generally considered poor, Uganda is the last country in the East African Region to launch a 2nd generation road fund



What did Uganda do?

- Uganda introduced the Road Fund Act in 2008 to support road maintenance, however the Fund became operational in 2010
- The URF¹ has a mandate to provide adequate and stable financing for maintenance of the 80,000km public roads in Uganda
- The URF¹ is funded by fuel levies, transit fees, road license fees, axle load fines, tolls, traffic and road safety fines, appropriations by Parliament, and donations/grants
- The URF¹ is governed by seven Board of Director members with private sector majority, and operated by a lean thirty staff secretariat



Key successes

- Dedicated funding sources - the URF¹ Act clearly specifies the types of road use fees and charges while maintaining flexibility by also including appropriations, donations and grants
- Operating URF¹ in a business-like manner - the majority of the seven-member of Board of Directors are from the private sector, and a fee-for service principle
- Independence of URF¹ from road regulators (policy setting) and road operators (maintenance & management)



Learnings for Plateau State

- Work with the state government to establish a Road Fund with dedicated funding sources such as road use fees and charges
- Operate the Fund like a business enterprise
 - A Board of Directors as the governing body with private sector majority
 - Separation from road regulators and operators
 - A lean staff with clearly responsibilities and accountability



Four initiatives to improve energy and water resources



Infrastructure - Energy & water resources

Detailed initiatives



Energy: Implement planned laws and increase grid connections (I/III)

Initiative objective

- Publish signed Energy Corporation Law
- Improve grid connections either through NESCO the PSEC¹ raising capital

Initiative Lead

E.4.1: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.4.1 Gazette the Energy Corporation Law and enforce provisions

- Estimate costs and likely impact of publishing the Energy Corporation Law
- Partner with donors(e.g., European Union) to fund gazetting the Energy Corporation Law in newspapers, online webpages etc.
- Enforce the provisions of the Energy Corporation Law, creating the Plateau State Energy Corporation

Deliverables

- Estimated costs Energy Corporation Law
- Published Energy Corporation Law
- Establishment of the Plateau State Energy Corporation

Recommended timeline

- 2 months
- 3 months
- 4 months





Energy: Implement planned laws and increase grid connections (II/III)

Initiative objective

- Publish signed Energy Corporation Law
- Improve grid connections either through NESCO or the PSEC¹ raising capital

Initiative Lead

E.4.2: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.4.2 Create an investment plan for potential NESCO's/PSEC¹'s profits and opportunities to expand grid access

- Estimate the total unserved energy demand and residents' ability to pay, prioritizing areas with high GDP/social impact potential and a dense population within agro-hubs, food-processing and mining areas
- Assess the required infrastructure (e.g., additional transmission lines, transformers, meters) to connect agro-hubs, food-processing and mining areas
- Estimate the required investments and potential revenues from proposed connections (e.g., initial capital expenditure, cash flow)
- Assess profitability of connections, prioritizing the 5 most profitable agro-hubs, food-processing and mining areas

Deliverables

- Total unserved energy demand and residents' purchasing power in high GDP/social impact and dense population areas
- List of required infrastructure for new connections
- Estimated investment costs and forecasted revenues from connections
- Detailed profitability analysis of proposed connections

Recommended timeline

- 3 months
- 3 months
- 3 months
- 4 months

Note that the involvement of PSEC¹ in initiatives E.4.2 and E.4.3 is dependent on the completion of initiative E.4.1
1. Plateau State Energy Corporation





Energy: Implement planned laws and increase grid connections (III/III)

Initiative objective

- Publish signed Energy Corporation Law
- Improve grid connections either through NESCO or the PSEC⁵ raising capital

Initiative Lead

E.4.3: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.4.3 Encourage NESCO and PSEC to raise capital and expand transmission

- Convene NESCO/PSEC⁵ and their stakeholders to consider expanding coverage to identified profitable agro-hubs, food-processing and mining areas based on profit potential
- Work with other NESCO/PSEC⁵ stakeholders¹ to convince board to take on debt from development banks (e.g., China's EXIM Bank, IFC⁴), donors (e.g., USAID) or to attract PPPs² to fund expansion using favorable long term profit-split ratio, tax holidays etc. e.g.,
 - In 2015, Edo took debt from several institutions, including IFC⁴, OPIC³ etc., to build the Azura power plant
- Lobby NESCO/PSEC⁵ to subsidize connection costs to low-income communities within existing distribution coverage

Deliverables

- NESCO's/PSEC⁵'s decision on expanding coverage
- Detailed incentive structure for potential PPPs or lenders
- Detailed connection costs for different customer type i.e., low, mid and high-income segment

Recommended timeline

- 2 months
- 3 months
- 6 months

Stakeholders

- Ministry of Energy and Water Resources
- NESCO Investments Limited
- Other NESCO Stakeholders¹
- PSEC⁵ and its stakeholders

Resources

Metrics

- Increase in number of new connections

Note that the involvement of PSEC¹ in initiatives E.4.2 and E.4.3 is dependent on the completion of initiative E.4.1

1. Plateau State, Benue State, Nasarawa State, Nigerian Mining Corporation etc. 2. Public Private Partnerships 3. Overseas Private Investment Corporation

4. International Finance Corporation 5. Plateau State Energy Corporation





Energy: Expand existing efforts to enable mini-grid investments (I/III)

Initiative objective

- Turn Plateau into an attractive hub for mini-grid energy donors and investors

Initiative Lead

E.5.1: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.5.1 Improve potential for mini-grid investments

- Update the Plateau State rural electrification plan to prioritize the 550 potential sites for mini-grid investments based on the agriculture, mining, and tourism high priority areas
- Continue to demonstrate mini-grid potential
 - Partner with REA² to launch pilots at additional agro-hubs, food-processing and mining areas e.g., FG³ partnered with REA² through Energizing Economics Initiative” to launch 3 pilots at Sabri Gani (Kano), Ariaria (Abia) and Sura mkt⁴ (Lagos)
 - Work with ICT Development Agency to collect data on mini-grid success of pilots in Excel, Google Docs etc., and make accessible to private investors

Deliverables

- Revised Plateau State Rural Electrification plan
- Estimated costs and likely impact of pilots
- Accessible profitability data on mini-grid pilot success

Recommended timeline

- 6 months
- 3 - 5 months
- 6 - 9 months



Energy: Expand existing efforts to enable mini-grid investments (II/III)

Initiative objective

- Turn Plateau into an attractive hub for mini-grid energy donors and investors

Initiative Lead

E.5.1: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

Attract investors and donors

- Partner with donors (e.g., GIZ) to train mini-grid energy focal person on investor and donor relations
- Develop a document with Plateau State Rural Electrification Plan and collected data from pilots to market mini-grid potential to investors and donors (e.g., Rockefeller, USAID's Power Africa)

Enable financing opportunities

- Work with development banks (e.g., China's EXIM bank, IFC¹, BOI²), microfinance banks to provide access to mini-grid financing (e.g., solar energy)

Deliverables

- Training sessions for mini-grid focal person
- Robust marketing document for investors and donors
- Easier access to mini-grid financing for investors, SMEs⁵, households etc.

Recommended timeline

- 3 months
- 12-15 months
- 6 months





Energy: Expand existing efforts to enable mini-grid investments (III/III)

Initiative objective

- Turn Plateau into an attractive hub for mini-grid energy donors and investors

Initiative Lead

E.5.2: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.5.2 Improve demand for mini-grids

- Work with state government to ensure consistent funding for government MDAs currently running on mini-grid solutions (e.g., Ministry of Energy & Water Resources)
- Gather and disseminate materials on how local mini-grids (e.g., solar energy) or other mini-grid energy generation enabled SMEs
- Liaise with Ministry of Education and ARC to integrate mini-grid energy training in school curricula i.e., technical and tertiary, and partner with private companies (e.g., Schneider Electric) to provide training (see agricultural initiatives A.3.1 and A.3.2)

Deliverables

- Funding plan for government MDAs on mini-grid solutions
- Disseminated materials on SMEs² success stories using mini-grid energy
- Revised curricula with tenets of mini-grid energy topics

Recommended timeline

- Every budget cycle
- 3 months
- 6 months

Stakeholders

- Ministry of Energy and Water Resources
- Community leaders, LGA Chairmen
- Rural Electrification Agency
- Ministry of Education, ARC, ICT Development Agency

Resources

- Mini-grid financing
 - BOI², IFC¹, China's Exim Bank
- Tertiary training - Schneider Electric
- Mini-grid point of contact training - GIZ

Metrics

- Increase in number of investors into mini-grids

1. International Finance Corporation 2. Bank of Industry



Water Resources: Implement planned laws and better sanitary practices (I/II)

Initiative objective

- Publish the signed Water Sector Law
- Enforce better sanitary practices in households and companies

Initiative Lead

E.6.1: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.6.1 Gazette the Water Sector Law and enforce provisions

- Estimate costs and likely impact of publishing the Water Sector Law
- Partner with donors(e.g., European Union) to fund gazetting the Water Sector Law in newspapers, online webpages etc.
- Enforce roles and responsibilities of MDAs as written in Water Sector Law, monitored by Plateau State Water Sector Regulatory Commission with quarterly reports of success to the Commissioner

Deliverables

- Estimated costs and likely impact of Water Sector Law
- Published Water Sector Law
- Quarterly reports from Plateau State Water Sector Regulatory Commission to the Commissioner

Recommended timeline

- 2 months
- 3 months
- 3 months





Water Resources: Implement planned laws and better sanitary practices (II/II)

Initiative objective

- Publish the signed Water Sector Law
- Enforce better sanitary practices in households and companies

Initiative Lead

E.6.2: Permanent Secretary,
Ministry of Energy and Water Resources

Actions

E.6.2 Improve quality of water through better sanitation practices

- Republish the state-wide sanitation policy, defining fines and fees for non-compliant households and companies e.g., Bangladesh introduced a National Sanitation Strategy in 2015 to improve water quality
- Work with Water and Sanitation agencies (e.g., PRUWASSA¹, PEPSA⁶) to develop and implement an approach to end open defecation
- Work with Water and Sanitation agencies (e.g., PRUWASSA¹, PEPSA⁶) to monitor adherence to sanitation policy & defecation strategy, fining non-compliant residents
- Partner with NGOs/donors (e.g., Pure Earth, WHO⁵) to inspect mine tailings for water contamination and enforce fines
- Partner with donors (e.g., World Bank's WSP², BMGF³) to fund programs for sanitation and water quality issues at agro-hubs & mining areas e.g.,
 - Building more latrines at agro-hubs, markets etc.
 - Changing old water pipes, i.e., from asbestos to ductile-made
 - CLTS⁴ program, educating miners on sanitation

Deliverables

- Published sanitation policy with fines and fees for non-compliant households and companies
- Monthly report on adherence rate to sanitation policies
- Monthly report on adherence rate to sanitation policies
- Fines collected from non-compliant miners
- List and estimated costs of proposed programs to address water quality issues

Recommended timeline

- 3 months
- 6 months
- Monthly
- 3 months
- 6 months

Stakeholders

- Ministry of Energy and Water Resources
- Ministry of Environment and Health
- PRUWASSA¹
- PEPSA⁶

Resources

- Funding gazette of Water Sector Law
 - European Union
- Funding water quality programs
 - World Bank, Federal government program to end open defecation

Metrics

- Increase in % of population with improved sanitary practices

1. Plateau Rural Water Supply and Sanitation Agency 2. Water and Sanitation Program 3. Bill and Melinda Gates Foundation 4. Community-Led Total Sanitation 5. World Health Organization 6. Plateau Environmental Protection and Sanitation Agency





Water Resources: Prepare Water Board for commercialization (I/II)

Initiative objective

- Ensure proper oversight of expenditures
- Maximize collections from existing revenue streams
- Reduce skill gap in manpower

Actions

E.7.1 Improve collections from existing connections

- Make a list of over-billing complaints from customers due to poor quality of meters i.e., meters registering air flows, bad meters
- Partner with donors (e.g., FDA¹, European Union) to replace meters with high-quality prepaid ones e.g., in 2018, FDA¹ partnered with the Ivorian gov't to provide ~22k smart meters to affected customers
- Work with ICT Development Agency to create a separate payment platform for the Water Board in order to ensure all fees paid to the Water Board are tracked to prove Water Board profitability

E.7.2 Reduce losses through water theft and leakages

- Institute a task force to identify illegal customer connections and other sources of water theft or leakage e.g., pipe-breaks
- Work with the Ministry of Energy and Water to fine culprits of illegal connections and collect payment
- Partner with donors (e.g., European Union) to provide bulk meters, ensuring better tracking of dispersed volume of water to customers against actual collections

E.7.3 Consider feasibility of exporting water to neighboring states (e.g., Bauchi, Nasarawa) via joint or PPP investment



Ivory Coast



Bangladesh

Initiative Lead

- E.7.1: Chairman, Plateau State Water Board
 E.7.2: Chairman, Plateau State Water Board
 E.7.3: Chairman, Plateau State Water Board

Deliverables

- List of over-billing complaints due to poor quality of meters
- Estimated costs and likely impact of meter replacements
- Clear payments assigned to the Water Board
- List of illegal customer connections and other sources of water theft/leakage
- Fines for illegal customer connections
- Estimated costs and likely impact of bulk metering systems
- Decision on export profitability and feasibility

Recommended timeline

- 2 months
- 3 months
- 6 months
- 3 months
- 1 month
- 3 months
- 12 months





Water Resources: Prepare Water Board for commercialization (II/II)

Initiative objective

- Ensure proper oversight of expenditures
- Maximize collections from existing revenue streams
- Reduce skill gap in manpower

Initiative Lead

E.7.4: Chairman, Plateau State Water Board

Actions

E.7.4 Seek partnerships to train unskilled manpower

- Identify unskilled manpower in agencies and department, including specific gaps for training (e.g., water and waste management planning, operations analysis)
- Partner with donors (e.g., European Union) to retrain unskilled manpower at educational institutions
- Work with the European Union, private companies, and other state utilities to revive or grow staff training partnerships (e.g., with Uganda's Ministry of Water and Environment) through online chats, quarterly training workshops etc. (e.g., Partnership for Clean Water in USA shares knowledge across water utilities to conduct assessments and optimize operations)

Deliverables

- List of unskilled manpower, including specific gaps for training
- Estimated costs and likely impact of manpower training
- Partners and partnership model identified

Recommended timeline

- 2 months
- 3 months
- 6 months

Stakeholders

- Ministry of Energy and Water Resources
- Plateau State Water Board
- ICT Development Agency

Resources

- Funding purchase of meters
 - FDA¹, European Union
- Funding training and Uganda partnerships
 - European Union

Metrics

- Increase in revenue collections
- Decrease in cases of water thefts and leakage
- Increase in % of skilled manpower



Infrastructure - Energy & water

Case studies



Energy: Rwanda leveraged off-grid energy solutions to improve electrification



Rwanda



Context

- Households in Rwanda have a low electricity access rate: 51% overall, including 37% connected to the grid and 14% using off-grid technologies
- Rwanda has set a target of 100% access to electricity by 2024
- Off-grid solutions such as solar home systems and mini-grids are viable alternatives to grid connections, which takes time to establish
- Rwanda Energy Group estimates that 48% of all households will have off-grid solutions by 2024, a 34 percentage points increase from current situation



What did Rwanda do?

- The Government of Rwanda signed a \$48.94m funding agreement with the World Bank in 2017 for off-grid electrification
- The fund enabled qualified savings and credit co-operatives (SACCOs) and commercial banks to open lines of credits to provide affordable loans to households and small business for solar system purchases
- 24 private companies have signed partnership agreements with Rwanda Energy Group to provide solar home systems
- Rwanda is conducting a national campaign to change people's mindsets to buy and use solar home systems, instead of waiting for grid connections



Key successes

- Recognized the importance of off-grid solutions in achieving the national electrification targets
- Successfully leveraged the fund from MDBs¹ to offer affordable loans to households and small businesses for the purchase of off-grid systems
- Improved locals' interests in off-grid solutions through the national campaign organized to change people's mind-sets to buy and use solar home systems



Learnings for Plateau State

- Map out the electricity demand and supply and identify the need and magnitude for off-grid solutions
- Secure initial funding from MDBs¹ or other sources and develop partnerships with local banks to offer affordable loans to households and small businesses that will rely on off-grid solutions
- Develop partnerships with off-grid system providers to offer end-to-end solutions
- Launch a state-wide campaign to demonstrate the benefits of off-grid systems

1. Multilateral Development Banks

Source: The New Times; Media Coverage



Water Resources: Bangladesh leveraged World Bank funds and a PPP model to deliver safety water and hygienic sanitation to rural population



Bangladesh



Context

- Bangladesh's population density is among the highest in the world; 75% of its population, or 109.3 million, live in rural areas
- 13% of the country's water sources have a 'dangerous' level of arsenic; 80% of sampled private piped-water was contaminated with E. coli bacteria; other issues include water salinity, iron & other bacterial pathogens
- Quality sanitation coverage is another concern with 35% of the country's latrines being identified as unclean



What did Bangladesh do?

- The Government of Bangladesh (GoB) developed a National Sanitation Strategy in 2005 to promote hygienic latrines
- The GoB and the World Bank co-launched a project in 2012 to increase the provision of safe water & hygienic sanitation in rural areas
- The project adopted a Build-Operate-Transfer PPP model for the construction of the piped water supply schemes
- The private sector helped to strengthen the institutional and technical capacity of the government to provide safe water and sanitation



Key successes

- Constructed 55,000 household latrines with improved sanitation access to 247,500 people; trained 450 local companies to build latrines
- Constructed 37 piped water schemes, rehabilitated 18 existing water schemes, built 20,475 deep tube wells, rain water harvesting structures, pond sand filter & ring wells
- Provided safe water access to 1,480,172 people through both piped water schemes and non-piped water points
- Successfully identified private sponsors through a PPP model



Learnings for Plateau State

- Build integrated programs and strategies to address sanitation and water quality issues at the same time
- Adopt an appropriate PPP model to leverage the private sector's investment and knowledge
- Consider using Multilateral Development Banks' funds and other donations or grants as an initial jump start
- Build the government's institutional and technical capacity in delivering safe water and hygienic sanitation



Water resources: Ivory Coast partnered with FDA¹ to revive its water management system with smart meters



Context

Ivory Coast has been facing frequent water management issues :

- Metering system requires physical checking in order to assess the amount that citizens should pay
- In Abidjan, daily volume of collected wastewater is close to 190K m³
- Reduced rainfall resulting in 3 weeks without running water
- Increasing population growth, growing urbanization coupled with climate change made it more complicated to supply water



What did Ivory Coast do?

French Development Agency supported the Ivoirian government by funding an immense water management project:

- Funding provided in form of a 30.5M Euros loan in the span of 5 years
- 22,000 smart meters have been installed as of April 2018
- Ivory Coast Water Development Company (SODECI) plans to provide almost 50 000 households with smart meters with this funding
- Funding with a debt reduction and development contract (C2D)
- Monitoring of ground water to avoid potential future shortages
- Build water pipelines to 12,000 homes in poorer parts of Abidjan

1. French Development Agency

Source: FDA¹ website; SODECI website; Media coverage



Ivory Coast



Key successes

Smart meters helped in cost cutting and decreasing consumption:

- Citizens that use smart meters pay 66% less on their water bill than average
- Water consumption is calculated automatically, thus eliminating the physical checking process of the meter
- Advantageous debt repayment with the C2D contract (donations from FDA¹)
- Receipt of the bill by smartphone in real time reduced wastewater



Learnings for Plateau State

Seek donor support (e.g., FDA¹) to fund water programs rather than standard loans

- International agencies like the FDA can offer very flexible funding to improve the water management system

Smart meters provide key support to water management:

- Smart meters usage is an emerging trend in African countries
- Smart meters implementation alone isn't enough to revamp water management but it does decrease cost and consumption

Infrastructure - Coordination

Detailed initiatives

Common issues emerged from interviews, highlighting need for an overall development plan involving all stakeholders

- 1 Inadequate planning & communication of projects among ministries, departments and agencies (e.g., sewer pipes cut during road construction)
- 2 Overlapping responsibilities among ministries, departments and agencies (e.g., road construction - Ministry of Works and RAAM¹)
- 3 Poor data collection & sharing among ministries, departments and agencies (e.g., vehicle registration - Ministry of Transport and IRS²)
- 4 Poor financing mechanism for ad hoc projects (e.g., maintenance of roads, boreholes)
- 5 Limited participation of private sector players and donor agencies (e.g., private sector investments in off-grid energy generation)
- 6 Insufficient skilled manpower for technical operations





Infrastructure coordination: Create an overall development plan involving all stakeholders

Initiative objective

- Ensure coordination and data sharing among infrastructure MDAs
- Ensure timely coordination and release of project funds

Initiative Lead

E.8.1: Plateau State Infrastructural Unit



USA

Actions

E.8.1 Ensure project planning and communication among infrastructure MDAs¹

- Create a map of existing, on-going and future infrastructure (roads, bridges, electric connections, water and sewer pipes), and work with ICT Development Agency to publish online (e.g., Google Maps KMZ)
- Create strategy for infrastructure development (e.g., Kaduna Infrastructure Master Plan) linked to agriculture development plan (i.e., agro-hubs), mining goals, JMDB's planned industrial areas (see initiatives A.2.4, B.2.3 and C.1.2)
- Improve coordination among infrastructure MDAs¹ by creating a state infrastructural unit (with a member from each stakeholder) to monitor budgeting & funding requests coordination among them before approval (see next slide for details)

Deliverables

- Published map of existing, on-going and future infrastructure on a yearly basis
- Published infrastructure development plan for the next five years
- See next slide

Recommended timeline

- 3 months
- 12 months
- See next slide

Stakeholders

- Plateau State Infrastructural Unit
- Ministries of Works & Transport
- Ministry of Energy and Water Resources
- Ministry of Lands and Survey, Ministry of Environment
- Efficiency Unit; Ministry of Finance
- ICT Development Agency

Resources

Metrics

- Percentage of projects shared across MDAs

1. Infrastructure MDAs include Ministry of Works, Ministry of Transport, and Ministry of Energy and Water Resources
Source: Media Coverage



Potential quick-win

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Recommendation to improve infrastructure coordination among MDAs (I/III)

Model: Create processes to ensure coordination among infrastructure MDAs¹ in **budgeting** and **funding requests**



Budgeting



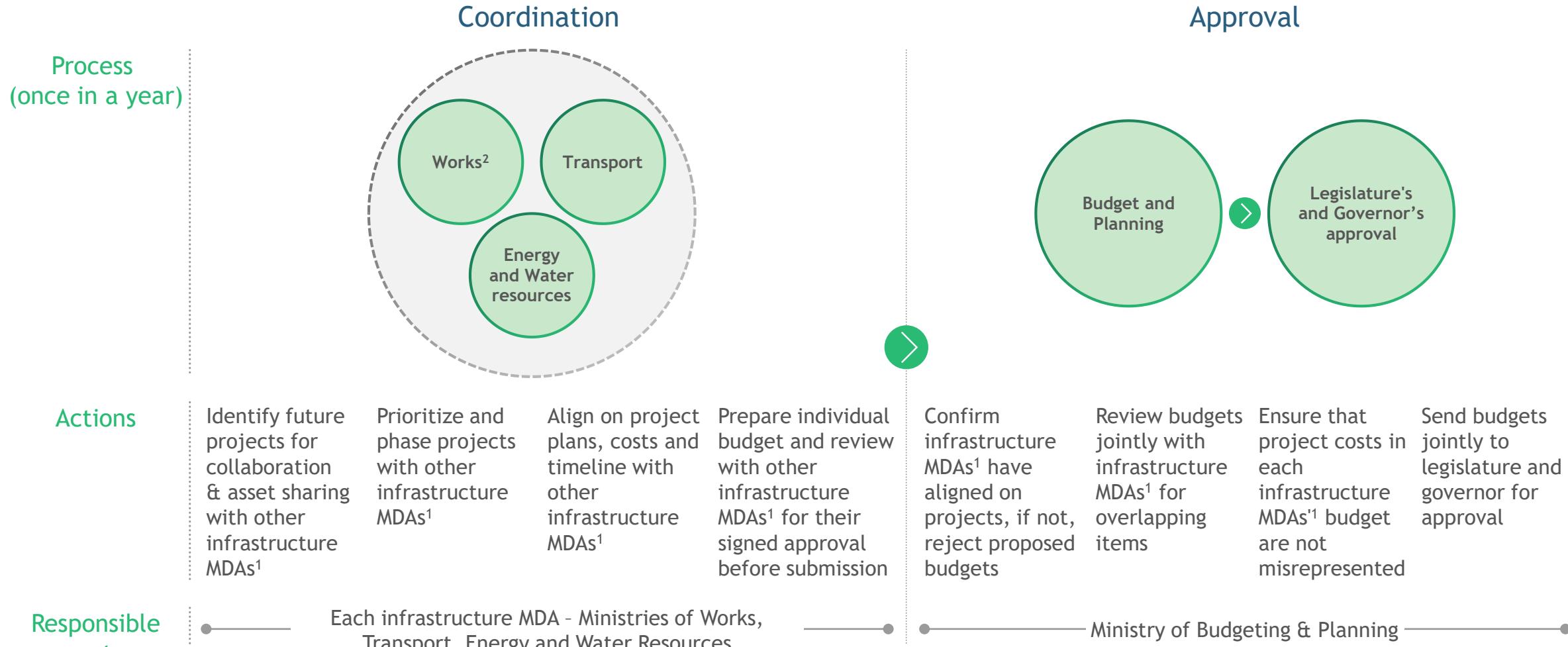
Funding requests

1. Infrastructure MDAs include Ministry of Works, Ministry of Transport, and Ministry of Energy and Water Resources



Recommendation to facilitate infrastructure coordination among MDAs (II/III)

Budgeting: Work with Ministry of Budget and Planning to ensure that **budget approval** is given only after verification of **budget coordination** among infrastructure MDAs¹

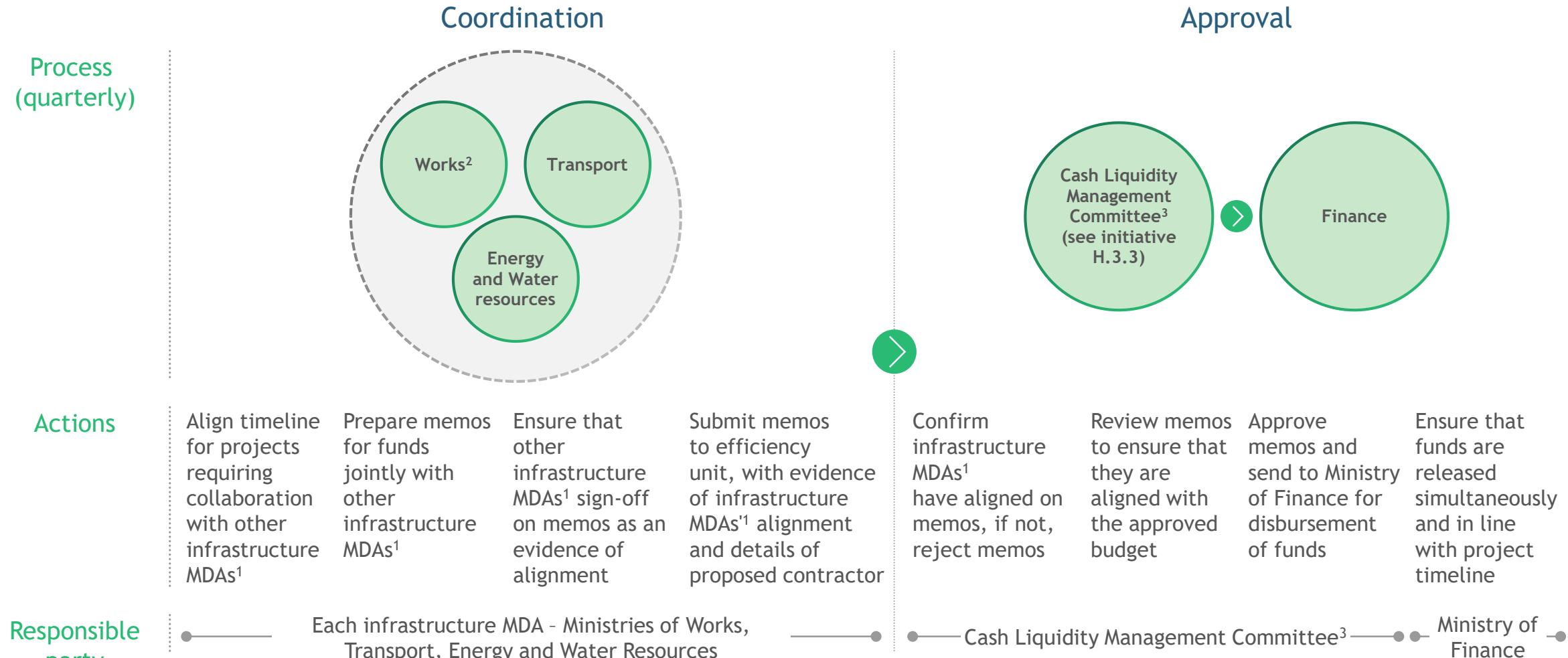


1. Infrastructure MDAs include Ministry of Works, Ministry of Transport, and Ministry of Energy and Water Resources 2. Ministry of Works is responsible for liaising with RAAM, Fadama and PADP to understand and collaborate on road construction projects



Recommendation to facilitate infrastructure coordination among MDAs (III/III)

Funding requests: Work with Efficiency Unit and Ministry of Finance to prevent approval of memos and release of funds until verification of funding coordination among infrastructure MDAs¹



1. Infrastructure MDAs include Ministry of Works, Ministry of Transport, and Ministry of Energy and Water Resources 2. Ministry of Works is responsible for liaising with RAAM, Fadama and PADP to understand and collaborate on road construction projects 3. Committee includes Price Intelligence Unit, Bureau of Public Procurement, Ministry of Finance, Ministry of Budget & Planning



Infrastructure coordination: New York metro area formed a 16-agency coalition

- TRANSCOM to coordinate transport construction projects



Context

- New York metro is the most populated and congested area in the U.S.
- In mid-1980s, various transport construction projects in the New York metro area at times led to the reduction of critical capacity due to simultaneous construction in parallel corridors
- There was a strong need for greater coordination of construction projects among the respective agencies
- TRANSCOM was created in 1986 and gained support and funding from all 16 major transport agencies in New York, New Jersey and Connecticut



What did TRANSCOM do?

- TRANSCOM hosts a project database and an annual meeting to carry out its construction coordination efforts
- In December, TRANSCOM sends the member agencies the project coordination database and ask them to update it with their project in the coming year
- TRANSCOM then produces a list of projects and potential conflicts, which will be discussed at the March annual meeting to address the conflicts
- TRANSCOM also coordinates transport incident management and Intelligent Transportation Systems (ITS) implementation



Key successes

- Ability to provide a regional outlook and regional understanding of work zone impacts among the three states in the NY metro area
- Ability to provide multimodal coordination, including both roads and public transit systems, the latter could provide vital alternative travel options during road construction
- A multi-purpose platform that also includes incident management and ITS implementation coordination



Learnings for Plateau State

- Work with the ICT Development Agency to create project database and master map for all related infrastructure projects
- Convene other infrastructure MDAs for coordination meetings on a periodic and as-needed basis to address any conflicts and foster win-win solutions to achieve development goals

Human Capital

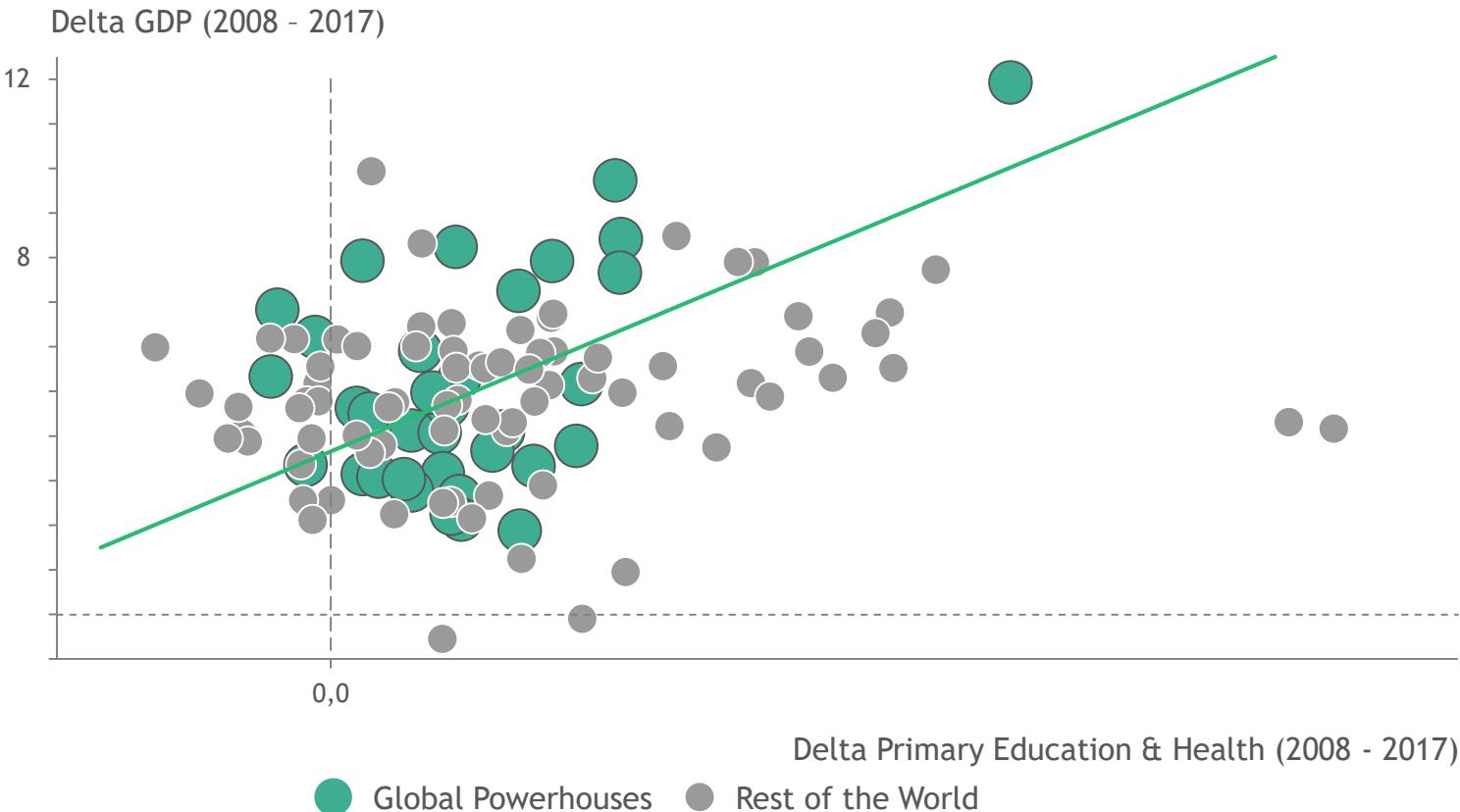
Goal

Improve the state of
Plateau's human capital
through investments in
education and healthcare



On average, countries that improve education and health experience higher GDP growth

Relationship between GDP and Primary education & Health (evidence from 120 countries)



Note: The countries in the group Global Powerhouses constitute 35 countries with the largest populations and/or the largest economies.

Source: Global Competitiveness Index; World Bank; BCG analysis

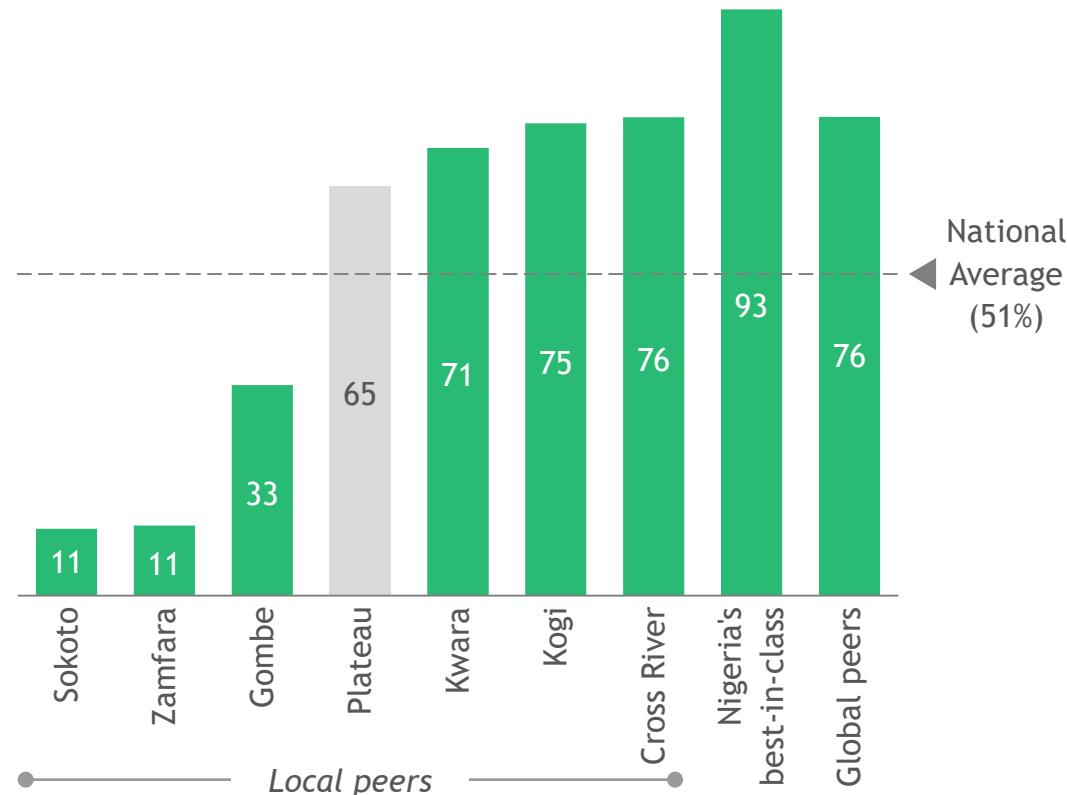


Implication

Plateau State
should invest in
improving primary
education and
health as enablers
for GDP growth

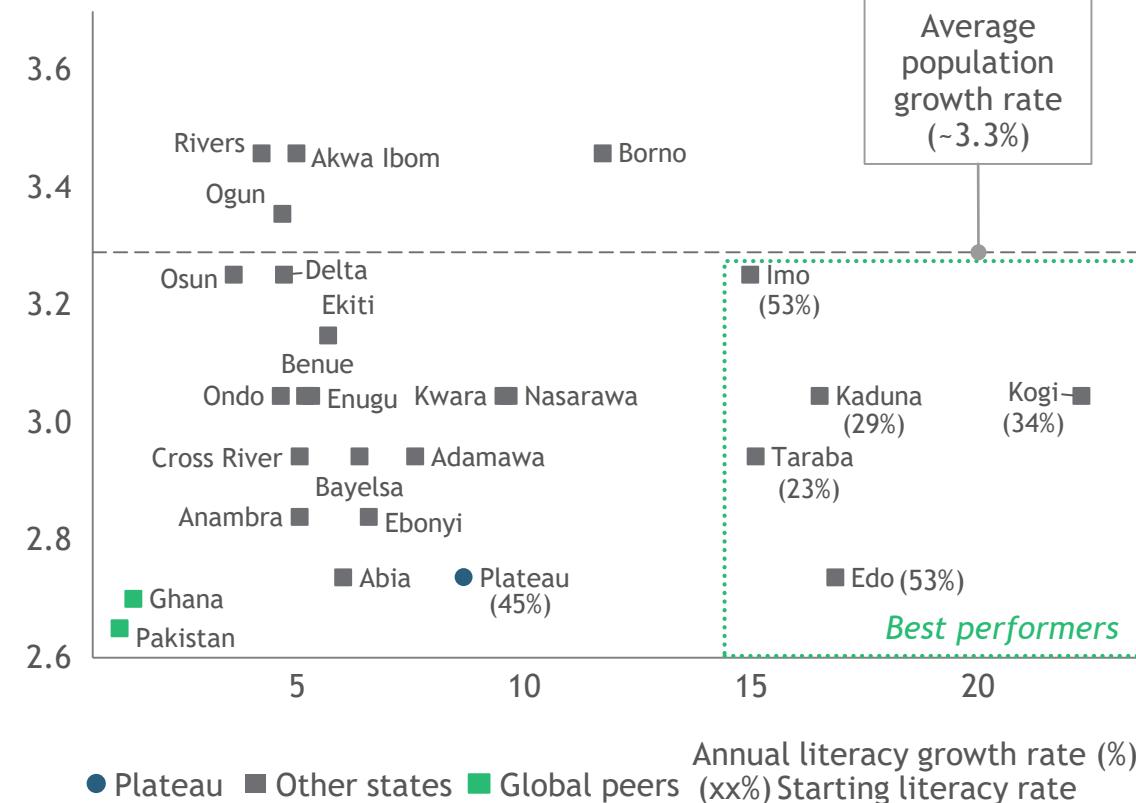
Education: Although Plateau literacy leads some peers, rate of growth still lags other Nigerian states

Literacy (% of 2015 population able to read and write)



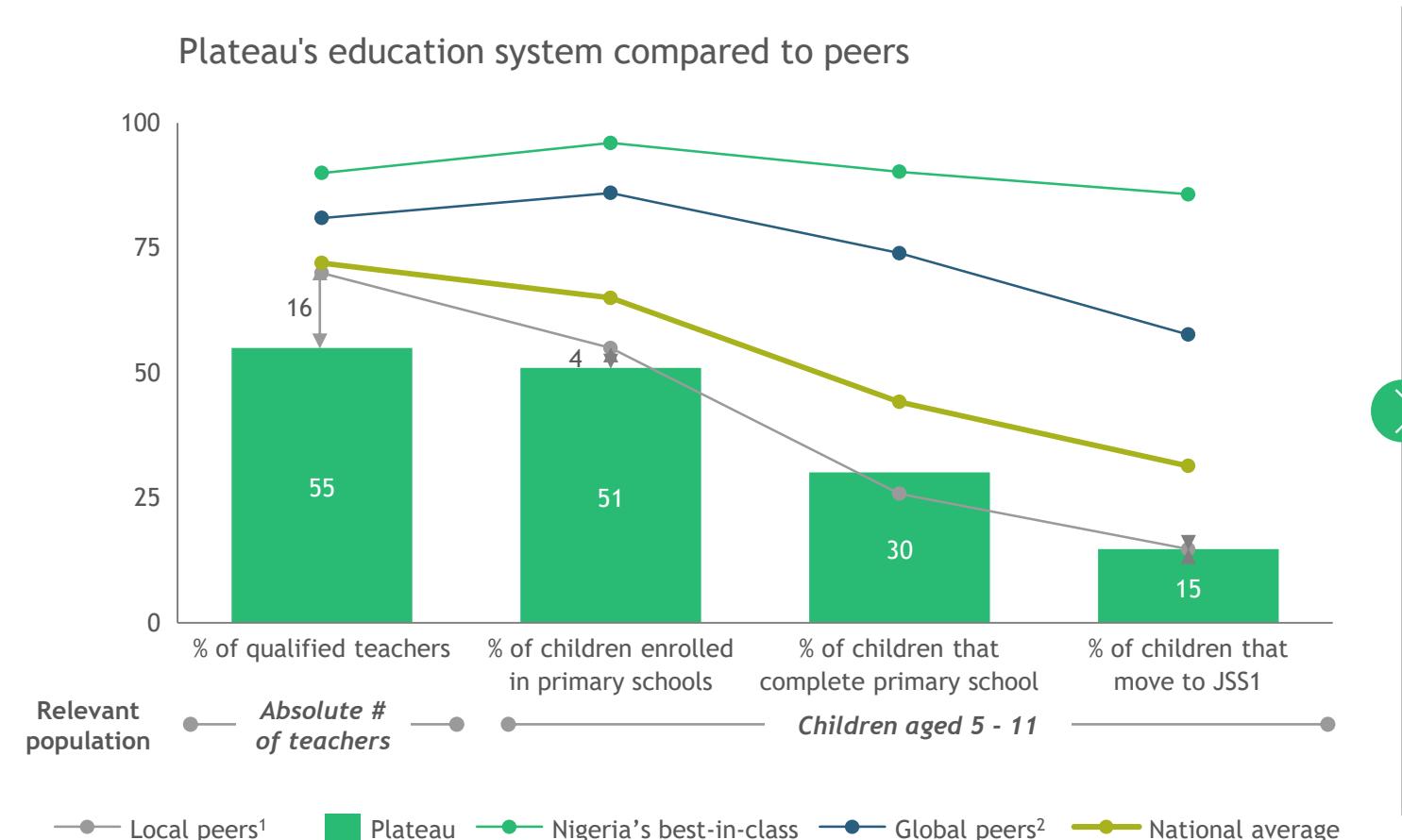
Population vs. Literacy (2011 - 2015)

Population growth rate (%)





Education: Plateau suffers from a lack of employed qualified teachers and limited primary school success



Only half of Plateau's children go to school, and about 30% complete primary education

Plateau lags peers and the national average in most indicators

Plateau especially lags in the proportion of qualified teachers

1. Kwara, Kogi, Benue, Zamfara, Sokoto, Gombe, Cross River 2. Ghana, Pakistan, Angola, Myanmar, Nicaragua, Vietnam, Honduras

Source: CEIC database; Nigeria Data for Africa; BCG analysis. Please note that the data source for this slide differs from the data source for the previous slide



Education: Several factors affect success of Plateau's students



Inadequate teacher employment

- Qualified teachers left out of workforce due to insufficient funding
 - Limited counterparty support reduces access to donor funds
- ~3 teachers/1k pupils compared to UNESCO's norm of ~3 teachers/100 pupils
- Lack of coverage in rural areas due to difficulty in finding teachers
- Little incentive for teachers in urban areas to move to rural areas



Poor quality control

- Lack of a consolidated tracking system for students and teachers inhibits State's ability to identify unqualified teachers, and monitor overall student and teacher success
- Weak supervision of examination centers, especially those in private schools, leading to increased cases of malpractice



Poor access to educational institutions

- Poor road networks especially in rural areas decrease accessibility
- Inadequate number of schools - an avg. student is within 5 - 7km of school compared to target of 1 -3km of school
- High costs of secondary education as well as minimal fees for uniforms, books etc., prevent less-privileged children from schooling

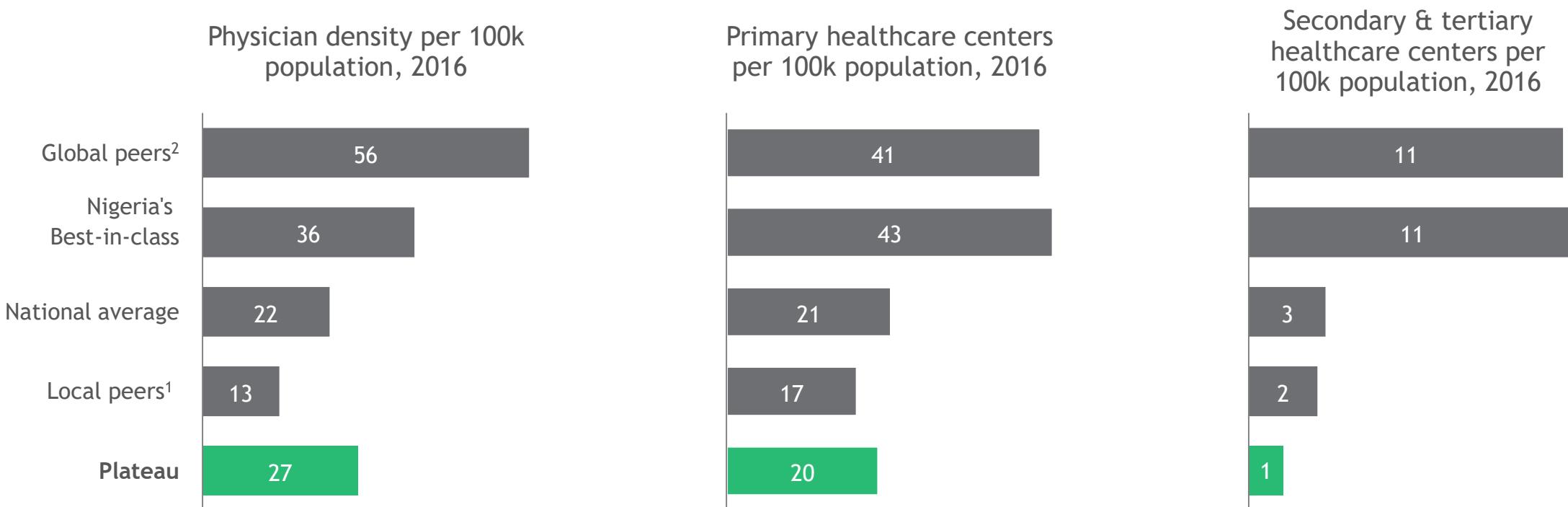


Inadequate mix of skills upon graduation

- Increasing need for computer skills in labor force unmet by current curriculum in secondary and tertiary education
- Skill gaps reported in Ministries of Water, Energy, and Health in new graduates to perform technical operations

Health: Although Plateau leads local peers, it lags global peers and Nigerian best-in-class states...

Plateau leads local peers in physician density and primary healthcare centers, however significantly lags global peers



1. Kwara, Kogi, Benue, Zamfara, Sokoto, Gombe, Cross River 2. Ghana, Pakistan, Angola, Myanmar, Nicaragua, Vietnam, Honduras
Source: NBS social statistics report; UNDP National Human Development Report for Nigeria; Nigeria Data for Africa; BCG analysis



Health: ...leading to a persistent perception of poor care

Plateau has focused on vaccines, AIDS prevention, and insurance...

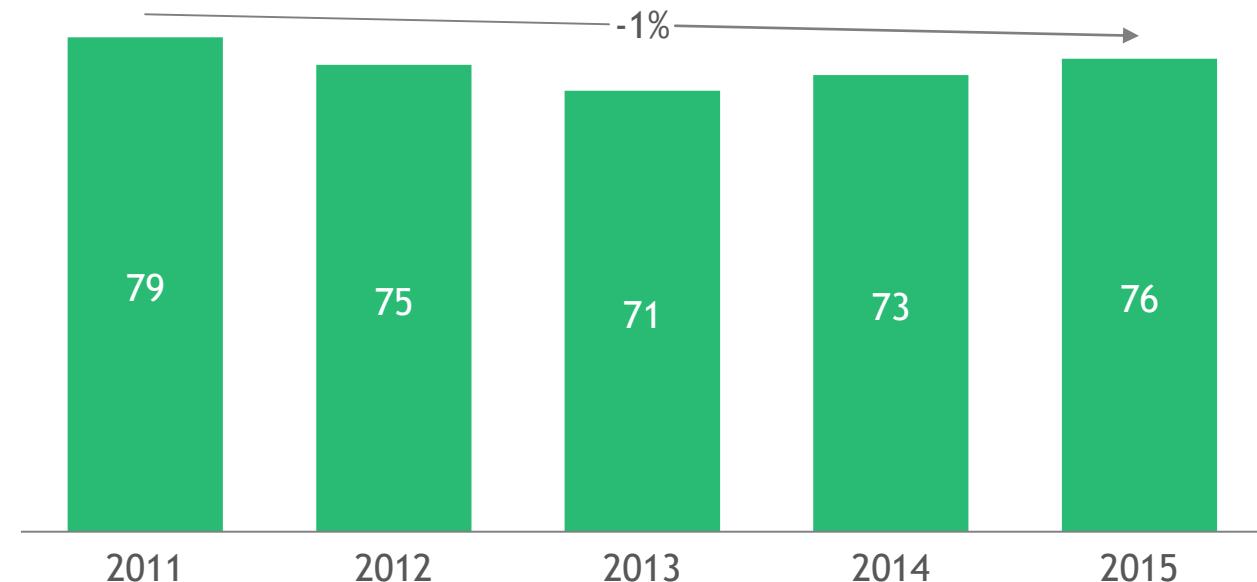
Partnerships with international donor agencies such as UNICEF, WHO, EU etc. to provide vaccine-immunization services

Collaboration with AIDS Prevention and Intervention in Nigeria (APIN) to provide infrastructure and train healthcare personnel

Establishment of a contributory health management agency to provide health insurance for medical services to residents

...but healthcare quality has remained stagnant

% of female population in Plateau reporting poor healthcare services





Health: Several factors hinder easy access to quality healthcare services in Plateau



Inadequate health personnel employment

- Lag in replacing retired workforce due to insufficient funding
- Insufficient health personnel - ~27 physicians/100k population compared to WHO's norm of ~220 physicians/100k population
- Inadequate services, especially in rural areas, due to limited training of medical personnel
- Little incentive for health personnel in urban areas to move to rural areas



Limitations of infrastructure

- Bad road networks especially in rural areas decrease accessibility
- Inadequate coverage - 3 out of 17 LGAs¹ do not have a general hospital
- Need for residents to use personal transport given the insufficient number of ambulances
- Poor power & water supply especially in rural areas limits hospitals' ability to offer consistent services



Inconsistent service provision

- Unclear communication and process for funding release between Ministries of Finance and Health cause delays
- Occasional unavailability of drugs
- Lack of a consolidated tracking system for health personnel inhibits State's ability to monitor their qualifications and performance
- Insufficient public awareness on physician rating systems reduces ability of patients to evaluate health personnel

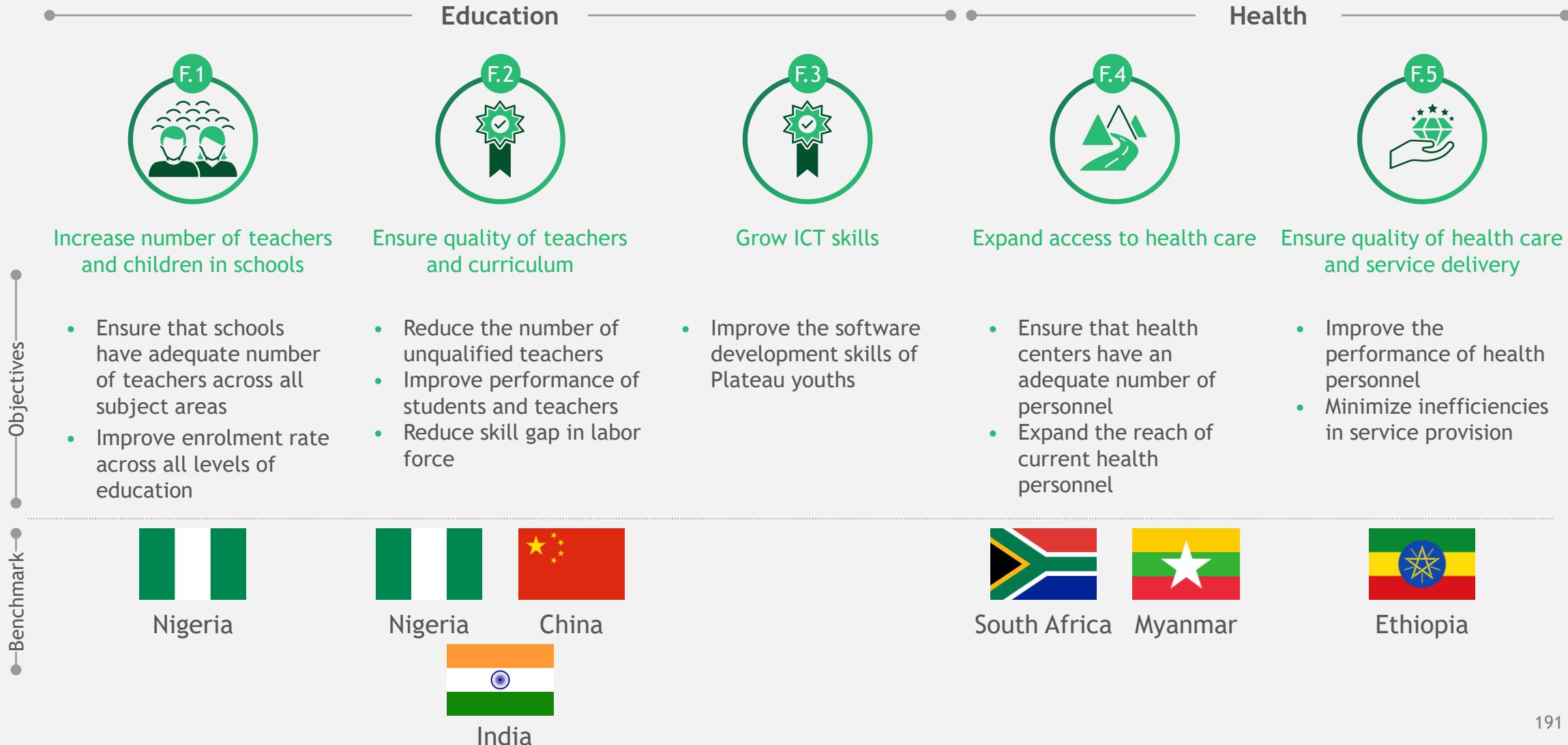
1. Local Government Areas
Source: Stakeholder interviews; Press Research; BCG

How does Plateau address its human capital issues?





Five initiatives to improve human capital



Education

Detailed initiatives



Education: Increase the number of teachers and children in schools (I/II)

Initiative objective

- Ensure that schools have adequate teachers across all subject areas
- Improve enrolment rate across all levels of education

Initiative Lead

F.1.1: Perm. Sec. Ministry of Education, PSUBEB² Chairman

F.1.2: Perm. Sec. Ministry of Education, PSUBEB² Chairman

Actions

F.1.1 Increase the number of teachers

- Prioritize counterparty funding for UBE¹ (primary school) donor support for recruiting teachers
- Reserve funds at the beginning of the year for automatic recruitment of retiring teachers
- Partner with NGOs such as “Teach for Nigeria” to provide teachers

Deliverables

- Budget prioritization for counterparty funds (see budgeting section)
- Defined %budget to be reserved for counterparty funding and new teacher employment
- List of locations and potential NGOs
- Published policy on teacher rotation
- Incentive structure for teacher redeployment and rotation
- List of urban teachers willing to be redeployed outside their districts

Recommended timeline

- In next budget cycle
- In next budget cycle
- 3 months
- 3 months
- 6 months
- 6 months

F.1.2 Expand the distribution of teachers to rural areas

- ✓ Create policy mandating rotation of teachers to rural communities in their district, e.g.:
 - New teachers: First 2 or 3 years of employment
- ✓ Liaise with Teachers Service Commission to create additional incentives for urban teachers willing to be redeployed to rural communities outside their districts e.g., tax rebates, free housing

1. Universal Basic Education 2. Plateau State Universal Basic Education Board



Education: Increase the number of teachers and children in schools (II/II)

Initiative objective

- Ensure that schools have adequate teachers across all subject areas
- Improve enrolment rate across all levels of education

Initiative Lead

F.1.3: Perm. Sec. Ministry of Education,
PSUBEB⁵ Chairman

Actions

F.1.3 Improve the number of children in schools

- Seek funding from donors (e.g., World Bank's Nigeria-Kaduna State Economic Transformation Program) to build new schools and upgrade existing ones
- ✓ Institute state law (e.g., Federal Gov't UBE² Act), making primary education compulsory for children aged 5 to 11, and seek donors (e.g., BMGF¹'s Global Education Program in Kaduna) to provide support
- ✓ Maintain free lunch program at primary education, pilot free education and lunch program for JSS³ in selected LGAs⁴, and partner with donors (e.g., BMGF¹'s Global Education Program in Kaduna) to support and subsidize other supporting fees (e.g., school uniforms)

Deliverables

- Prioritized list of schools for upgrading and LGAs⁴ for building schools
- Gazetted law on compulsory primary education
- Cost estimate and likely impact of free education and lunch program at JSS³

Recommended timeline

- 6 months
- 6 months
- 6 months

Stakeholders

- Ministry of Education
- Plateau State Universal Basic Education Board
- Teachers Service Commission

Resources

- Counterparty fund—state government
- Teacher replacement fund—state gov't
- Infrastructure funding for schools
 - World Bank
- Funding for pilot free education and lunch program
 - Bill and Melinda Gates Foundation

Metrics

- Increase in enrolment rate
- Increase in number of teachers
- Increase in number of teachers in rural areas

1. Bill and Melinda Gates Foundation 2. Universal Basic Education 3. Junior Secondary Schools 4. Local Government Areas 5. Plateau State Universal Basic Education Board



Potential quick-win



Education: Ensure quality of teachers and curriculum (I/IV)

Initiative objective

- Reduce the number of unqualified teachers
- Improve performance of students and teachers
- Reduce skill gap in labor force



Actions

F.2.1 Institute a state-wide push to improve teacher quality

- Create a list of current teachers across all levels of education
- ✓ Create and communicate a strategy for reducing number of unqualified teachers (e.g., Kaduna State Education Strategic Plan)
 - Teachers with no/falsified degrees, training for poor-performing teachers)
- ✓ Review qualifications i.e. educational degrees of teachers—minimum of NCE² and replace teachers with no/falsified degrees
- ✓ Work with PSUBEB⁵ and ERC⁴ to publish school performance by LGA³ from exam results (e.g., FSLC⁶, WAEC⁷, NECO¹, promotion exams), identifying weak subject areas
- ✓ Engage the Quality Assurance Team at PSUBEB⁵ and Zonal & Area officers at Ministry of Education (secondary) to jointly identify persons within their agencies or appoint trustees from schools to monitor and report teacher quality in each LGA³ in identified weak subject areas

Initiative Lead

F.2.1: Perm. Sec. Ministry of Education,
PSUBEB⁵ Chairman

Deliverables

- List of teachers at all levels in each LGA³
- Published education strategic plan
- List of teachers with no/falsified degrees for replacement
- Published school performance by LGA³, and identified subject gaps based on exam results
- Detailed plan for each LGA³, identifying responsible persons or trustees to conduct monitoring

Recommended timeline

- 2 months
- 6 months
- 3 months
- Every year
- 3 months

1. National Examination Council 2. National Certificate in Education 3. Local Government Areas 4. Educational Resource Centre 5. Plateau State Universal Basic Education Board 6. First School Leaving Certificate 7. West African Examination Council





Education: Ensure quality of teachers and curriculum (II/IV)

Initiative objective

- Reduce the number of unqualified teachers
- Improve performance of students and teachers
- Reduce skill gap in labor force

Actions

- ✓ Work with the Quality Assurance Team at PSUBEB² and Zonal & Area officers at Ministry of Education (secondary) to conduct yearly competency tests, identifying poor-performing teachers and weak subject areas
- ✓ Work with the ICT Development Agency to track results from monitoring exercises and historical teacher competency tests by developing a pilot reporting system in Excel or leveraging a mobile SMS system where reports are sent through a USSD code
- Set up an incentive structure to reward high-performing teachers e.g., increased yearly bonus, faster promotion, preferential treatment in rotation decisions, public service excellence awards
- ✓ Seek donors (e.g., BMGF¹'s Global Education Program in Kaduna) to fund training schemes for poor-performing teachers

Initiative Lead

F.2.1: Perm. Sec. Ministry of Education,
PSUBEB² Chairman

Deliverables

- List of poor-performing teachers by identified subject area gaps e.g., STEM³
- Consolidated tracking system for teacher records
- List of high-performing teachers and a clear incentive structure for rewarding them
- Assessment of required funding per teacher and list of training schemes

Recommended timeline

- Every year
- 12 months
- 6 months
- 8 months



Education: Ensure quality of teachers and curriculum (III/IV)

Initiative objective

- Reduce the number of unqualified teachers
- Improve performance of students and teachers
- Reduce skill gap in labor force

Initiative Lead

F.2.2: Perm. Sec. Ministry of Education,
PSUBEB⁵ Chairman

Actions

F.2.2 Improve long-term student skills and success



India



China

- Work with ICT Development Agency to create a system (e.g., Excel sheet, Google Docs) to track school/LGA¹ performance
- Partner with exam bodies (e.g., WAEC², NECO³) or use yearly promotion exams to access secondary schools performance data by school/LGA¹
- Identify subject area gaps in primary & secondary schools performance
- Develop a temporary teacher rotation plan within LGAs to identified “passing centers” during exams and work with ERC⁴ to ensure that teachers are rotated for supervision during exams
- Work with ERC⁴ to ensure that exam bodies (e.g., WAEC², NECO³) regularly rotate staff across different schools during examinations
- Work with ERC⁴ and exam bodies (e.g., WAEC², NECO³) to ensure secondary students are registered for examinations at only schools where they had their secondary education
- Continue to work with donors (e.g., GIZ’s representatives in agriculture) to assess current and future skills in agricultural, food-processing and mining sectors

Deliverables

- Tracker by school/LGA¹
- Access to WAEC²’s ,NECO³’s database and results of yearly promotion exams
- List of subject area gaps by school/LGA¹
- Detailed teacher rotation plan to passing centers
- Detailed staff rotation plan from WAEC², NECO³ etc., during examinations
- Schooling records of each secondary student registering for exams
- List of requisite skills in GDP-contributing sectors

Recommended timeline

- 3 months
- 2 months
- 3 months
- 6 months

1. Local Government Area 2. West African Examination Council 3. National Examination Council 4. Educational Resource Centre 5. Plateau State Universal Basic Education Board



Education: Ensure quality of teachers and curriculum (IV/IV)

Initiative objective

- Reduce the number of unqualified teachers
- Improve performance of students and teachers
- Reduce skill gap in labor force

Initiative Lead

F.2.2: Perm. Sec. Ministry of Education,
PSUBEB⁴ Chairman

Actions



- Align curriculum to include identified gaps in student performance and labor force
- Create a path to employment with private and public sector players (e.g., Ministry of Energy, food processing companies) through internship programs and connections to tertiary institutions (see agricultural initiative A.3.2.)
- Ensure that skilled graduating students from tertiary institutions work in Plateau by partnering with private sector companies to provide incentives (e.g., reimburse the cost of tertiary education, provide income tax breaks, provide options to rotate to other states after 2 years in Plateau)

Deliverables

- Revised curriculum covering identified gaps
- List of internship programs with private and public sector players
- Career fairs at tertiary institutions with major companies
- Incentive structure for skilled graduates from Plateau's tertiary institutions

Recommended timeline

- 9 months
- 6 months
- 3 months

Stakeholders

- Ministry of Education
- Plateau State Universal Basic Education Board
- Educational Resource Centre; Teachers Service Commission
- Examination bodies—WAEC², NECO³ etc.
- ICT Development Agency

Resources

- Funding for teacher training programs
 - GIZ, Bill and Melinda Gates Foundation

Metrics

- % of teachers qualified
- Cases of exam malpractice
- % student success in WAEC², NECO³ etc.

1. Local Government Area 2. West African Examination Council 3. National Examination Council 4. Plateau State Universal Basic Education Board



Potential quick-win



Education: Grow ICT skills

Initiative objective

- Improve the software development skills of Plateau youths

Initiative Lead

F.3.1: ICT Development Agency

F.3.2: ICT Development Agency

Actions

F.3.1 Improve ICT knowledge of tertiary graduates

- Identify tertiary institutions willing to integrate ICT courses in their curricula by partnering with Ministry of Education and ERC¹
- Assess the feasibility of introducing ICT courses (e.g., software development skills) at identified tertiary institutions
- Create ICT courses at identified tertiary institutions by partnering with donor agencies (e.g., Zuckerberg & Chan Initiative) to fund, and with Plateau ICT hubs to provide trainings

F.3.2 Build new government technology by partnering with ICT hubs and tertiary institutions to provide support

- Work with MDAs to ensure that all IT plans relating to revenue collection and data capturing are signed-off by ICT and in line with existing back-ends
- See initiatives B.1.3, B.2.3, C.2.3, C.3.1, D.1.1, D.3.1, D.4, E.5.1, E.7.1, E.8.1, F.2.1, F.4.1, G.1.3 and G.4

Deliverables

- List of tertiary institutions willing to integrate ICT courses in their curricula
- Estimated costs and likely impact of ICT courses to the government
- List of ICT courses created at tertiary institutions
- Alignment with MDAs to get a sign-off from ICT Development Agency for related IT plans
- Government technology for the stated initiatives

Recommended timeline

- 3 months
- 6 months
- 6 - 9 months
- 3 months
- 12 - 24 months

Stakeholders

- Ministry of Education
- Educational Resource Centre
- ICT Development Agency

¹ 1. Educational Resource Center

Resources

- Funding for ICT trainings at tertiary institutions
 - Zuckerberg & Chan Initiative

Metrics

- # of graduates of ICT training courses



Potential quick-win

Education

Case studies



Education: China restructured its TVETs to prepare future agricultural workers



Context

China's agriculture industry declined between 1980 and 2008, as the proportion of planting shrank even though that of fishery & forestry increased

2 major factors drove this situation:

- **Declining number of farmers:** ~200M farmers had dumped farming in favor of formal employment in cities and towns
- **Shortage of skills:** Current stock of farmers were unfamiliar with new agricultural technology, which hindered further employment



What did the Chinese government do?

Chinese government revised TVET's curriculum to focus on 3 major areas:

- **Practical student trainings** on present job demands
 - ~1/3 students received 11-15 hours of various skills training weekly
 - TVETs placed students with agricultural SMEs for internships
- **Career guidance and advisory services**
 - >50% of students across schools were satisfied with career counselling, and 90% believed it contributed to life planning
- **Integration of students & teachers into community agriculture efforts**
 - School resources were used to support 12 agricultural model villages
 - Teachers trained farmers in cultivation, pest control etc.

TVETs means Technical and Vocational Education and Training Colleges

1. Schools in focus are Xinjiang Agricultural Vocational Technical College, Nan Gong Vocational and Technical Education Centre, and Heilongjiang Nongken Vocational College

Source: World Bank; Media coverage; BCG



Key successes

- Students transitioned smoothly into agriculture sector
 - Majority of students pursued agriculture after schooling - ~90% employment rate of agricultural majors across the 3 schools
- Employers collaborated with schools to develop more TVETs
 - Xinjiang built a training centre for seed production and management majors, and developed eight training courses
 - Heilongjiang established province level school-enterprise cooperation group for food majors



Learnings for Plateau State

- Partner with schools to build a training centre for seed production, farming and processing
- Work with ASTC & FADAMA to identify skill gaps in the agricultural sector and partner with schools to adjust curriculum to include gaps
- Liaise with agro-processing companies e.g., NASCO, and communal farmers to offer students yearly one-month internship placements



China



Education: Government of Haryana transformed its state public school system to improve learning levels



Context

Haryana is a state in northern India, population ~25M (2011). The Government of Haryana oversees 15k schools and >100k teachers, educating 2.2M children

As at 2015, ~44% of Haryana students could read grade II text and <30% could do simple two digit subtraction/sum



What did the Government of Haryana do?

Government, funded by AIFT¹, and collaborating with MSDF² and BCG , launched Quality Improvement Program, with aim of bringing all children to grade-level competency within 7 years. Project involved 4 key levers:

- **Regular competency tests** for students to identify weak subject areas
 - Bi-monthly student tests informed teachers of their weak areas
 - Dashboards linked to results and highlighted student performance
- State-wide assessments for teacher training/mentoring gaps
 - **Regular teacher evaluations** to track performance along with student success and to reduce teachers' absence from work
- **Integration of social media** to improve learning experience
 - WhatsApp groups, Facebook, and Google docs were used by teachers to share notes, announcements, and to provide feedback
- **Organizational redesign of schools** to reduce multi-grade teaching

1. American Indian Foundation Trust 2. Michael and Susan Dell Foundation
Source: 3ieimpact website; Media coverage; BCG



Key successes

- As at June 2019, 86% of Haryana schools at grade-level competency
 - >80% of all students in schools able to read at class II
- Merged 800 co-located schools into 400, removing instances of multi-grade teaching
- Design and launch of a performance tracking system for >100k teachers, which rewarded overall student success
- Improved student learning experience through social media
 - >10k teachers used WhatsApp in <20days to share notes



Learnings for Plateau State

- Work with the Ministry of Education to organize bi-monthly student tests and partner with ICT Development Agency to track results
- Identify subject areas with consistent poor student performance and partner with donors (e.g., UNICEF) to investigate the root cause
- Engage the ICT Development Agency to design a system to track teacher records e.g., performance, qualifications, absence to work
- Partner with donors (e.g., GIZ) to offer teacher training programs
- Engage Ministry of Education to introduce social media platforms for note sharing, announcements and feedback purposes



India



Education: Kaduna State revamped its education system by improving enrolment rate and teacher quality



Context

Kaduna is a state in northern Nigeria, population ~8M (2016). Government oversees >7k schools & >33k teachers, educating 2.1M children.

With ~52% enrolment rate and ~40% of teachers qualified in 2016, Kaduna State sought to improve the number of children in schools and teachers' quality across all levels of education



What did Kaduna State Government do?

Kaduna State Government embarked on a 6-step revamp process:

- Kaduna SUBEB¹ tested teachers to **identify unqualified ones**
 - ~66% of teachers (~22k) failed the test and were asked to resign
- Government partnered with UNPFA² to **fund recruitment of teachers**
 - ~25k teachers were hired to replace sacked teachers
- Collaborated with Ministry of Education to **prioritize STEM³ and ICT**
 - ~2.2k teachers were particularly recruited for STEM³ and ICT
- Introduced the **free lunch program** in its primary schools to incentivize parents to send children to school
- Expanded access by making the **first nine years of schooling free**
- **Partnered with the World Bank** in its school rehabilitation program
 - ~30% of 4.2k pri. schools rehabilitated to take 30-40 pupils/class

1. State Universal Basic Education Board 2. United Nations Population Fund 3. Science, Technology, Engineering and Mathematics 4. Local Government Area
Source: Media coverage; Punch Nigeria; BCG



Key successes

- As at Dec. 2017, **enrolment rate had increased by ~50%** from ~1.5M children to ~2.1M children
- **Nigeria's best-in-class** in proportion of qualified teachers - ~85% of teachers in 2017 considered fit
- **Improved performance** of students in national exams
 - Ranked 1st among all northern states in WAEC and NECO exams



Learnings for Plateau State

- Engage Plateau SUBEB¹ and Teachers Service Commission to conduct **yearly competency tests** to identify unqualified teachers
- Seek donors (e.g., UNFPA²) to fund **training schemes** for unqualified teachers and replace **post-training poor performing teachers**
- Work with ARC and schools to **prioritize curriculum & teacher improvements** in subjects with poor state/LGA⁴ WAEC performance
- Make **primary education compulsory** for children between 5 and 11
- partner with donors (e.g., Gates Foundation) to provide support
- Consider making junior secondary education free especially at rural areas & subsidize **other fees** e.g., school uniforms
- Consider instituting the **free lunch program for secondary schools**
- **Collaborate with donors** (e.g., World Bank, AfDB) to fund **rehabilitation of existing infrastructure**



Nigeria

Health

Detailed initiatives



Health: Expand access to healthcare (I/II)

Initiative objective

- Ensure that health centers have adequate personnel
- Expand the reach of current health personnel

Initiative Lead

- F.4.1: Permanent Secretary, Ministry of Health
 F.4.2: Permanent Secretary, Ministry of Health
 F.4.3: Permanent Secretary, Ministry of Health

Actions

F.4.1 Increase the number of healthcare personnel

- Prioritize counterparty funding for donor support (e.g., WHO) for recruiting doctors
- Reserve funds at the beginning of the year for automatic recruitment of retiring doctors, nurses, mid-wives etc.

Deliverables

- Budget prioritization for counterparty funds (see budgeting section)
- Defined % budget to be reserved for counterparty funding and new personnel employment

F.4.2 Expand the distribution of health personnel to rural areas

- ✓ Create policy mandating rotation of doctors, nurses etc., to rural communities in their district e.g.,:
 - New personnel: First 2 or 3 years of employment
- ✓ Create additional incentives for urban doctors, nurses etc. willing to be redeployed to rural communities outside their districts e.g., tax rebates, free housing

- Published policy on rotation of new doctors, nurses, mid-wives etc.
- Clear incentive structure for personnel redeployment and rotation
- List of urban personnel willing to be redeployed outside their districts

F.4.3 Expand physical coverage of health personnel in rural areas

- Launch a pilot bi-weekly antenatal mobile clinic program at selected LGAs for pregnant women
- Partner with donors (e.g., MTN Foundation in Niger State) and NGOs (e.g., Riders for Health) to support with transporting doctors or drugs

- Prioritized LGAs¹, number of doctors, days of operation etc.
- Estimated costs, and likely impact of program

Recommended timeline

- Next budget cycle
- Next budget cycle
- 3 months
- 6 months
- 6 months
- 6 months
- 6 months



1. Local Government Areas



Health: Expand access to healthcare (II/II)

Initiative objective

- Ensure that health centers have adequate personnel
- Expand the reach of current health personnel

Initiative Lead

F.4.4: Permanent Secretary, Ministry of Health

Actions



South Africa

F.4.4 Leverage mobile SMS to expand access to health information

- Leverage online bulk SMS (e.g., BulkSMS.com, multitexter.com) to pilot distributing health-related SMS to a pre-defined customer base in a selected LGA² e.g.,
 - Weekly antenatal text messages to pregnant women in a selected LGA² with high MPR¹
 - Weekly health tips on child nutrition e.g., breastfeeding, to nursing mothers in a selected LGA² with high MPR¹
- Partner with donors (e.g., World Bank's Nigeria States Health Investment Project in Nasarawa and Ondo States) to provide support

Deliverables

- List of LGAs² with high MPR¹
- List of priority health topics and initial subscribers
- Cost estimate and likely impact of mobile SMS program in selected LGA²

Recommended timeline

- 3 months
- 3 months
- 6 months

Stakeholders

- Ministry of Health
- Plateau State Specialist Hospital
- Private hospitals
- ICT Development Agency

Resources

- Counterparty funding
 - State government
- Funding replacing health personnel
 - State government
- Funding mobile clinics program
 - MTN Foundation, Riders For Health
- Funding mHealth SMS program
 - World Bank

Metrics

- Increase in health personnel/100k popn ratio
- %population reporting good access to healthcare

1. Mobile Penetration Rate 2. Local Government Areas 3. Maternal and Child Healthcare Services



Potential quick-win



Health: Ensure quality of healthcare and service delivery (I/III)

Initiative objective

- Monitor the performance of health personnel - doctors, nurses, mid-wives etc.
- Minimize inefficiencies in service provision (e.g., limitations of infrastructure)

Initiative Lead

F.5.1: Permanent Secretary, Ministry of Health

Actions

F.5.1 Improve quality of health personnel

- Create a list of current GPs¹/CHOs³ at PHCs²
- Identify key indicators for tracking quality of GPs¹/CHOs³ (e.g., numbers of days at work, # of patients seen / day, patient diagnoses)
- Create and communicate a strategy for improving quality of GPs¹/CHOs³ in PHCs² (e.g., Kaduna Strategic Health Development Plan)
 - GPs¹/CHOs³ with no/falsified degrees, training for poor-performing GPs¹/CHOs³
- Review qualifications i.e. educational degrees of GPs¹/CHOs³ and replace those with no/falsified/unrelated degrees e.g., environmental officers
- Engage the Zonal officers at Ministry of Health to identify technical facilitators within their department or appoint trustees from hospitals for each LGA² to monitor and report GPs¹/CHOs³ quality
- Work with identified technical facilitators or trustees to conduct quarterly hospital inspections and surveys, identifying poor-performing GPs¹/CHOs³ and their skill gaps e.g., wound-dressing

Deliverables

- List of GPs¹/CHOs³ at PHCs²
- Indicators to track quality of GPs¹/CHOs³
- Published state health strategic plan
- List of health officers with no/falsified/unrelated degrees
- Detailed plan for each LGA³, identifying technical facilitators or trustees to conduct monitoring
- List of poor-performing GPs¹/CHOs³ by identified skill gaps

Recommended timeline

- 2 months
- 1 month
- 3 months
- 6 months
- 3 months
- Every quarter



Ethiopia



Health: Ensure quality of healthcare and service delivery (II/III)

Initiative objective

- Monitor the performance of health personnel - doctors, nurses, mid-wives etc.
- Minimize inefficiencies in service provision (e.g., limitations of infrastructure)

Initiative Lead

F.5.1: Permanent Secretary, Ministry of Health

Actions

- Develop a pilot system in excel, Google Docs etc., to report indicators—educational degree, absence from work etc., and work with ICT to determine feasibility of an app-based system or a mobile USSD SMS system for reporting (e.g., each patient gets an SMS or voice prompt to answer a short quality of service survey after each visit)
- Implement plan for regular data updates (e.g., daily text messaging, direct editing of Google Doc) with GPs¹, CHOs³ & hospital administrators
- ✓ Set up an incentive structure to reward high-performing GPs¹/CHOs³ e.g., increased yearly bonus, faster promotion, preferential treatment in rotation decisions, public service excellence awards
- ✓ Partner with donors (e.g., UNICEF, WHO, USAID) to retrain poor-performing GPs¹/CHOs³ at educational institutions

Deliverables

- System to report indicators related to GPs¹/CHOs³ e.g., educational degrees, reports from monitoring exercise
- Reporting method and frequency
- List of high-performing GPs¹/CHOs³ and a clear incentive structure for rewarding them
- Assessment of degree of training required and proposed list of educational institutions e.g., UNICEF training center

Recommended timeline

- 12 months
- 1 month
- 6 months
- 8 months



Health: Ensure quality of healthcare and service delivery (III/III)

Initiative objective

- Monitor the performance of health personnel - doctors, nurses, mid-wives etc.
- Minimize inefficiencies in service provision (e.g., limitations of infrastructure)

Initiative Lead

F.5.2: Permanent Secretary, Ministry of Health

Actions



Ethiopia

F.5.2 Improve quality of service provision

- Engage infrastructure MDAs² to conduct yearly inspections at PHCs¹, identifying immediate needs (e.g., boreholes at PHCs¹) , and partner with donors (e.g., WHO) to prioritize and support
- Develop a long-term strategic action plan which reviews current infrastructure (e.g., hospital beds), service provision and insurance, and plan with donors (e.g., WHO) to phase and fund improvements
- Engage PHCs¹ to study supply, demand, and inventory of drugs, identifying drugs prone to stock-outs at North Axial Store and work with the state government to reserve funding at the beginning of the year to purchase these drugs directly from drug manufacturers during periods of stock-outs

Deliverables

- List of immediate needs per PHCs¹ especially those in rural areas
- Assessment of required funding
- 2-year strategic action plans for PHCs¹
- Prioritization of action plans and required funding
- Historical supply and demand of drugs
- List of drugs prone to stock-outs
- Reserved funding for purchase of drugs prone to stock-outs

Recommended timeline

- 3 months
- 3 months
- 6 months
- 2 months
- 3 months
- 3 months
- Next budget cycle

Stakeholders

- Ministry of Health
- Plateau State Specialist Hospital
- Primary Healthcare Centers
- ICT Development Agency

Resources

- Health personnel replacement fund
 - state government
- Funding for training health personnel, quick and long term action plans
 - GIZ, WHO

Metrics

- % of PHCs¹ with general practitioners/community health officers present daily

1. Primary Healthcare Centers 2. Ministries of Works, Transport, Energy and Water Resources



Potential quick-win

Health

Case studies



Health: Myanmar introduced mobile clinics to expand healthcare access to deprived rural communities



Context

Myanmar's rural population faces several issues inhibiting good health:

- Poor access:** As at 2014, ~80% of residents in rural areas like Madaya (250k popn², 2016) reported poor access to healthcare
- Poor sanitary practices:** Buddhist novices in Yangon have intense dandruff, sores on their skin and other problems of lack of hygiene



What did Myanmar do?

Myanmar partnered with donors to fund pilot mobile clinic programs:

- Association For Healthcare Assistance**, which ran monasteries with mobile clinics for Buddhist novices in Yangon:
 - Health personnel included 5 doctors, 4 nurses and 65 volunteers
 - 2 trips per month to selected monasteries (~70 trips in total)
 - Healthcare services include treating wounds, dandruff, washing robes, cleaning beds and sterilizing monastery compounds
- Ooredoo**, which introduced mobile clinics in Madaya:
 - Coverage to 110 villages and 80k people
 - Health personnel included 8 doctors, 12 nurses, >30 volunteers etc.
 - 2 trips per week to Madaya
 - Services include ante- and postnatal care for pregnant women, treatment of illnesses such as hypertension, diabetes, malaria etc.

1. Maternal and Child Healthcare Services 2. Population

Source: Media coverage; BCG Analysis



Key successes

- Increased donor investments after success of pilot programs**
 - Shwe Parami Healthcare Foundation donated K300,000 monthly to Myanmar gov't after the success of the 1st 40 trips
- Reported significant improvement in access to healthcare**
 - ~5.5k children benefitted so far from mobile clinics
 - ~1.8k pregnant mothers have received maternal health care services
 - ~13k cases of illnesses treated



Learnings for Plateau State

- Engage Ministry of Health to assess the feasibility of mobile clinics** at rural areas with poor access to health facilities to offer vaccine, maternal and child healthcare services
- Partner with donors (e.g., Gates Foundation) to conduct community surveys, prioritizing MCHS¹ to offer and to provide support by buying vehicles or covering other operational costs**



Health: South Africa leveraged technology to improve access to maternal and child health care services



Context

As at 2015, South Africa was faced with **high child mortality** (~155 deaths per 100k live births), resulting from poor MCHS¹

Subsequent efforts to improve MCHS¹ were hindered majorly by insufficient communication b/w patients and providers.

As a result, South Africa leveraged its 100% mobile phone penetration rate to test mHealth programs, as a means of providing MCHS¹



What did South Africa do?

South Africa's NDOH³ initiated **MomConnect**, world's 1st mHealth intervention, aiming to register pregnant women into a national system to receive weekly preventative SMS, improving MCHS¹

Several key elements to MomConnect made scale possible:

- It is **accessible** through all mobile phones
- SMS received **good ratings**, fostering trust of service and health system
 - Among ~2k women, ~98% found SMS helpful, 77% felt better prepared for delivery, 81% shared SMS with family etc.
- **Successful PPP⁴ models** driving funding and innovations
- It can be **adapted over time**
- Allows **2-way interaction** b/w pregnant mother and health system through phone-based surveys and a help desk



Key successes

- Extended access to ~95% of public health care facilities
 - As at Aug. 2017, MomConnect had reached >1.7m pregnant women -~63% attending 1st antenatal appointment
- High customer satisfaction from SMS
 - Helpdesk has processed >300k questions - ~600/day with a reply
 - ~9.7k compliments vs. 1.3k complaints with 80% resolved



Learnings for Plateau State

- Work with telcos e.g., MTN and Ministry of Health to **assess technical feasibility of mHealth programs** especially in rural areas
 - Assess MPR across LGA⁵ esp. those with high mortality rates
 - Identify other requisite infrastructure for mHealth success
 - Partner with donors e.g., GIZ to conduct community surveys, prioritizing MCHS¹ to offer
- Build environment to **incentivize PPPs** in health infrastructure (e.g., IT systems)
 - Work with ICT Development Agency to collect data on potential customer segments and price points for mHealth programs

1. Maternal and Child Health Care Services 2. Millennium Development Goals 3. National Department of Health 4. Public Private Partnership 5. Local Government Areas
Source: Media coverage; Measure Evaluation; BCG



South Africa



Health: Ethiopia developed a national system for hospital performance management to address poor service delivery



Context

With a population of over 109M, Ethiopia has a large, predominantly rural, and impoverished population with poor access to basic infrastructure

As at 2010, ~80% of gov't hospitals were understaffed, financially constrained and lacked reliable access to electricity and water, affecting overall service delivery



What did the Ethiopian Government do?

- In 2009, Ethiopia partnered with Clinton Health Access Initiative and Yale Global Health Leadership Institute to develop hospital reform guidelines, including a **performance monitoring system**
- Performance monitoring system was **rolled out in 2 phases**:
 - 1st phase (2010): Roll-out of minimum targets for key management
 - 2nd phase (2011): Standardized set of KPIs for all hospitals
- System covered **11 aspects**: hospital management, outpatient, emergency, inpatient, maternity, referral and pharmacy services, productivity, human resources, finance and patient experience
- Reform guidelines were **consolidated in a document - NHPMIM¹**, and disseminated to hospitals through a series of national workshops



Key successes

- By 2014, **84% of government hospitals were reporting their performance in all 11 aspects**
- Between 2012 and 2013, mean **adherence to operational standards increased** from 68.2% to 74.5%, while the average # of successful deliveries increased by 30% (from ~12k to ~16k)

Success of performance monitoring system is largely hinged to its simplicity, flexibility and transparency



Learnings for Plateau State

- Partner with donors (e.g., WHO) and engage Ministry of Health to **identify global best-in-class KPIs** for hospital care services
- Work with the ICT Development Agency to develop a consolidated system for **tracking KPIs** and a training database for health personnel
- Work with the Ministry of Health and donor agencies (e.g., GIZ) to ensure that health personnel are **trained on KPIs expectations**
- Create a quality enforcement team to **monitor hospital performance reporting** and adherence of personnel to set operational standards

1. National Hospital Performance Monitoring and Improvement Manual
Source: WHO; Media Coverage; BCG

Peace and Security

Goal

Improve coordination and funding for peacebuilding efforts across all peace-related organizations





Peace and Security: Plateau recorded the 5th highest number of violent incidents amongst northern states in the past three years

Northern Nigeria: Number of violent incidents between 2016 and 2018

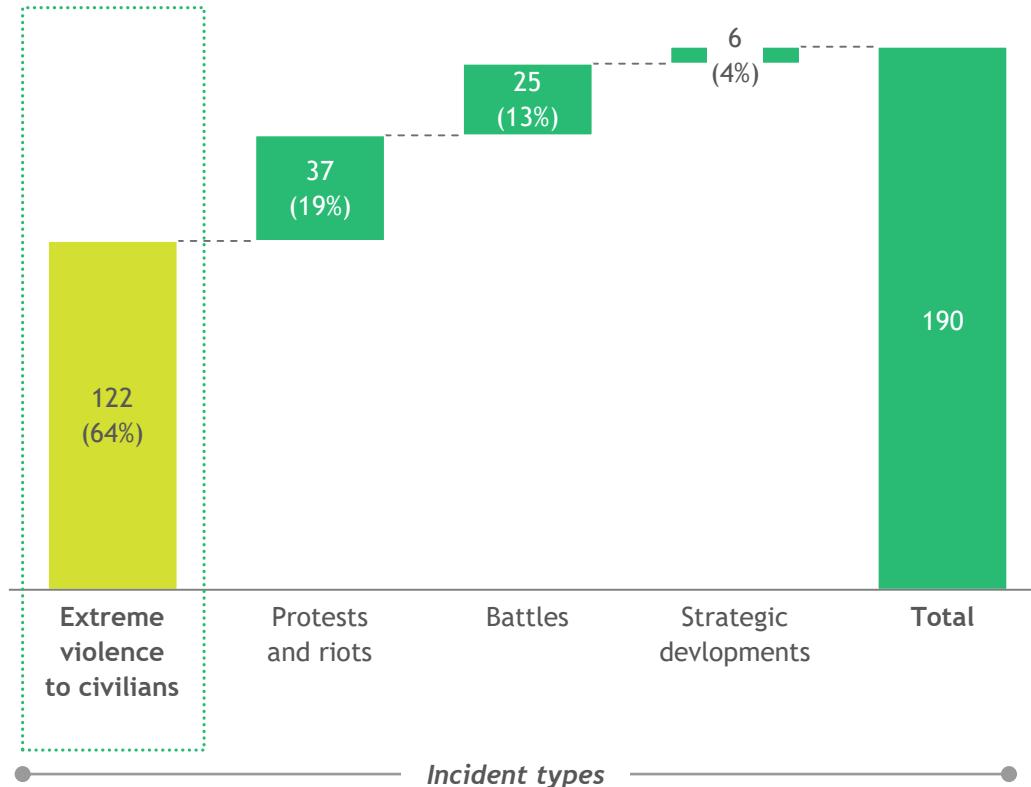




Peace and Security: These incidents mostly result from clashes between farmers and herdsmen

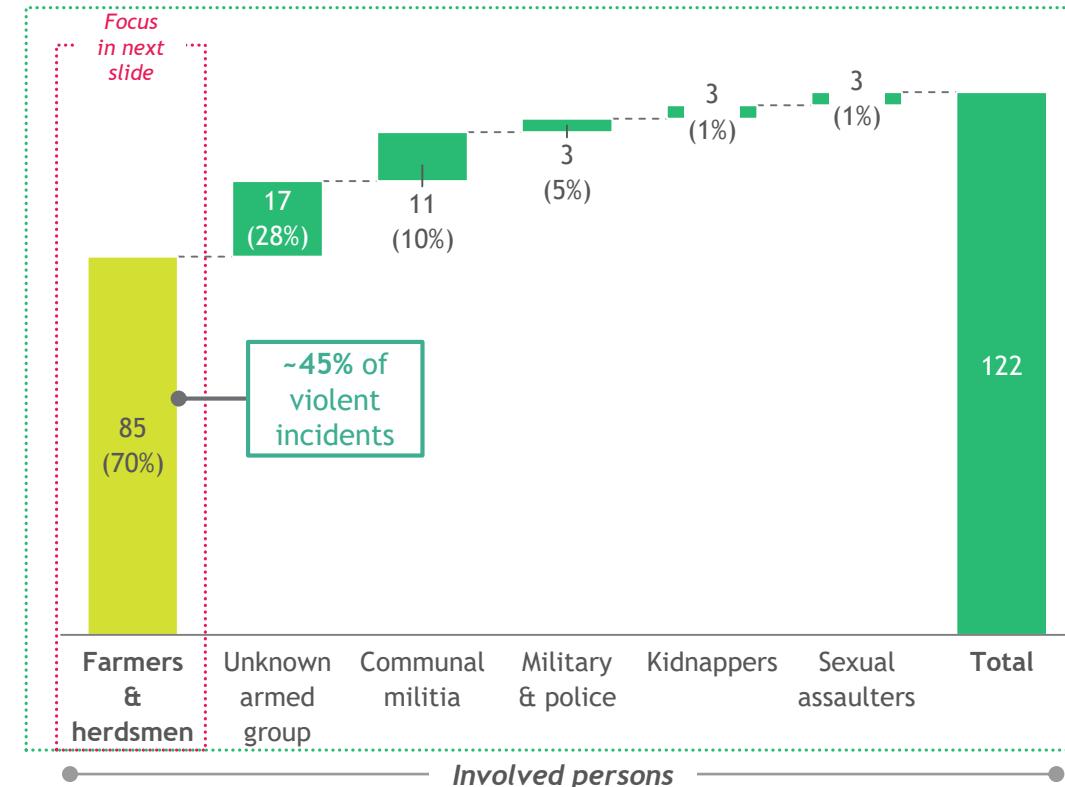
~64% of incidents in Plateau between 2016 and 2018 fall under extreme violence to civilians...

of violent incidents (2016 - 2018)



...with ~70% of this incident-type resulting from clashes between farmers and herdsmen

of extreme violence to civilians incidents (2016 - 2018)





Peace and Security: ~80% of clashes between farmers and herdsmen occur along the border with Kaduna



1. Mangu (3), Kanam (1) and Kanke (1) 2. Local Government Areas

Source: Acled database; Plateau State Road Map to Peace PPBA Strategic Action Plan (2018-2022); Plateau State Government webpage; Press Research; BCG analysis



Peace and Security: Peace building efforts are hampered by several issues which minimize effectiveness



Lack of coordinated approach to mitigation

- Lack of a consolidated framework for all stakeholders (e.g., community leaders, PPBA¹) to align interests limits information sharing amongst them
- Lack of coordination between PPBA¹ and Ministry of Finance slows down release of budgetary and counterparty funds



Insufficient funding to support peace efforts

- Inability to recruit staff and expand coverage in priority areas due to inadequate funding
- Little incentive to attract out-of-state mediators or encourage community leaders to participate

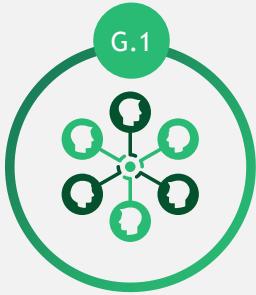
1. Plateau State Peace Building Agency
Source: Stakeholder interviews

How does
Plateau address
its peace and
security issues?





Three initiatives to improve peace and security



Improve coordination among stakeholders

• Objective
Create a multi-stakeholder plan of action to address violence and restore peace



Ensure security of key transit routes and economic centers

Support Plateau's broader strategy for economic development



Improve mediation efforts in conflict-prone areas

• Benchmark
Ensure durability of peace post-conflict in mostly affected areas



Liberia



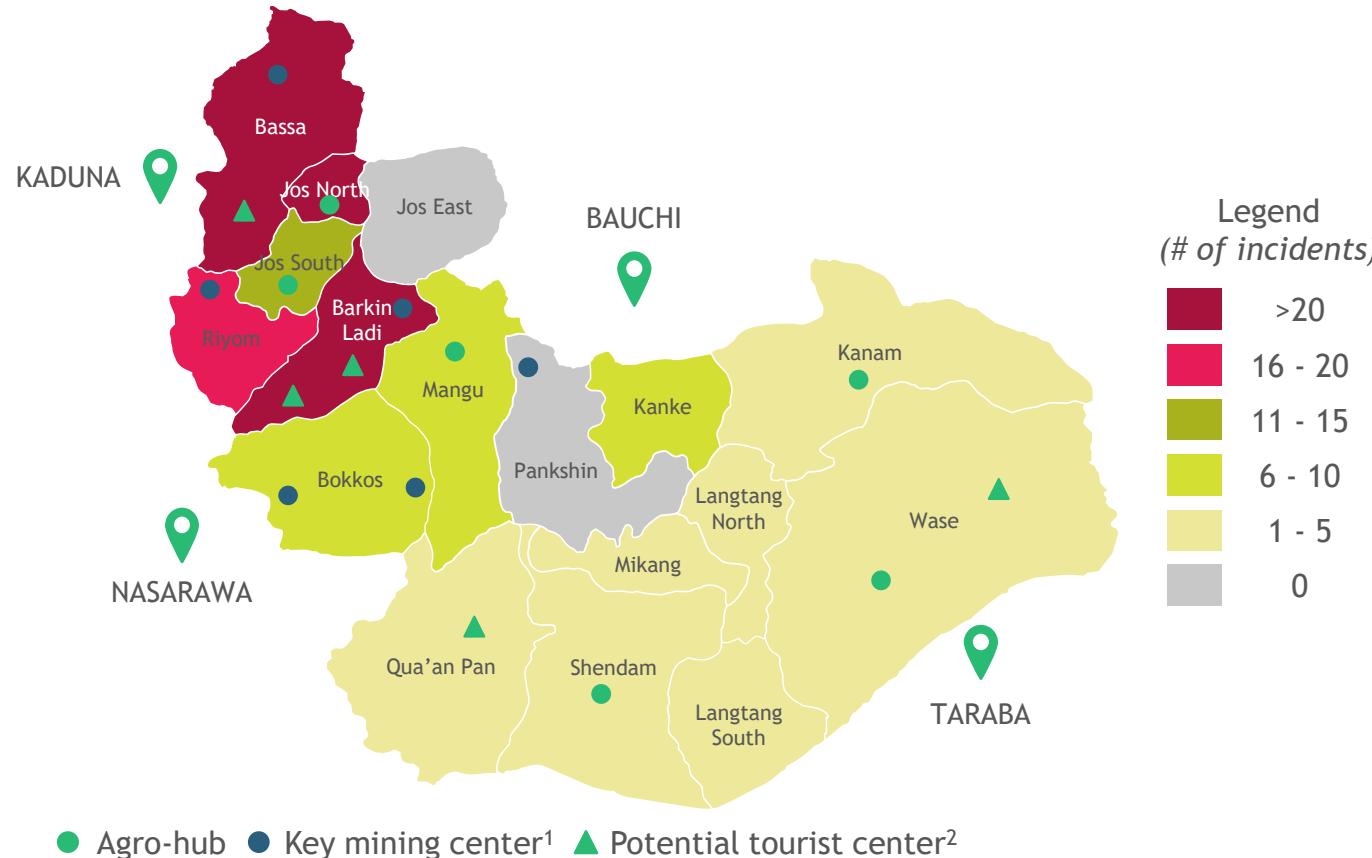
Coordination among federal, state, and local stakeholders is critical to implement initiatives and achieve success





Negative press and the distribution of violent incidents along key economic centers suggest a need for targeted peace interventions

Distribution of violent incidents in Plateau, 2016 - 2018



1. Areas producing tin and columbite 2. Major wildlife, rock formation and water fall areas
Source: Media Coverage; Acled data

Negative press dissuades investment

AFRICA

Nigeria: Violence in Plateau State highlights failures of the federal system

In recent days, dozens have been killed in Plateau State, Nigeria, as Fulani herdsmen continue their attacks on rural settlements.

September 14, 2018 - By World Watch Monitor - Nigeria

Nigeria: Dozens more killed as Fulani herdsman violence continues in Plateau state

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Infant, Nine Others Killed In Plateau Violence

Ten persons were confirmed killed by gunmen that invaded rural settlements in Daffo District of Bokkos Local Government, Plateau State, on Friday.

NEWS / AFRICA

Nigeria: Communal violence leaves 86 dead in Plateau State

Attacks by herdsmen on six villages in central Nigeria's Plateau state kill at least 86 people, local media report.

25 Jun 2018 f t

NIGERIA
JOS
ABUJA
PLATEAU

Peace and security

Detailed initiatives



Peace and Security: Improve coordination among stakeholders (I/II)

Initiative objective

- Create a multi-stakeholder plan of action to address violence and restore peace

Initiative Lead

G.1.1: Office of Secretary to the State government

Actions

G.1.1 Clarify and align on roles and responsibilities of stakeholders

- Identify stakeholders currently working on peace building and conflict resolution (e.g., PPBA¹, military, Operation Rainbow, community leaders)
- Request State Governor discuss with federal security agencies how they can improve coordination of their activities with state security agencies (e.g., joint operations centers, joint exercises)
- Convene state stakeholders annually to align on the following:
 - Peace objectives of Plateau State (e.g., reduction in number of incidents along the border of Kaduna)
 - Priority areas to allocate budget
 - Their interests in peace building and conflict-resolution (e.g., preventive or reactive measures to conflict)
 - Roles and responsibilities of stakeholders (e.g., PPBA¹ as lead for mediation & Operation Rainbow as lead for conflict resolution)
 - Issues faced in current peace building and conflict resolution efforts and recommended solutions
- Develop public service excellence awards to acknowledge best-in-class coordination among state stakeholders and a successful achievement of the peace objectives

Deliverables

- List of stakeholders involved in peace building and conflict resolution
- Coordination plan between federal and state security agencies
- Detailed peace objectives of Plateau State
- Locations to concentrate peace efforts
- Stakeholder's interests in peace-building and conflict resolution
- Clear roles and responsibilities of each stakeholder
- List of issues and recommendations for peace building and conflict resolution
- List of public service excellence awards to incentivize coordination among stakeholders

Recommended timeline

- 1 month
- 6 months
- 3 months
- 6 months

1. Plateau State Peace Building Agency
Source: Media Coverage



Peace and Security: Improve coordination among stakeholders (II/II)

Initiative objective

- Create a multi-stakeholder plan of action to address violence and restore peace

Initiative Lead

G.1.2: Office of Secretary to the State government

Actions

G.1.2 Improve information sharing among stakeholders

- Setup a joint operation center for Operation Rainbow, PPBA¹, Civil Defense Force, police and military representatives to share information and define tactics during conflict break-outs
 - e.g., Enugu State setup a joint operation center for all security agencies in the 2015 elections to share information and define approach to post-election conflicts
- Organize yearly joint training programs for state security agencies and invite Kaduna and military representatives, to share best practices in federal and state conflict operations
 - e.g., the Armed Forces Command and Staff College in Kaduna conducts inter-agency trainings on information sharing and intelligence gathering for security personnel on a yearly basis

Deliverables

- Joint operation centers for security agencies to convene during conflict-break outs
- Joint training exercise for sharing information and best practices

Recommended timeline

- 6-9 months
- 3-6 months

Stakeholders

- Office of Secretary to the State Government
- Plateau State Peace Building Agency
- Police, Military, Civil Defense
- Community leaders
- Operation Rainbow
- Kaduna State Government

Resources

- TBD

Metrics

- Number of stakeholders participating in yearly alignment meetings
- Number of relevant agencies represented at operations centers and training programs



Peace and Security: Ensure security of key transit routes and economic centers (I/II)

Initiative objective

- Support Plateau's broader strategy for economic development

Initiative Lead

G.2.1: Office of Secretary to the State government

Actions

G.2.1 Improve security on key transit routes and potential economic centers

- Identify critical transit routes and potential **economic** centers e.g.,
 - Critical transit routes: roads leading from potential agro-hubs to off-taker markets in Abuja and Kaduna, food processing and mining areas, area around the airport, etc.
 - Potential tourist attractions: roads leading to Riyom mountain, Jos Wild life Park etc.
 - Designated industrial areas in Jos and near agro-hubs
- Concentrate security presence along critical transit routes, food processing centers and associated living areas, potential tourist centers etc.
 - Critical transit routes: Engage state security agencies (e.g., police, military, civil defense) to provide adequate security on in-state transit routes, and neighboring states to ensure security along out-of-state routes to off-taker markets in Abuja and Kaduna
 - Food-processing centers: Engage state security agencies (e.g., police, military, civil defense) to provide adequate security at food-processing centers and associated living areas by partnering with food-processing companies to provide funding

Deliverables

- List of critical transit routes and potential economic centers from Ministry of Agric, Ministry of Commerce, Ministry of Tourism, etc.
- Detailed plan for re-assigning or increasing rotations and patrols in designated areas

Recommended timeline

- 1 month
- 1 month



Peace and Security: Ensure security of key transit routes and economic centres (II/II)

Initiative objective

- Support Plateau's broader strategy for economic development

Initiative Lead

G.2.1: Office of Secretary to the State government

Actions

- Deploy peace mediators to conflict-prone areas close to identified transit routes and potential tourist centers by collaborating with PPBA¹

Deliverables

- Detailed plan with PPBA¹ to deploy peace mediators

Recommended timeline

- 3 months

Stakeholders

- Office of Secretary to the State Government
- Plateau State Peace Building Agency
- Security agencies: Operation Rainbow, Police, Military, Civil Defense

Resources

Metrics

- Decrease in number of violent incidents in economic centres and along transit routes
- Increase in number of patrols in critical areas

1. Plateau State Peace Building Agency



Peace and Security: Improve mediation efforts along conflict-prone areas (I/III)

Initiative objective

- Ensure durability of peace post-conflict in mostly affected areas

Initiative Lead

G.3.1: Office of Secretary to the State government



Liberia

Actions

G.3.1 Improve mediator quality and success

- ✓ Reinforce capabilities of PPBA³ as the primary agency for peace building and mediation activities by training its unskilled staff via institutions such as National Peace Academy
- ✓ Create a rotational mediation training program for Operation Rainbow, community leaders and volunteers through collaborations with PPBA³ i.e., skilled members of PPBA³ rotate across LGAs¹ providing training, and thus improving mediation coverage
- ✓ Fund all training programs by partnering with donors (e.g., UN² Peace and Development Fund, GIZ's Civil Peace Service) e.g.,
 - During its civil war, Liberia partnered with UN² to train ~300 men and women in peace mediation efforts, who are reported to have resolved ~300 conflict situations in their communities
- ✓ Lobby mediators that have successfully reduced violence to Plateau by creating incentives to attract them e.g., free housing, exemption from income taxes

Deliverables

- Detailed plan on how to identify and train unskilled staff of PPBA¹
- Detailed PPBA³'s rotation plan for training across the LGAs¹
- Estimated costs and likely impact of training programs on mediation success
- Detailed incentive structure for out-of-state mediators

Recommended timeline

- 3 months
- 3 months
- 3 months
- 3 months

1. Local Government Areas 2. United Nations 3. Plateau State Peace Building Agency
Source: Media Coverage



Peace and Security: Improve mediation efforts along conflict-prone areas (II/III)

Initiative objective

- Ensure durability of peace post-conflict in mostly affected areas

Initiative Lead

G.3.2: Office of Secretary to the State government

Actions

G.3.2 Prioritize and support peace mediation efforts

- Identify best means of mediation (e.g., court-based, faith-based) in Barkin-Ladi, Bassa, Riyom etc., by actively participating in association meetings (e.g., Peace Architectural Dialogue, Community Security Architectural Dialogue, Inter-faith Council meetings) through the PPBA³
- Fund peace mediation activities (e.g., providing vehicles for transport, aid materials such as food, clothing) in conflict-prone areas by partnering with donors (e.g., USAID's ECPN¹, UN² Peace and Development Fund, African Union's Peace Fund)
 - e.g., Benue and Nasarawa partnered with USAID's ECPN¹ since 2015 to promote peace among ethnic groups in their rural communities
- Ensure consistent and timely provision of counterparty funds for donor support by collaborating with the Ministry of Finance

Deliverables

- Reports from PPBA³ with best approach to mediation in Barkin Ladi, Bassa, Riyom etc.
- Estimated costs and likely impact of mediation activities in rural community
- Timely provision of counterparty funds

Recommended timeline

- 3 months
- 6 months
- Next budget cycle



Liberia

1. Engaging Communities for Peace in Nigeria 2. United Nations 3. Plateau State Peace Building Agency
Source: Media Coverage





Peace and Security: Improve mediation efforts along conflict-prone areas (III/III)

Initiative objective

- Ensure durability of peace post-conflict in mostly affected areas

Initiative Lead

G.3.3: Office of Secretary to the State government

Actions

G.3.3 Create a “State Peace Fund”, funded by contributions from donors to directly support peace activities, and separate from funds at Ministry of Finance, learning from Edo State success

- e.g., in 2007, the Government of Nepal established the NPTF¹ as a mechanism for interested donors (e.g., United Nations) to contribute to the peace process through direct contributions to the Government

Deliverables

- Likely impact of “State Peace Fund” on donor contributions to peace activities
- Path to set up fund (e.g., legal actions, finance options)

Recommended timeline

- 6 months

Stakeholders

- Office of Secretary to the State Government
- Plateau State Peace Building Agency
- Community leaders
- Operation Rainbow

Resources

- Fund mediation training programs
 - United Nations, GIZ
- Fund peace mediation activities (purchase of vehicles, provision of aid materials)
 - USAID, United Nations, African Union

Metrics

- Increase in number of trained mediators
- Increase in number of mediation success stories
- Increase in donor funds for peace activities

Peace and security

Case studies



Peace and Security: Liberia was able to maintain peace post-war by partnering with donors on peace mediation activities



Context

During Liberia's 14-year civil war, young men & women had the highest % of recruited fighters.

The war destroyed +80% of schools, leaving many youths without adequate education or the skills to earn a livelihood. As such, Liberia needed a strategy to ensure peaceful co-existence among its youths



What did Liberia and UNICEF do?

Liberia partnered with UNICEF to launch NYSP¹, enrolling youth in centers of peacebuilding, reconciliation & dev't efforts. This entailed the following:

- Training of 300 young men and women, including volunteers deployed under the program in 12 of Liberia's 15 counties
 - So far, trainees have resolved >300 conflicts in their communities
- Free accommodation for graduates of tertiary institutions who enlist for the NYSP¹ in other counties

To support this program, UNICEF contributed a total sum of \$1.5M between 2013 and 2015



Key successes

- Sustained peace and security post-war
 - NYSP¹ successfully integrated the 300 young men and women into the job market mainly to work in hospitals, clinics, agricultural projects and youth centers as peace mediators
 - Reduced youth potential for violence by offering incentives for youth to enlist into NYSP¹



Learnings for Plateau State

- Fund mediation trainings and activities by seeking active donor partnerships
 - Partnership between the Liberia government and UNICEF was necessary in funding peace mediation initiatives
- Expand mediation trainings to volunteers especially youths and provide incentives for youths to enlist

1. National Youth Service Program
Sources: Media coverage; BCG analysis



Peace and Security: The AU Peace fund serves as a mechanism for member states to support each other in peace building and conflict resolution



Description

The Peace Fund was established in 1993 as the principal financing instrument for peace & security activities of the Organization for African Unity and was launched on November 17th Nov. 2018 at Addis Ababa

It is one of the five pillars of APSA¹ and is structured by the AU Assembly around three thematic windows:

- Mediation and Preventive Diplomacy
- Institutional Capacity
- Peace Support Operations



How is the Peace Fund funded?

The Peace Fund is historically funded by donations from AU member nations

In July 2016, the AU Assembly endowed the Peace Fund with \$400m in member states' contributions to be drawn from the 0.2% levy instituted to finance the overall African Union budget. The Fund is expected to reach full endowment by 2021.

More recently, the Fund, in 2017, received its highest levels of member states' contributions ~\$56m since its establishment in 1993.



Operations

The Peace fund is one of "Peace and Security Department" financing solutions

The department provides financing in member states for the following:

- Conflict prevention and early warning
- Crisis management and post-conflict reconstruction
- Defence and security
- Peace support operations



Successes

- Coordinated and promoted several peace and security programmes in Africa, including the Regional Economic Communities for conflict prevention, management and resolution, the United Nations and other international organisations
- Operationalized the Continental Peace & Security Architecture, reported to have prevented & resolved >150 conflicts in member states

1. African Peace and Security Architecture
Sources: Media coverage; BCG analysis

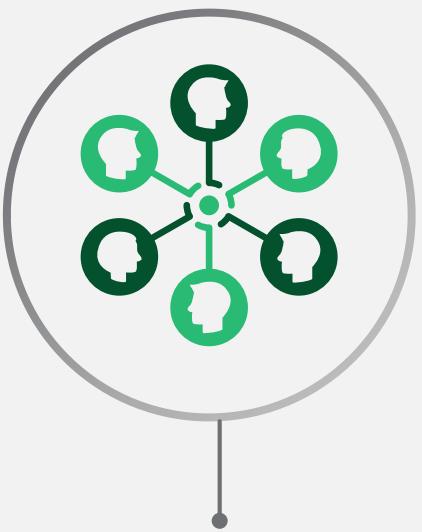
Governance and Finance

Goal

Reform management,
coordination, and data
practices across MDAs



Three key pain points identified around governance and fiscal responsibility need to addressed



Cross-MDA collaboration



Data collection,
sharing & reporting



Budgeting &
financial planning



Several agencies have similar mandates, potentially leading to duplication of efforts



Agriculture

Mechanization

- FADAMA, ASTC, Ministry of Agriculture

Seed & fertilizer access

- Ministry of Agriculture, FADAMA, PADP, ASTC

Irrigation & water supply

- Ministry of Agriculture, FADAMA

Farmer training

- FADAMA, PADP, ASTC

Rural access roads

- Ministry of Agriculture, Ministry of Transport, FADAMA, RAAMP



Land registration & urban development

Land registration payment

- Ministry of Lands, Survey & Town Planning, JMDB

Infrastructure development

(e.g. street light installation)

- Ministry of Works, JMDB



Transportation

Tax revenue collection

- Ministry of Transport, Board of Internal Revenue



Additionally, lack of cross-MDA communication results in uncoordinated plans, reduced revenue generation, and unnecessary difficulty for investors



Current challenges with this model

- Lack of data-sharing: **highly siloed operations**, leading to duplicated efforts
- Multiple interfaces for revenue collection increases chances of **revenue leakage/non-reporting**
- **Investors face difficulties** through engaging with multiple MDAs to perform singular tasks (e.g. land registration)



Why is cross-MDA collaboration important?

- Need to increase **aggregation & data-driven decision making** (e.g. investment priorities for each sector)
- Need to eliminate program overlaps in order to **efficiently allocate state funds**
- Develop **overarching strategies** for each sector by coordinating implementation plans across MDAs to maximize synergies



Impact of improved collaboration

- Set **overall sector targets** and get buy-in from relevant MDAs to achieve these goals
- Maximize expected outcomes through **synergy realization** and increased coverage area
- Use increased data quality & streamlined processes to **attract more donor funding & investment**



Poor data practices impact state's ability to attract donor & investor funding, prioritize disbursement and gain high-level sector insights

Attract & coordinate investments



Data gaps

Lack of comprehensive data to justify grant needs & report baseline metrics to potential donors

Insufficient data on key sectors to create business case for interested investors (e.g. size of mineral deposits)

Prioritize spend & evaluate disbursement



Impartial data on how much MDAs generate

Impartial data on how disbursements are spent on a quarterly basis

Leverage data-sharing to develop aggregated views

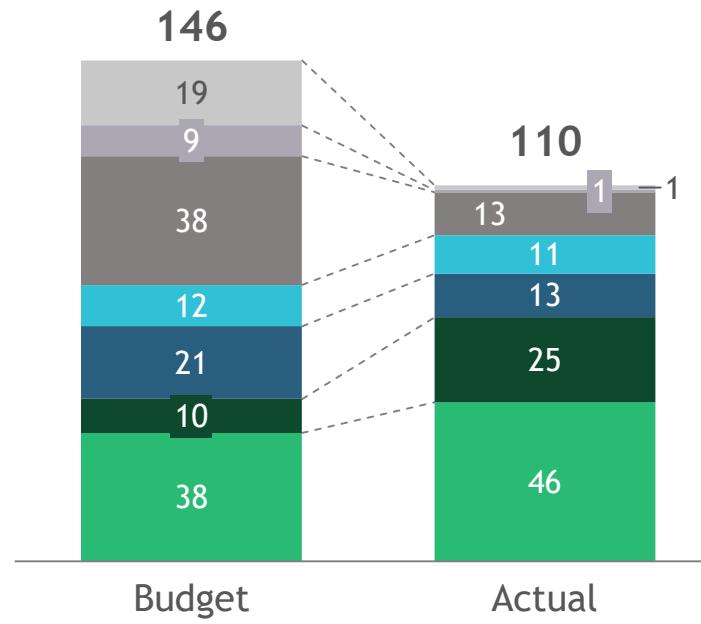


Different MDAs working in silo means collected data is rarely aggregated to drive wide-scale impact & coordinate efforts (e.g. in agriculture)

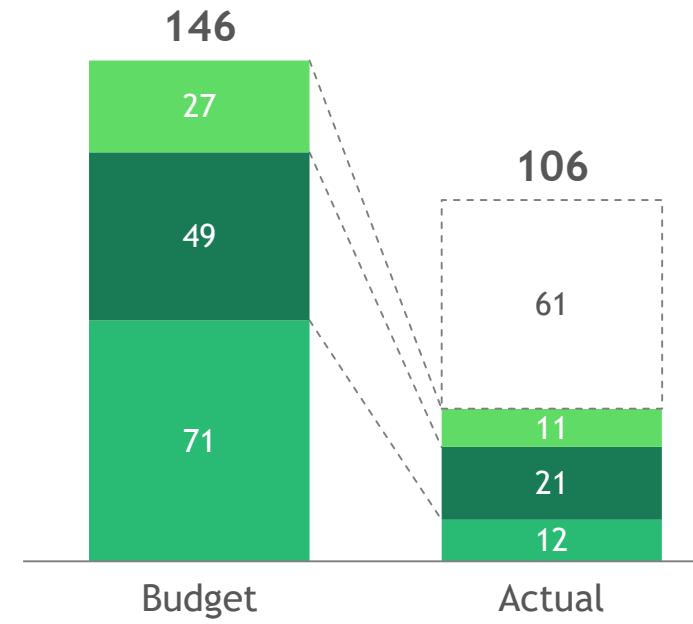


High budgeting variance results in disbursement unpredictability due to unforeseen expenses and unprioritized spending

2018 Budgeted vs Actual Revenue
(Bn NGN)



2018 Budgeted vs Actual Expenditure
(Bn NGN)



Impact of high budget disparity:

- Inability to schedule disbursements with regularity due to high incidence of unforeseen expenses
- Too many approved programs put strain on any unexpected revenue made available (e.g. 15 Bn excess Paris Club refund) - lack of prioritization

1. Includes LGA allocation, loan repayments, FAAC deductions, personnel emoluments (Boards & Parastatals), grants
2. Source: Plateau State Financials



Several factors drive expenditure uncertainty, which drives high variability between expected vs actual budget

1

Lack of spend prioritization

Lack of prioritization across programs

Lump sum spend profiles submitted by programs, which don't account for project phases e.g. requesting for 2 Bn to spend over 4 years as lump sum in Y1

2

Lack of monitoring & evaluating framework

Lack of transparency into how disbursed funds are spent, which should serve as basis for subsequent year's budget

3

No revenue-based budget justification

Lack of accountability for MDAs to accurately report revenues received (~50% unreported). This should inform budget allocation

How does
Plateau improve
governance and
financial
management?



Four initiatives to improve governance and finance

H.1



Reform budget management process

- Define budget preparation, prioritization, execution and monitoring and evaluation approach and ensure that relevant MDA staff are well trained on approach, in order to reduce budgeting variances

H.2



Execute spend effectively and accurately

- Improve spend discipline by improving effectiveness and efficiency in allocating and disbursing funds to priority projects/expenditure in line with budget execution plan

H.3



Reorganize MDAs & improve collaboration & accountability

- Revise MDA structure to reduce role duplication by merging teams with overlapping mandates and set up governance principles and scope establishing expectations of MDA responsibilities

H.4



Improve transparency and data sharing

- Improve data quality and sharing by standardizing data collection templates and using online platforms to improve transparency on data, key state laws & regulations

Objectives

Benchmark



Malaysia



Uganda



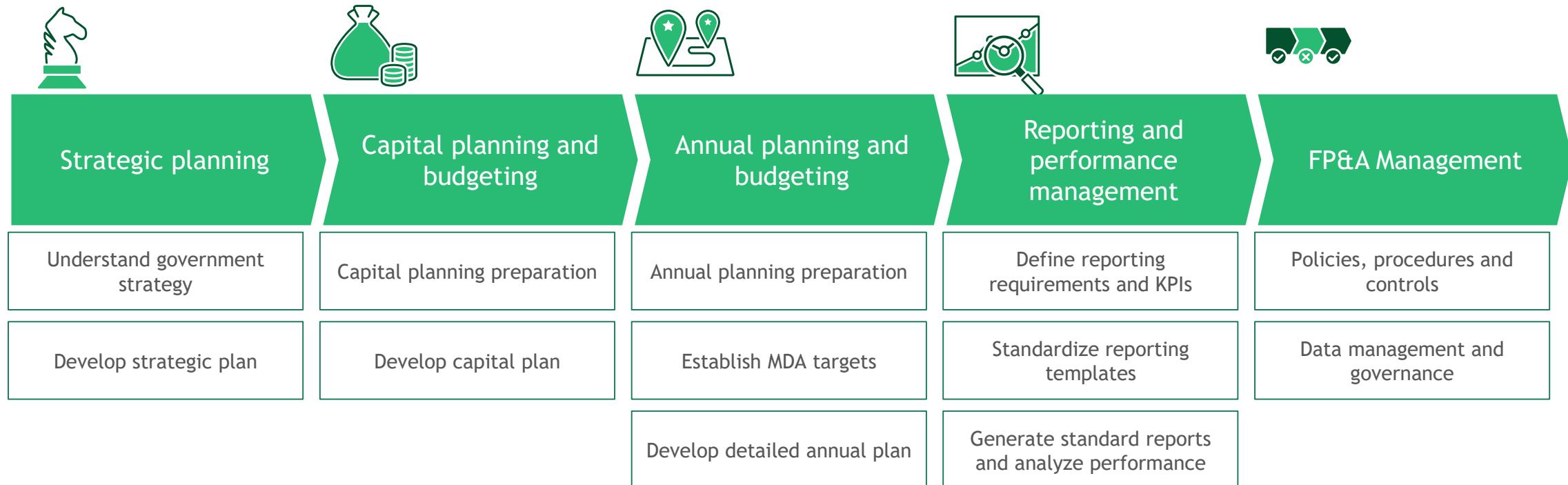
Kenya



Plateau should reengineer its budgeting process in line with best practices...

Illustrative

Example structure Plateau can follow





...and ensure the budget is accurately and effectively prioritized in line with strategic goals



Examples of top priority budget items

- Counterparty funding e.g.:
 - For agro-hub development
 - For mediation efforts (security)
- Revenue collection efforts
- Fertilizer subsidies
- Operating expenditure for teacher salaries to fund both existing and new hires through the period



Spend discipline should be enforced through performance agreements, which MDAs will be measured against



Setup performance agreements

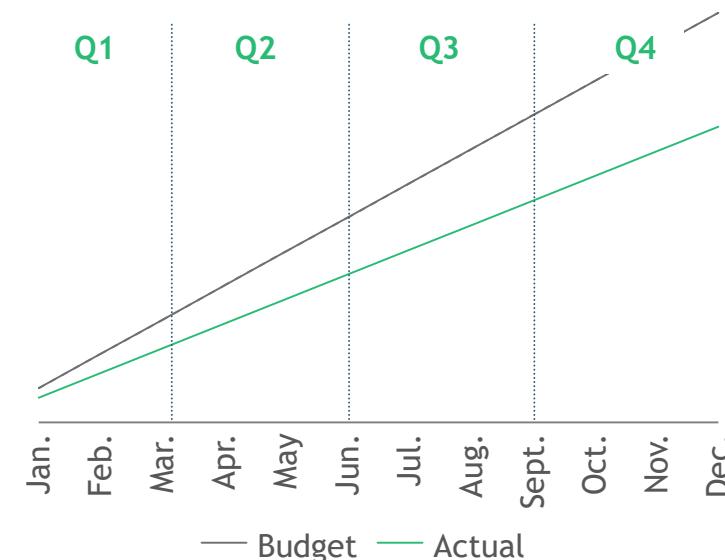
Agreements set up with each MDA to decide on list of targets for the year

Performance Contract	
<p>Note: For our setup we will need an armless chair for each musician you have asked to perform. If you have requested a pianist for your event, we will need a tuned piano or a keyboard with a full set of weighted keys and at least one pedal. We will need a performing location which protects our instruments from being bumped. If you have requested that we perform outdoors, we will need a cover (i.e., gazebo or tent) to protect our instruments and music from wind, rain, and direct sun.</p>	
Date of Event #1:	Start Time:
End Time:	
Type of Special Event:	
Event #2 Address:	
Telephone Number:	
Other address (in the event of name):	
Telephone Number:	
Date of Event #3:	Start Time:
End Time:	Type of Special Event:



Track expenditure progress quarterly

Proof of budget execution



End of year evaluation against priorities and targets

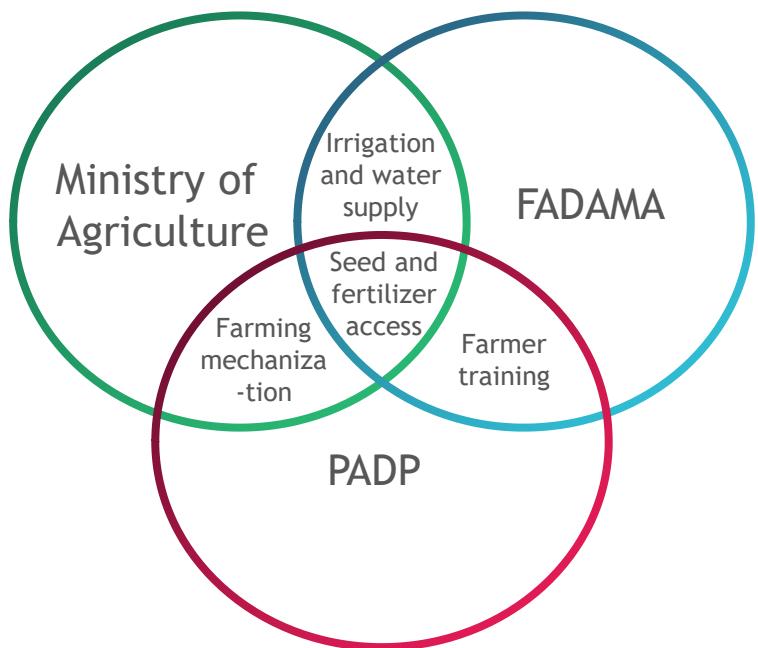
- ✓ Execution of performance agreements
- ✓ Verify expenditures
- ✓ Verify priorities and contractual obligation met



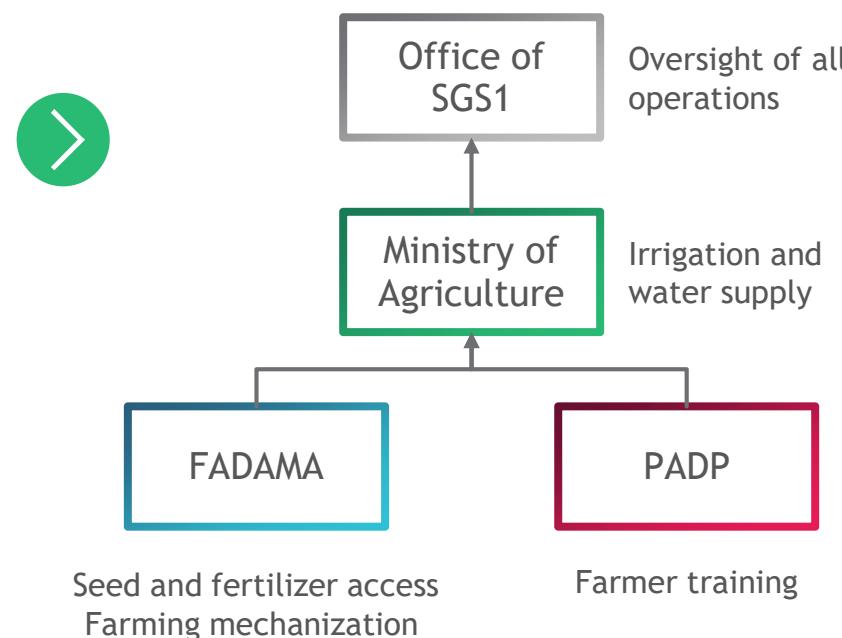
MDAs should be reorganized and encouraged to collaborate with clear reporting line

Example: Agriculture sector

Current MDAs overlap in mandates with unclear reporting accountabilities



Reorganization and reduction streamlines roles



All share data with Bureau of Statistics

Governance

Detailed initiatives



H.1

Reform budget management process (I/II)



Malaysia

Initiative objective

- Define budget preparation, prioritization and monitoring and evaluation approach
- Improve the process of prioritizing funding decisions in line with strategic priorities
- Reduce budgeting variances

Actions

H.1.1 Reengineer the end to end budgeting process, from planning and budgeting to monitoring and evaluation:

- Identify key pain points and solutions along the process, leveraging best practice examples (See best practice process slide)
- Set up a clear timeline, containing all key meetings, roles and responsibilities and deadlines during budget preparation
- Ensure MB&EP meets with governor to align on priorities and cascades information down to other MDAs before budget preparation
- Ensure enforcement of a budget limit based on prior year actual spend (not budget). i.e. MDAs require justification for budget request greater than prior year's expenditures
- Work with Office of the Governor and State assembly to ensure approvals are within budget limit set
- Standardize the submission of budgets (e.g., Sharepoint/excel templates)
- Ensure MB&EP trains staff in other MDAs on proper budget procedure

H.1.2 Improve the Budget prioritization process:

- Identify criteria to prioritize OpEx and CapEx e.g., Only CapEx over 50m Naira needs to go to MB&EP for prioritization. E.g., Quick wins vs. Priority Sector vs. Total cost etc.
- Prioritize counterparty funding needed for projects in priority sectors (e.g., see Education and Health care initiatives) based on criteria above
- Draw up a list of priority expenditures that can't be delayed (e.g., fertilizer subsidies, road construction etc.)
- Prioritize funding for strategic priorities. e.g., Agro-hubs, infrastructure near agro-hubs, key mining site, support co-ops etc.

Initiative Lead

Ministry of Budget and Economic Planning (MB&EP)

Deliverables

- Budget process reengineered
- Detailed calendar with roles and responsibilities and key meeting dates
- Signed budget based on previous years' expenditures
- Standardised mode of budget submission implemented
- Criteria defined and implemented in all MDAs
- List of counterparty funding in order of priority
- List of priority expenses

Recommended timeline

- 12 months
- 3 months
- 6 months
- 6 months
- 3 months
- 2 months
- 4 months



Reform budget management process (II/II)

Initiative objective

- Define budget preparation, prioritization and monitoring and evaluation approach
- Improve the process of prioritizing funding decisions in line with strategic priorities
- Reduce budgeting variances

Actions

- Work with Ministry of Finance to define funding timeline and schedule for disbursements to improve spend discipline, realize quick wins and kick-off larger initiatives
- Develop checklist to align and evaluate spending choices against priorities before approval

H.1.3 Monitor and evaluate budget realization for proper prioritization and utilization:

- Define guidelines for creating and monitoring performance agreements (also see initiative 2.1)
 - Define format of budget reports, individuals responsible for creating reports and frequency of reporting to actively plan, manage and monitor budget execution and manage variances with disbursement plan
 - Standardize MDA reporting template (Performance matrix, timelines, expenditure profiles, agency coordination completed, expected outcomes etc.) by ensuring adoption across MDAs
 - Define plan for timely interventions and who's responsible



Stakeholders

- Ministry of Finance
- Efficiency Unit
- Bureau for Public Procurement
- Ministry of Budget and Economic Planning
- All other MDAs

Deliverables

- Funding timelines defined in all MDAs
- Checklist to validate spend decisions before approval
- Format of reports, roles and responsibilities, frequency of reporting defined
- Adoption of reporting template by MDAs
- Mode of intervention when issues are identified defined

Resources

- ICT to support in developing templates

Initiative Lead

Ministry of Budget and Economic Planning (MB&EP)

Recommended timeline

- 4 months
- 3 months
- 3 months
- 12 months
- 2 months

Metrics

- % variance of budget over previous year's expenditures
- % of MDAs adopting new approach
- Number of evaluation/alignment meetings held

H.2



Execute spend effectively and accurately (I/II)

Initiative objective

- Improve spend discipline: improve efficiency in allocating and disbursing funds to priority projects/expenditure in line with budget execution plan

Initiative Lead

Ministry of Finance

Office of the Governor

Actions

- H.2.1 Improve spend discipline and execution of budget in accordance with plan:**
- ✓ Introduce performance agreement that will be signed between MDAs and Office of the Governor declaring target performance obligations
 - ✓ Ensure MDAs execute spend based on priorities and targets
 - Ensure MDAs create profiles of inflow and expenditures to ensure estimates and schedules are realistic and are being adhered to
 - ✓ Ensure OpEx is distributed automatically at the beginning of each quarter e.g. for fuel, paper, and basic necessities
 - ✓ Ensure MDAs align with ministry on outputs every quarter based on performance agreement (detail out who will attend meeting, documents to be prepared for meeting etc.)
 - Allow for trade offs between funding of lower priority projects of one MDA to higher priority projects of another MDA based on criteria in initiative 1.2
 - Implement policy of giving penalties for not following execution plan and meeting targets in agreement, e.g. delay release of follow-on funds
 - Create buffer fund to take over to the following year
 - Create yearly event where MDAs showcase & are recognised for achievements



Uganda

Deliverables

- Procedure to ensure effective budget execution defined and implemented
- Performance agreements developed for MDAs
- Inflow and expenditure profiles
- Format of quarterly meetings and individuals to attend defined

Recommended timeline

- 12 months
- 12 months
- 12 months
- 4 months





Execute spend effectively and accurately (II/II)

Initiative objective

- Improve spend discipline: improve efficiency in allocating and disbursing funds to priority projects/expenditure in line with budget execution plan

Initiative Lead

Ministry of Finance

Office of the Governor

Stakeholders

- Ministry of Finance
- Efficiency Unit
- Bureau for Public Procurement
- Ministry of Budget and Economic Planning (MB&EP)
- All other MDAs

Resources

- N/A

Metrics

- % variance between actual vs planned (prioritized) budget execution
- No. of performance contract signed by MDAs
- Time from request to fund release





Reorganize MDAs and improve collaboration and accountability (I/II)

Initiative objective

- Revise MDA structure to reduce role duplication by merging teams with overlapping mandates
- Set up governance principles and scope, and establish expectations of MDA responsibilities

Initiative Lead

Office of the Governor

Actions

H.3.1 Restructure MDAs to efficiently deliver on mandates and eliminate any replication of efforts:

- Gather full list of current MDAs and reporting structures
- Review the mandates of each MDA and identify overlaps
- Delineate the roles and responsibilities of MDAs into specific mandates (e.g., Role of Efficiency unit vs. Procurement, FADAMA vs. PADP etc.)
- Merge MDAs with overlapping mandates and clearly draw responsibilities and expected reporting lines
- Ensure adequate oversight on activities of MDAs to ensure activities are executed effectively, e.g., Ministries have budget approval oversight of agencies
- Train MDA staff on executing new responsibilities (budget preparation, budget monitoring and evaluation etc.)

H.3.2 Develop overarching strategies for each sector by coordinating implementation plans across MDAs to maximize synergies:

- Ensure communication & data sharing between MDAs (see initiative 4.1 & 4.3)
- Clearly define structure, frequency of (quarterly) inter-MDAs meetings led by the State Economic council to:
 - Ensure cross sector alignment on priorities and targets (see agriculture, mining, tourism and infrastructure initiatives)
 - Discuss areas of potential collaboration
 - Report progress made on key initiatives

Deliverables

- Revised list of MDAs, roles, responsibilities, and reporting requirements
- Staff trained to execute responsibilities
- Frequency of alignment meetings and individuals to attend defined

Recommended timeline

- 15 months
- 12 months
- 4 months





Reorganize MDAs and improve collaboration and accountability (II/II)

Initiative objective

- Revise MDA structure to reduce role duplication by merging teams with overlapping mandates
- Set up governance principles and scope, and establish expectations of MDA responsibilities

Initiative Lead

Office of the Governor

Actions

H.3.3 Ensure transparency in executing budget and managing contracts:

- Price intelligence unit, MB&EP, BPP (Efficiency unit) and Min. of finance (Cash liquidity management committee), similar to system in Kaduna, should be in charge of reviewing the progress on performance agreements, budget execution, reprioritization of expenditure and reporting its findings and recommendations to the Office of the Governor
- Ensure price intelligence unit publishes price list on state website

H.3.4 Consolidate donor management:

- Create a donor strategy to manage and prioritize information and requests
- Ministry of Budget and Planning, Bureau of Statistics and Special assistant to Governor should work together and be responsible for:
- Consolidating all requests from MDAs for donor support/funding
- Liaising with MDAs and donors and prioritizing requests (based on prioritization criteria in initiative 1.2)
- Identifying donor needs and expectations for government data and funding commitments
- Working with Bureau of statistics & other MDAs to collect necessary data

Deliverables

- MDA responsible for reporting on budget execution identified
- Donor funding management strategy developed

Recommended timeline

- 3 months
- 9 months

Stakeholders

- Ministry of Finance
- Efficiency Unit
- Bureau for Public Procurement (BPP)
- Ministry of Budget and Economic Planning (MB&EP)
- Bureau of Statistics

Resources

- N.A.

Metrics

- No. of MDAs restructured
- No. of staff trained of budget process





Improve transparency and data sharing (I/II)

Initiative objective

- Improve data quality and sharing by standardizing data collection templates and using online platforms to improve transparency on data, key state laws & regulations

Initiative Lead

Office of the Governor

Actions

H.4.1 Increase data-sharing & aggregation by coordinating agencies:

- Drive the implementation of e-governance and open data initiatives
- Identify and roll out existing tools that MDAs can use to share data easily (e.g. SharePoint, Google docs)
- ✓ Ministry of Budget and Economic planning and ICT development agency should train DPRS staff on methods to collect and record data
- ✓ Publish contact list of DPRS staff to obtain data from in each MDA online
 - Convene data reps from MDAs on a regular basis (monthly, quarterly) to share data, enforced by governor if required
 - Implement policy to copy Bureau of Statistics on all data requests and responses, and report to the Governor on any unmet request
- ✓ Identify a list of ways to incentivize data collection and sharing between MDAs (e.g. linking fund disbursements to consistency of data sharing)
- Ensure MDAs have adequate computers and staff are trained to report data

H.4.2 Improve data quality by prioritizing data to be collated and monitored:

- ✓ Develop prioritised list of ~10 -12 metrics that are most critical for MDAs and the Governor's office to track
- ✓ Mandate MDAs to identify top 10-12 data sets and metrics most critical to complete and track, based on donor priorities and economic growth plan (e.g., hospital locations, crop dispersion)
- Strengthen the audit board to sanction MDAs who share inaccurate data. e.g. reduction in budget of MDA

Deliverables

- Tool to share data identified and rolled out across MDAs
- Web page with names of key contacts for data
- Data sharing rule put into force and communicated to MDAs
- List of incentives to encourage sharing of data between MDAs
- List of most important data points to be collated by MDAs
- Audit board empowered to implement sanctions

Recommended timeline

- 12 months
- 6 months
- 3 months
- 3 months
- 6 months
- 6 months





Improve transparency and data sharing (II/II)

Initiative objective

- Improve data quality and sharing by standardizing data collection templates and using online platforms to improve transparency on data, key state laws & regulations

Initiative Lead

Office of the Governor

Actions

- ✓ Move to electronic gazetting to improve transparency and make laws more accessible to investors
 - Partner with Open law library who have offered to assist Plateau state to publish its laws online

Deliverables

- Laws published online

Recommended timeline

- 6 months

Stakeholders

- Ministry of Finance
- Efficiency Unit
- Bureau for Public Procurement
- Ministry of Budget and Economic Planning
- Bureau of Statistics
- Plateau State ICT Development Agency
- All other MDAs

Resources

- Ministry of Finance
- Efficiency Unit
- Bureau for Public Procurement
- Ministry of Budget and Economic Planning
- Bureau of Statistics
- Plateau State ICT Development Agency
- All other MDAs

Metrics

- Number of MDAs adopting use of new template and data sharing tool
- Number of data exchanges between MDAs



Governance

Case studies



Malaysia's government moved away from incremental budget approach to zero-based budgeting approach to improve spending efficiency



Context



Previous years budget always used as baseline for new budget

- Set revenue allocation for projects exist every yr. without a needs assessment, resulting in
 - Wasteful expenditure
 - Increased spend every year

Built in inflation mechanism that's not justified



What did Malaysia do?

Moved away from copy paste budget model towards zero based budgeting

- Expenditures determined from zero each year vs. using last years numbers as baseline
- Removes assumption that project spend simply increases by inflation and any other cost each year
 - Forces stakeholders to think from fresh about spend for each project, break it down & remove wastage
 - Stakeholders have to justify each need based on objectives vs just looking at previous budget
 - All tenders are reviewed and all expenses must be justified
 - Alternative scenarios provided by stakeholders (e.g.: sourcing options to reduce costs)

Source: New StraitsTimes Article 'Government to implement zero based budgeting for procurement process; BCG analysis



Key successes

Goal is to improve spending efficiency

- Already seeing spending cuts
 - Operating expenditure estimated to decrease
 - Savings from non-essential expenditure & cost efficiencies resulting from scrutinizing each expense from base zero
- Helps reduce fiscal deficit

Enhances transparency & accountability

- Forces stakeholders to think about needs & assess expenses yearly
- Solves problem of some departments being overfunded & others underfunded



Learnings for Plateau State

Avoid using a copy paste budget model as a baseline and move to zero based budgeting

- Allows for more efficient allocation of resources
- Given growing urgent spending priorities, this method proves more practical & sustainable
 - Eliminates trap of falling into increased demand for funds for projects every year (baseline+inflation+new items to buy)
 - Helps prioritize projects that need attention by having a view on the needs and expense analysis of each project yearly
- Expenditure needs analysis helps to save costs & reduce fiscal deficit



Uganda introduced performance contracting & a budget monitoring & reporting unit geared towards the effective implementation of government projects



Uganda



Context



MINISTRY OF FINANCE, PLANNING AND
ECONOMIC DEVELOPMENT, UGANDA

Lack of accountability mechanisms for government funded projects

- Sector spending units had no
- Proper work plans with quarterly plan and resource needs
 - Ownership for misallocation of funds or not achieving stated goals



What did Uganda country do?

Created performance reporting contracting to monitor how different sector indicators¹ fair against stated targets over time

- Performance contract signed between spending agency & Ministry of Finance (MoF²), declaring use of funds
- Annual performance contract states quarterly work plan
- Each quarterly performance report³ submitted to MoF outlining progress against work plan

Launched budget monitoring & accountability unit to monitor prio. projects

- Physically inspects & verify info. in performance contracts & reports
- Draw up semi-annual & annual performance reports
- Research reasons for underperformance & communicates with Ministry

1. Short, medium, long term indicators listed in the budget framework 2. Ministry of Finance;

3. Covers financial and physical performance

Source: Uganda Ministry of Finance article; BCG Analysis



Key successes

Helps improve accountability

- Frequent measuring of progress against work plan
- Regular inspections by budget & monitoring unit
- Sectors required to submit written response explaining underperformance
- Annual performance report used to influence proceeding years budget cycle

This helps improve service delivery to projects that are efficient at allocating budgets & reaching stated goals



Learnings for Plateau State

Look to introduce performance contracting for sector spending units

- Detail quarterly work plan & key KPI's that can be measured
 - KPI's should include financial & physical plans & goals
- Ensure they have the skills & tools to produce these reports

Create dedicated monitoring & accountability unit for priority projects

- To do physical inspections
- Helps to verify progress of projects versus what sectors report
- Ensures the semi-annual & annual perf. report they give to MoF² is credible to use as a base for budget decision making

Find ways to incentivize key projects underperformance vs. always cutting back on spend allocation



Kenya overhauled its budget execution policies to improve monitoring and transparency



Kenya



Context



The National Treasury

Poor budget execution hindered the country's ability to achieve its objectives

- Large difference between commitments and disbursements on projects
- Difficulty tracking budget execution across projects and agencies
- Misuse and misallocation of funds were common occurrences



What did Kenya do?

Introduced dedicated budget execution oversight

- Introduced the Office of the Controller of Budget, an independent institution tasked with overseeing the execution of budgets at the national and county levels
 - The office supervises revenue collection and approves any withdrawal from public funds
- Shifted to a single treasury account, which helped streamline revenues/withdrawals and simplified monitoring

Deployed new financial management tools

- Introduced a new integrated public financial management platform, which is able to track budget execution in-real time across government entities
 - The platform was designed to handle project-per-project budget execution, allowing more detailed tracking



Key successes

Strengthened budget monitoring

- The office of the controller is able to track and block disbursements to:
 - Entities that are underperforming or have high debt levels
 - Entities that misuse or misallocate funds
- Gained the ability to compare between projects and entities in a standardized format to measure the effectiveness of budget execution

Improved transparency

- Budget reporting has become easier to prepare and publish, allowing better disclosure to parliament and to the public



Learnings for Plateau State

Create dedicated budget execution monitoring entities

- Allows close monitoring of budget collection and disbursements
- Able to track and stop the misuse or the poor-use of public funds

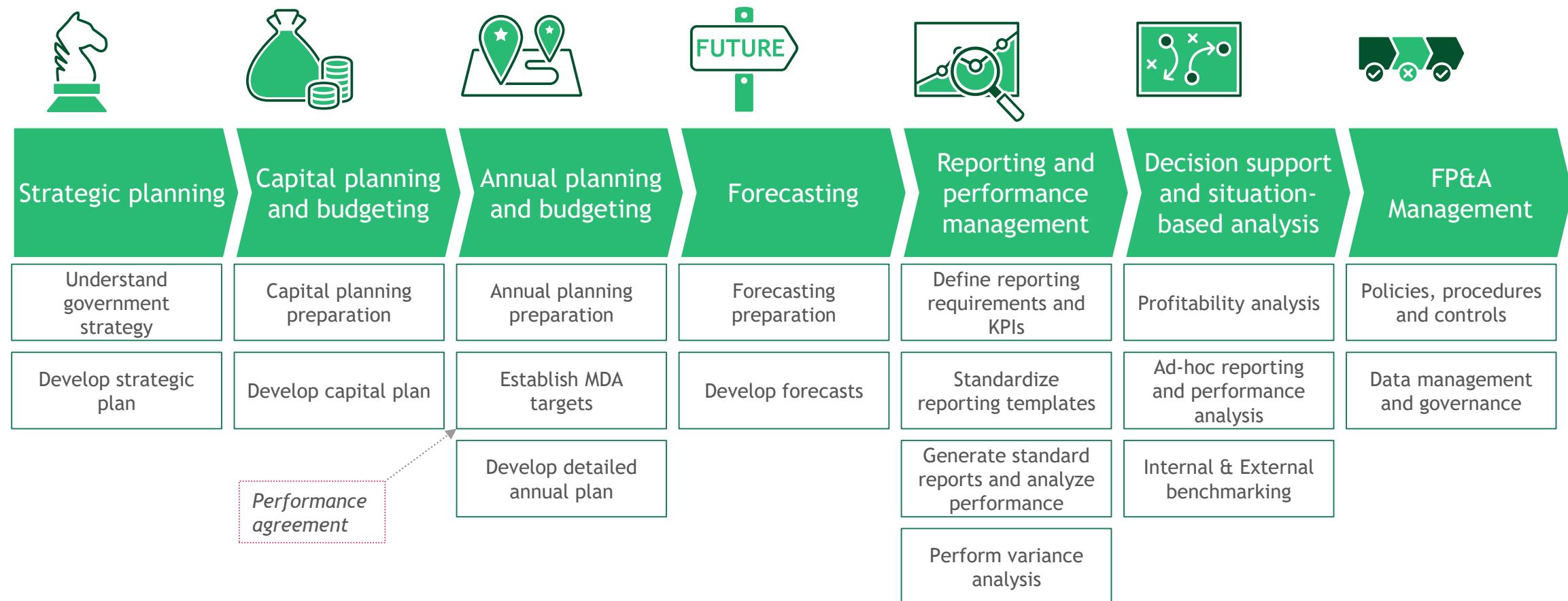
Standardize and streamline financial management processes & procedures

- Standardization allows easier comparison between different entities and projects, which can improve the region's ability to track performance
- Simplifies financial reporting to oversight entities



Best Practice: Key activities at L3 value stream for Financial Planning & Analysis

Illustrative





Best Practice: Structured project prioritization process

Project classification

Classify projects along clearly-defined dimensions, e.g.,

- Buckets: Growth, efficiency, maintenance, legal, M&A,...
- Organizational unit
- Status (e.g. quality gate)

Project evaluation

Define prioritization logic and evaluation criteria differentiated by project bucket

- Financial performance
- Strategic fit
- Risk

Evaluate projects based on differentiated criteria

Project portfolio management

Define budgets to ensure investment portfolio balance, e.g.,

- Short-term vs. long-term
- Big bets vs. small bets
- Risk vs. return

Prioritize projects based on bucket-specific ranking



Transparency on current project portfolio



Analytical base to prioritize projects



Balanced project portfolio



Best Practice: Prioritization logic differentiated between categories

Category

Growth

- Revenue-/capacity-increasing investments, e.g.,
- New investments
 - Investments in portfolio

Efficiency/ costs

- Investments to improve operations, e.g.,
- W/o revenue increase
 - Mostly with P&L effect

Legal

- Mandatory investments due to, e.g.,
- Legal requirements
 - Contractual obligations
- Example: Fire protection

Maintenance

- Maintenance of existing infrastructure under consideration of target lifespan
- Example: Replace machinery

Prioritization logic

- Evaluate projects by profitability, strategic fit, risk, and status
Rank projects based on scoring model

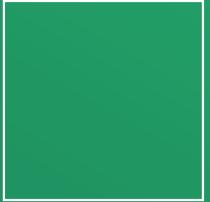
- Evaluate project by profitability, urgency and operational related criteria
Rank projects based on scoring model

- Rank projects in two steps
1. Rough division by ability to postpone and type of the requirement
 2. Detailed ranking by NPV

- Allocate budgets to MDAs to cover minimum necessary maintenance
Measures are prioritized by the MDAs



Strategy implementation



Agenda

Summary of strategic initiatives & success factors

Project Management Office (PMO)

- Introduction to PMO
- Plateau state PMO structure and organization

Appendix

Agenda



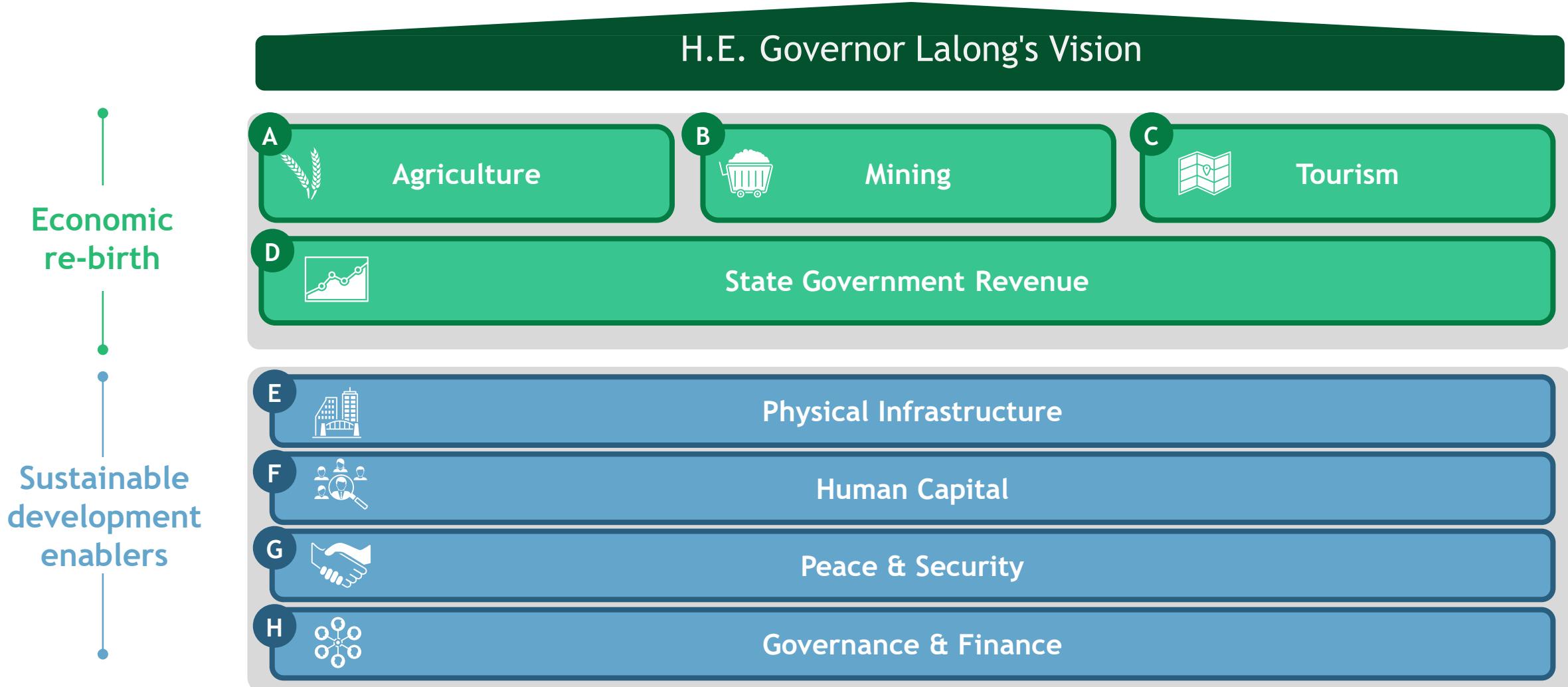
Summary of strategic initiatives & success factors

Project Management Office (PMO)

- Introduction to PMO
- Plateau state PMO structure and organization

Appendix

The strategic vision for Plateau will be supported by 8 pillars



Five key principles will help ensure successful implementation of the strategy

1)

Critical enablers and reforms must be prioritized first in order to enable long-term growth

- Improved governance, data, infrastructure, and human capital must be addressed if Plateau wants to attract investors and donors to fuel private sector growth and further development
- The governor should track progress on priorities through reports on KPIs

2)

Funding must be prioritized according to the strategy

- Government budgets must be dedicated to the key initiatives highlighted by the strategy and prioritize counterparty funding for major donations

3)

Transparency must be expected and enforced

- Open data sharing must become part of the culture in order to enhance internal operations, donations, and investment

4)

Risks mitigation must be embedded within the strategic approach

- Key areas of risk must be considered and addressed through good governance and project management

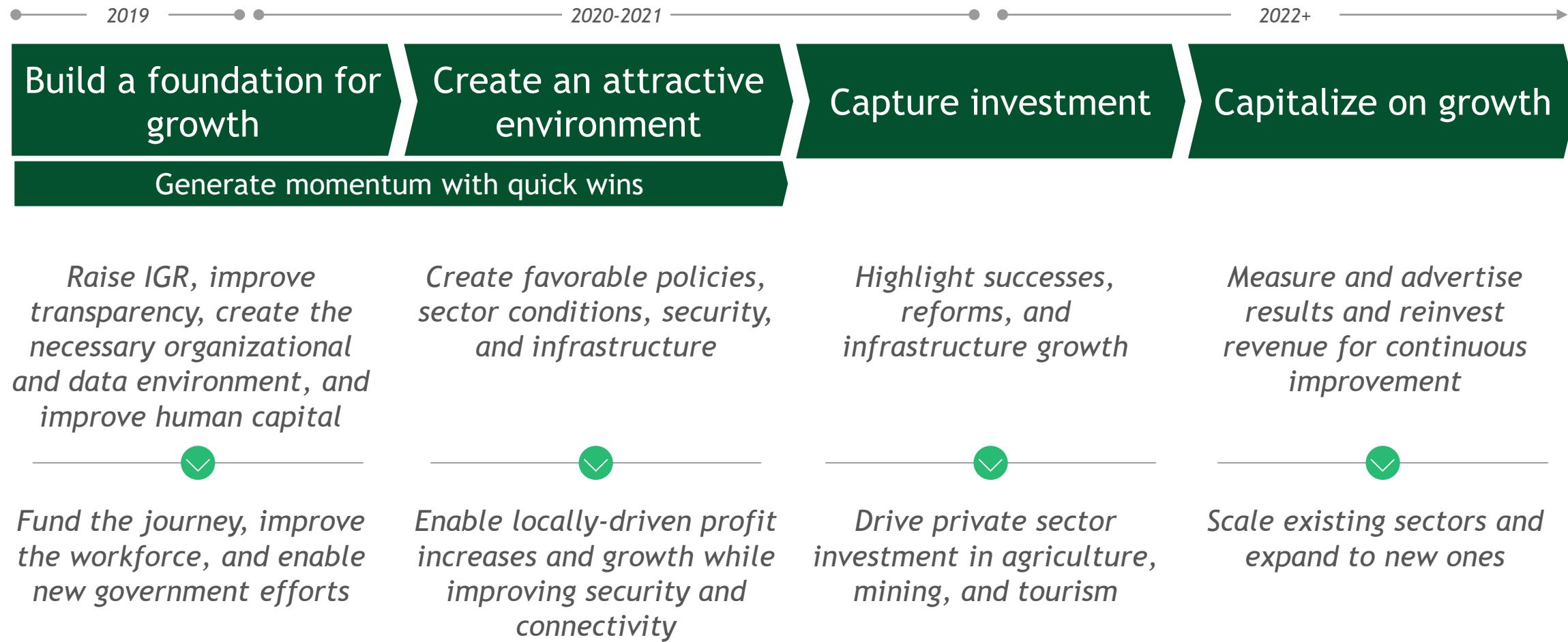
5)

Accountability must be driven from the top

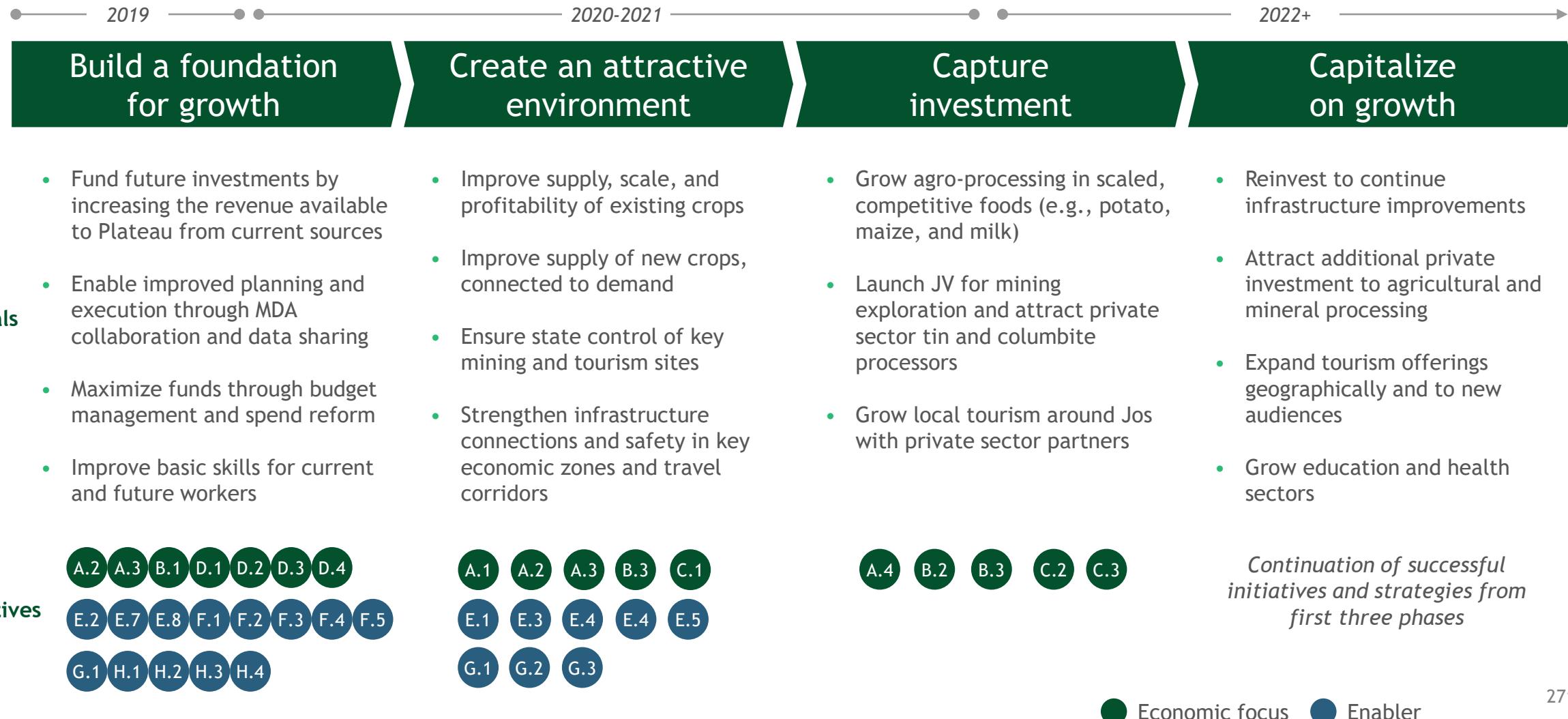
- Each initiative will have clear MDA responsibility that will be accountable to the Office of the Governor for meeting deadlines and targets
- A PMO can help drive accountability across government

To be detailed in second section 269

Plateau will build on institutional and business environment reforms to generate long term development



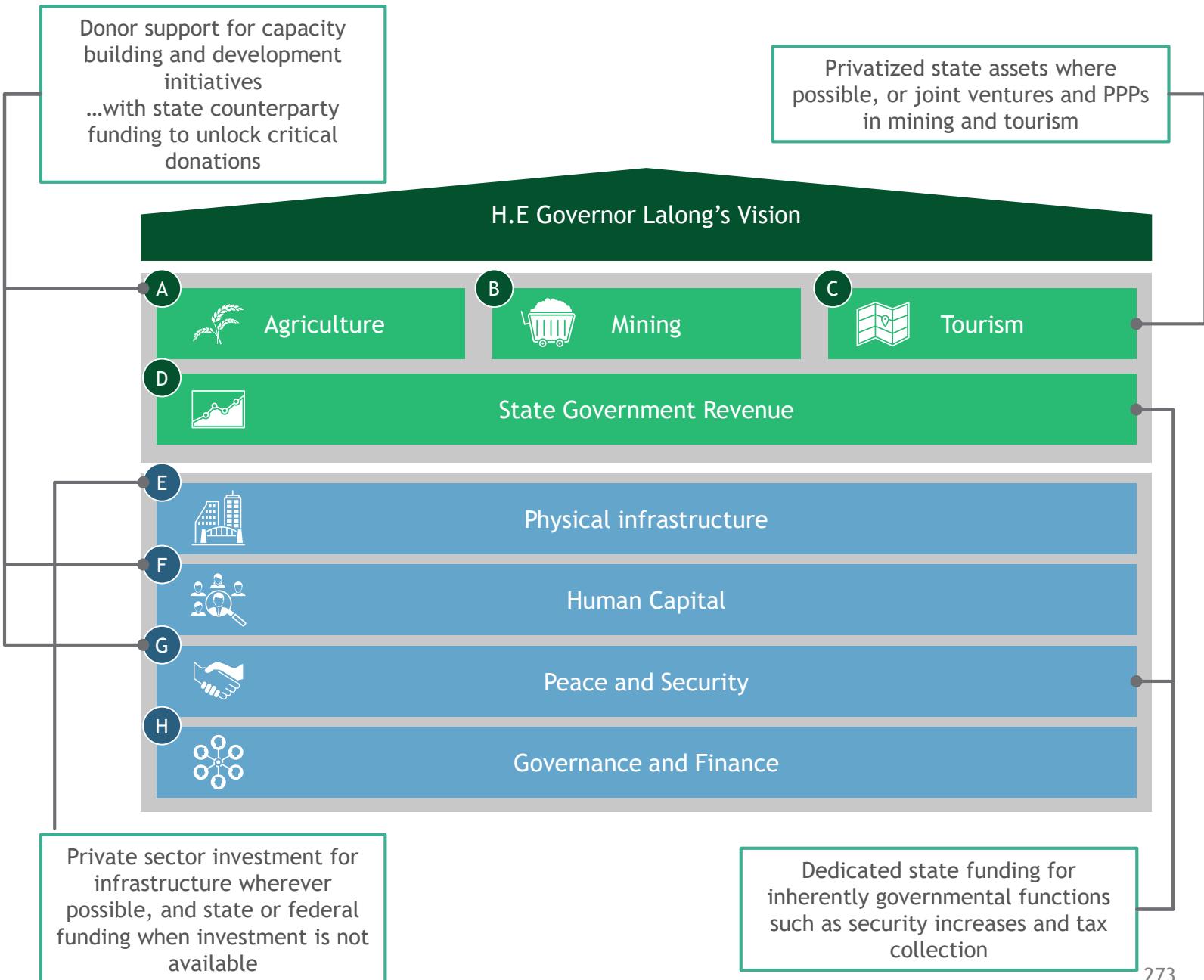
Detail: Plateau will build on institutional and business environment reforms to generate long term development



The Governor can manage progress of his priorities by tracking key performance indicators

KPIs recommended for the Governor's attention	Desired trend	Responsible MDAs
# of agro-hubs/commercial centers built and connected to power	↑	Ministry of Agriculture, Ministry of Energy
% change in farmer profit	↑	Ministry of Agriculture
# of tin and columbite licenses held by PMDC	↑	Ministry of Mineral Development, PMDC
# of visitors to Jos tourist sites	↑	Ministry of Tourism, Plateau Tourism Agency
% of adult citizens with a TIN	↑	Board of Internal Revenue
% of land registered	↑	Ministry of Lands and Survey
Average time to ship perishable goods to major markets	↓	Ministry of Transport, Ministry of Works
% of primary and secondary teachers with proper qualifications	↑	Ministry of Education
% of primary care centers with general practitioners present daily	↑	Ministry of Health
# of violent incidents in economic centers and along transit routes	↓	Office of the Governor
% variation between budgeted and actual spend	↓	Ministry of Budget and Economic Planning
% of MDA priority statistics published online by Bureau of Statistics	↑	Bureau of Statistics

Funding the vision will require support from the state, private sector investors, and donors



Regular, accurate, and electronic data collection and sharing will aid management and attract donors

Collect

- Enhance data reporting from the field and capture through electronic means



Aggregate

- Aggregate electronic data at MDA level



Share

- Report KPIs to PMO and Ministry of Budget and Planning
- Share with Bureau of Statistics and other MDAs
- Publish data online for public consumption and validation

...Improved funding decisions

...Reprioritization of efforts as needed

...Increased donor and investor interest

Addressing key areas of risks will enable successful implementation of strategy

Category	Risk	Mitigants incorporated in strategy
Project management	High interdependencies among initiatives may lead to delays	Emphasized need for strong coordination among initiative leads and prioritization of interdependent actions in each initiative plan
	Insufficient issue resolution procedures to address problems relating to data gathering, bottlenecks etc.	Detailed out a clear issue resolution process in PMO
People	Limited skillset in MDAs to implement initiatives and adapt to new ways of working	Incorporated the need for training of MDA staff in several initiatives (Inter and Intra-MDA trainings)
	Resistance to change from the top, due to political interests	Emphasized the need for the Governor to clearly communicate the importance of implementation and hold MDA Commissioners and Permanent Secretaries accountable for performance
Governance	Lack of sponsorship from the top, due to other political distractions	Weekly inclusion of Governor in updates to ensure this is a priority on his agenda and ensure consistent engagement on progress of initiatives
	Limited socialization & stakeholder management	Recommended meeting cadence and communications plan to ensure constant alignment and engagement across MDAs and with citizens
	Poor response to change efforts, resulting in loss of support and momentum in implementation	Recommended that the Governor showcase positive impacts of initiatives to MDAs and citizens to drive sustained support
Financial	Limited funding to support implementation of strategic initiatives due to inadequate prioritization of expenses	Recommended prioritization of investments to start with those which can generate additional IGR and encourage donor funding
	Reduction in federal allocation	Recommended and provided materials to attain alternative sources of funds (e.g. donors, investors)
Regulatory & Legal	Regulatory and legal delays (e.g. delays in getting laws changed, getting new laws approved)	Stressed the need for Governor to use his political influence to expedite the amendment and passage of laws

The strategic pillars will be implemented through 35 initiatives across the state government accountable to the Office of the Governor (I/III)

Pillars	Primary initiatives	Initiative lead(s)
A Agriculture Increase value of crops sales and food processing	A.1 Promote cooperatives and encourage farmer participation	Ministry of Agriculture & Ministry of Commerce and Investment
	A.2 Develop the strategy and overarching policies	Ministry of Agriculture
	A.3 Build capacity and disseminate knowledge	Ministry of Education & Ministry of Agriculture
	A.4 Attract investments into the agro-food processing industry	Ministry of Commerce and Investment & Ministry of Agriculture
B Mining Increase revenue from state-owned concessions and fees and improve private investment	B.1 Maximize revenue collection	Ministry of Mineral Development & Board of Internal Revenue
	B.2 Improve attractiveness for investors	Ministry of Mineral Development, Plateau State Mineral Development Company, Ministry of Commerce and Investment
	B.3 Maximize potential of PMDC	Ministry of Mineral Development & Plateau State Mineral Development Company
	B.4 Improve investor-community relations	Ministry of Mineral Development
C Tourism Develop an environment for private tourism investment	C.1 Develop priority locations	Ministry of Tourism
	C.2 Improve attractiveness for investors	Ministry of Tourism & Ministry of Commerce and Investment
	C.3 Launch a targeted marketing strategy	Ministry of Tourism

The strategic pillars will be implemented through 35 initiatives across the state government accountable to the Office of the Governor (II/III)

Pillars	Primary initiatives	Initiative lead(s)
D Revenue Improve revenue capture across MDAs	D.1 Increase tax registration rates	Board of Internal Revenue
	D.2 Reform land registration	Board of Internal Revenue & Ministry Lands, Survey and Town Planning
	D.3 Increase transparency for cross-MDA tax payments	Board of Internal Revenue & Plateau State ICT Development Agency
	D.4 Streamline revenue collection across MDAs	Board of Internal Revenue & Plateau State ICT Development Agency
E Infrastructure Create the infrastructure needed for growth through coordinated road, energy, and water efforts	E.1 Attract private sector investment for high value transport infrastructure	Ministry of Works
	E.2 Maximize revenue collection from existing road/vehicle streams	Ministry of Transportation & Ministry of Works
	E.3 Ensure dedicated funding for road maintenance	Ministry of Works
	E.4 Attract investment to improve grid connections	Ministry of Energy and Water Resources
	E.5 Expand existing efforts to enable mini-grid investments	Ministry of Energy and Water Resources
	E.6 Implement planned water laws and sanitation practices	Ministry of Energy and Water Resources
	E.7 Prepare the Water Board for commercialization	Plateau State Water Board
	E.8 Create an overall development plan and improve coordination	Plateau State Infrastructural Unit

The strategic pillars will be implemented through 35 initiatives across the state government accountable to the Office of the Governor (III/III)

Pillars	Primary initiatives	Initiative lead(s)
F Human capital Improve the state of Plateau's human capital through investments in education and healthcare	F.1 Increase number of teachers and children in schools F.2 Ensure quality of teachers and curriculum F.3 Grow ICT skills F.4 Expand access to healthcare F.5 Ensure quality of healthcare and service delivery	Ministry of Education, Plateau State Universal Basic Education Board Ministry of Education, Plateau State Universal Basic Education Board ICT Development Agency Ministry of Health Ministry of Health
G Peace and security Improve coordination and funding for peacebuilding efforts across all peace-related organizations	G.1 Improve coordination among stakeholders G.2 Ensure security of key transit routes & economic centers G.3 Improve mediation efforts in conflict-prone areas	Office of Secretary to the State government Office of Secretary to the State government Office of Secretary to the State government
H Governance and finance Reform management, coordination, and data practices across MDAs	H.1 Reform budget management process H.2 Execute spend effectively and accurately H.3 Reorganize MDAs and improve collaboration and accountability H.4 Improve transparency and data	Ministry of Budget and Economic Planning, Office of Secretary to the State government Ministry of Finance, Office of the Governor Office of the Governor Office of the Governor

Agenda

Summary of strategic initiatives & success factors

Project Management Office (PMO)



Introduction to PMO

- Plateau state PMO structure and organization



Plateau needs a dedicated team (PMO) to track and support the successful implementation of these strategic initiatives

What is a PMO? What does a PMO do?

- “PMO” stands for Program Management Office
- PMO will act as the coordinating body during this change effort to ensure effective and timely execution of initiatives



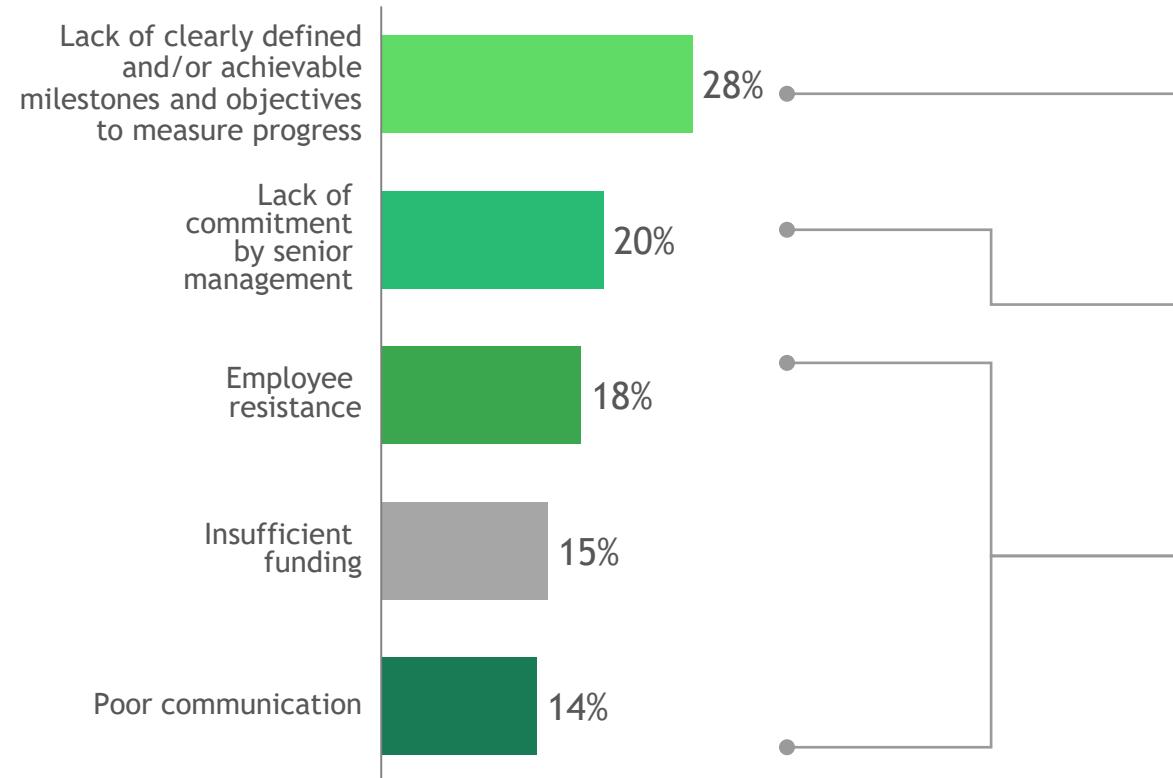
At the most basic level

- Provide coordination and support to initiative leads
- Ensure key concerned MDAs are engaged and collaborating
- Provide a consistent, overall view of progress on all initiatives, issues, and interdependencies
- Communicate key information throughout implementation (e.g. timelines, updates, directives, etc)

The PMO can take on a broader scope as needed to deliver value and support the Governor

A project management office is critical to counteract the main reasons why initiatives fail

What was the single most important factor in determining the failure of initiatives?



How a PMO can help

- Provides overall view of progress
 - Provides the discipline, oversight, and level of detail needed for leaders to manage multiple initiatives (e.g., metrics, reports, priority setting, conflict resolution)
 - Sets priorities and timing to mutually reinforce initiatives
-
- Promotes a close working relationship with the Governor that helps ensure leadership engagement
 - Helps create and maintain a sense of urgency
-
- Drives coordinated communication and creates a clear picture of what the change is, why it is needed, and how people will be impacted
 - Maintains perspective of key constituencies (citizens, civil servants)
 - Monitors the MDAs' concerns and ensures commitment to initiatives

Choosing the right PMO model is critical for effective governance

Passive PMO

Content

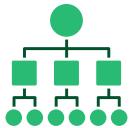


- Structure output of teams
- Consolidate expertise of integration teams
- Moderate team meetings



Consolidate

Process



- Oversee overall change process
- Track progress and benefits
- Communicate organizational and cultural change



Facilitate

Activist PMO

- Challenge content and targets delivered by teams
- Bring in additional outside-in topic expertise where needed
- Participate in meetings as active member



Challenge

- Actively design overall change process
- Challenge benefits and progress
- Assist org-design and manage cultural change



Drive

Plateau should use a hybrid of the Passive and Activist PMO model

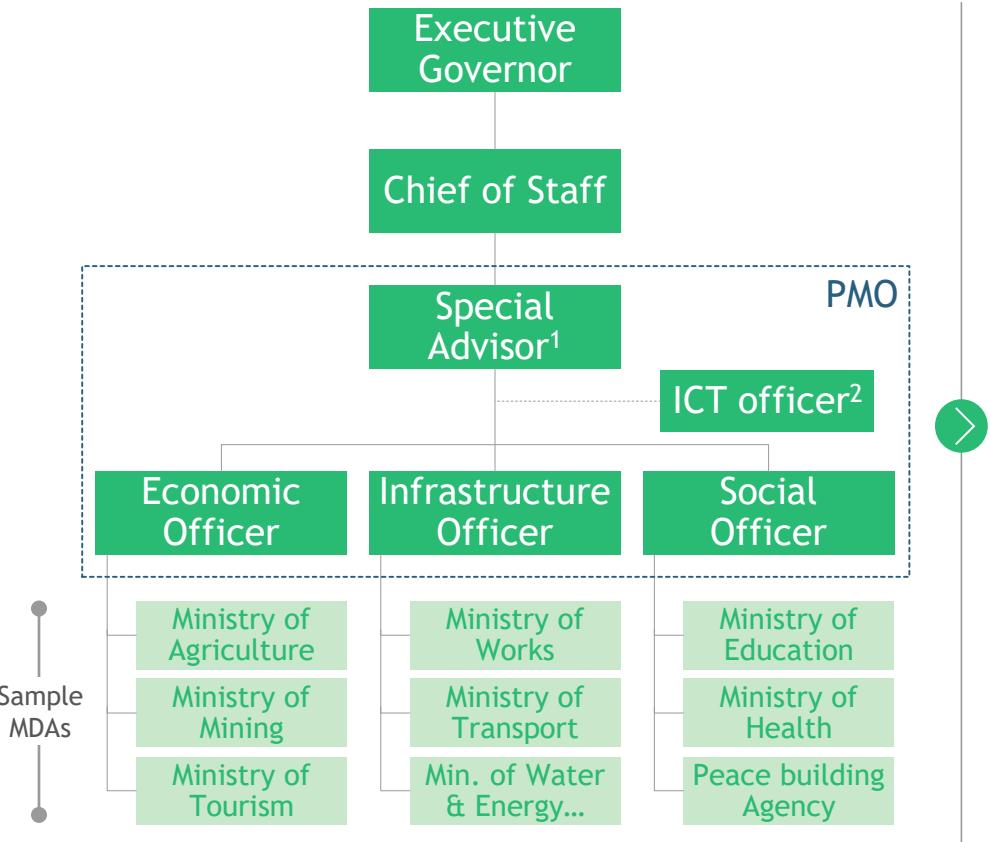
Agenda

Summary of strategic initiatives & success factors

Project Management Office (PMO)

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BCG recommends the Office of the Governor sets up a dedicated PMO with a clear structure and roles and responsibilities



Role Responsibilities

Executive Governor	<ul style="list-style-type: none">• Sets priorities• Approves project status• Approves changes to targets (e.g. timeline, associated costs)• Prioritizes initiatives if required (e.g. regarding available IT/financial resources)• Acts as last instance of escalation for implementation issues
Chief of staff	<ul style="list-style-type: none">• Oversees and manages overall project progress and reports to the Executive Governor• Challenges special advisor if targets are not realized in time• Acts as second line of escalation for issue resolution
Special advisor	<ul style="list-style-type: none">• Facilitates project related communication between MDAs and Governor• Tracks milestones & regularly reports implementation progress to Chief of Staff• Assesses issues & tries to find feasible solutions before escalating outside PMO
Sector officers	<ul style="list-style-type: none">• Helps to define action plan for initiative lead if implementation is not on track• Coordinates interdependencies between initiatives and reports• Offers guidance to initiative leads and resolves implementation issues
Initiative leads	<ul style="list-style-type: none">• Defines detailed project plan and staff team for implementation (if necessary)• Drives initiative implementation• Are held accountable if targets are not achieved• Reports implementation progress and potential roadblocks to dedicated Sector officer

1. PMO Manager; 2. From Bureau of Statistics

The PMO must establish an ongoing meeting cadence to ensure alignment and timely issue resolution

Meeting	Participants	Objective	Frequency
Executive Governor update	<ul style="list-style-type: none">• Executive Governor• Chief of Staff• Special advisor• Sector officer	<ul style="list-style-type: none">• Brief on overall status of initiatives• Receive input on progress to date (deep dive on all KPIs)• Sign-off action plan for escalated issues	Monthly
Leadership update	<ul style="list-style-type: none">• Governor as available• Chief of Staff• Special advisor• Sector officers	<ul style="list-style-type: none">• Review overall initiative progress• Gain senior alignment on direction of all initiatives• Address and resolve critical issues escalated	Weekly
Special advisor check in	<ul style="list-style-type: none">• Special advisor• Sector officers• Selected Initiative leads	<ul style="list-style-type: none">• Discuss last week's achievements and potential roadblocks• Define and align next steps for upcoming week• Identify issues to be escalated	Weekly
Sector officers check-in	<ul style="list-style-type: none">• Sector officers• Initiative leads	<ul style="list-style-type: none">• Review weekly status reports (project plan) and define next steps• Discuss roadblocks and open issues• Highlight potential interdependencies and areas of cross MDA collaboration	Regularly

Monthly Executive Governor update meetings should be used to monitor progress of initiatives and raise critical issues

Illustration for monthly Executive Governor update meeting

Monthly Roadmap Update

Minimum 1 hour slot for Executive Governor update meeting once a month

Presentation made by **Chief of Staff and Special Advisor** with relevant **Sector officers**

Tracking of milestones, KPIs and various responsibilities

Illustrative agenda for monthly Executive Governor update meeting

Item	Description	Timeframe
1	Introduction <ul style="list-style-type: none"> What is the aim of this meeting? 	09:00 - 09:10
2	State Budget Review <ul style="list-style-type: none"> What is the current financial situation? 	09:10 - 09:30
3	Strategy implementation Update <ul style="list-style-type: none"> What is the overall implementation status? 	09:30 - 10:30
4	...	11:00 - ...

Progress report best practices

Report on progress of **each initiative** on the roadmap

Ensure progress is **measurable** with **KPIs** and someone is assigned **responsibility** for completeness

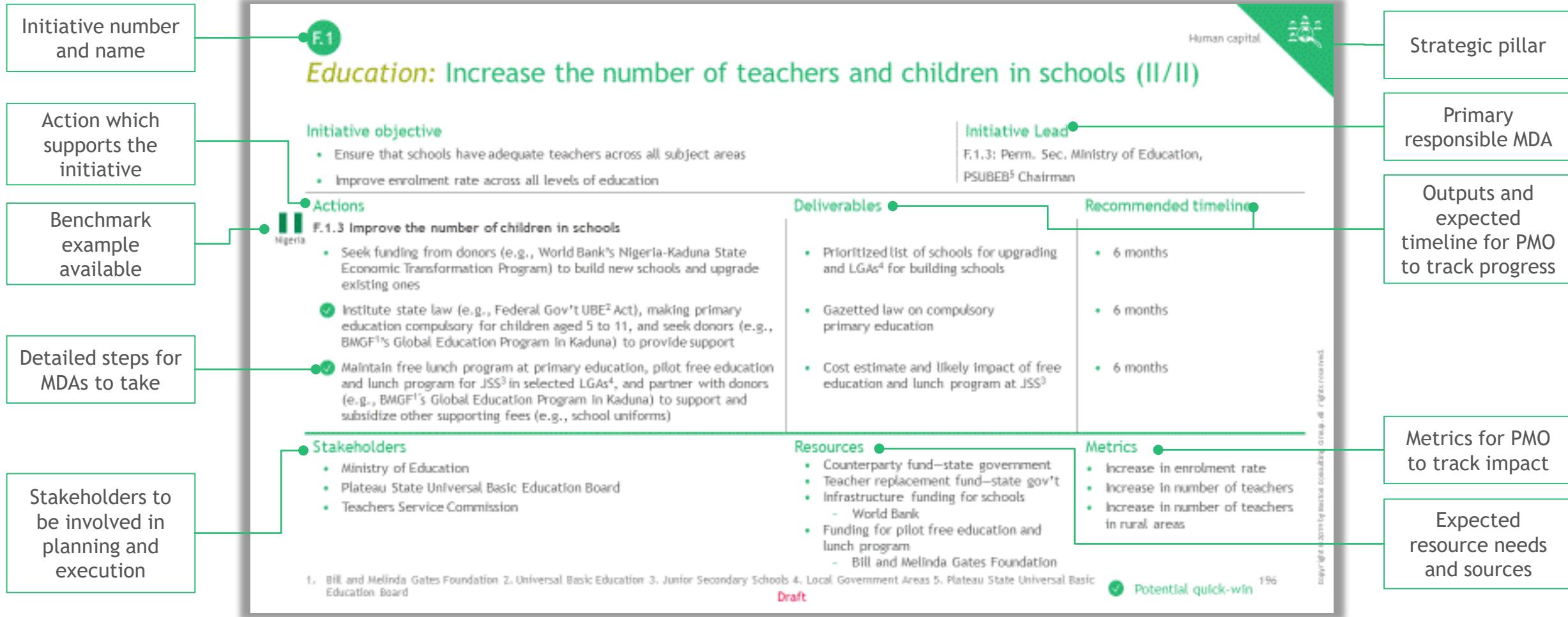
Use **stoplight** method to track status



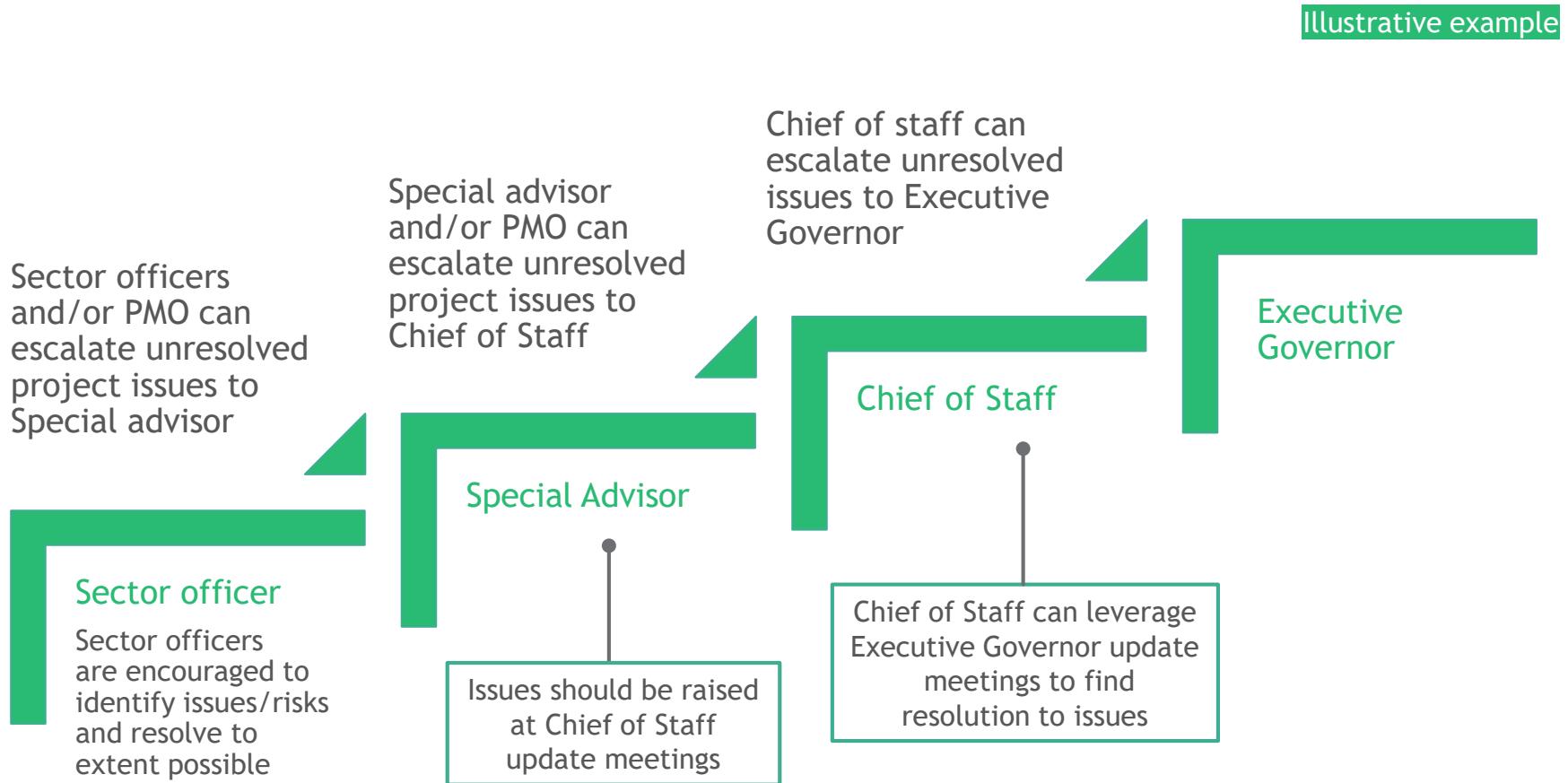
Item	KPI	Responsible	Status
Agro hubs development	6 hubs	Min. Agriculture	● Comment
...	● ...
...	● ...
...	● ...
...	● ...

Initiative charters will help the PMO manage necessary actions, stakeholders, outputs, and progress

Sample charter



PMO will need a resolution process through which to identify and resolve critical issues



PMO should record issues and efforts to resolve them in order to track progress

PMO will need to support the Governor's communication of the strategy, efforts, and results to citizens and government stakeholders



Planning

Develop/update key content & supporting materials

- Case for change: highlighting the rationale for change, change vision and how to get there and implications for stakeholders
- Summary of strategy, scope & objectives
- FAQs/talking points

Create stakeholder engagement plan

- People (key influencers and sceptics)
- Likely issues (“hot topics”)

Plan and launch communication cascade for updates on progress and results

- Timeline/plan for messaging waves to citizens and MDA staff



Communication

Launch new channels and leverage existing broadcast forums

- State website, Ministry meetings, Instagram, Facebook etc.

Enroll initiative leads as advocates

- Team-level stakeholder engagement
- Explicit ask of Initiative Leads to lead change (change agents)

Engage Executive Governor

- Quarterly meetings with initiative leads to review success stories, common concerns and distribute awards of excellence for outstanding work



Feedback

Launch targeted feedback surveys to:

- MDA staff to track progress of, and concerns with, implementation of initiatives
- Citizens to get comments on impact of, and concerns with initiatives

Share concerns and issues with the Governor

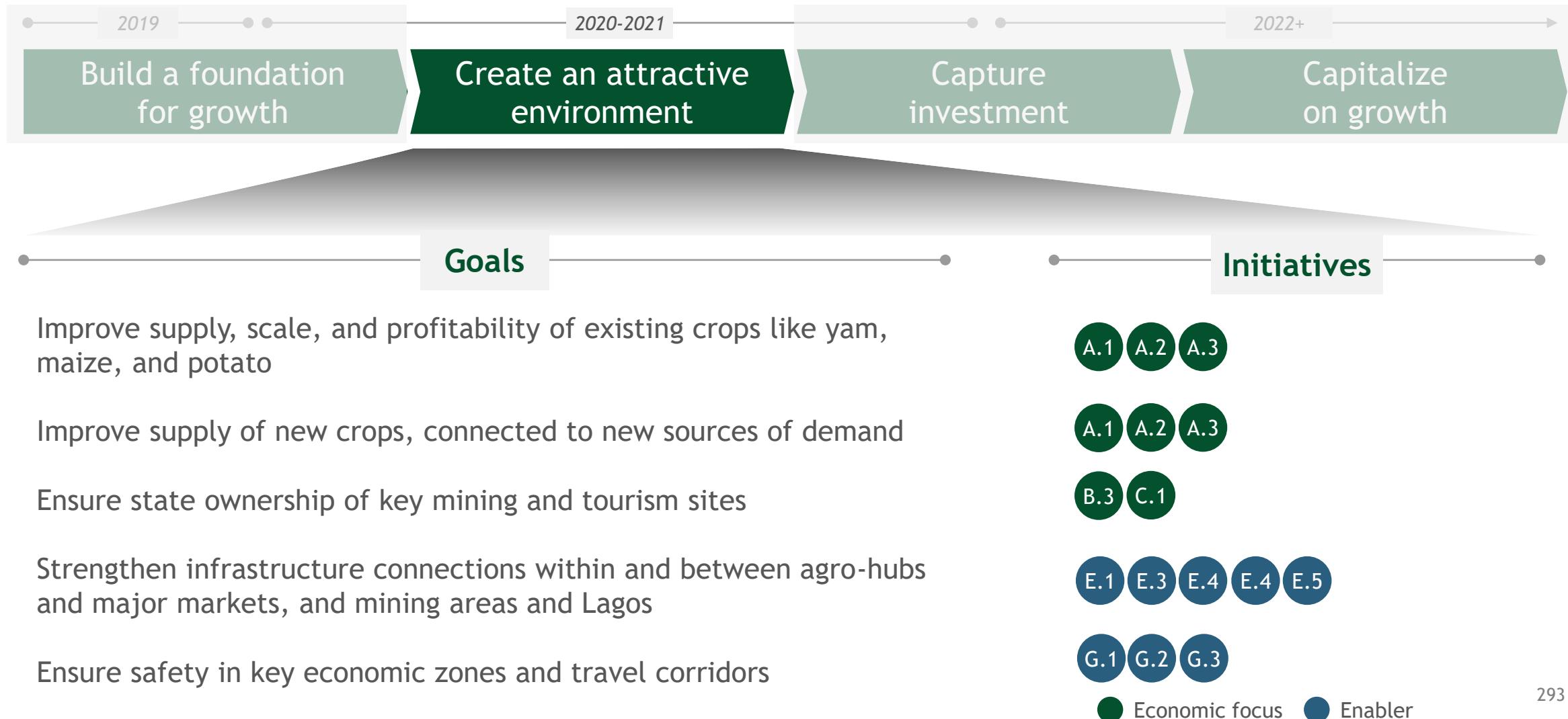
- In weekly and monthly Governor update meetings
- Via specific mailbox where MDA staff and citizens can send comments

Appendix

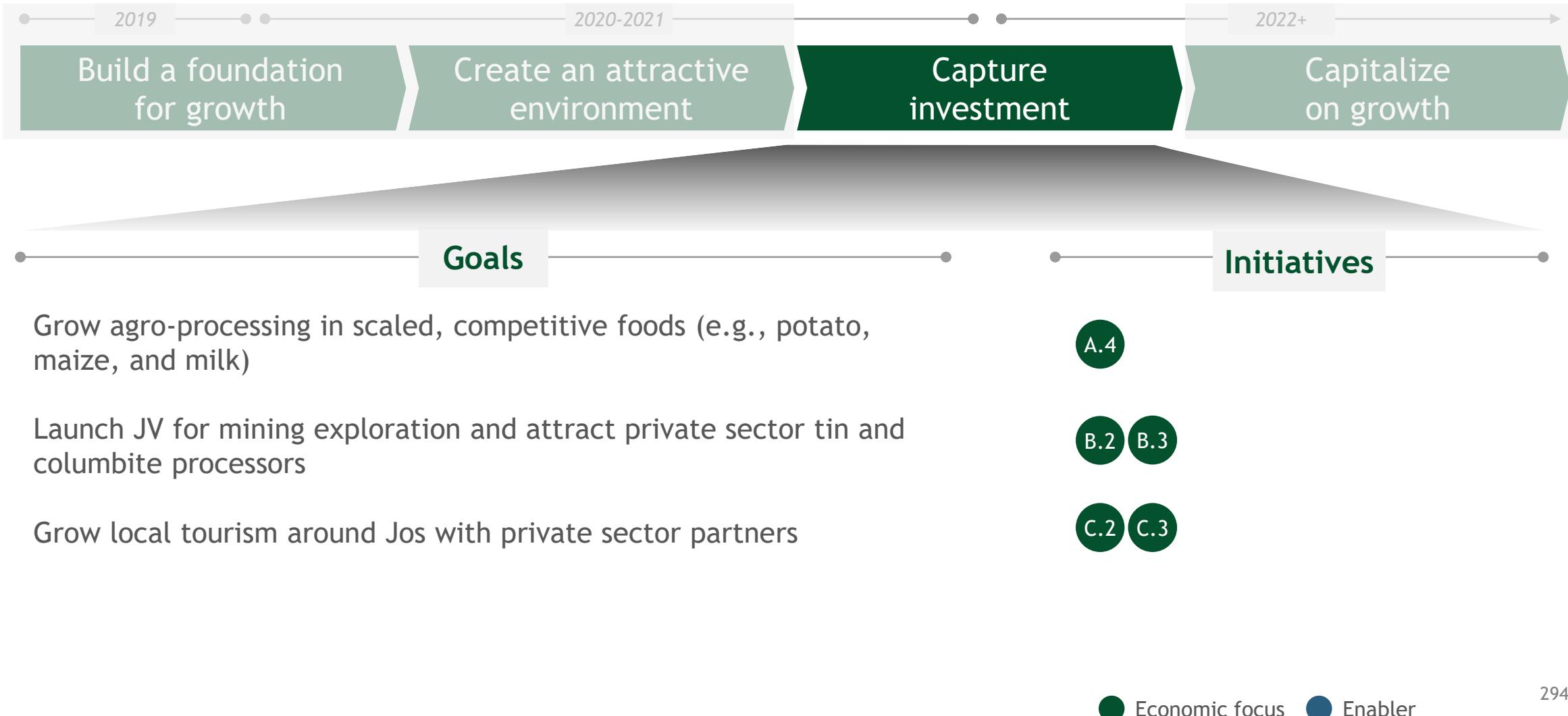
Detail: Plateau should sequence its near-term efforts to achieve long-term, sustainable growth (i/iv)



Detail: Plateau should sequence its near-term efforts to achieve long-term, sustainable growth (ii/iv)



Detail: Plateau should sequence its near-term efforts to achieve long-term, sustainable growth (iii/iv)



Detail: Plateau should sequence its near-term efforts to achieve long-term, sustainable growth (iv/iv)



Reinvest to continue infrastructure improvements

Attract additional private investment to agricultural and mineral processing

Expand tourism offerings geographically and to new audiences

Capture increased IGR through taxation reforms

Grow education and health sectors

Plateau should focus on a few key efforts to secure quick wins and critical investments...

Effort	Related initiatives	Potential funding		
		State	Private	Donors
Build agro-hubs and associated infrastructure	A.1 E.8	✓		✓
Develop seed and fertilizer certification programs	A.2 A.4	✓		✓
Build cold storage and incentivize scale and offtaking for perishable foods	A.2	✓	✓	✓
Attract potato and maize processing to planned agro-hubs and Jos	A.3	✓	✓	
Develop truck terminals near agro hubs and largest towns	E.1	✓	✓	
Partner to build toll roads and bridges in critical corridors	E.1	✓	✓	
Privatize operation of Jos tourist attractions	C.2	✓	✓	
Launch JV with investor for tin and columbite exploration	B.3	✓	✓	
Attract solar and mini-grid investors near agro-hubs and larger off-grid towns	E.5	✓	✓	
Concentrate security around key economic centers and transit routes	G.2	✓		

(Green circle) Counterparty funding required

...while improving donor funding for development initiatives

Effort	Related initiatives	Potential funding		
		State	Private	Donors
Reform budget and funding practices	H.1 H.2	✓		
Mandate data sharing across MDAs and with Bureau of Statistics	H.4	✓		
Create a donor outreach strategy	H.3	✓		
Track teacher and doctor presence and basic performance	F.2 F.5	✓		✓
Identify and address unqualified teachers and health professionals	F.2 F.5	✓		✓
Mandate primary schooling and fund JSS fees	F.1	✓		✓
Create rotational programs and incentives for rural postings	F.1 F.4	✓		✓
Improve mediator numbers and quality	G.3	✓		✓

○ Counterparty funding required

PMO should define what is "in scope" and “out of scope” to ensure proper allocation of resources and levels of decision making

Non Exhaustive

✓ In scope

- Supporting coordination, integration and communication between initiatives and across MDAs
- Providing decision support and preparing material for update meetings to the Executive Governor
- Overseeing overall strategy implementation management
 - Consolidate targets and create mechanism for tracking
 - Identify potential issues
 - Track and report achievement of targets
- Ensuring adequate collaboration in executing strategy and implementing initiatives
 - Proactively identify roadblocks hindering initiative progress and support prompt resolution
- Communicating proactively and regularly to Executive Governor and other key stakeholders to address issues

✗ Out of scope

- Individual initiative roadmap management
- Individual initiative communication, design, and delivery
- Approving new initiatives (i.e. go/no-go decision)
 - Role of Executive Governor
- Auditing existing initiatives
- Monitoring and advising on sub-initiative progress and issues

Getting the right PMO manager is essential

PMO manager requirements profile

Can constructively deal with high complexity and is an agent of change

Professional

- Experience in relevant aspects of the many of the issues likely to be encountered during implementation of initiatives
 - but more a generalist than a specialist
- Able to rally and motivate people
- Able to influence without formal authority
- Proven to deliver results

Project management experience

- Ability to frame complex or ambiguous issues by asking key questions
- Scope definition, and ability to break large challenges into smaller tasks
- Delegation, coordination and risk management
- Problem solver

Well positioned and well respected

Position

- Senior figure with clear support from the Executive Governor
- 100% committed to the implementation and success of the state's strategy
- Will have to be able to gain the acceptance and support of various MDA commissioners
- Is familiar with ways working in MDAs and government

Other qualities

- Seen to be of high personal integrity
- Communication skills and ability to engage and convince skeptics

The best PMO manager: The experienced staffer and resilient advocate for change

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