

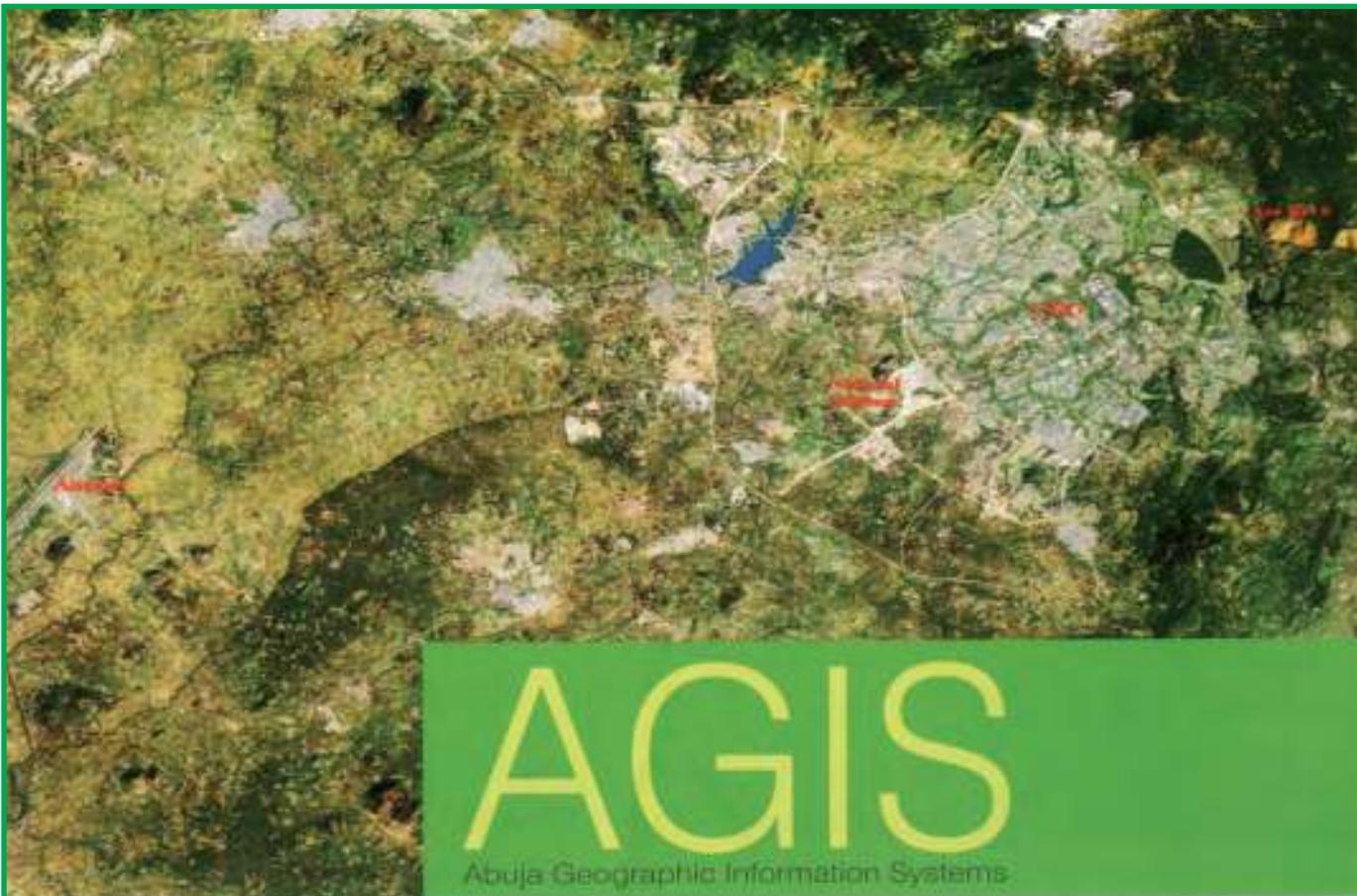
TELL

Special Publication

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THE CHANGE AGENTS:
**UNLOCKING
ABUJA'S
POTENTIALS**



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From The Editor

Senator Bala Abdulkadir Mohammed began work as the 15th minister of the Federal Capital Territory, FCT, on April 8, 2010, after a stint in the Sixth Senate where he moved the motion for the doctrine of necessity that resolved the constitutional logjam caused by the incapacitation of then president, Umaru Yar'Adua.

A child of fate, he is the proverbial prepared mind that fortune favoured. Competence, experience and providence put him on the right side of history at that critical crossroads in Nigeria's democracy. A technocrat with about 30 years' experience in administration, he hit the ground running.

He set up the necessary task groups, aggregated their submissions and, so armed, faced the Herculean task of making Abuja one of the best 20 global capitals by 2020. He has a big mind and a stout heart and he braved the storms. To him, the basic problem of the FCT is infrastructure, infrastructure and infrastructure.

Last April, Mohammed opened up his flanks and allowed TELL, an independent news magazine, to examine his projects and policies. The result was our April publication titled, ***Building A Smart City***, which summarised the projects and policies of the FCTA under him. But that space was not enough to capture the whole revolution silently going on in Abuja. Consequently, the minister asked the magazine

to go the whole hog and appraise all the signature projects of the next world capital. This publication is the result of four months of fieldwork and painstaking processing of the data collected.

It captures the FCTA projects in four main segments. One looks at the land swap policy, its implementation, the districts and the 15 investors involved in the policy. Another looks at the grassroots, how the policy affects them and their appreciation of what is happening around them. A third segment examines the catalysts; the institutions government is using to actualise the private sector initiatives. And finally, the last section explores those projects that will change the skyline of Abuja.

It may take you days to finish this compendium but you will find it worth your while!

Happy reading!

Dipo Onabanjo

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TELL

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The Story of Abuja

From 1975 when the idea was conceived till 2014, Abuja has been an unfolding story of unity, beauty, business and power

By ANAYOCHUKWU AGBO

Abuja is an engaging story of an evolving mega polis, says Bala Mohammed, minister of the Federal Capital Territory, FCT. Every minister and every president add some chapters to the tale, raising the national symphony to higher octaves. It is like the mythical circle around which another can always be drawn in the search for perfection.

On August 9, 1975, the military government of late General Murtala Ramat Muhammed decided to give Nigeria a new befitting capital because Lagos, then Federal Capital had become congested. Lagos being both capital of a state and

capital of Nigeria brought population explosion and the consequent pressure on infrastructure. Lagos lies almost below sea level and this caused frequent flooding and ocean surge. Other challenges were: limited land mass for development; traffic congestion; inadequate housing; environmental pollution; relative insecurity; obscure or peripheral location which meant that many Nigerians had to travel long distances to reach their capital. Again Lagos belongs to a particular ethnic group, which according to them, made it difficult for the city to be truly national or neutral. In addition, Lagos was under too much pressure being an entry point for international trade as well as state and federal capital.

The government set up an eight-man panel headed by Akinola Aguda, a legal luminary and one-time chief justice of the Republic of Botswana, to examine the problem of Lagos and proffer acceptable solutions. Other members of the panel were: Tai Solarin; O. K. Ogan, a professor; Monsignor Pedro Martins, a colonel; Owen Flebal, a chief; Mohammed Ismail



Muhammed: Conceived the idea of a befitting capital

Bashir and Ajato Gandan, a professor and E. E. Nsefik, a chief who served as the secretary. After their extensive tour of 30 possible locations across the country, the panel submitted its report in December



Abuja Airport Road



Abuja National Stadium

1975. The report declared Lagos unfit as the nation's capital being the commercial and industrial hub of the country.

The Aguda panel, as it is popularly known, recommended a vast virgin territory in the middle of Nigeria to replace Lagos as the capital of the country. The whole of this 'vast territory' was named Abuja, after one of the numerous villages that were later displaced to create the new capital. The name Abuja came from the name of the founder of the village, Abubakar Ja, a prince whose father was beheaded for not taking a community he conquered into slavery. After being caged for seven years, seven months and seven days he was released. He then founded a new settlement. Abubakar Ja means Abubakar Yellow; Abuja was coined from the two names – Abubakar Ja.



Nasko: Handed the key to Abuja City gate to Babangida

The modern Abuja, the Federal Capital Territory, FCT, was carved out of four states: Niger, Nasarawa, Kaduna and Kogi, and covers about 8,000 square kilometres. The factors gave Abuja the edge over the other 30 locations considered were: its central location in the middle of the country, good climate, very low population density, availability of land for future expansion, physical planning convenience and ethnic harmony.

Based on the recommendation, on February 5, 1976 the military government of late General Muhammed created the new FCT via Decree No. 6. The decree vested the responsibility of the development of Abuja with the Federal Capital Development Authority, FCDA. In June 1977, FCDA engaged International Planning Associates, IPA from United States to prepare a draft master plan for Abuja and its environs. It took IPA a year and a half to produce a 286-page master plan.

According to the design, which provided for a phased development, Abuja was divided into sectors, districts, and neighbourhoods and each sector would have a population of between 100,000 and 250,000. Abuja was projected to have a population of 1.6 million after the completion of Phase One and 3.1 million after the completion of Phase Two. Today only Phase One is completed but the population is about 3.5 million. About 1.96 per cent of the Federal Capital City, FCC, was set aside for government use; 3.49 per cent for auxiliary services; and 48.97 per cent for residential development; 3.61 for light industries; 7.22 per cent for infrastructure; 2.2 per cent for commercial use and 32.50 per cent for green areas and recreational facilities. Kenzo Tange, a Japanese architect, planned and designed the

Central Business District, filling the gaps left by the master plan.

The master plan set 1986 for the first movement of the federal government to Abuja. That year Nigeria hosted ECOWAS conference in Abuja and this quickened the pace of work. The successful hosting of the ECOWAS conference quickened the relocation of government from Lagos to Abuja. In 1987, ECOWAS relocated its secretariat to Abuja. And in 1991, the African Union summit was successfully hosted in Abuja. A few days after the conference on December 12, 1991, federal government finally relocated to Abuja. General Gado Nasko, then FCT minister handed the then military president, General Ibrahim Babangida, key to the city at the city gate. It symbolised the handover of the city to the landlord, for indeed the President is the governor of FCT. This power he entrusts to the FCT minister to exercise on his behalf.

Since 1976, Abuja has had 15 administrators as follows: Ajose Mobolaji Adeogun (1976 – 1979); John Jatau Kadiya (1979 – 1982); Abubakar Iro Danmusa, (1982 – 1983); Haliru Dantoro, (Oct. 1983 – Dec. 1983); Major Gen. Mamman Jiya Vatsa, (1984 – 1985); AVM Hamza Abdullahi, (1986 – 1989); Major Gen. Muhammadu Gado Nasko, (1989 – 1993); Lt. Gen. Jeremiah T. Useni, (1993 – 1998); Maj. Gen. Mamman Tsofo Kontagora (1998 – 1999); Architect Ibrahim Baba Bunu (1999 – 2001); Engineer Muhammed Abba-Gana, (2001 – 2003); Mallam Nasir Ahmed el-Rufai, (2003-2007); Dr. Aliyu Modibbo Umar, (2007 – 2008); Senator Muhammad Adamu Aliero, (December 2008 – April 2010). The present minister, Senator (Dr.) Bala A. Mohammed was appointed on April 6, 2010 by President Goodluck Ebele Jonathan.



Stakeholders after signing the land swap MoU in Abuja

Basic Terms of Relationship

By ANAYOCHUKWU AGBO

To ensure that its objectives in the land swap policy are realised and also guarantee investors' confidence and buy-in, the FCTA through the Abuja Infrastructure Investment Centre, AIIC, set out 11 strict guidelines for participation in the policy. These guidelines ensure that all apprehension about bureaucracy by the investors are taken care of to guarantee the execution of the projects.

1. Each developer pays an initial commitment fee of N350 million on presentation of the business plan. This would fund the preliminary design, survey plan, feasibility studies, engineering design and preparation of agreement.
2. The developer must also procure the detailed design and provide the infrastructure in the district within a maximum period of 48 months.
3. The detailed design of the district must adhere to the guidelines of the Department of Urban and Regional Planning of FCTA.
4. The execution of the works shall be in strict compliance with the Federal Capital Development Authority, FCDA, specifications and standards for district infrastructure works.
5. The developer shall not commence real property development or sale of any land in the district until it achieves at least 35 per cent of functional infrastructure works;
6. The release of land titles to the developer is phased to ensure the achievement of appropriate milestones in three phases: 15 per cent of the rights of occupancy shall be released to the developer on evidence of transfer of 15 per cent of the infrastructure cost to project account; 80 per cent of rights of occupancy shall be released on

the basis of interim measure certificates, the minimum value of which shall not be less than 20 per cent of infrastructure works; five per cent shall be retained till after the retention period of 12 months. The rights of occupancy are to be warehoused in a bank mutually agreed by the parties.

7. The structure of the total project cost consists of seven well thought out sub-heads: construction cost; financing cost; professional fees; resident supervision cost; 12 months operating cost; resettlement and compensation cost; and return on investment.
8. The funding structure of the project is broken down into three acceptable ratios: debt 50 per cent; equity 15 per cent; and off-plan sales 35 per cent.
9. The developer provides an acceptable performance bond from a reputable bank or insurance company
10. Federal Capital Territory retains not more than 40 per cent of the buildable plots in the district.
11. The Federal Capital Development Authority appoints a consultant to ensure that the execution of the works is done in accordance with its specifications; the consultancy fee is factored in to the total project cost.

In addition, the following documents were provided by the FCTA:

1. Instruction to the investors.
2. Framework for the land swap.
3. The designated district map and other relevant maps.
4. Technical and financial proposal requirement.
5. FCTA guidelines for physical plan preparation.
6. FCDA general specifications for roads, bridges and drainages.
7. FCDA general specifications for electrical works.
8. FCDA general specifications for water and sewage network; and
9. FCDA general specifications for telecommunication works.

Facing the Challenges

Influx of Nigerians into Abuja and lack of funds to develop infrastructure are the major challenges the Federal Capital Territory Administration is finding creative solutions to

Abuja city continues to grow in population causing traffic gridlock and congestion



By TAJUDEEN SULEIMAN

Twenty-three years after the seat of government officially moved to Abuja, the city has failed to grow with the years. Out of 79 districts that are supposed to have been developed over a period of 25 years, the FCT Administration has only managed to develop 11 districts within a period of 35 years. Umaru Sanda, senior special assistant to the FCT minister on economy and finance, said about N40 billion is

needed to fully develop a district. But the annual budget of the territory is less than that amount. In 2014, the budget of the territory is a meager N31 billion, without any certainty that all would be released.

The expenditure of the government is growing and different sectors are competing for the available resources. The result is that the FCTA cannot get enough funds to meet its developmental needs. This is why development of new districts, construction of new city roads, expansion of water supply and provision of infrastructure in old districts have

become almost impossible for the FCT administration.

Yet, the city continued to grow in population, estimated at five million, especially as insecurity in the northern parts of the country forced many to relocate to the FCT. The available infrastructure has been overstretched, leading to the growth of slums in the city. Lands allocated for housing have been developed without government being able to provide infrastructure in such areas. Yet, costs of houses and rents have continued to climb the roof largely because



of land speculation. People who get government allocation resell at exorbitant prices to third parties and developers.

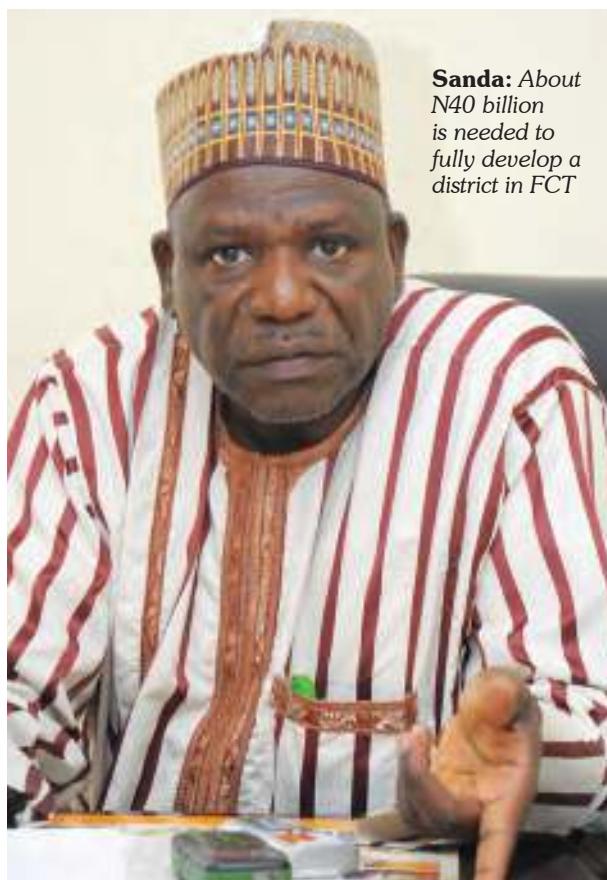
The result is that poorly planned districts have surfaced in the city, leading to flooding of residential areas, traffic gridlock, congestion and unsafe neighbourhoods. Genuine developers were unable to access land to build affordable housing for the teeming population. This was the situation when Bala Mohammed, a senator, was appointed minister of the territory. He and his team studied the situation and thought of how best to accelerate the development of the city in line with its master plan. They brainstormed on how Abuja could be given an urgent facelift in view of dwindling budgetary allocation.

The way out was to find an alternative source of funding to develop the city before the descent became irreparable. The administration then came up with the idea of using land, which is the major resource of the territory, as an alternative source of funding for infrastructural development. Thus, instead of scratching for the elusive funds to give the city a facelift and develop infrastructure, the administration decided to partner with the private sector. The private sector is allocated land free while it provides infrastructure, housing and other amenities that the administration may require to develop the city.

This is how the administration was able to get the private sector to open new districts, build infrastructure and houses in different green areas of the city. The advantage is that the huge funds that could have gone into the development of infrastructure are now being channelled towards education, health, transportation, water supply and security. Water supply has been tripled in the city with the installation of two new water treatment plants at Bwari Water Works. It was commissioned early this year by President Goodluck Jonathan. Many places that hitherto lacked tap water in different parts of the city now enjoy running taps.



A slum demolition in Abuja: To undergo transformation under land swap initiative



Sanda: About N40 billion is needed to fully develop a district in FCT

Photo: ADEWALE ADELOLA

The administration has also embarked on extension of water supply to Abuja Technology Village, and to private developers' housing estates to fast-track development in those areas. Such mass housing estates are also being provided with primary roads to make them more habitable. The roads in the city, which have started failing due to long years of use, are now being resurfaced in phases by the administration. The ones in Wuse have already been completed, and work is expected to start on those in Garki area.

The Department of Development Control has also been energised to ensure a facelift for the city. Building approvals can now be obtained within three months, instead of one year that was the case previously. This is made possible through electronic vetting of building plans. File retrievals and enforcement process are now faster. About 437 abandoned buildings in different parts of the city are now being built to give the city a facelift.

According to Yusuf Anako, director, Development Control, the improvement in the processes of the department has led to increased revenue generation. An agency that used to generate about N800 million now generates up to N3.8 billion yearly. The result of all these is that Abuja is gradually reclaiming itself and growing into a mega city that could be one of the best 20 cities in the world.



Photo: ADEWALE ADELOLA

Guests at the groundbreaking ceremony of the Centenary City examining the land use plan

The New Vision

In the face of dwindling federal allocation and increasing infrastructure deficit, the federal capital administration formulated the land swap policy to leverage on private funding to develop the capital city

By ANAYOCHUKWU AGBO

When Bala Mohammed assumed office as Federal Capital Territory, FCT, Minister in April 6, 2010, what he met on ground was daunting. "I was confronted by several cogs in the wheel of governance which included

chaotic and corrupt land administration, abuse of mass housing programme, endemic traffic congestion, failing environmental orderliness, threatening security situation, poor and inadequate transportation services, inaccessible and poor education standard, overstretched and inadequate health facilities, poor revenue collection as well as leakages,

overlapping and duplication of departmental responsibilities."

To overcome these challenges, he formulated a new vision and mission statement to drive President Goodluck Jonathan's Transformation Agenda in Abuja, the centre of unity. Mohammed's vision is making Abuja "one of the world's best 20 capital cities by 2020." His basic



Abuja City Center – Chicason Group presentation

target is to build and administer “a first-class FCT with effective service delivery comparable to the best in the World...in strict compliance with the master plan.” He formulated a road map for sustainable development for the territory. The bottom line is funding. And with the reduced decline in allocation, the Mohammed administration decided to take a drastic step aimed at surmounting the problem.

The Infrastructure Challenge

Building the Abuja of his dream has multiple challenges. Due to a combination of factors the FCT has become the fastest growing city in Africa with the consequent population explosion and serious pressure on infrastructure. There is a rapid growing middle class with increasing sophistication, acute housing deficit and rising cost of rent in the city. This gap left room for land speculation. In addition, problems of resettlement and compensation for the phase one projects were still largely unresolved in the face of inadequate infrastructure funding.

The aggregate infrastructure development in FCT since its inception over 35 years ago is put at about 25 per cent. According to authorities, over 90 per cent of allocated plots in Abuja are not developed by the beneficiaries because the basic infrastructure has not been provided. Districts like Durumi, Mabushi, Kado and Kaura are without infrastructure.

Government tried the mass housing initiative to bridge the gap in housing deficit but in practice, it failed to provide the primary infrastructure. For instance, the Malaysian Garden project in Saraji District was a mass housing development for 10,000 housing units on 510 hectares. The project period is 10 years. The memorandum of understanding was signed in June 2004 and today, the progress

Photo: ADEWALE ADELOLA

Abuja Investment Company's Green Acres Estate



made has been put at only an estimated two per cent. Similarly, the failure of the American Hospital project is seen by the FCT administration as “a bitter experience in infrastructure initiative.” The bottom line is funding. And with the gradual decline in allocation, the Mohammed administration decided to take a drastic step aimed at surmounting the problem.

The Land Swap Initiative

The land swap initiative is simply defined by the FCT Minister as “land for development.” How does it work? The FCT Administration grants a given size of land in a green field district to a developer who provides the primary infrastructure according to strict guidelines without any financial, technical or demand risk on the part of FCTA. The district is then split between government and the developer according to agreed percentage, 40/60.

The developer is allowed to recoup his/her investment in infrastructure by selling his own share to subscribers at market driven rates while government allocates its own plot to the public to meet its social responsibilities. It is a mutually beneficial partnership.

It means that government is leveraging on private sector finance and expertise to fund infrastructure in a business agreement that is mutually beneficial. This frees public funds for development of critical sectors. It equally discourages land speculation and land freezing.

The land swap initiative by the FCT is a vehicle to achieve President Jonathan’s Transformation Agenda in Abuja. It will provide at least 10 new districts by 2015. It will open up new districts by providing access to new districts. Currently, government has overshot this initial target by over 50 per cent as 15 investors are developing 16 districts with many on the waiting list.

Basically, under the land swap model, the developers must provide nine primary infrastructure. They have to provide: the detailed district design and the bill of engineering; agreed kilometres of roads of varying specified sizes within the districts; agreed kilometres of storm water drains; agreed kilometres of foul water drains; agreed kilometres of water distribution lines; agreed kilometres of streetlighting lines; agreed kilometres of telecommunications duct; and agreed number of mini-sewage treatment plants.

Furthermore, the developer is required to deliver a business plan that shows its technical capacity, financial capability and managerial competence.



Photo: ADEWALE ADELOLA

On-going development at Sunrise Hills Estate

Actualising the Dream Capital City

The Land Swap Initiative may soon concretise the vision of Abuja as a true modern capital city

By TAJUDEEN SULEIMAN

A modern capital city in the 21st century must be one with state-of-the-art infrastructure – roads, water supply, underground electrical and sewage connections, telecommunication, health, education, recreation and security facilities, and many more. Building this kind of city requires huge financing, which many governments are unable to provide. Yet, creating mega cities with functional infrastructure is the ambition of most governments and nations.

This is why many smart governments all over the world are looking to the private sector for a partnership that can deliver quality infrastructure and a better life for their people. In line with the Transformation Agenda of the President Goodluck Jonathan administration, Bala Mohammed, minister of the Federal Capital Territory, and his team have found a way to turn Abuja into the dream city that it was intended to be.

The way is a new infrastructure development policy called Land for Infrastructure Swap Model or Land Swap. Under the policy, the FCT Administra-

Photo: ADEWALE ADELOLA



Jonathan at the Centenary City: His Transformation Agenda, basis for transforming FCT

collaborates with the private sector to deliver comprehensive development through provision of primary infrastructure in selected greenfield districts of the Federal Capital city. The FCDA grants land to investors for real property development in exchange for the provision of specified infrastructure in the designated areas.

Through this initiative, the FCDA hopes to address the acute infrastructural deficit in the nation's capital city and save it from growing into a slum. At present, many districts in phases two and three of the city lack proper infrastructure such as roads, water and a decent sewage system. Flooding of roads, houses and other public facilities has been reported in some districts in the city where government could not provide adequate infrastructure before houses were constructed.

According to Mohammed, the FCDA requires not less than N500 billion annually to be able to provide infrastructure for the city that is one of the fastest growing in the world. But what the territory gets as annual allocation from the Federation Accounts is a far cry from what is needed. For instance, this year's federal allocation for capital development for the Territory is a miserly N31 billion, according to Umaru Sanda Adamu, senior special assistant to the FCT on finance and economic matters. That is why, according to the minister, the land swap model is a revolutionary initiative.

With the introduction of the land swap policy, primary infrastructure – roads, water, and electricity – will be provided before construction of real estate begins. This provision is included in the agreement with the investors, and it provides a guarantee that the new districts to be developed will have functional infrastructure. Mohammed said the agreement has been done in such a way that investors could not put any structure on the land without first developing the primary infrastructure.

Apart from developing primary infrastructure through private capital, the land swap would also help to develop other secondary infrastructure required for a modern city. The land swap districts will see rapid development of modern infrastructure in transportation, telecommunications, hospitality, real estate and other areas of



Abuja Industrial Park: Designed to make Abuja Africa's industrial hub

the economy. After building primary infrastructure as required by government, investors will venture into the hospitality business and construct world-class hotels to boost tourism and business in the country.

The land swap has already attracted investors in the transportation business that are set to build an ultra-modern, high quality, functional transportation hub in the city. Intercity Transport Terminal Limited, ITTL, will provide an integrated multimodal transport terminal with a shopping mall, hotel, commercial support services, leisure and entertainment complex at the current location of Utako motor park.

The goal of the project is to make public transport in Abuja and nationwide more convenient for passengers by providing infrastructure that is easy to identify and understand.

The Centenary City is another project that will be developed as a land swap project. It will be a city within the city, complete with all facilities a modern city should have. And it will be done by private capital, while the FCDA only gives land as its equity participation. Abuja will also have an industrial hub that will be located at Idu. The Abuja Industrial Park at Idu is a multi-billion dollar project designed to make Abuja an industrial hub for the country and the continent. The investor will develop the infrastructure and partner other local and international investors to build factories and industrial estates in the area. Abuja gets all these in exchange for land.

According to Faruk Saleh, managing director of Gwagwa Concession Limited and one of the investors in the land swap initiative, the land swap, on a national scale, is an opportunity for the country to develop world-class infrastructure. Expressing his excitement at the prospect of being part of the innovation of FCDA, he said, "For me it is the fact that I am going to participate in the development of our city in line with what obtains in other global cities and capitals of the world. We are not moving at the pace we are supposed to move in terms of development and modernisation of our infrastructure – roads, transportation, telecommunication, hospitality, real estate and other developments that could make a capital city compete with other capital cities of the world. Moving from the government to the private sector to fund these developmental initiatives will lead us to that goal."



Photo: ADEWALE ADELOLA

Mohammed: Transforming Abuja into dream city



The Land Swap Districts

By ANAYOCHUKWU AGBO

For the trial run of the Land Swap Initiative, the FCT chose Phase IV (South), a Greenfield district, where no allocation of land has been made. This choice is deliberate; it is the only phase in the original Abuja master plan that is undeveloped. The only technical document on the phase at the inception of the Land Swap Initiative was a structure plan of the phase, unlike Phase IV (North) whose detailed site development plan was done by Messrs. Albert Speers & Partners.

This made Phase IV (South) very suitable candidate for the Land Swap Initiative. It is divided into six sector centres with 12 districts in line with the neighbourhood concept of the Abuja master plan. The land swap programme is being implemented in

two sectors: N and O sub-divided as follows:

Sector N

Ketti North district;
Ketti district;
Ketti East district; and
Sherretti district

Sector O

Sherretti Cheche district;
Burun west district;
Burun district; and
Waru Pozema

According to FCT, for strategic reasons and based on risk



analysis, all the districts were divided into two except Ketti North District. This district was dedicated for comprehensive development by the Chinese company, CRCC. Farouk Sani, coordinator of Abuja Infrastructure Investment Centre, AIIC, explains why: "The main reason for this was because of the reputation of the company as number one construction company in the world and the fact that the honourable minister, as part of the federal government delegation to China, entered into a memorandum of understanding, MoU, with the company to dedicate a minimum of 500 hectares to the company for comprehensive development."

The structure plan of the Phase IV land swap districts by Aedris Consultants showing the districts and their land sizes available for development:

S/N	District	Land Size
1.	Ketti North	466.58
2.	Ketti A	296.01
3.	Ketti B 1	51.28
4.	Sheretti A	177.98
5.	Sheretti B	205.03
6.	Ketti East A	182.39
7.	Ketti East B	211.57
8.	Sheretti Cheche A	315.08
9.	Sheretti Cheche B	343.03
10.	Burun West A	343.07
11.	Burun West B	289.46
12.	Burun A	319.40
13.	Burun B	306.56
14.	Waru-Pozema A	357.93
15.	Waru-Pozema B	317.80



Prior to the commencement of the land swap programme, Dallas Caraway District, an urban fringe proximate to the high-class Asokoro District measuring approximately 222 hectares, was chosen for a pilot scheme of the Land Swap Initiative.

Selection of Investors

To ensure effective provision of infrastructure with every allocation, the FCTA searched for investors' requisite capacities to execute project in the land swap programme. "We went into our archives to bring up all the companies that at one point or the other expressed interest in district development and also invited those that seem committed in real property development," explained Sani.

Over 70 investors expressed interest in the comprehensive development of the selected districts, except Plethora Realty & Property Managers Limited for the Dallas Caraway district. The shortlisted investors were identified for partnership in the land swap programme:

- i CRCC Nigeria Limited;
- ii Dangote Group Plc;
- iii Urban Shelter Infrastructure Ltd;
- iv Gilmor Engineering Limited;
- v Haitong Limited;
- vi Ketti East Infrastructure Limited;
- vii Adkan Services Nigeria Limited;
- viii. Ridley Group Limited;
- ix. Bolmus Nigeria Limited;
- x. Pima International Limited;
- xi. AM-PM Global Network Limited;
- xii. Rosehill Group;
- xiii. First Aries Petroleum & Crude Oil Limited;
- xiv. Afri-International Project Limited; and

xv. SPDC Limited

Choice of Districts for Investors

The AIIC said great care was taken in assigning districts to investors and not arbitrarily done. "We used particular parameters in deciding what district goes to which investor. These parameters include the preference of investors, their technical and financial strengths as well as the level of their expected enthusiasm," reveals Sani.

Except for Gilmor Nigeria Limited and Haitong Nigeria Limited, all other companies participating in the land swap programme got the districts they indicated preference for. Gilmor wanted Ketti North but could not because it was earlier dedicated to

CRCC. Likewise Haitong. However, both companies were allocated districts within the same confluence. Haitong got Ketti District while Gilmor got Ketti East.

It was not only CRCC that got its preferred choice; others were Rosehill and WADIC. Both companies indicated interest in Waru-Pozema. Hence, while Rosehill got Waru-Pozema District A, WADIC got Waru-Pozema B. It is instructive to note that the remaining companies did not indicate any preference.

The assignment of districts to investors was

based on comprehensive risk analysis. "We ensured that investors are paired in such a way that there is a healthy inter-competition among and between them. We therefore paired a stronger investor in a district with another investor of lesser strength, a proactive investor with a laidback one, a more experienced investor with a lesser one, a foreign-dominated investor with a local one," explains Sani.

All the selections were done in confidence silently. Consequently, there has been no complaint from any investor or the general public on the allocation of districts to investors. "With the benefit of hindsight, this has been one of the best decisions in the implementation of the land swap programme," confirmed Sani.

Finally, the following 15 investors were advised to express interests in the districts mentioned against their names:

S/N	Investor	District
1	CRCC Nigeria Limited	Ketti North
2	Dangote Group	Sheretti A
3.	Urban Shelter	Sheretti B
4.	Haitong Limited	Ketti A
5.	Adkan Services	Ketti B
6.	Ketti East Infrastructure Dev. Ltd	Ketti East A
7.	Gilmor Engineering Limited	Ketti East B
8.	Ridley Group	Sheretti Cheche A
9.	Bolmus Nigeria Limited	Sheretti Cheche B
10.	Pima International Limited	Burun West A
11.	AM-PM Global Network	Burun West B
12.	Rosehill Group	Waru-Pozema A
13.	First Aries Petroleum	Waru-Pozema B
14.	SPDC Limited	Burun A
15.	Afri-International Projects Ltd	Burun B



Profile of Senator Bala Mohammed

A Marketer of Distinction

By ANAYOCHUKWU AGBO

It is either he has always had it or that being thrown into the ring as minister of the Federal Capital Territory, FCT, transformed Senator Bala Mohammed into a consummate marketer.

A few years ago, Akpan Ekpo, professor of economics and director-general of the West African Institute for Financial and Economic Management, WAIFEM, advised that if Nigeria would make the target of becoming one of the biggest 20 economies in the world by 2020, politicians who determine the fate of the country should imbibe financial literacy. He says that the economy should dominate politics. Mohammed is an apostle of Professor Ekpo's school of national economics. His activities as FCT minister have been dominated by economics and this is already showing in the skyline of Abuja.

Nigeria's recent history is filled with public office holders who toured the world in search of investments but when the chips were down they had nothing on the ground to show for it. In the four years he has been in the saddle as FCT minister, Mohammed has not only brought big-ticket businesses to Nigeria, he is showing how to run a productive government. By his projection, the FCT would be able in a few years to generate N500 billion in internal revenue annually to fund its budget. That would free the territory from over-dependence on federal allocation.

This will come from the dividends of Mohammed's marketing mix. By December 2014, the first two towers of the Abuja World Trade Centre will be launched. Each has 23 floors and already over 60 per cent sold out. The total project cost is put at \$1.2 billion. Other signature projects being catalysed by Mohammed are: the Abuja City Centre projected to invest about \$2.7 billion; the Jabi Lake Project that will cost between \$3 billion and \$5 billion when completed; the Hudson Triangle will invest about \$1 billion; and the Abuja Industrial Park will make Abuja a self-sufficient city in manufacturing.

Another brain wave of Senator Mohammed is the Land Swap Initiative. Through this policy, the Federal Capital Territory Administration, FCTA, is developing a total of 16 Greenfield districts by 15 investors. This has already saved the administration over N4 billion. These private investors will invest at least N500 billion in the development of primary infrastructure in the districts. This is money saved for the government.

All the investors say Mohammed is a unique administrator. And he is. The traditional rulers say they have never seen his like. He is transparent in his dealings with the investors, patriotic in his negotiations and passionate about service. A regular politician plays for today but Mohammed thinks about tomorrow. In the



Mohammed: A marketer
par excellence

business deals under him, instead of selling land to investors and collecting cash to fund his government, he rather takes equity for FCT so that as the business grows so shall the revenue of the government. Instead of taking a cut for self, he takes equity for government. He takes interest in the progress of the projects being executed by the private sector and keeps urging the promoters to meet their milestones. Mohammed even goes further to help the investors get funds from credible financial institutions.

Hakeem Belo-Osagie, chairman of Etisalat and promoter of the Jabi Lake project, explains the importance of the disposition of the

government component of business. "When you bring in investors, they want to see the minister. And they want to meet him, and they want to see that the person who is the heart of the town has vision and is really committed. So the foreign investors we have brought were very impressed with him, seeing his humility, seeing his determination. If you bring foreign investors into a place and they meet the minister of the area you want to invest and he did not impress them, you will have a tough time convincing them. If they meet him and they feel confident, they feel comfortable, they can see his sincerity, they can see his intelligence, they can see his determination, then they are encouraged and not only do they move forward themselves, you find that they start talking with other people and see how they can convince them to invest in the project."

Belo-Osagie sums up the nature of Mohammed. He is "very intelligent, very hard-working, very committed Nigerian and he has the respect of people from all over the country. Whether you are from Bauchi, Edo State, Katsina or Rivers State, he is ready to attend to you, so far you are a Nigerian, so far you are committed to Abuja. I find him very broadminded. He listens to both sides. He is very considerate. Even when sometimes he takes a decision that doesn't favour us, we know that he has examined all the implications carefully before taking the decision."

Like a private sector marketer, Mohammed goes after big

continue to remember him for. A technocrat with about 30 years' public service experience, his political career has been defined by such calculated acts of courage which stabilised Nigeria at very trying time.

Born on October 5, 1958, at Duguri Town in Alkaleri Local Government area of Bauchi State, Mohammed attended Duguri Primary School, Bauchi, from 1965 to 1971. He attended Government Secondary School, Bauchi, from 1972 to 1976 where he passed his WASCE. After that he attended North-East College of Arts and Science from 1977 to 1979 for his Advanced Level certificate. In 1979, he gained admission into the University of Maiduguri from where he graduated in 1982 with a Bachelor of Arts degree in English Language. He attended the Administrative Staff College of Nigeria, ASCON, in 1988 for a general management course. He attended a capacity building training in Lagos and was given a certificate of the Institute of Purchasing and Supply.

Mohammed's confidence in the parliament and poise before the media may be a product of his early training as a journalist, a heritage he is so proud of. He began his career as a journalist in the early 80s and rose to become the news editor of the *Mirage* newspaper, Jos, between 1982 and 1983. He also had a stint as a reporter with the *News Agency of Nigeria*, NAN. After NAN, he worked in *Democrat* newspaper as state editor in charge of Benue from 1983 to 1984. Those who worked with him during that period remember him as a highly committed and principled journalist who stuck to the ethics of the profession.

In 1984, Mohammed left his flourishing journalism career for the civil service when he joined the Federal Ministry of Internal Affairs, Abuja. In 1994, he was promoted and redeployed as principal administrative officer in the Cabinet Secretariat of the Presidency. He was chief supplies officer, Federal Ministry of Solid Minerals from 1995 to 1997. He rose to the position of assistant director in the Federal Ministry of Power and Steel in 1997. In 1999, he was promoted deputy director/special assistant to the Minister, Federal Ministry of Transport, till 2003. He was promoted director of administration, Nigerian Railway Corporation, in 2003 and later in September same year he became special assistant to the minister of aviation. In January 2004, he became director of Administration and Supplies, Nigerian Meteorological Agency.

Then politics called. And on April 21, 2007, he was elected senator representing Bauchi South at the National Assembly under the All Nigeria Peoples Party, ANPP. However, he later returned to the Peoples Democratic Party, PDP, where he belonged. But his days in the Red Chamber, as the Senate is known, was cut short when President Goodluck Jonathan nominated him minister of the FCT, in 2010. He resumed duty as minister on April 8, 2010. Since then, Mohammed has grown in political stature to become one of the key drivers of federal government's Transformation Agenda. President Jonathan reappointed him FCT minister on July 2, 2011.

A man of few words, he acts decisively and is a great manager of men and resources. These qualities came to count during the just concluded Nigeria centenary celebration, which he chaired. Under him, Abuja is fast developing into a mega city. The city's skyline is changing. The light rail project is shaping up and the necessary infrastructure backbone is being built. His innovative land swap initiative and robust marketing mix is attracting greater inflow of private sector funds and foreign direct investments into Abuja. With this committed team, Mohammed says he is upgrading Abuja to a smart city, a knowledge driven mega-polis where everything works.



The Abuja light rail project: Shaping up

businesses and persuades them to come and invest in Abuja instead of sitting back in his office waiting for the investors to come to him. He convinced tested and successful Nigerian businessmen to invest in Abuja. Today, Dangote and Alakija, the richest man and woman in Nigeria, have taken stakes in the development of Abuja as a result of Mohammed's deft marketing skills, transparency and commitment.

Mohammed is the proverbial prepared mind which fortune favours. A combination of long preparation, competence and providence always puts him on the right side of history when it counts. Nigerians remember him as a vibrant senator representing Bauchi South in the Sixth Senate where he deployed his oratorical gift and sound mind to good use. He made history in the Senate when he moved the motion for the Doctrine of Necessity, which made then vice president, Goodluck Jonathan, acting president and solved the constitutional logjam caused by the ill-health of then president, Umaru Yar'Adua.

In those uncertain days of a national deadlock and intense sectional prevarications, he stood up to be counted on the side of a united Nigeria. It was quite a great risk which Nigeria will



'The Idea Is for Mr President to Leave Legacies'

Bala Mohammed, minister of the Federal Capital Territory, discusses his ambitious land swap projects, other signature projects, security and governance in the territory in this interview with **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor. He says what drives him is for President Goodluck Jonathan to leave legacies

Congratulations on the recent ground breaking of the Centenary City. What does the flag-off of the Centenary City mean to you?

The ground breaking of the Centenary City is the climax of what we have set out to achieve and we have achieved it by creating an enabling environment for private sector development to thrive in the Federal Capital Territory, whether we are there or not. That is taking private sector initiative to a point of no return. We are getting about N2 trillion investment that is purely private sector, with us only providing the access for land across the framework that we started. That is the land swap for infrastructure.

What highlights of the Centenary City excite you?

The highlight of it is the equity structure, the way it is packaged; the new framework that has been developed away from the general mass housing structure, the accelerated development structure, even in addition to the land swap which is a purely private sector development. Where you create an environment, people come and set up equity for themselves and of course build a city within a city that has all the components of a smart city, a friendly city and of course it has a statue that is supervised by the Federal Capital Development Authority in terms of making sure standards are followed. Again, the biggest excitement is that it will create opportunity for employment because only about 40 per cent of the land mass is going to be developed for real estate development. The rest are for the development of mixed used facilities, education, health, hotels, work and play, and so on and so forth, so that we create huge opportunity for employment.

What role exactly is FCT playing in the development of the Centenary City?

The role we played is to widen the Centenary City. The President wanted to bring something new; it deepened



our existence for the last hundred years. What is there is to be left as a legacy, a landmark for us to remember. It started like a district for 350 hectares and now it grew into 1,300 hectares. In resettlement and compensation, our framework or guidelines must be followed, in the sense that you must settle the rights and privileges of the original people in the territory before you embark on any major development. It is a complete shift from the previous arrangement where district development were done without taking into cognisance the cost of resettlement and compensation, and therefore giving us a lot of community relations problems.

So essentially, the role played by FCT is to midwife it and to make sure that we are still part of it so that it will form a part and parcel of our component of growth of IGR (internally generated revenue). We still maintain a minimal relationship in terms of equity, taking care not to be there in total so that we don't impinge the project. We have taken five per cent of the equity; that is monetising our own premium of land, and that is land per square metre. We have given them certificate of occupancy and therefore we must be paid but because we have not been paid, we have decided to allow them use the money that they would have paid us for premium and development charges to have them in equity.

When will it be fully developed?

Six years, according to developers. We thought it was going to be four years but because of the huge capital outlay that is required, it has to take longer. They have to do the procurement of the contractor that would do two-legged development; first the primary infrastructure, the provision of roads, water, sewage, electricity and secondary investment which is the development of the land use that is embedded in the structure. That is to say, the hospitals, the schools and there are some portions of government presence there. Because residential arcade is going to be built by the developers and like the President said, it is going to live forever. It is not just going to be two plots or three plots; it will be growing with every president. Certainly it will take about six years to do and because it is the biggest city within the city investment in the world. So you can now imagine how much it is, but all in all investors are excited. They have already established a sales office that costs about €2.5 million. This means that they mean business.

Is there any difference between the Centenary City and Abuja as a whole?

No, I think there is a lot of misconception. Centenary City is the part and parcel of Abuja. Abuja is the national project of the Federal Capital City (FCC). Abuja is a generic name for Federal Capital Territory that is 8,000 square kilometres with an embedded FCC of 250 square kilometres. So the city is within the embedded 250 kilometres; it is just a small portion in the FCC. So all the rules, regulations, guidelines, master plans, structure plans and of course our land and survey guidelines – that is urban and regional plan – must be applied on the Centenary City. It is just like the parks and the other cities that we have in the FCC. We have Gwarimpa which is larger than the Centenary City. Gwarimpa is over 3,000 hectares and it is still within Abuja although we have a problem with the Federal Housing Authority that we are resolving. We have learnt from that and we make sure that we don't give any jurisdictional responsibility because constitutionally only the Federal Capital Territory and the area councils are recognised by the constitution. So there is no any special status other than say the Centenary City is a free trade zone, which is an economic status given so that it will attract investments.

That brings us to land swap, which appears to be a

novel idea you are experimenting with in Nigeria. What is land swap all about?

The fact is that the only resource we have in Abuja is land for the moment. It is structured like other big cities of the world. We have 79 district sector areas but for the last 35 years, we only developed 11 districts and three sector areas in Wuse and Garki. We are still moving and it is expected to be completed in 25 years. Now we are 35 years, we have only done one over seven (1/7) of the project. So we had to look inward to see what they can do; innovate, recreate, invent to accelerate the implementation of the Abuja national project using land as a resource. In doing that, there is a complete departure from the usage of the budgetary allocation over the years. So land swap is the utilisation of land as a resource to develop the Abuja master plan. And we have done it successfully looking at our own needs, infrastructure deficit, housing and real estate deficit.

What were the conflicts in terms of appropriation that led you to it?

The complex and inadequacies that we have had in the past are the issue of the budgetary allocation from the federal government.

The federal government has done so well for over the years they have spent over N2 trillion on Abuja. But as I said, it is only one over seven of the resources needed. They have brought the seed money; they have made the land successful; it has made the land in Abuja valuable, it is left to us to innovate and recreate and see what we can do within the best global practice to develop the city rather than completely restricting ourselves to what the federal government will give us because it has been decreasing over the years.

What was the decline in the flow like?

When I came, FCT was being given N350 billion per annum from the national budget. But now we are only getting N37 billion because there are other contending needs with it. Government has other very important responsibilities in education, health, employment, in infrastructure generally and roads in the country. They cannot just take everything and give for development in Abuja and abandon others. I understood. I said okay, let us use our brains to recreate and rediscover ourselves. This is a discovery that we have done by trying to leverage on private capital and to achieve about N500 billion in investment. Even the preliminary, that is to say, money that we will get from the budget to do the consultancy, the design, the urban and regional plans and the engineering design is provided by the investor to the tune of N4.2 billion. So right from the onset I discovered that Nigerians, not only foreigners, are ready and they have resources to do it.

What is the sharing structure in the land swap districts between FCTA and the investors?

May be 40/60. We say, you can take 60 per cent of the district and provide the entire infrastructure. We have developable land to be given to Nigerians, away from what we are doing now. We go to Kabusa and allocate land to a district; we don't know when we are going to provide the district infrastructure. Here the investor is taking 60 per cent and then we are taking 40 per cent. Certainly the investor will take more because he used his money to develop the district, which we would have used our money to develop. So now we are at a point of equilibrium where both of us are happy – the investors and government – it is a win-win situation.

Some people feel that land swap is 'land grab' by influential people and people in power. You have 15

investors, how fair and transparent were the choosing process?

Land swap is a private investment, it is not a procurement done like what you normally do in district development where we at the times follow the guidelines of the people because the government is bringing money. This time, we are running after investors who have the wherewithal. It is a new thing; nobody believed in it. We had to take care and bring stake holding to a level that it will be convincing; there must be creation of conviction and confidence. So what we did was to make sure we did a town hall meeting to explain the framework to Nigerians. The first place was the Economic Management Team of the President – of course they are the major adviser.

The President had to be convinced because what we are doing in the territory is on his behalf. Whatever good or bad we do in the territory, he has 100 per cent; the development, the boom is done by Mr President, not by Bala because he gave me the latitude, the leverage and the opportunity to do it. So we did a brief to him and he agreed that we should do a brief to the Economic Management Team. We did that. Then we called all the investors to Hilton to make sure we connect with investors.

The major thing is transparency, fairness and accountability. You must have the capacity, the financial and technical well-being to do the land swap. You will not just come because you know Bala or you know Mr President or you know Mr Vice President or any other person and get recognised as land swap investor, we will carry out due diligence. Fortunately, we have what it takes to do due diligence through Abuja Infrastructure and Investment Centre that is headed by Farouk Sani. We are also partnering with the Infrastructure and Regulatory Agency set up by the federal government. They carry out a due diligence on you to make sure that your accounts are true, that you have technical capacity, your background and confirm that your antecedents are such that you can do this kind of project.

Many stakeholders are apprehensive about the legal backing for the land swap project because of the instability of government policies. Would you say legal backing is robust enough to guarantee the investors and would-be subscribers security for their investment?

Yes. The guarantee is that the Federal Capital Territory has powers under the constitution to allocate land. It is just the land allocation in this regard is larger and the stakes are such that we will insist on timelines and on provision of guarantees by them in terms of capacity, in terms of technical know-how and so forth. But it is not different from mass housing allocation where we give 20 to 30 hectares and we expect them to provide everything in terms of real estate. This time around, they guarantee and we are signing a legal agreement with them to make sure their own investment is guaranteed.

Resettlement was a problem in the former system. Now how different is the land swap?

Resettlement and compensation in the past were not taken into cognisance when a district development is conceptualised. That is the preliminary in terms of the cost of the district. We built Maitama, we are building Guzape, and we are building Jahi, just taking care of the cost for the contractor. But this time we contracted with the investors and they have to provide the cost of the resettlement so that the whole cost are brought together. Resettlement, compensation, and capital development costs are

all brought together to constitute a total cost of the district. In doing that we make sure we carry along the community leaders, the youth leaders and the women so that they are part and parcel of it.

The land swap project is expected to deliver thousands of houses in the FCT. What efforts are you making to ensure these houses are affordable?

Yeah! There are two components, first the houses that will be provided by the investors when they are free to sell the land, and others that will be provided because of the effort we are making to reduce the cost of accessing land. In the past major investors accessed land through the third party by buying the land. We will give it to you for mass housing free of charge but you go and sell it N250 million! That already sets off the target of our affordability to a level where it cannot be afforded by local people.

You did a ground breaking of the Dallas Caraway some time ago but it doesn't appear to be making much progress. What is the problem with it?

It is an engineering design problem because what we have provided was so expensive and then I had problem with the investor. Later on, after agreeing with us, he came and was bringing one or two things as excuses. We are very flexible, so we said, let's sit down and redesign the place. So we are redesigning it so that the contours, the thresholds and of course the alignment of the roads will not bring so much cost to the investor. We considered the need to flatten some areas. And some of the rocky areas need to be taken off. The land mass contour is challenging; developing it is going to be costly. But now we are reducing everything or sustaining the topography while reducing the engineering cost and it is more accessible or affordable. But certainly as you can see we have opened most of the arterial roads and we have gone very far. Of course we have given him notice that he has to be there. The issue is the procurement of the contractor. Certainly the project is not moving as much as we wanted; by now they should have done at least 30 per cent but they have only done about 10 per cent.

Apart from the core land swap projects, we also inspected a lot of signature projects coming on stream, like the Abuja Industrial Park, which looks fantastic. What does it mean to you?

It is one of our babies. We have another industrial park, Idu Industrial Park that had been allocated a long time ago, which is not moving very well. We have provided the infrastructure, we have made the allocations, certificates of occupancy have been collected, but when you visit that place, you only see warehouse being built because we have not provided the regulatory framework supervision. People are doing what they like. Immediately I was forced to issue a notice, if they don't come and develop light industries in that place I am going to revoke it. We can see some minimal activities going on but Abuja Industrial Park we packaged along what is being done all over the world.

After visiting Turkey, we saw what they had done in their industrial park. We now looked for investors, and incidentally one was ready in Abuja because he has established the biggest batching plants here. He has resources and he can build a house in 10 days because of the technology they developed. In Turkey they build any kind of bridge in two weeks; that is the technology. So even the new park that we created for Abuja Mass Transit, he built it. He built it in two months and everything is concrete with



Mohammed

between the area councils and FCT but they want to see more access in terms of transportation infrastructure in FCT within the area councils and the city. What are you doing to facilitate this?

Since I came I make sure there is nothing that we do to violate the autonomy of the area councils by taking their money in the name of joint account. We make sure that their Federation Account allocation goes straight to them. In addition to that because of what the constitution says, 10 per cent of the IGR generated by the Federal Capital Administration is given to area councils monthly.

Another exciting project is the Abuja City Centre project. What does it mean to you?

To me Abuja City Centre is the heart of Abuja; there can't be a city without a heart centre. We have seen what our predecessors have done already in terms of development but it was very ambitious, like the way we are doing this land swap but he didn't have time. The Abuja Centre District development is intended to provide the heart for the city in terms of mixed-use development, city centre development and all the mixed-use developments required like downtown. We felt we must carve out an area where you have hotels, mixed use development for the provision of restaurant, provision of nightclubs, for the provision of shopping area where tourists will come and visit like the Oxford Street of London. So in the Abuja City Centre we are recreating Abuja with about \$2.7 billion. Certainly it will blossom and grow and cascade to all the areas of the Central Business District.

We set up hectares of land including the area that is the most valuable in any part in Africa because it is closer to the parade ground, closer to the federal secretariat, and certainly the value of that place is over N50 billion but we have given it to an investor. And he is spending \$2.7 billion and we are taking equity for him so that we can increase our IGR index. It is not that we are going to be part of it; we don't want to collect the money and spend. We made a mistake in 2004 when they gave away the World Trade Centre project. We don't have any control over that place because the investors paid us N2 billion and we spent the money. But what I said in my own case, I know I don't have money, I don't have to be collecting the money and then [lending it to] the FCT Administration and then at the end of the day you will have gigantic infrastructure without anything being under FCT.

This time I said whatever we have from investment, FCT must have equity. In the Jabi Lake project, FCT is not going to get anything because as at that time, the investor paid the premium and collected the certificate. But the entire one that I am doing during my time, I make sure we don't just collect the money and use as IGR and pay salaries and 'stomach' it. We must make sure it is a seed investment for FCT so that by the time we leave and this project grows, you can just imagine FCT having five per cent of \$2.7 billion. That is just the investment; even if we sell it, it is going to be in trillions of naira.

Though you didn't start the Jabi Lake project, we spoke to the investor and he said the project was unable to take off properly until you arrived. Why did you buy into the project?

When I came, it was just to entrench the integrity of our entitlements. This investor was asked by a former president, [Olusegun] Obasanjo, to go and get investors from the Middle East, other developing countries, and he used his resources. We keyed in and entered that place. Government at that time gave them the place and they paid for the premium and got the certificate of occupancy over the 27 hectares with the shore line

minimal cost at only N250 million for the whole place and it is direct labour. So he said he was interested and we gave about 250 hectares and you can go and see what he is doing with his own resources. He is going to bring light and heavy industry in that place. And he is going to have independent power supply and all the facilities and auxiliary services for the park to work. He will create over one million jobs and manufacture products that are needed for the usage of the residents of the territory.

You talked about the railway, what is the level of completion?

For the railway we have gone about 80 per cent. The light rail is supposed to serve from the city centre to the Airport and Kubwa; that is the major area that we envisage that population will expand, and you can see it is expanding because Nyanya Road is embedded but there is no room for expansion. The expansion is along the northwestern part of the city and that is why that one was done by my predecessors.

At the point I inherited it, the railway was only 20 per cent done. As you can see we have done over 80 per cent – all the rolling stocks, even the locomotives have been ordered, the slippases are all available. The corridor is being developed almost 90 per cent. So I envisage because of the packaging of the financial plan with the booster from the Chinese EXIM Bank loan of \$500 million and the provision of our counterpart funding by the federal government, we will be able to finish it. Recently, the SURE-P has been a huge support to us; they gave us N10 billion. The project is \$820 million. And it is not only the \$500 million that EXIM bank is giving us; we have to provide \$320 million. So far, we have paid N28 billion to the Chinese as counterpart funding. Out of the 44 billion that we are supposed to provide, we have provided almost 80 per cent. When we inherited the project there was no consultant; the Chinese were just doing what they wanted. So we brought in some consultants to make sure we get the best.

Some council chairmen said there is great synergy



to do a mix use development – in terms of world-class shopping mall, exquisite housing for the developing community, hotels and so on. But at the end of the day, somebody (a former minister) came and changed it and then took half of it. There were a lot of problems so they went to court. When I came I discovered that it was unfair. It is not advantageous to us and with all humility and respect to whoever changed that, I explained to the person and I explained to those people and I was able to resolve this thing out of court and then I returned everything to them. That is why they are where they are today.

And you are also doing something ambitious with the Utako Motor Park?

Yes, Utako! When something happened at Nyanya the President gave us a marching order to reform the motor parks. Of course parks are under the local government or area councils but because of the plans that we have set, we had to make sure we supervise and we collaborate because they may not have the knowledge to do the kind of park that we want – a park that will be safe and secure and will be of standard quality. Like Nyanya Park, we built it for the area council but we are now rebuilding it.

With all we have seen it will be difficult to say this one is most dear to you, but you should try.

The one that is most dear to me? All of them are dear to me. However, the one that is very dear to me is the land swap because the land swap is not only restricted to development of districts. Even our parks and recreation we are now doing land swap in the manner that we say okay you can take only 10 per cent or 15 per cent, put a permanent structure; the rest of the park will now be converted into other uses like restaurant or things that are strictly for recreation. So land swap is now being applied everywhere and you can see the whole world is now passing accolades and praises on Nigeria and FCT for land swap. Our own idea is to bring good governance up to the level where we will be a copy of the world. If you remember, even the United Nations gave us an award for the kind of good governance we are doing in FCT in the area of parks. There are a lot of things that we are doing that we are happy with and of course at the end of the day it is going to give us a lot of good name, it will put us on the map.

Another major project that I am happy with is the World Trade Centre. We inherited it as just a shopping mall but now because of our vision we and the investors were able to take it to a height where it will contain four buildings. And of course it will change the skyline of Abuja. It will put us on the map and the business portfolio that is normally the case in the world, where you will carry brief case and do business in billions and trillions of naira. Abuja will be doing that and of course we are inviting other jurisdictions in Nigeria and Africa to know that we have a world trade centre here. And it is accredited by the World Trade Centre in the United States of America by the global body. And of course by the time we finish, it is going to put us on the map and it will be used as an icon



Mohammed

where Abuja will be identified even in the whole world.

Another project that is good is the Centenary City because we have embedded the new Abuja city centre inside the Centenary City area. The City Gate is going to move there and we have been able to do it by creating international competition and you need to see the architectural design of the new city centre and new city gate that is going to be incorporated. Other areas where we are happy about is the partnership we have with TUC and NLC to build real estate and districts that will reduce the cost of housing for working class. We have given them two districts and they are building.

Your transport policy appears to be having initial hiccups?

We have a lot of challenges. Even in our enforcement in the city the demography is against us. You can see the okada is still there; you can see the unpainted taxis after we have brought a new programme for new taxis and high capacity buses. Banks are approaching us; they want to float 5,000 of them, like we see in Dubai, on their own. We are going to just give the minimal encouragement by giving subsidy; subsidy to do the registration, to do the tracking facilities but the best the drivers can pay within two years. And so this is the first time the Territory is doing that, away from the patronage system where you have the Abuja leasing company giving taxis to people on patronage. This one you will pay. You will bring a guarantor and we will give you subsidy and you will know that government is responsive and responsible – giving you subsidy, encouraging you to bring the best out of yourself.

The investors in the land swap programme are bringing in a lot of money. Do you think the state of insecurity in the country will be a setback for this project?

Insecurity is a setback, I must agree, but despite it we are still doing very well. I must thank our investors for showing confidence in us because this is not just coming out of nothing, it is deliberate and it is planned. Our investors are not entirely foreigners; they are a mixture of foreigners and Nigerian investors. Most of the investors like the A&M Global, Balumus, Urban Shelter, Dangote Group, Gilmor, Hiatong Group, their core investors are Nigerians who are bringing 70 per cent. So they don't have any problems about Nigeria. Of course they have co-investors coming from outside. They have no option but to be with the companies. So you can see they are going along with same intensity as if nothing is happening.

You have seen what is happening at the Jabi Lake investment; it is because our brother, Bello Osagie, is the core mover of the project. We are not just going to America to bring investors. I said we will not do that, of course if you go to Abuja Infrastructure Investment Centre, you will see over 100 applications for land swap from foreigners. We said no. You must have Nigerian core investors to protect the integrity of Nigerians and at the same time ensure that there is sustainability; and that you will not be sabotaged one day. The idea is for Mr. President to leave legacies



and land marks; the idea is to make sure they have been given their honour because honour must be given to who honour is due.

And of course they have the capacity; they have the financial wherewithal to do the investment. We are looking for something in Sokoto while it is in your sokoto (laughs); that is what Yoruba people say. On insecurity, we are making sure we establish a template, a framework for making sure lives and property are safe and secure in Abuja. You can see what we are doing in terms of internal security; the whole city is lighted. If you travel in the city you can see not only the major corridors but all the nooks and crannies; it will make sure there is no hiding place for the criminals in the city. In the past it was only about 20 per cent illumination that we had; now it is about 70 per cent. We want to take it to 90–100 per cent. When you are going back the outer expressway, you see the kind of light; it is not just the beautification, it enhances the security.

Abuja residents doubt whether the CCTV network in the city works because when there are security breaches, the cameras don't appear to capture them. Some experts say that what we have now is obsolete and that we need to have satellite radar-based system. Where does that leave the cameras we have now?

I am not in position to tell you with absolute certainty because the provision of the CCTV was not done by the FCT Administration. They were done by the Police Affairs Ministry and I think you should direct your question to that end. But what I know is that there are so many CCTV initiatives in Abuja; the other CCTV is a national project that is not only restricted to Abuja. It is supposed to cover Lagos, Port Harcourt, Kano and other strategic cities in Nigeria. It is a huge and very ambitious project. Of course I was told that it is working and you can get the detail from the minister of police affairs.

I said we are coming with a security protocol, all the public areas must have CCTV so that you can have monitoring, evaluation and then feedback. At the same time you need something that you can resort to in case of insecurity. In the case of Nyanya, there was no CCTV there. We wanted to do something in the past in the balloon system but I was very sceptical of our technical know-how to maintain them, like there are areas we are supposed to create satellite coverage of the whole Federal Capital Territory. Then we will have a monitoring base in the police headquarters where we will be able to see everything in Abuja. We don't need this platform where you have the cameras on the street, (instead) everything will be in the balloon, it is the in-thing that we want to do if I stay longer.

Again, we want to enhance communication. Abuja is a city that is well structured; we have all the communications, so we want to run fibre optics in all the houses so that we will enhance security in terms of communication and increase the turnaround time for emergencies.

Most of the investors expressed apprehension of business in FCT after your tenure. They pointed

out that in places like Malaysia and other Asian Tigers that they developed so fast because somebody who had a vision stayed longer to make sure that those things took root. Their fear is that you are a politician, you have your personal ambition, you have your personal dreams and that you might want to move on. Left to them they wish you could sacrifice personal ambition and keep on building the City. So our question is, are you going to leave all these ambitious projects and, maybe, want to be governor in Bauchi State? What exactly are you looking at?

(Laughs) It is a very difficult question to answer. One, because I have no control over my being here; I am here by the grace of God and at the pleasure of Mr. President. To me, I think I am most lucky and the investors should know there has not been anybody under democracy that has stayed in FCT longer than me. The only person who stayed five years in FCT was General [Jeremiah] Useni. I am now the second longest serving FCT minister both in the military and in the civilian administration. That is what has fetched the minimal achievements that we have done. And this credit goes to the President and Commander-in-Chief, Dr. Goodluck Ebele Jonathan.

In spite all challenges, sometimes you know if you are in FCT because of the visibility of the place, if you are the minister they will go and say everything about you but he managed to keep me here irrespective of what people say or what people report. He has trusted me; I owe everything to him. Even the investors owe everything to him because my staying here for four years and some months is what has given me this kind of confidence.

Of course we cannot take away from him his presidential privileges because he is free to appoint anybody as a minister. But for me I am ready to serve him in any capacity. If he says I should not even go anywhere, that I should stay, as far as he is here in FCT I am ready. I don't have to go and become governor. But if it is the wish of my people and he has somebody to replace me, I am ready to go because he has done enough for me.

Of course I am happy with the compliments from the investors.

What I will assure them is, I have taken some institutional safeguards to make sure we deepen and institutionalise our framework such that whatever we are doing is taken to a point of no return. Whether anybody likes it or not, if he comes to FCT he must continue with the programme that we are doing for Mr. President. After all we are sure by the grace of God Mr. President will continue and because he is passionate about FCT, he will definitely make sure I either continue or he will bring somebody that will continue with his own projects because the projects are not mine. For example, the taxis are not Bala's taxis. The bus system that I brought in – brand new buses – they are not Bala's taxis, they are all FCT's. So we will make sure we will make a distinction between our tenure and the institutions of projects and programme we are doing but certainly if it is the will of God that I will go to Bauchi and become governor, I am ready. But of course it is not a matter of do or die.

We are coming with a security protocol, all the public areas must have CCTV so that you can have monitoring, evaluation and then feedback. At the same time you need something that you can resort to in case of insecurity

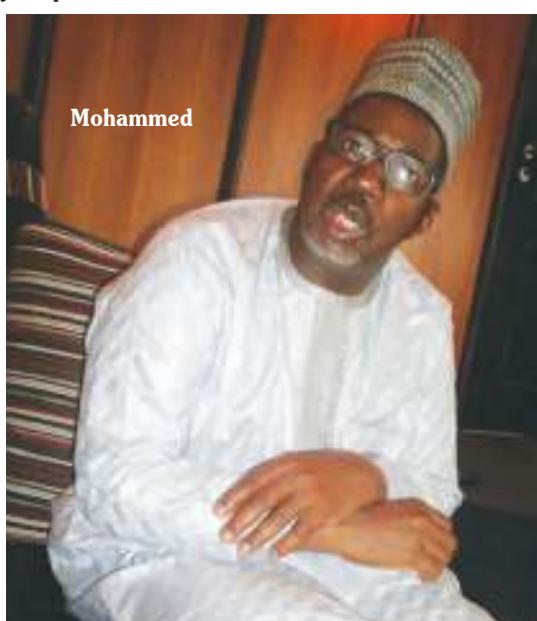


Photo: ANAYOCHUKWU AGBO



Institutional Cohesion

By ANAYOCHUKWU AGBO

The implementation of the land swap policy shows a very advanced institutional cohesion. All the relevant departments and agencies strictly adhere to their responsibilities in the development of Phase IV districts. Nine departments and agencies perform the following responsibilities in the execution of the land swap policy in an unbroken symmetry.

Department of Engineering Services /FCDA

- Preliminary bill of engineering measurement and evaluation.
- Scope of work and technical requirement.
- FCDA general specifications for roads, storm water drainage and bridge works.
- FCDA general specifications for electrical works.
- FCDA general specifications for water and sewage works.
- FCDA general specifications for telecommunications works.
- FCDA geometric design standard for roads.

Department of Urban and Regional Planning

- The Physical plan of the district, its description and total land area.
- Number and character of each plot within the district.
- Total size of the buildable area.
- Detailed size of each plot within the district and its land use.

Department of Lands

- The existing premium in the district.
- Current market value of land and houses in the district.
- Current market value of land and houses in adjoining districts.
- Specific number and percentage of plots that could be made available; to the developer.

AGIS

- Number of available plots in the district.

- Digitised plan of the district.
- Detailed map showing land use and plot.

Department of Resettlement and Compensation

- Valuation and demographic reports of the district.
- Details of resettlement and compensation cost.

Department of Survey and Mapping

- Survey plan for the district.
- Provision of survey data.
- Implementing possible redesign and realignment.
- Establishing benchmarks for height.
- Coordinating all survey activities.

AMMC

- Development control guidelines for the district.

LEGAL SECRETARIAT

- Preparation of the agreement.
- Ensure execution of the agreement.

AIIC

- Coordinate the process.
- Shortlist and conduct due diligence on the developers.

The advantages of involving all the relevant departments and agencies are numerous. It guarantees quality, continuity and collaboration. It benefits from institutional safeguards. And because no stakeholder is shut off there is a healthy buy-in by all. It also means that the project will survive administration after administration through the technocrats.



Olajumoke Akinjide, minister of state for FCT; Bala Mohammed, FCT minister; Senator Ahmed Lawal and Senator Tunde Ogbeha, at the FCT Town Hall meeting on land swap in Abuja

How the Law Protects Investors

A robust legal support has increased the investors' confidence in the land swap projects

By ANAYOCHUKWU AGBO

The high level of confidence investors have in the successful implementation of the land swap policy predicates on a robust and competent legal framework that guarantees the interests and expectations of all stakeholders – government, investors and subscribers. Under Section 5 of the *Land Use Act*, the Honourable Minister of the Federal Capital Territory, FCT, is empowered to allocate land in the Territory. Under Section 8, the Minister also has power to make any grant of land for special contract and also to revoke same in the event of a breach. Faruk Sani, the coordinator of Abuja Infrastructure Investment Commission underscores the importance of the legal framework: "If you are dealing with investors, the first thing that they will ask you is, what are your legal deals for going into this scheme? Even if the investor is so enthusiastic that he forgot to ask you, I can assure you that his financiers will ask you. So in coming up with this project, we also look out for legal basis for it." Similarly, Abimbola Salu, special assistant to the FCT Minister on legal and multilaterals, reaffirmed the legal imperative: "We had to let the minister know first of all the legal framework because if it does not stand on proper legal framework investors would be scared to bring in their money."

The legal framework states clearly the expectations of the Federal Capital Territory Administration, FCTA, the scope of infrastructure works expected of the investor and the basic criteria for eligibility.

According to the legal document, the FCTA grants a maximum space of 60 per cent in a greenfield district to a developer for real property development under special contract as envisaged by the *Land Use Act*. On his part, the developer would provide primary infrastructure without any financial, technical or demand risk on the part of FCTA.

What the developer must provide are clearly stated. These are:

1. The detailed district design and the bill of engineering;
2. Agreed kilometres of roads of varying specified sizes within the districts;



3. Agreed kilometres of storm water drains;
4. Agreed kilometres of water drains;
5. Agreed kilometres of water distribution lines;
6. Agreed kilometres of street lightings;
7. Agreed kilometres of electric power distribution lines;
8. Agreed kilometres of telecommunication ducts; and
9. Agreed number of mini-sewage treatment plants.

In addition, the developer must provide the business plan showing its technical capacity, financial capability and managerial competence. The draft of the final agreement is ready and all the investors are studying it. Salu gives an insight into the details of the document: "The agreement takes care of each party's liabilities, responsibilities and duties. It also takes care of the community because

you know the land belongs to certain people and we know that they must be paid compensation. So it takes care of their compensation. It takes care of their resettlement; it takes care of even proper structures. We are not leaving that out.

We also have provisions to ensure that what they are building is what it should be. We do not want any investor after taking our land after taking out the communities to just do anything. So the agreement will just take care of proper structure it must be in accordance with proper building regulations. It takes care of everything that could from a human perspective become a problem or a hindrance to the success of the land swap."

Ima Okpongete, general counsel and secretary legal, FCTA, sums up the legal assurance. "For land swap, we have put indices in place to ensure that the investor is preserved, even from himself. Number one, we have introduced due diligence into any investor coming to us. We look at company details to make sure we're not dealing with false personalities. To still protect the investor, there are conditions of that contract that can protect the investor. We have an agreement with an investor but it is not predicated on the government; government can change. But it does not mean that if government changes the investment should stop. If any investor looks at that he will not invest anywhere. So we are guided by agreements and MOU. The laws of the land are there to protect any investor."



Okpongete, Salu: The legal framework clearly protects the investor



'The Law Protects Investors and the FCT'

Ima Okpongete, general counsel and secretary, legal, Federal Capital Territory Administration speaks to **Anayochukwu Agbo**, general editor; **Tajudeen Suleiman**, senior associate editor; **Chinenye Eseke**, reporter and **Adevwale Adelola**, senior photojournalist.

What is the legal framework for the land swap policy?

The landswap policy is a development strategy initiated by the Senator Bala Mohammed administration and it has a legal backing. The legal backing for this policy can be traced right from the 1999 Constitution as amended to the Land Use Act of 1978, and to the Federal Capital Territory Act 2004. By the provision of Section 5 of the constitution, Mr. President has executive powers to appoint ministers with whom he would administer the

Federal Republic of Nigeria. Section 301 of the constitution still, the President is enjoined to appoint a minister for the FCT. As you know the minister of FCT is slightly different from other ministers, because [according to] Section 299 of the constitution, Abuja is regarded as a state. So the minister functions as a governor of a state while also functioning as a minister.

By the Land Use Act, land in every state is **situated in the governor**, especially land in the urban areas. But in the FCT, the status of land rests squarely on Mr. President. Land titles rest on the president. Every land in the FCT is urban land and it rests with the president. And that is supported by Section 51(2) of the Land Use Act 1978. Wherever federal land is situated, it rests with the president or any minister he may designate that power to. So the president has the power to delegate or designate a minister to run that office for him. With that power, the president made an Act – the Federal Capital Territory Act 2004. By Section 18 of that Act, power for land administration is delegated to the minister of the FCT to administer as a governor. So the minister holds it in trust for all of us.

Now in the Land Use Act of 1978, enormous powers are given to the governors to administer land for their people. These powers by the provision of section 5 of the Land Use Act, can also be exercised by the FCT minister because of the delegated authority given to him in



the FCT Act. Section 13 of the FCT Act, which says the power exercisable by any governor can be exercised by the FCT minister. That provision also says that any law that can be exercisable by any governor or military administrator anywhere in Nigeria can also be exercised by the FCT minister. The 1978 Land Use Act is one of such laws in the country.

Now to the land swap, Section 8 of the Land Use Act provides for the governor to enter into special contract in the exercising of his power for land administration. That is where the land swap comes in. In exercising his powers in line with the provision of this section, land, by virtue of that provision, is to be given for a specific purpose, may be infrastructural provision, for a definite term. At the end of that term, that land reverts to the FCT. So what we're having now is a situation where the minister, in the exercising of his powers as a governor and representative of the president, has taken a hold of the provision of that law to enter into special contract with investors towards the provision of integrated infrastructure in the FCT. This is in his effort to open more districts in the territory, so that when infrastructure is provided, you can conveniently pick a plot for development.

...We have introduced due diligence into any investor coming to us. We look at company details to make sure we're not dealing with false personalities. To still protect the investor, there are conditions of that contract that can protect the investor'



If you were an investor, what are the things you will look for to assure you that your investment will be safe?

As an investor, you must have a global view of what is going on. For the land swap, we have put indices in place to ensure that the investor is preserved, even from himself. Number one, we have introduced due diligence into any investor coming to us. We look at company details to make sure we're not dealing with false personalities. To still protect the investor, there are conditions of that contract that can protect the investor. We have an agreement with an investor but it is not predicated on the government; government can change. But it does not mean that if government changes the investment should stop. If any investor looks at that he will not invest anywhere. So we are guided by agreements and MoU and the laws of the land are there to protect any investor.

What are the legal safeguards that would assure investors that if Senator Bala Mohammed goes tomorrow or the President goes, the next administration will not say away with these projects?

What guides any investment in any nation are the laws of that country. Number one is the agreement entered into by the parties. The agreement has set specific terms, and term of years within which this contract should exit – some could be 20 or 30 years. Those specific years are expected to be respected by the government. You may not know the next government, but the laws of the land transit power from one level of government to the other, that has to be respected. The terms of agreement is also there and the law is there to help the investor where there is a challenge. So I don't think any investor should be afraid. The laws are there to protect the investor and protect us.

So the agreement is irrevocable?

The terms of agreement, there are conditions under which it can be revoked. Where there are breaches it could lead to the termination of the contract. Under the land swap administration, we have signed some MoUs. The investors are given specific responsibilities to undertake before we can enter into development agreement with them. That is to check their capacity, their ability to execute the contract. If by a definite timeline, they have not fulfilled the conditions given to them, naturally the MoU exits itself.

On our part, we make the land available; we make the Right of Occupancy available, we provide the enabling environment, making sure they sought out the compensation issues and then make sure they have access to the land. We give them all these parameters for working. If we on our part breach these conditions, the investors can either withdraw or use the condition of the contract to tackle us and make us go back to fulfil the condition of contract.

Is the FCT well protected in the land swap? What are the benefits for the FCT?

The first benefit is the opening of more districts. There was a time when there was a dearth of infrastructure in the FCT, it was just concentrated in a definite location. So more districts are being opened by this policy. Secondly, the citizens are benefiting in that there is a certain percentage of this land that reverts to government, and government holds that in trust for the people. Also it is going to generate lots of employment for our people.



Land Swap Is a Great Ingenuity

She is a Lagos-born lawyer and Special Assistant, Legal and Multilaterals to the FCT Minister. In this interview with **Anayochukwu Agbo**, general editor, **Chinenye Eseke**, reporter, and **Adewale Adelola**, senior photographer, **Bimbola Salu-Hundeyin** discusses the legal and policy aspects of the land swap initiative in Abuja

As the SA Legal and Multilaterals to the FCT Minister, what exactly does your job entail?

It is legal and multilateral. So I have two caps that I wear. The legal is that I give legal opinions to the Minister on a lot of matters, particularly land matters because as you are aware in the FCT we have more of land matters especially in court. Ninety per cent of our litigation matters are land-related. I also give opinion on diplomatic matters. That is the multilateral aspect. For example, when some embassies write to us through the ministry of foreign affairs that they have given us land in their country free of charge and they expect the principle of reciprocity in diplomatic world to apply. In such a situation, I would take the necessary step to confirm; if it is so and so we can also treat them the same way they have treated us.

Thirdly, he is also the governor of the FCT because the constitution says the FCT is a state and is like a state. So he wears three caps and the global practice in the diplomatic world is when diplomats come into countries, they usually stay oftentimes in the capital cities and they should pay courtesy visits on the governor. So he has to receive them to assure them of their welfare and when they have problems of land or legal issues they would come in and then due to our relationship with them and the work the Minister has been doing we have been largely appreciated by most of the embassies.

On the land swap policy what was your legal opinion to the Minister?

I would first of all like to explain what land swap means in simple terms. It simply means land for infrastructure swap model. When we hear of that all it means is 'Mr A', who is a private person says I have got money, I have got expertise, I have got engineers, I have got architects, I have got estate surveyors, I have got marketers and I want to invest in Abuja. I need the profit but I cannot afford to buy the land because my financial resources will be depleted by the time I pay so much for land. And you know on our side we have a problem of infrastructure deficit, we have housing deficit, and budgetary allocations have never been enough. There is no

Land swap shows the Minister's ingenuity. Because he wants to transform Abuja in accordance to Mr. President's Transformation Agenda we had to think of a transformational policy that could help and that is how the land swap came in



Photo: ADEWALE ADELOLA

state that can survive only on budgetary allocation; especially the Federal Capital Territory that is growing in leaps and bounds. By the calculation of the founders of the FCT by this year we were supposed to only have just about maybe a million people but I tell you we have about five million or six million. People come in from other states everybody believes Abuja is where you can make money and all that so we are now burdened with infrastructure deficit and we do not have enough money as a state to carry it out on our own.

This is where the minister's ingenuity comes in. Land swap shows the Minister's ingenuity. Because he wants to transform Abuja in accordance to Mr. President's transformation agenda we had to think of a transformational policy that could help and that is how the land swap came in. We had to let the Minister know first of all the legal framework because if it does not stand on proper legal framework investors would be scared to bring in their money.

Jobs are being created and I must let you know that this has also attracted foreign direct investment, FDI. The beauty of the FDI is that all the FDIs that we have on ground have Nigerian partners. It is not like total strangers coming into our land to take benefit.

So we have Nigerians benefitting. And because of the nature of land swap you will need artisans, there is skills acquisition, so it is a win-win; everybody wins. People make money, people have been changed, employments are being generated, the economy is improving and the transformation agenda is on course.

We understand there is a legal draft already and investors are looking at it. What are the details of this draft?

That is a bulky thing; the details are much. For every agreement for you to move on like I said there needs to be

a proper legal framework. The best policy can become really bad so we decided the agreement takes care of each party's liabilities, responsibilities and duties. It also takes care of the community because you know the land belongs to certain people and we know that they must be paid compensation. So it takes care of their compensation, it takes care of their resettlement; it takes care of even proper structures. We are not leaving that out. We also have provisions to ensure that what they are building is what it should be. We do not want any investor after taking our land; after taking out the communities to just do anything. So the agreement takes care of everything that could from a human perspective become a

problem or a hindrance to the success of the land swap. Do not forget that the land swap is not just for this season. Government itself will continue. It is a legacy the minister would leave behind for successive government and we want to ensure that as much as possible we do not have issues that will forestall its success.

We also have external solicitors as consultants because, you know, in law nobody is a custodian of the law. So what we do is that the legal department has a committee. We also liaise with other committees that are relevant like the financial negotiation committee. We also have that which the economic department does. We also have the larger house. We have the EFCC chairman. The resettlement and compensation department or committee tells us what they expect. Each person comes up with what they expect and as long as we put flesh to it and we also talk with the investors to be sure that we are not putting up a plan before the investors that would be impossible to execute. We want to make sure that everything we are doing is possible and it is done according to timelines.

Apart from trying to provide infrastructure what percentage really accrues to the FCT in terms of returns on investment?

What we did initially was 60:40; 60 for the investors, 40 for us. Do not forget that the investors build the entire infrastructure. The investor does everything but we give the land as our equity but we also work with them from engineering department. We make sure that they are well supervised. The plans, the surveys are also being supervised. They work on them jointly but we have also found out that where it might not be that convenient they are willing to shift. What we just want is a workable position for all the parties for the economy to move forward.

If you are an investor, you know governments come and go what safeguards do you have in the agreement to assure these investors that if Bala Mohammed for instance quits that their investments are guaranteed?

That is why we are not giving them leasehold. We are actually giving them a proprietary interest in the land to protect us, the government and the people that own the land. It is also done by instalments. If the investor gets to a certain level of their proprietary interest, we give you a certain level. We want to be sure you are performing. We do not just give the C of O of a whole land of a community to you and say, "Go on and build." We have timelines and what you should do. When you get there we give you certain percentage when you get there we give you another percentage.

For the benefit of a layman, what is the difference between leasehold and a proprietary interest?

Previous administration especially under El-Rufai because of the deficit in infrastructure concerning housing in FCT they had what they called the Accelerated Development Lease. Under that what they do is give you six months or a maximum of two years to build. When you construct and build, then the C of O is given to you at a particular level like if you get to the foundation level



Salu-Hundeyin

the development lease agreement now records the name. That is what we call the development lease agreement it is a lease. You never have the interest until you get to a certain level. With that leasehold it is different; your document is not bankable. With the proprietary interest your document is bankable. And then it has an interest; you have an interest in it.

Now what are the challenges because we understand from some of the investors that there are a few challenges; from your own side of the divide what are the challenges you are trying to sort out?

I think the first challenge we have is the community dwellers themselves. But the beauty of it I must be honest with you is that the Minister has been able to handle it in such a beautiful manner that they are happy with us. We all know that change is not that easy.

Are there safeguards or legal framework that you are going to put in place so as to make whatever you decide to sell to the publics affordable?

That question is not just legal it is also policy. I think that is something that we would try and look at from the policy angle because everything is not legal when you are dealing with human beings. We want to strike a balance between making the people happy, ensuring investors' profits and that the government delivers on its transformation agenda. This is very important to this administration.

What do you think of Bala Mohammed?

Whao! He is a powerful orator. When we went to Caracas, the government of Caracas had requested that we go into training agreement with them. Actually that was the first training agreement we signed and we had to do it in Caracas. When we were in Caracas the ambassador came to my minister in the hotel and said, "Minister I would like to take you out round Caracas." At that time we were thinking of building the boulevard you know it is still on and the minister said, "SA legal, you would come with us." We went round in the night. And you know the Minister was also thinking of Abuja having nightlife. That was how the boulevard concept came in because with the boulevard you can have nightlife. The driver parked somewhere and we walked round and walked round and the minister was asking questions and all that until we got to the hotel. The hotel, like most hotels like the Hilton Hotel you know the gate is usually far from the hotel itself the minister told the man, "Do not take us in." As soon as the man left I have never seen such despair in a human being. My minister sat right on the flowerbed and said, "Look, this is what I want for Abuja. I want Abuja to be like this." I saw passion. I saw untold pains of a leader that wants the best for his people. I could only compare the passion I saw in my minister with the passion of a mother for his sick child. I saw in him a man that believes that he needs a lot of healing for his city. He believes that every programme he takes is a healing balm that would make the people/city healthier economically, socially and otherwise. He is a passionate leader. You can say anything about him but you cannot take that away from him. Bala Mohammed is a passionate leader and he loves FCT and the residents.



Providing a Suitable Funding Structure

The funding pattern of the land swap project is designed in a way to ensure that projects would be completed on schedule



Photo: ADEWALE ADELOLA

Investors at the groundbreaking ceremony of Centenary City

By ANAYOCHUKWU AGBO

One of the beauties of the land swap programme is the dynamic financial solution it offers to all the stakeholders – the government, the subscribers and the investors. The structure of the total project cost consists of the construction cost, financing cost, professional fees, resident supervision cost, 12 months' operating cost, resettlement and compensation cost and return on investment.

The approved funding structure of the land swap project is both developer friendly and yet protective of the government and subscribers. Under the land swap framework, the implementation of the project is funded 100 per cent by the private sector; no single kobo was budgeted by government for the programme.

However, the FCTA recognises that the projects are capital intensive. Though the selected 15 investors for phase one are competent, government felt it would be very difficult for an investor to fund the development of a district 100 per cent. It requires about N32 billion to develop a district. Mindful of the international best practices in the execution of such projects, the primary investor is seen as a promoter who should attract

appropriate secondary investors to invest in specific components of the project. This brings in more funds and expertise, and also minimises risks of project failure.

Consequently, the funding structure of the projects must be according to the following approved ratio:

- | | |
|-------------------|---------------|
| 1. Debt | - 50 per cent |
| 2. Equity | - 15 per cent |
| 3. Off-plan sales | - 35 per cent |

The investors are required to provide N350 million for the execution of the technical works. The administration of this fund was cleverly designed to build confidence in the investors. Unlike what is the norm, the N350 million provided by the investors for technical works are neither paid into the FCTA account nor that of any of its agencies; rather, the money is controlled by the investors who are the signatories to the account.

"The main reason for this structure is because it is at the proposal stage and FCTA is only helping investors to come up with acceptable proposals that meet the technical standards of FCDA," explained Faruk Sani, coordinator of Abuja Infrastructure Investment Centre, AIIC.

The N350 million commitment fund for preliminary technical



Photo: ADEVALE ADELOLA

The beauty of the land: Entrance to the Centenary City, Abuja

works is further structured into four subheads:

- | | |
|-------------------------|----------------|
| 1. Engineering services | - N200 million |
| 2. Planning services | - N50 million |
| 3. Survey & Mapping | - N50 million |
| 4. Miscellaneous | - N50 million |

Miscellaneous covers expenses for demographic survey for resettlement and compensation, meetings, legal services, financial services, media and publicity and other ancillary services. In the course of the implementation, media and publicity and community relations proved very demanding and this led to the amendment of the budget heads to reflect this reality:

- | | |
|---|----------------|
| 1. Engineering services | - N185 million |
| 2. Planning services | - 45 million |
| 3. Survey & Mapping | - 45 million |
| 4. Community relations, media & publicity | - 25 million |
| 5. Miscellaneous | - 50 million |

On why AIIC allowed the primary investors to keep the N350 million commitment fund for preliminary technical works, Sani explained that, "The Honourable Minister had made it clear in the beginning that he wanted utmost transparency in

the implementation of the land swap programme. We therefore calculated what each investor would pay and required them to pay the supervising directly."

For payments to coordinating consultants and other service consultants who expect their payments from all the investors, they paid the money into the Land Swap Contributory Fund Account under AIIC for transmission to the beneficiaries. The FCDA further structured the consultancy fees to be 30 per cent of normal district consultancy fees for supervising consultants and 20 per cent of supervising consultant fees for the coordinating consultants.

To further ensure the integrity of the process and achieve the aims and objectives of the policy, the FCTA gave basic conditions to keep the investors in check. The investors shall not commence any sale or property development until at least 35 per cent of functional infrastructure work is achieved. This guarantees that the investors bring in the expected funds and not leverage on the subscribers to develop the districts. In addition, the land titles are released based on interim measured works. The investor must also provide at least 15 per cent of infrastructure cost as condition for the effectiveness of the development agreement with the FCTA. This funding structure ensures all the necessary checks and balances.



We Want a City that Works

John Chukwu, permanent secretary of the Federal Capital Territory Administration is a seasoned technocrat and head of the efficient bureaucracy that supports the land swap policy. He examines the policy and its implementation in this interview with **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor

Chukwu

Photo: ADEWALE ADELOLA



‘ Originally, government was supposed to relocate the original inhabitants; provide houses, provide schools; pay them; but because government does not have all the funds, it has been done in bits. So, you find some places we have built houses and we have not been able to complete them over a period of ten years ’

We are looking at the land swap policy in details. What is your understanding of the policy?

Land swap is a model, which the FCT administration is implementing. It is a way of attracting investment. Government is unable to fund all infrastructural development in the FCT. If you look at the history of the FCT in the past 35 years, government has been trying to develop these districts. We have only been able to develop 11 out of over 89 districts, and even these 11 have not been fully completed. For instance, you see the Garki villages are still here within the districts. We were unable to do the entire infrastructure, do the relocation and do the compensation. And you have seen the influx of people into the city; the city is growing exponentially. So, in order to be able to provide new service areas, the administration has tried to use the land as a last resort. It is not an issue of giving land to people to just keep; now you are going to add value to that land – building primary infrastructure – roads, drainages, electricity, water supply

and all that. Then there would be secondary off takers – those who will try to develop estates, hotels, houses, market, schools and all these services.

So, that is basically what land swap is all about. And it is estimated that there would be an influx of over \$2 billion and so far 15 investors have shown interest. And in their delivery, they are going to take care of the entire infrastructure, the resettlement issues and the compensation issues in a very holistic approach. So we really believe that it is going to add a lot of value to FCT. And of course, when we succeed, we would look forward that other states of the federation would buy into it.

A lot of the people we talked to expressed some uncertainties over the resettlement and compensation package. How is the model being adopted any different from what has been done before that did not work?

Previously, I was chairman, committee on resettlement

and compensation; that was my first assignment when I came here. Originally, government was supposed to relocate the original inhabitants; provide houses, provide schools; pay them; but because government does not have all the funds, it has been done in bits. So, you find some places we have built houses and we have not been able to complete them over a period of ten years. And in the past we had given these houses to people and they are selling them. But what we are trying to do now is a model where they would choose what and how they want it done. We look at the possibilities of integration, relocation and those kinds of models. And then that is what the ESI Committee is working on with the people. But what we have tried to do is to enumerate the crops, the lands, the houses that are in those locations. When we looked at the issue of integrating them, I am reminded that look, it is better you resettle them away from those areas where the land swap is; put them where they can continue to have their lives the way they were originally and then you would be able to provide farmlands where they will continue to farm and those settlements will have provisions for expansion. We found some areas of land that at their own choice they would live there; infrastructures and other services, we will provide there; these will be provided by the developers; the land swap partners.

There are also some uncertainties about the issue of land bank, like the sharing ratio of 40/60 between the FCTA and the investors; some investors are wondering what would happen to the 40 per cent that would come to the administration in relation to their investment.

Let me correct this; it has not been 60 to 40. We are negotiating with the developers based on the cost; you know the cost they are bringing in; you know the cost of the infrastructure but because of their locations, their terrains are not the same so the cost of enrolment would vary. The developers; by the time they provide primary infrastructures and they provide some secondary infrastructures, some of them are going to develop houses; some of them are going to build shopping malls and hotels. Now, that land that is available to the FCT; whether it is 10 per cent, 20 per cent, 30 or 40; it is still going to be allocated to those who want it developed. So, it is going to be given to the people. The reason is that we are not handing over the entire land to them but what we are trying to do is, we don't have the money; we ask them to come and develop; take some to recover your costs; then pay back to the government and then we allocate them the way we usually allocate to applicants.

Apart from the Phase 4 of the FCT that would be developed through land swap, we also have the Abuja City Centre; we also have the industrial park. What are some of the institutional frameworks that have been put in place to make these projects outlive this present administration?

Even the land swap, before it came on board, I think it was taken to the Federal Executive Council where they approved the model. And it becomes a policy; so it is not to say that if the minister is no more here or if the permanent secretary is no more here; the ESI

It is a government policy. And the agreement would be structured in such a form that you don't just come in and scatter it; government is a continuum. And then the investors too, they must be protected from this risk of uncertainties and of course nobody is going to put his money when he is not sure that his rights and privileges are guaranteed. Development is a continuous thing. I don't think that any sane person would come and scatter it. There would be agreement that would be signed; the MOUs and the agreement will cover all those risks, both for the government and the investors

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Looking at all the high profile projects that the FCT is handling, which of them is dearest to you?

We try to do developmental projects not high profile projects. The Abuja Airport

Road, the Kubwa City Road, I met those projects here. These are projects that are done to improve service, to improve quality of life in the FCT. For instance, you have seen it is easier for people to come to work, less time is spent to come to work, the wear and tear of cars are reduced, so these are things that on the whole, we will finish some of these projects including the recent one that was flagged off. It will reduce the time people will take to come to work. Of course you know that developments are coming up like the Karshi water construction so that those who are not in the city centre would be able to still have the same quality of life as somebody in the city centre.

What are the challenges this administration has had to surmount to put these projects on stream?

Well, this is a national problem – inadequate funding. We have so many projects; we don't have the funds. We owe many contractors and we have so many things in the pipeline we would have wished to do simultaneously. That is why we are looking for other ways of executing projects; like you mentioned the



Chukwu



Abuja City Centre project. We are trying to attract foreign investors, I mean private investors to come and develop physical infrastructures. Of course you know that these things take long time. It is not like trading. It is going to take a lot of time, we are going to borrow a lot of funds – it takes a lot of time before we can begin to reap any returns at all. But of course recently, the security challenge in the country which has come to Abuja is one thing we have to deal with every other day and make sure you just sleep with one eye closed. Every now and then you have to mobilise the security agencies to go and attend to issues of possibly of information like some terrorists are going to strike here and things like that! Of course you know that kind of a thing is not good for the country as a whole. So, all hands must be on deck to make sure that we secure the environment. We are asking the residents and everybody in this city to be at alert.

The civil service is a very important instrument of implementation of policies by administration. How would you say the civil service in FCTA is adapting to achieving this to make government work?

One thing that is constant in life is change. And of course, over the years, the civil service/public service suffered a lot of destructions; but the (President Goodluck) Jonathan administration since he came to power has done civil service reforms, trying to transform the service, to be able to deliver quality service at the shortest possible time. So in doing that you must have to have an effective service, a service that is equipped by the right human capital. You motivate them, train them and make them to adapt to new challenges and better ways of doing things. That is what we are doing here. Of course the problem is not one you can finish in a day. In FCT you have about 28,000 public servants in the various secretariats and agencies. So when you are managing 28,000 people you can imagine the problem that comes with it. And the FCTA is a complete package; it is not like a normal ministry. It's more like a state. You are dealing with issues of infrastructure – talking about schools, hospitals, social services, social development, destitute, beggars, cleaning the city, it's an entire government of its own. So you need an effective and a well-motivated workforce to be able to deliver. And of course you know Abuja is the centre of the nation. If you don't give the best service, the impression anybody that comes to this country gets from Abuja is his impression about the country. The impression of Abuja is what will transcend to their perception about Nigeria.

In specific terms, could you tell us one or two reforms you have had to implement to make civil servants buy into this project?

The reform is being done by the entire service. One of the things that has been done in the civil service which we are also trying to do here is the issue of the integrated pay system. That will help to minimise issues of salary delays, ghost workers and things like that. But we have done the biometric capture to try to check our data in terms of the amount we pay monthly. And recently, we have seen some changes. By the time I came, there were backlogs



Chukwu

of promotion issues. We promoted people in education, people in health sector. Also the health and human services secretariat had a lot of issues about staff because the doctors and nurses keep going. We have employed about 300 doctors, nurses and pharmacists, which we have injected into the health sector. If you go to our hospitals now, you will see that the quality of service has greatly improved. We are equally trying to improve the performance of our children in schools. But they are not things you do in one day.

You have seen a lot of ministers in your career. What would you tell us is different about Bala Mohammed?

It is not easy to do assessment of your boss. I have been here for a year. I've worked closely with him; he is quite a hardworking, focused and amiable person. I have found working with him quite refreshing. I think I could say I am happy to have a boss or a colleague like that. We relate very well.

If you are asked to advise him, honestly which areas would you advise adjustment in his nature?

Adjustments to his nature? One thing with him is he's too frank to a fault. He tells you the way it is. He has a passion to deliver the good. You know you cannot have it all. I'm sure if we have fund, we will do quite a lot. And I think without being immodest, he has done very well. He added quite a lot of value to this city. At least, the records are there. The number of projects concluded, those that are still ongoing in spite of the fact that we are owing contractors.

Administratively speaking, how have you been able to address internal pilfering in the system so that the little money that comes in goes exactly where it is supposed to go?

You see, besides monetary, every public servant has a moral duty to do his or her best. So, we try to encourage people, preach transparency, preach accountability and show leadership by example. We do things transparently. And as much as possible, majority of the staff are putting in their best. But of course there is always suspicion of the public servant and politician. Oh! They have stolen money. But you know it is not that simple. You can't take government money and put it in your pocket. If you do that, the system has a way of catching up with you. Everything you do here the EFCC, ICPC are checking. Then there is the Freedom of Information Act. So whatever you do, is in the open.

What kind of Abuja does this administration envisage?

Even the founding fathers of Abuja had dreamt that Abuja would be one of the first cities in the world. And of course you know Abuja is modeled over Brasilia, the capital of Brazil. Now, we want a city that works. For instance Last week I came from Singapore. It is a city described as a city in the greens, where everything is working – the human nature. Everything has been integrated to work in unison. All hands must be on deck to make the city work. I envisage that Abuja will continue to grow, to expand and will continue to be maintained as the major city in Africa and the world.



'More Countries Are Adopting Land Swap Policy'

Farouk Sani, lawyer and co-coordinator of Abuja Infrastructure Investment Centre, an agency of the FCT administration that promotes and facilitates private sector investment in public infrastructure, explains the concept and execution of the policy in this interview with **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

What is land swap all about?

Land swap is just a branch of that bigger picture as far as the FCT administration is concerned. As you are aware, the basic policy thrust of the present administration is to allow the private sector take the commanding height of the economy. For FCT in particular, the administration has come to realise that it cannot fund infrastructure 100 per cent by itself, and therefore there must be that partnership, that engagement with the private sector. We had experiences of private sector engagement from 2004. When we started, the intention was to build Abuja 100 per cent by the government but then as time went on, everybody came to the realisation that government could not do it alone, so we started these engagements as far back as 2004.

What the honourable minister has done in respect to this sector is to unbundle the private sector participation into the public infrastructure. That is why this office was created and that is why all the necessary legal frameworks for the institutionalisation of this office have been done, that is why the honourable minister has given us optimum support for us to be able to discharge our responsibility. The administration has been able to unbundle private sector participation in building public infrastructure into three basic categories; the first one is the PPPs, in the strict sense of the word public/private partnership. Those ones are projects that are usually regulated by the Infrastructure Concession Regulatory Commission, ICRC. The ICRC is the agency that regulates all PPPs of the federal government, and you know, the FCT administration is part and parcel of the federal government and therefore is bound to operate on the rules, regulations and natural policies of the federal government.

The second category of private sector participation in the FCT is the private sector collaboration. There are projects that are of interest to the FCT. These are projects that are envisaged under the Abuja Master Plan. These are projects which the administration is obligated to deliver, but then, because of their commercial viability and realities, they can be taken over by the private sector without any risk on the part of the government either in terms of finances



Photo: ADEWALE ADELOLA

or in terms of technical or in terms of demand risk. We have so many projects, for example, the Katampe project is a provision of infrastructure over 200 hectares of land in Katampe district. The private component that we are working with is the Shanga Nig. Ltd. We are also developing other projects using the PPP model, for example the provision of district infrastructure in Mabushi, Kado and Gwarimpa 1.

So far we have concluded the procurement processes of the Mabushi district infrastructure project; we are just waiting for the necessary approval of FEC (Federal Executive Council), whereas Kado, Wuye and Gwarimpa 1 are all in advanced processes of conceptualisation. The same thing (is happening) in respect of Kuje waterworks, which we have got the World Bank to fund the outline business case. It is the outline business case that will be able to guide us on the structure of the project, the model of the PPP we are going to utilise at that project. Similarly, the World Bank is assisting us with respect to the Abuja light rail project.

Another example that I will give is the Abuja City Centre Development. If you go round Abuja, you will discover that it does not have a city centre. When you are going round, you will keep going round and round, you will not know the heart of the city. It is not that the city lacks that city centre. Under the Abuja Master Plan there is a centre but because of inadequate funding, we have not been able to develop that city centre. But now we have got a very competent investor in Chikason Group that is coming to develop that city centre for us. It is a 17-hectare land in which they are going to develop so many component properties of residential, commercial and others. But then our interest is the national mall which that company is developing that will cost nothing less than \$40 million. That is part of the consideration given to the company. We are not giving the company kobo to develop the entire city centre, we are not giving them technical assistance and we are not giving them any guarantee that there will be demand.

The second project under that category is the Abuja Industrial Park. We are expecting a private promoter to provide infrastructure in accordance with the FCDA scope and specification in over 250

hectares of land; that is the first obligation. The second obligation is for them to attract industrialists that will establish factories in that place and then to maintain and manage for a particular period of time. The FCT minister is pursuing under this collaboration the land swap programme, which essentially is to look at land as a resource for infrastructural development. The third category of the private sector participation in FCT, which the minister has unbundled, is the enabling environment. You will understand that there are capable investors/entrepreneurs who will want to come to Abuja and invest without possibly wanting any partnership with the government. The only assistance they need is to be able to get that enabling environment. And the minister has been able to do that; that is why you have seen the World Trade Centre, Jabi village project, Shoprite and others. That is the enabling environment that the FCT minister has created to attract investment capital in the FCT. So these are the three categories of private sector participation in the FCT which we have been able to unbundle within this Transformation Agenda.

What do you mean by this enabling environment?

I will give you example. When the Honorable Minister came on board, he met a lot of problems with respect to that World Trade Centre. There were so many issues. So many issues to a point that the proponent wanted to hands off, but then, the minister intervened. One, to make sure that all issues relating to that land has been cleared. Secondly, the investors got necessary access to fund the project. And thirdly, to give them the necessary support not only to mobilise the contractors, but to make sure the work is going on without any hindrance. The same thing with Jabi Lake project. When he came in, in fact the problems were so much that the private investor and FCT were in court, but with wisdom and dexterity, he was able to get the parties to withdraw the case in court.

He sat down with them and cleared all the encumbrances. He also supported the investor in accessing the necessary funding. He ensures that investors get necessary incentives as provided under the Nigeria investment regulation. He also ensured that all the necessary permits and approvals that the investor would require for him to be able to commence work were done. And that is why if you go there, you will find out that they have already started working. These are purely private businesses but if the government does not provide that enabling environment, you will find out that the business might not be able to operate. So the enabling environment we are talking about are in terms of incentives, in terms of legal frameworks, in terms of developing contract approvals, in terms of clearing all encumbrances.

What are the unique features of land swap policy?

The basic concept of the land swap policy is to look at the land in FCT as a resource for infrastructural development. As for the features you asked, one of the things that we did was to leverage on our past experience. Like I did mention before, we started engaging the private sector as early as 2004, when we started



with accelerated housing development in which the administration gave land to the private sector in places where there is infrastructure. When those areas became exhausted, the administration came up with a new policy of mass housing development. And under mass housing development, what the administration was doing was to allocate land in an area where there is no infrastructure to an investor with a stipulation that, that investor will provide secondary infrastructure within that estate while the administration will provide the primary infrastructure. So we leverage a lot on our past experience in the FCT, because we want to make it succeed, we want to maintain the standard; we want quality houses to be determined. We don't want to end up with white elephant projects. We don't want a situation whereby our lands will be used for speculation. We don't want a situation whereby investors will freeze the Abuja land by keeping the title, so one of

things that we did was that, before we sign any legal agreement with you we expect you to make a comprehensive proposal that is acceptable to the administration.

And we would not just learn it like that, but rather we stipulate what to be done, these are basic features of land swap policy. First of all we say, you must provide N350 million to fund preliminary technical activities. Now this N350 million is not paid to FCT administration; what we expect is that the investor should open a project account in his name, dedicated to the funding of the preliminary technical works with an instruction to the bank to allow Abuja Infrastructure Investment Centre to perform oversight functions over that account, to be sure that money is there and is funding the preliminary technical activities. Also, part of the features, in order to ensure Abuja master plan implementation as we are dealing with multiple investors, we have to be sure that all the designs could be integrated in harmony. Therefore the administration engaged supervising consultants and coordinating consultants to ensure that there is harmony in all the designs. Now, the findings of the consultants are binding on the investors, and that is why we are saying that this is a project that is 100 per cent funded by the private sector.

You will find out that there are more countries that are doing this, even the World Bank and other global funding experts have advised developing countries to start looking at land as resource for infrastructural development. And remember, the quality of infrastructure is what attracts investment into a country

From your investigation, in which countries has land swap worked?

I can tell you there are many countries both in the developed world and the developing countries. If you look at the United Kingdom, UK, when they came out from the World War, they were able to successfully build 23 towns using this concept, and if you go to Milton Gigs you will find out that essentially that was the model that was used. Let us look at it in proper context, the examples of countries that utilised their land as a resource for infrastructural development. They can use it under three situations. You can use it to build a complete new section as in UK. In Sweden they used it to build a complete new town together with a 32-kilometre rail network, and that is what they are doing in Egypt (as well). The second category is that you can use it to fund infrastructure, (and) that is what they did in New York. If you look at the history of the old World Trade Centre, that was what happened. Local council sold the land to Silver Sten Group, and



in the process they used the amount to rehabilitate the rail system in Manhattan area.

Thirdly, you can use the process to augment your budgetary deficit. But then in all these situations, it is agreed globally that government resort to looking at their land as a resource when they are having problems with their budgetary system. And then the system has the capacity to increase your revenue for infrastructure. For instance, in France, in the 1900s they had problems with reining in of their city, Paris, they equally used this concept and were able to raise substantial sum that was more than five years of their budget allocations. You will find out that there are more countries that are doing this, even the World Bank and other global funding experts have advised developing countries to start looking at land as resource for infrastructural development. And remember, the quality of infrastructure is what attracts investment into a country.

How did you select the land swap investors?

One of the things we do is to recognise the peculiar environment. Since the city is expanding and growing, the minister said I cannot fold my hands and watch; the only thing I can do is to look at those people that I know who have both the competence and passion to do this job. And I can tell you the minister went out of his way to do that and that is why we are dealing with so many real property developers and financial investors. In some cases, it was the minister that encouraged, invited them to come and participate. In one of the projects, the minister travelled about three times to Dallas to be able to encourage an investor to come and invest. He invited Dangote, he invited Alakija to come. He was able to go into our archives to look at all investors that from one time or the other applied to FCT Administration for massive real estate developments. So we sent invitation for them to make proposals within the context of the Land Use Act. And the reason we did that was because the minister was concerned that he only wanted people that will deliver. And I think he has made a very right decision.

You are eager to have investors. Do you have time to do due diligence on these investors?

What we had to do was to work within a particular framework, quite all right, the minister was not under any obligation to do that kind of due diligence you are talking about because what it required under the Land Use Act is for somebody to make an application to the minister for land allocation. But we pleaded with him and he allowed us to put in place a particular structure that will ensure that investors are competent, capable and could put the right/standard structure for the successful implementation of this project. Structure is very important. What we tried to do was to come with a structure that all investors must conform to. That is the reason among the 15 investors that we started with, 13 investors are working in line with all our expectation, for the simple reason that we have designed a structure and insisted that

**We have done study of real property prices in capital cities of the world and one of the things that we have found out was that, other capital cities are more expensive than Abuja.
I am not only talking in terms of Washington, Hong Kong, Singapore, I am talking in terms of Nairobi [Kenya] here, Khartoum [Sudan], and I can provide you with the statistics**

they must follow this format.

What is the game plan for resettlement?

Fundamentally, there are two objectives of this land swap. The first objective is to provide infrastructure because we don't have money to provide. The second objective is to take care of compensation and resettlement in the FCT. From the beginning when Abuja was created, the thinking of the government was to resettle everybody outside Abuja. But along the way, government realised that it was going to be very difficult. So what they did was to say, let's go for partial resettlement.

Allow them to stay in FCT but outside the 250 square kilometres of the Federal Capital City, FCC. They started implementing it, and that also became problematic, so that government changed to total integration but then, it became a problem and that is why you have to understand that when government realised that total integration could not work, it said let us go for partial integration. That was when government started constructing resettlement areas, like Wasa, etc. That too failed and that is where we are now.

With all these, don't you think the price of plot will be beyond the average man?

We need to appreciate that this is the capital city of Nigeria. We have already crafted our vision to make Abuja one of the 20 topmost cities by the year 2020. And whether you like it or not, Abuja cannot operate differently from other capital cities of the world. By the time you look at what is happening in other capital cities of the world, you will know that Abuja will not be going in that direction. We have done study of real property prices in capital cities of the world and one of the things that we have found out was that, other capital cities are more expensive than Abuja. I am not only talking in terms of Washington, Hong Kong, Singapore, I am talking in terms of Nairobi [Kenya] here, Khartoum [Sudan], and I can provide you with the statistics you will see.

So what we have done is we looked at the prices of land in districts that have infrastructure in Abuja. We also looked at prices of land in districts that do not have infrastructure in Abuja. So what we are saying is that unlike Asokoro and Maitama where you have infrastructure and prices have gone higher, where a plot of 1,000 square metres is going for over N200 million, that is N200,000 per square metre, in this case, it may be costing N25,000 to N30,000 per square metre. By the time we put stock of houses in the FCT, prices of house will surely come down. And remember we are dealing with investors who will source their money from financial institutions, because that is what we stipulated. So they cannot just lock their house, because they must repay their loans, so they must do their best to make people buy or rent these houses. So at the end of the day you will see, yes the premium charge will increase, but in real terms based on the principles of demand and supply, the Abuja property will come down to a more realistic level.



Sani

Photo: ADEWALE ADELOLA



Other countries have used the Land Swap Initiative to build critical infrastructure at various times in their history

By ANAYOCHUKWU AGBO

The Federal Capital Territory, FCT, is not the first government to formulate the land swap policy. Research showed a litany of governments that have resorted to the initiative to fund critical infrastructure over the years across the world. Indeed, the land swap model has been successfully tried in both developed and developing countries to fund three categories of urban infrastructure.

For instance, the iconic tower in the United Kingdom, UK, called the Shard of London was built through land swap. It was formerly known as the London Bridge Tower. It is an 87-storey skyscraper that forms part of the London Bridge Quarter development. The Shard's construction began in March 2009 and was completed in November 2012. Standing approximately 306 metres (1,004 ft) high, the Shard is the tallest building in the European Union. It is the second tallest free-standing structure in the UK, after the concrete tower at the Emley Moor transmitting station. The glass-clad pyramidal tower has 72 habitable floors, with a viewing gallery and open-air observation deck on the 72nd floor, at a height of 244.3 metres. It was designed by the Italian architect, Renzo Piano and replaced Southwark Towers, a 24-storey office block built on the site in Southwark



Shard of London: A remarkable project founded on land swap



Paris: A product of land swap initiative

Land Swap in Other Climes

in 1975. The Shard was developed by Sellar Property on behalf of LBQ Ltd and is jointly owned by Sellar Property and the State of Qatar.

Similarly, New York's greater era of city building after the Civil War leveraged on a variety of land swap. The city was expanding up Manhattan Islands and needed new streets, more water distribution, sewage collection and mass transit systems. Shantytowns were demolished for urban renewal. New York's municipal debt tripled between 1867 and 1871 as it borrowed to finance public infrastructure. As an alternative to borrowing, Boss Tweed, then commissioner of public works, used land-based financing for a private sector

development of the entire block bounded by Fourth Avenue, Madison Avenue, 68th Street, 69th Street and installation of the city water supply without any financial liability to the municipal authority.

In the same vein, after the World War II, Britain used the land for infrastructure concept to develop 25 new cities by internalising land development and infrastructure installation. Egypt and India successfully utilised the model to develop new towns. Denmark used land swap to develop Ørestad, a new town outside Copenhagen, developed with urban infrastructure including a 22-kilometre automated metro serving about 60 million passengers a year at a cost of \$2.75 billion.

Likewise, the reconstruction of Paris in

1852 used the land swap model. It was a complex mix of boulevards, massive infrastructure of roads, water and sewage lines, including multiple aqueduct systems, one of which delivered water from sources 600km distance. The infrastructure cost was F2.5 billion, over 44 times the annual budget of Paris in 1851.

The funding of the World Trade Centre in New York is also a land-based funding concept. The Port Authority of New York and New Jersey executed a 99-year leasehold in favour of Silverstein Properties Inc. at a total cost of \$3.2 billion. It used the revenue to finance urban transportation projects throughout the New York metropolitan area.

These are not all. China utilised the



Transformation

land swap model to reconstruct the Outer Ring Road encircling the region around Changsha, the capital of Hunan Province in central China. The same also holds for the new Greenfield airports in Bangalore and Hyderabad as well as the modernisation and expansion of existing airports in the cities of Chennai, Delhi, Kolkata and Mumbai, all in India. The total investment in the China project was about \$750 million, while India's airport modernisation drive chaired by its prime minister in 2006 totalled about 40,000 crore (about \$10 billion). The Republic of Turkey used land swap to raise \$1.5 billion for its capital investment budget in Istanbul to transform an abandoned central bus station in 2007.

Even African countries have been accessing the land swap option to achieve developmental goals. Egypt used land financing to develop 20 new cities with 44 additional sites already identified for new settlement construction. It resulted in the development of Medinaty City in New Cairo, which gave Alexandria Company a total of 3,360 hectares of land for real property development. In exchange, the company was to install internal and external infrastructure in the entire area at a cost of £E237 per square metre and supply low income housing units to the tune of seven per cent of development cost. The Reliance Group in India is developing an Industrial Park in Mumbai at an estimated infrastructure investment cost of \$62 per square metre.

Back home in Nigeria, the land based financing variants have been in use too. It was used in the rehabilitations of terminals in Apapa port by Flour Mills Plc and those of Onne port terminals by the duo of Intels Limited and West African Continental Limited at the cost of over \$300 million through a programme of amortisation.

A research by AIIC showed the peculiarities of each country and the similarities depending on their respective land tenure system. In China, there is ownership of land and municipal authorities are only entitled to acquire excess land from owners. Similar scenario exists in India except that in some places like Bangalore, land could be acquired for public private partnership projects. Otherwise, acquisition by public authorities for land swap projects is on the basis of market rate principle. In a number of cases, these two countries often rely on the power of *Eminent Domain* to acquire land at low prices. In other words, these countries had to buy land from its people at commercial rates and then turn it over to the private sector.

THE LAND SWAP POLICY



A scenic view of Orestad: Developed using land swap model



Bangalore Airport: Modernised through land swap programme



Winston Churchill: Used land for infrastructure concept to develop 25 new cities

In places like Egypt however, where desert land is vested in the government, the issue of market rates in the development of its new cities does not arise. Dubai, Abu Dhabi and Saudi Arabia were able to achieve significant modern real property development on the platform of free land collaboration with the private sector. Nigeria, like the Middle Eastern countries, also has sprawling desert areas that belong to no one.

The Federal Capital Territory Administration considered the type of land-based financing most suitable in Nigeria.

There was the sale of development rights as practised in Sao Paulo in Brazil where a developer was allowed to change the land use to recover his investment or the more ambitious Orestad experience in Denmark where the 22km metro line was included in the infrastructure deliverables by the private developer. There was also the *Valorisation programme* in Cali, Columbia, that hoped to raise \$240 million from individual properties for roads and bridges improvements or the 1997 *Betterment levy* in Bogota, which got more than \$1 billion for municipal public works or the *Impact Fee System* in Phoenix, Arizona, that levied property owners the sum of between \$11,349 and \$31,622.

There were also the simple concepts on the table. Is it the *Chinese Land sale concept* that built a highway in Hunan province similar to a *Property swap* for a waterfront hotel development in Connecticut, USA, or the *Turkish Land Auction approach* in the transformation of an abandoned central bus station in Istanbul or even the Egypt's latest reform in its stride to build the Medinaty City in New Cairo?

Having examined all these variants, the FCTA considered the modern land swap model more realistic. It takes the best in all the previous models, avoiding their pitfalls.

The Attraction of Investors

The FCT administration provides lots of incentives and the required enabling environment that make its offer irresistible



By ANAYOCHUKWU AGBO

The first phase of the land swap programme is oversubscribed. Over 40 investors, local and international, applied to participate out of which 15 were selected for the 16 districts in the phase one. That is about 300 per cent surplus. Many factors account for this rush of interest in the programme.

Abuja, Nigeria's young federal capital is very attractive for living and for business. It is rated as one of the best 10 liveable cities in the world. It is the most secured city in Nigeria, the most populous Black country in the world. Abuja sits smugly in the centre of the country. And with a population of over 170 million people, it is the biggest market in the African continent. Abuja ranks among the best states in Nigeria in business rankings and is the easiest city in the country to start a business.

According to the Abuja Investment Company Limited, AICL, real estate, hospitality, transport, and financial services are some of the sectors that promise a high return on investment in Abuja. Land swap programme falls into this category.

In addition, the privatisation of all sectors formerly monopolised by government corporations is yielding tremendous returns for investors, negative market assessments prior to each round of privatisation and emerging security challenges notwithstanding. This underscores the great potential and high viability of business in Nigeria.

"Investors in the television, telecommunications, and now power

sectors are catering to a large market base whose proven purchase powers have helped investor companies raise their revenue exponentially. The Nigerian government recognises the private sector as the 'engine of growth and creator of wealth' and so is the main focus of ongoing reforms being implemented since the country's return to democracy," says AICL.

Some incentives available to investors willing to set up business in Abuja are:

- Access to land via the FCT Land Swap Initiative.

- Tax incentives like the pioneer status, "local value added" enterprises, local raw materials utilisation, labour intensive production, etc.
- The Nigeria Export Processing Zone Authority (NEPZA) is developing additional exports processing zones in different parts of the country.
- Nigeria is a signatory of the Multilateral Investment Guarantee Agency, MIGA, of the World Bank which issues guarantees against non-commercial risks.
- Very successful privatisation programme.
- Considerably large Economic Community of West African States (ECOWAS) market. (250 million people).
- Non-oil sector export incentives like the Export Expansion Grant and the ECOWAS Trade Liberalisation scheme.
- Competitive labour costs.
- Export promotion of locally made goods.

For the land swap investors, the return on investment projections clearly show that investors would recoup their investment and make profit in a very short period (**see box**). ■

	100%	45.00%
Cost of Infrastructure (N)	26,217,860,549.57	26,217,860,549.57
Total Size of District in sqm	2,220,000	2,220,000
Rated Cost of Infrastructure in sqm	11,810	11,810
Ceded Area	2,220,000	999,000
Cost of Infrastructure in ceded area	11,809.85	26,244.10
Assumed size of Plot area in sqm	1,600	1,600
Cost of infrastructure on Plot Area	18,895,755.35	41,990,567.45
Assumed Cost of Building	37,950,768.00	37,950,768.00
Assumed Additional Building Costs	15,000,000.00	15,000,000.00
Cost of House (N)	71,846,523.35	94,941,335.45
Cost of House in sqm (N)	44,904.08	59,338.33

★ *Return on Investment/Forecast*



Land Swap Gives Opportunity for Growth

Oloye Olajumoke Akinjide, minister of state for the Federal Capital Territory, speaks to **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor

What is your assessment of the land swap policy?

The land swap policy is an innovative way of bringing the private sector into an area that hitherto only government had taken on, which is the provision of district infrastructure. You will see that phase one was entirely funded by government. Under phase two, we experimented with two districts, Mabushi and Katampe, to bring in the private sector. We had a joint venture where the FCT administration contributed some money and the private sector also contributed some money. Now moving into phase four, these are green field districts, districts that have not been allocated to anybody. The land swap is for green field and the private sector does everything 100 per cent, including resettlement. As you know, government simply does not have the money to develop the city at the rate at which we have influx of residents. So I think this is very laudable, it gives the government the opportunity to invite the private sector with their innovation and their capital, while the government does what it does best, which is regulation – making sure the standards and the master plan are adhered to.

Do you think you have a robust legal agreement that could sustain the projects?

I think if you look at the history of the Federal Capital Territory Administration, you will see that we have a very good and excellent record of fidelity to agreements. It might take some time for us to sign the dotted lines, and get to agreement. But once we get to that, we don't go back on it regardless of a change of minister. I have no doubt that these agreements would be duly honoured, and we expect that the private sector would live up to their own obligations in terms of the quality and the funding that they say they have.

How is the interest of the ordinary Nigerian protected in the land swap policy?

It is protected in several ways. Number one, all these will generate a lot of commercial and economic activities and it is the so-called ordinary worker that is going to benefit in terms of employment, both skilled and unskilled. So it will generate massive employment. Secondly, in terms of land use, there are going to be areas that would be designated as low, medium and high density areas. High density areas are for affordable housing for the ordinary Nigerians. This will create more housing stock. And if supply is in excess of demand, then prices would be forced down. So I think we will see a decrease in both rental and sales values. You know Abuja is very high now in terms of the rents and in terms of purchase of land, not to talk of purchase of built houses. So I think if there is more supply, it will benefit everybody and make houses more affordable.

In terms of relocation and compensation for the indigenes, the problem in the past has been that the government does not have the money to fully



Akinjide

When I came I was told that the minister and the minister of state in the territory always have, traditionally, difficult relationships. But I am happy to say that Senator Bala Mohammed and I have had a very good relationship

relocate them. You still have indigenes of Jabi in the village; you have those of Garki village there and those of Utako. Here, the investors have provided for the indigenes that are going to be resettled. So I think this is going to be a good thing that people will not suffer any loss – loss of income, livelihood and cultural values because of the development that is coming to their area. They will be relocated and compensated adequately.

What is going to be the fate of the districts in phase two where we still have infrastructural deficit? Will they not be forgotten now that more districts are being opened by the private sector?

No, they will not be forgotten. As we speak, the agreement has been entered with the private sector for some of them. Katampe is already on; the PPP arrangement has been approved by the Federal Executive Council, FEC. The memo for Mabushi is also ready and going to the Federal Executive Council. Durumi and the other two are not going to be forgotten. In fact, we are working with the RCRC to approve the contracts and the arrangements. Those that government can do we will do. But really we have to concentrate on providing the major arterial expressways, water supply, power, ICT for the entire territory and the city. You remember recently we flagged off phase one of the Outer Southern Expressway, OSE, and we've been directed by the vice president to finish the detailed engineering for phase two. Unless this OSE is constructed, the land swap will not succeed because this is the expressway that starts from Asokoro and links up Gwagwalada. That is going to open up that area. So we have our work to do and the private sector has its own.

Among all the projects this administration has embarked upon, which ones are very dear to your heart?

All of them are dear to my heart but I think the Utako motor park will become transformational, and it will become the gold standard for other cities in this country, because as of today we do not have a modern transformational terminal in this country. If you go to the United Kingdom or the US or anywhere, you will have a place where rail, bus, taxis and everything is connected. You also have a lot of economic activities surrounding these hubs, like Waterloo Station, Victoria Station. That I think will transform the way people see transportation. We also have the affordable housing programme, which is a collaboration between the private sector and the public sector. We provide the site and the services, then give small parcel of land, this time directly to the end users. We've targeted cooperatives, they will build the housing.

We've completely removed ourselves from housing. If you give people serviced land, the houses would be built. There is a market for it. We have cooperatives that have lots of money, and can access money through the Federal Mortgage Bank and other mortgage banks. But we do need infrastructure in place to make the housing affordable. Two districts have been allocated for that by the honourable minister under my purview – Wasa District and Mamusa West District. So government does its duty to the low income earners by providing a site with full services – roads, water, power and so on and we give it to cooperatives of public and private sector workers who will build for their members so that there will not be a secondary market for the land where people are trading on paper.

We also have a contract with the private sector to build a modern abattoir in the territory. It is in Gwagwalada, an agro processing zone. In that place we will have a cattle market run by the private sector, a modern abattoir, a fresh farm produce market where we can source and package fresh produce, and ship it all over this country, West Africa and beyond, taking advantage of fresh produce cargo terminal being built at the airport by the government.

We have a very good and excellent record of fidelity to agreements. It might take some time for us to sign the dotted lines and get to agreement

Lastly, we are going to have an agro centre for people; small farm holdings where they can just come and hire tractors, harvesters and so on. There will also be a cold store where they can store their produce. We also have another farmland project in Kwali Area Council where we gave the land, about 30,000 hectares, to the private sector which provides the infrastructure for the farmland. These lands are now being marketed, so that you don't have to come to the minister for farmland. These are all people-centred projects in the FCT.

Under your tenure, what are the transformations in terms of infrastructure in the satellite towns?

We are starting to do GIS mapping of the satellite towns and the area councils because if you don't have a map, you really can't begin to plan. Secondly, we are completing the detailed engineering plans for all the satellite towns. So far we only have a few that had been done. And with the organic growth in the FCT, we find that we have fallen behind because if you don't have detailed plan you cannot award contracts for infrastructure. People are not going to wait for you. Massive movement is coming into the FCT from the South because of the economic opportunities and from the North because of the insecurity. We find that we are being outpaced in terms of settlers coming in and the infrastructure.

So we have asked that detailed engineering of all the satellite towns be done in terms of award of contracts in Karshi town, where infrastructure is being developed in phase one and phase two of the city, and has reached a very advanced stage by SCC. And there was no water, so we awarded a contract for a dam, water treatment plant and reticulation. For Karshi town, Jikwoyi and environs. Secondly, we awarded a road that is going to link Karshi-Apo road. The idea is to relieve the traffic that builds up on that axis. When the road is [completed], it will take 30 minutes to drive from Karshi to Apo. We are hopeful we will complete the road this year. We are working with the SURE-P people on that. The NYSC camp at Kubwa was massively rehabilitated. We have got the land for the permanent site in Kwali. The land has been surveyed and approved and the design has been put in this year's budget. We are going to design a modern permanent camp that will be a model in the country. The design should be completed this year and we hope that by next year we will break ground and start the construction. It will be a camp that we have not only residences but also a mini-stadia, it will be complete with all the amenities.

The land swap is for greenfield and the private sector does everything hundred per cent, including resettlement

We also have the stadium project; we are building a mini-stadium in every area council. The idea is that every area council should have a recreation centre where every young person can go. We are also relocating people from Nyanya Labour Camp, which was declared unfit for human habitation, to a new site where we are providing infrastructure. The contract for the infrastructure was recently approved by FEC for N14 billion. After that we will build houses for 7,000 families of Nyanya labour camp to the new site at Gidan

Daya, along Karshi road. The houses will be built through a loan we got from ADB (African Development Bank). We will provide all the amenities in the area.

Could you give us an assessment of the area councils? In what ways are they keying in to the Transformation Agenda?

I'm proud to say that we are probably the only government that complies fully with the letter and spirit of the constitution. We recognise them as the third tier of government. We do not have appointed area council chairmen; they are all elected at the right time and we don't extend their tenure. The elections have also been free and fair. That is one. The area that we are building on and developing is in the area of monitoring their activities. This is what I have spent the last three years building on. We started with doing a NEEDS assessment and a facilities assessment of the



infrastructure in the area councils – schools, rural electrification, roads, water supply and boreholes and primary health care. Now we have a comprehensive record of every single community, what they have and the state of the infrastructure, and where there is none.

The second thing we are now doing is working with the area councils on their budgets, to streamline it. We have given them a template for the budgeting, in terms of the technical template. And then in terms of the contents, we have given them policy directives – the ratio of recurrent to capital and the spread of projects, so that we approve their budgets now before it goes to their legislative houses. The third phase is procurement. We are now developing for them a framework for their procurement where we pre-qualify their contractors. We are not saying we will be the one to issue the contracts, No. But if you want a contractor, we want to be part of the process of pre-qualifying them. Just as we are also under

scrutiny and regulation by Bureau of Public Procurement, they also must be under regulation so that they only have contractors in their books that are fixed to provide the services. We are also now giving them a protocol for procurement of a certain amount. Beyond a certain amount, we want to be involved to monitor the process so that they get value for money and get competent contractors. We are also setting standards. For instance, we say every single primary health care centre must have water, a source of power, minimum staff, and disposal for medical waste in place. We are starting to build these standards and protocols because we find that half of them don't have water, toilets, electricity and some other facilities. For primary health care centres, we have given them three years within which to come to the minimum standards. But we can't do it all at once, so we are now looking at their budget and then the FCT administration will pay for some through the MDG programme while some will go through the SURE-P programme.

For the schools, we are setting the standards and saying every FCT primary school, which is under the area councils, must have a certain ratio of toilets to the pupil, a ratio of teacher to pupils and certain number of teachers per subject

‘Massive movement is coming into the FCT from the South because of the economic opportunities and from the North because of the insecurity’

and must all have water supply or borehole. We believe the area councils are the nearest to the grassroots, but they need support in terms of monitoring and standard setting.

How are they performing generally?

I will mark the area council chairmen as average; some are above average, but nobody is performing poorly. And I think they can optimise performance with the kind of support we are giving them.

What is your working relationship with the senior minister?

It's a very interesting question. When I came I was told that the minister and the minister of state in the territory always have, traditionally, difficult relationships. But I am happy to say that Senator Bala Mohammed and I have had a very good relationship. I think we are both here to do the best we can for our boss, President Goodluck Jonathan, who is a transformational president. And if you want to transform, you cannot spend your time fighting. I think also, may be because we are also both seasoned politicians and professionals. And may be the male-female combination also works. I don't know, but we have had a very good relationship, which is not to say that there are not areas where we have disagreed. But we talk it over and resolve it, not letting it affect the work of this great territory. It's a sacred trust which we take seriously. I'm happy to say that we have worked very well together.



Resettlement Made Easy

Land swap makes resettlement and compensation of indigenous settlers and other critical stakeholders better, easier and faster

By TAJUDEEN SULEIMAN

Since the seat of government moved to Abuja in 1991, resettling and compensating indigenous communities has remained a daunting task. While government can beat its chest that those in phase one of the city have been fully resettled and compensated, the same cannot be said of indigenous people in phases two and three of the city. The situation has led to massive dislocation of natives socially and economically across the city.

This is neither due to government's negligence nor lack of will to do the right thing. Government has had to balance meeting recurrent and capital expenditure with the need to develop a new Federal Capital City. That put a strain on the available resources in view of dwindling income and growing expenditure. The result is that government could no longer find the resources, which are quite considerable, to fund resettlement and compensation of people that would naturally be displaced by the development of Abuja.

That is why the indigenes are still scattered all over Jabi, Utako, Garki and other areas. Many of them live in slums close to the city centre and they have been dislocated socially and culturally. It has led to fears that slums may be growing rapidly in the capital city – a development that was not envisaged in the Abuja master plan. Usman Nga Kupi, the traditional ruler of Garki, said many of his people have been displaced and are yet to be resettled and compensated by the government several years after. He lamented: "My people are suffering from displacement brought upon them by the development of Abuja. They don't have farmland and they have been dislocated economically and culturally from their land and government is yet to resettle them and pay them compensation."

The land swap scheme emphasises the resolution of resettlement and compensation issues before any further development of the city. As far as Bala Mohammed, Minister of the Federal Capital Territory, FCT, and his staff at the Federal Capital Development Authority, FCDA, are concerned, not only would indigenous people and other stakeholders in the lands for the projects be fully compensated for



A Gbagyi villager

their farmland, they would also be either fully resettled or integrated into the new districts that would be developed. This is made possible because the private investors involved in the development of phase four of the city under the land swap would bear the burden of resettlement and compensation. According to Mohammed, the cost of compensation and resettlement would be built into the cost of development of the area.

Alhaji Musa Idris, Serikin Jiwa, explains the compensation and resettlement model his community prefers: "Adequate compensation for economic trees before encroachment is the best. That means when they come to your farmland, they should pay you for the economic trees that are there before they come in to start work. Secondly, as an indigene, you are a farmer, your father was a farmer, your

great grandfather was a farmer and you don't have anything to do. You need to be compensated with another farmland because that is your source of livelihood. And the certificate of that farmland should be written in gold that it is not for sale. With that you know that your house has been created for you."

He is also concerned about the new location. "But where would we be resettled? That is the question. Government has to look for the radius of the catchment area and keep us there. Moving us completely to other locations may be a little bit alien. We want a situation where the resettlement and integration may be within. For instance, if you are taking me away from here to resettle me outside my chiefdom, you are creating problem because tomorrow there will be a clash of authority between the two chiefdoms. So

the workable model here is to take a part of our town and settle us there, so that we can be in touch with our culture," advised Idris.

The problem was resolved by a ministerial committee which engaged all parties, including the local inhabitants. The committee agreed that the investors should fund the relocation of the Project Affected People, PAP. The recommendation submitted to the minister on August 6, 2014 was approved. The investors, together with officials of the FCDA, have since engaged the indigenes in the affected areas in a series of consultations and dialogue, in the process agreeing on the compensation to be paid for the farmland, but talks are still ongoing on whether the indigenes want to be resettled or integrated.

In previous administrations, the policy on resettlement entailed developing a new settlement for the people far from their original land. However, feelers from the affected communities show that it has not yielded positive results. If the communities under the land swap choose resettlement, they are likely to be resettled either at Wasa or Burum districts of the Film Village, all in Garki kingdom of the Abuja Municipal Area Council, AMAC. But integration requires developing new settlements for them alongside the new districts to be built by investors. The first option will entail creating two resettlement areas, one each at sectors "N" and "O", where all communities within the respective sectors are resettled. The other option is to create integration zones within each of the lots whereby the communities are resettled within their original districts of the land swap.

But the good news is that whatever option the people choose, it would be executed before the investors start



Gbagyi people of FCT

developing the land allocated to them. That means the problem of resettlement and compensation would have been fully solved before development of the new districts begins. This is why everyone involved in the land swap – government, investors and the people – are understandably excited about the novel idea.

Olaajumoke Akinjide, minister of state for FCT, says: "Here, the investors have provided for the indigenes that are going to be resettled. So I think this is going to be a good thing that people will not suffer losses such as loss of income, livelihood and cultural values, because of the development that is coming to their area. They would be relocated and they would be compensated adequately."

Nga Kupi is also excited by the initiative put forward by Mohammed. He said the land swap would be a blessing to his people and other indigenes of Abuja if all agreements were fully implemented. Perez Bussa, a spokesman of the indigenous

communities in the land swap areas, said the FCT Minister has become a hero among his people as a result of the land swap innovation. Previously, the indigenes complained they were not carried along by government in terms of issues of resettlement and compensation, but that has changed under the FCT administration headed by Mohammed. Now the communities are part of the negotiations and planning for resettlement and compensation.

A Technical Steering Committee headed by Adamu Ismaila, the executive secretary, FCDA, identified 17 villages and about 40 nomadic Fulani settlements, totalling about 19,000 people to be affected by the development of phase four south of the Federal Capital City under the land swap. If the communities choose resettlement, it will cost the investors not less than N48 billion jointly. But if the integration option is preferred, the cost will be N40 billion, N8 billion less than the first option.

Talks are ongoing among all stakeholders on which of the options are best for the people. Francis Chukwu, director of Resettlement and Compensation, says: "For now we are yet to conduct the valuation for compensation, but we have done the biometric data capture; we have done the demography, and we have taken the census of all the houses and structures within the site. We have done analysis of the housing requirements that are meant to be the entitlements of the community, and we are now at the stage where we are now discussing and interacting with them to agree on the way forward with regards to the implementation of the resettlement scheme."

What applies to Phase IV of the city is also applicable to other areas where the land swap model has been adopted such as the Centenary City, Industrial Park, Sunrise Hills Housing projects and others.



Indigenous Abuja occupants going to the market from their farmlands

'Original Inhabitants Are Fully Protected'

Francis Chukwu is the director of Resettlement and Compensation, Federal Capital Territory Administration, FCTA. He speaks to **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter, on a number of issues including how government is taking care of the interests of original inhabitants of Abuja affected by the land swap policy

What is the resettlement plan for people affected by the land swap policy?

The FCT will capture the statistics of all indigenes and Nigerians that are within the land swap area. The essence is that they need to be resettled and compensated and we therefore need to have a comprehensive data of all persons that are within the resettlement sites. Of course we will have to analyse this data in such a way that we will be able to determine the original inhabitants who are entitled to resettlement. And in doing that, we will take the demographic study, their biometrics and detail analyses and survey of the houses they occupy within that site. This will now help us in determining what their housing requirement and their compensation entitlements are meant to be. And with that, we will now be able to prepare a scheme for their resettlement which will either be integration or relocation as the community will decide. Of course we are discussing with them with a view to carrying them along in the conduct of the exercise.

Are you carrying them along for the integration or relocation?

No, we are discussing with the community as at now, and the essence of the discussion is to carry them along. Initially, they used to complain that they were not carried along in the previous resettlement schemes. Now with the administration of this minister, it is an all encompassing activity where they are carried along and whatever are the issues that affect them are discussed in detail. The essence is that, by the time we have done this, we will be able to determine what their housing requirements will be. There

With the administration of this minister, it is an all encompassing activity where they (indigenes) are carried along and whatever are the issues that affect them are discussed in detail

Photo: ADEWALE ADELOLA



are other demographic data which is required like, by the time you know the population you will now be able determine the number of schools, and other issues that affect their social lives. And the essence is to be able to have this full data and thereafter discuss with them on what option they want. So this is the stage at which we are because they need to be carried along. And whatever option is achievable or is acceptable by them we will now plan towards achieving that programme.

Have you captured all the districts?

For the land swap, sectors N and

O, we have done that. Even for the Centenary City, we have done that because it is the same land swap model that we have adopted.

For instance, we have places like Maitama, Asokoro, Apo that government built, and paid certain compensation to the natives. Is the rate the same with what will be paid at centenary city and others under land swap?

No. What we have done is that we have updated our data and the rate is according to the geopolitical zones. The rates have been agreed and acceptable to all throughout the federation. So the FCT belongs to the North-central geopolitical zone, and there are rates for each zone, we have updated it to the current rates that are applicable to this zone.

From your personal perspective, do you think that the natives are fully protected under the land swap programme?

The natives are fully protected, and that is why I'm saying that it is something that all stakeholders are involved in.



Bala's Magic Wand

By NOSIKE OGBUENYI

Within a space of approximately four years, the tenure of Senator Bala Mohammed as minister of Federal Capital Territory, FCT, has witnessed the unbundling of the nation's capital in a most unprecedented manner. Investment opportunities in Abuja have blossomed like Mayflower under him thereby making the city unarguably Africa's fastest growing FCT.

What would certainly go down in history as the greatest catalyst for rapid development in the FCT is the land swap system, an innovative land-based financing of infrastructure development formula introduced in this clime by the strong-willed and courageous minister. As a territory experiencing budget crisis in its infrastructure development funding amid huge resettlement and compensation backlog, land swap proves apt and handy.

The system involves the granting of land to competent real estate developers who will in turn provide infrastructure, such as good roads, electricity, potable water, storm water drainage, sewer lines and communication ducts to the residents, without any tangible financial demand on government. It is equally a response to FCT's population implosion caused by a maddening rush to the centre away from sundry security and criminal threats in virtually all other parts of the country.

Land swap is a policy that is designed to salvage an otherwise pathetic situation. The system is quite transparent and has been widely applauded. By any yardstick, the opening of 10 districts simultaneously in a space of four to five years by the incumbent administration of President Goodluck Jonathan and Senator Mohammed in FCT via land swap is revolutionary. And the masterstroke innovation does not imply that the FCTA has stopped direct infrastructure provision through the familiar contract award system. Presently, the FCTA is undertaking infrastructure provision in no fewer than five districts. Nobody can claim ignorance of these remarkable strides of the minister and his FCTA team. Among the districts which infrastructure jobs are being directly executed currently by the Bala Mohammed administration are Goodluck Jonathan District (Maitama Extension), Kagini, Jabi, Wuye, Guzape and Katampe districts. Kyami District is set to join the fray later this year.

Having learnt enough from the pitfalls of the mass housing system which was conceived in 2001 and took off in 2003, the minister made sure that the memorandum of understanding, MoU, which he signed with the land swap investors gives no room for the kind of technical and financial risks the administration bore in the mass housing intervention. Moreover, the FCT minister under the provisions of Section 8 of the Land Use Act reserves the power to revoke the contract in the event of any breach of terms of agreement by any investor.

Under land swap policy, the investor is permitted to sell plots of land or houses to individuals, companies and institutions as the case may be, provided he has serviced the district with stipulated infrastructure. The intention as stated is to narrow the gap between plots/housing demand and supply.

Again, the land swap intervention is predicated on sound legal and institutional frameworks. In Nigeria, the land tenure system is regulated by the Land Use Act which, based on the country's legal



Senator Mohammed

jurisprudence, has been described as a constitutional legislation with overriding capacity.

Let me point out that unlike his predecessors who allocated different sizes of plots of land with reckless abandon, the present minister of FCT has made it very clear that he would not allocate any land without adequate consideration for infrastructure provision.

The FCT land swap model is thus a product of necessity that arose from the good heart of a Minister whose selfless zeal is to fulfill the aspirations of Abuja's founding fathers. Under land swap, the investor is permitted to sell plots of land or houses to individuals, companies and institutions as the case may be, provided he has serviced the district with stipulated infrastructure. The intention as stated is to narrow the gap between plots/housing demand and supply.

Bala's amazing transformation via massive private capital injection into FCT has brought about many other quick wins such as the light railway scheme, the Centenary City project, the Abuja Industrial Park scheme, the City Centre Project, the World Trade Centre, the Jabi Lake Resort as well as the Abuja Technology Village and the Abuja Automotive Village to mention but a few. Certainly, Bala has changed the face of Abuja for the better in an irreversible manner.

• **Ogbuenyi is the special assistant on Media to the FCT minister**



'No Minister Can Cancel Land Swap'

Adamu Ismaila, an engineer, is the executive secretary of the Federal Capital Territory Development Authority, FCDA. In this interview with **Tajudeen Suleiman**, senior associate editor and **Chineye Eseke**, reporter, he talks about development projects in the FCT as well as efforts to get the private sector to drive development in the city through the land swap programme.

Could you summarise for us the developmental achievements under Bala Mohammed, the minister of the FCT? Let me give you a brief history first. You know the Federal Capital Territory, FCT, was created in 1976 by the then Murtala/Obasanjo administration. The reason for the creation then was that government wanted a capital that was more central, secure and has more and better infrastructure than Lagos. With the creation of FCT, the FCDA was established by a decree and saddled with the responsibility of planning and development of the FCT. At that time the government envisaged it would develop FCT within 25 years. But where are we now? We have not gone too far. As at today you can say we don't have more than 12 districts fully developed, principally phase one and part of phase two. By the time Bala Mohammed came as minister in 2010, we had so many projects that were awarded by previous administrations, which are of importance to the city and the country in general, but had one problem or the other – contractual and, some, non-payment. They were almost at a standstill.

On assuming office, the minister set up a committee to assess the situation on ground and draw a road map. The road map was drawn by the committee and we decided that we would first of all face all these ongoing projects before the new ones. We swung into action by addressing them individually. Principal among them is the water projects – TAM 1 and 2, the Lower Usman Dam phase 3 and 4 treatment plant, the Airport Road,

Photo: Adewale Adelola



the Outer Northern Expressway, the Outer Southern Expressway, the Inner Southern Expressway and the ongoing district. We resolved the contractual issues on all these projects and also facilitated the continuation of the projects by ensuring that we funded them. As you can see today, the traffic is flowing on all these roads. Also you can see the Inner Southern Artery Access, coming from AYA going through the Federal Secretariat is virtually completed. Work there has gone very far and before the end of the year the flyover will be completed.

Also you can see the district infrastructure; we have resuscitated Guzape, Karimo, Idu, Maitama extension among others. And to further ensure that traffic flow in the city is further improved, we took off among the flagship projects, the Outer Southern Expressway – the one coming from the Brigade of Guards going to the Apo area and linking with Nnamdi Azikiwe Expressway. Two weeks ago, the Vice President did the ground breaking for the take-off of that project. The contractor is working in earnest, and on that road you are going to have 45 flyovers so that the usual chaotic traffic that we have on that road in the morning and evening will be a thing of the past. We are working very hard to make sure that the project is completed within the period of the contract.

'This is a federal government project; it is not a project for the FCT minister alone. The Federal Executive Council gave its nod to the project. So no minister can come and say no, I will cancel it'

The famous land swap project, which is first of its kind not only in Nigeria but in Africa, is yielding result. We have almost completed preparation for the take-off of the land swap projects, and very soon the ground breaking will be done to indicate the take-off. The projects will relieve the federal government of funding infrastructure directly in the city. Can you imagine if government were to fund these districts? How long will it take? If not for this initiative, I don't know what we would have done. But now we have found a new way. Among the private sector initiative associated with the land swap is the Industrial Park at Idu. It is being handled by the private sector. We have finalised everything and the contractor is working in earnest without the FCT or the federal government spending a kobo. We also have the Sunrise district where work is going on without the government spending a kobo. The World Trade Centre is also being handled by the private sector. The honourable minister facilitated all of these. So I think we have done very well.

What would you say are the benefits of the land swap as an

**instrument of development?**

The principal benefit of land swap is that in the past, we had problems with resettlement of indigenes. All along government has not been able to build a resettlement scheme for the natives where infrastructure is being developed in the city. We have the Shere/Galuwi resettlement scheme, the Wasa resettlement scheme, and up till now we have not gone far. So we can see we cannot relocate those affected by development in phase 1 and 2 of the city because of the non-provision of resettlement scheme for them. This is one of the main issues the land swap project would resolve. The private investors are the ones that will develop the resettlement scheme with their money for the inhabitants. They will build the infrastructure and build the houses for them. We worked in conjunction with the natives to agree on the plan. So this is one major benefit. Another benefit is that the government will now be relieved of spending money on infrastructure and have more funds for other social services for the residents of the FCT. Then employment will also be generated. Many people will be employed and the economy will [grow].

What are you doing to ensure that the issue of resettlement is amicably resolved?

A committee was set up to dialogue with the original inhabitants – the youths, elders, traditional rulers and all groups. It was a very transparent process and there are no problems again. Initially there were problems based on lack of understanding of the programme. Now they have understood and there is no problem. We are at the final stage of selecting which type of resettlement scheme. So they have agreed. In the next two weeks, we will finalise.

What are the institutional frameworks to support all these projects that have been mentioned so that when a government or a minister goes, it does not affect the investments?

This is a federal government project; it is not a project for the FCT minister alone. The Federal Executive Council gave its nod to the project. So no minister can come and say no, I will cancel it. There is an approval of the federal government, and government is a continuum. And there is an agreement signed between the government and the investors. So all parties must follow the agreement. After all it is more to the benefit of the government because it is not incurring any expenses. Any administration that comes will continue with it because it is an easier and faster way of providing infrastructure for the city.

What are some of the challenges you grappled with to make sure all these projects came on stream?

The challenges are principally that of funding.

You are the executive secretary of FCDA; could you also tell us what you have achieved in office?

When I came on board, I tried to continue with the work my predecessor left on the ground. Those projects that had problems, I made sure the problems were resolved with the understanding and support of the honourable minister. As you can see, all these projects are now ongoing and moving smoothly. Another thing is the resurfacing of the city. The roads have been there for about 33 years and the asphalt has virtually collapsed. I pursued this matter and made sure the minister understood it and he gave his support. Now people are very happy about it. It is an ongoing project and we are rolling it over until we complete Wuse, Garki and we will move to Asokoro. Nobody realised the need to

Photo: Adewale Adelola



resurface the roads in the past until now. Usually the lifespan of the roads is 15 years, but our own has lasted over 30 years.

Also, part of what I consider an achievement is being lucky to be the one saddled with the responsibility of handling this new project of land swap. It is an entirely new thing, and by the grace of God we are making headway.

What have you done to make civil servants buy into this new phenomenon called the land swap?

First and foremost I will like to say it is not a civil servant programme. Only the technical officers that are part of the execution of this programme we had to educate. We had to first of all educate them. There were misconceptions on the side of the technical civil servants, thinking that they might lose out. But we had to discuss with them, engaged them and showed the essence of it. Even I had to be educated about it to buy into it. It was really not easy. It took us a lot of time to get the buy-in of the civil servants associated with the programme. But now it is clear to all of us and everybody is eager to participate. They have realised that it is going to bring more jobs for them. You can imagine now we are going to recruit more engineers because so many districts are going to be developed and we need more engineers. After all, civil servants don't award contract; it is the government that does. So their role is still there, in the implementation of these programmes.

Some people still think there are issues of corruption in the FCDA. What are you doing about that?

I don't agree with that; there is no corruption in the FCDA because up till now, none of the FCDA staff has been invited by any of the anti-corruption agencies. The EFCC, the ICPC or the police have not convicted anyone on charges of corruption. I cannot say there is no corruption entirely, but it is very minimal. I also make sure that things are done transparently here. We monitor everyone very well.

You have worked closely with the minister of FCT. What kind of administrator is he?

I have worked with all the FCT ministers before the present one. Each one has his own qualities. But there is something I can say about the present minister – he is very pragmatic, courageous and forward-looking. He is one of the best ministers we have ever had. All he wants is achievement. If you go to him, he would ask you what is the way forward? He doesn't want to hear complains. How do we achieve? That is his concern.



Abuja Is Set for Change

Jamilah Tangaza, executive director of Abuja Geographic Information Systems, AGIS, discusses the role of the agency in the land swap policy in the following interview with **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

The last time we saw you, you had almost completed your systems upgrade and were waiting for the commissioning. What is the state of the infrastructure now in AGISs?

Since our conversation some few weeks back, we are pleased to report to you that the AGIS systems upgrade was actually launched by the Senate President, David Mark. He actually did the launching and of course with the honourable minister, permanent secretary, and the minister of state and others in the occasion. We invited the general public because we did promise the FCT residents and indeed all Nigerians that we would deliver within a certain time frame and I am pleased to report that we were able to achieve it. We have already started the trajectory of what we said we are going to do.

We have been able to achieve all the goals within the time scheme that we said we were going to. As I am talking to you now, every single hardware has been deployed. Every software has been installed into the system. The applications are up and running and we are experiencing fast and more efficient service delivery here and of course that is the fourth stage. The next stage we have already outlined it for ourselves; I will not want to publicly announce what the next stage will be. It is probably going to be another exciting source of adventure in my field, which will of course come with a lot of benefit to many Nigerians.

May we just have a peep into the 'next stage'?

We are actually trying to use mobile technology to bring and deliver services to people so that you don't have to physically come to AGIS to conduct your business or transaction. That means we are creating data efficiency on our part and also cutting down the transaction cost for customers for FCT residents.

Looking at the land swap policy, what is your view of the policy?

My view and, by the way that is very strong, is that you will reach a certain level of development in any part of the world that you will discover that you as a government cannot do it alone. No matter how strong you are, no matter how financially well Nigerians have been doing in the last sixty years, times have changed and financing regulations too. Financial matters, especially as it relates to physical structure of development of modern city, have changed and I think it is one of the best that has happened in the last few years in FCT – the introduction of the land swap initiative.

So what part is AGIS playing in the land swap policy?

The role that we are playing is basically technical. Don't forget it is a technical world and you know we are the custodians of the geo-spatial data of the entire FCT. So we are playing very

In fact to be honest with you, even if 25 per cent of that is achieved I think the face of Abuja will change spectacularly



Tangaza

Photo: ADEWALE ADELOLA

critical complementary role in land swap. We are the ones who would provide pages of the data. If for example a company has indicated interest, we work very closely with the Abuja Investment Infrastructure Company. We provide them the layout of the specific districts that are available. They will then sit down with the investors and say these are the areas that we have. We provide a lot more, the actual data including the contours – everything. We give the data to AIIC, then AIIC will sit with the investors.

It is from there that you will take a copy; they would assess the financial master plan, the technical capability and all other prerequisites. Once they satisfy that criterion, we will then allocate. We tell them this area is where you can develop based on your submission. It is from there that they now come back to us and we will give a lot more details of their specific district. And it is based on what we provide that they will go away, do their survey and come up with survey data, initial technical design and initial architectural design. You need the layout design which you will use to do further discussion with AIIC and other critical departments, especially the FCDA. The engineering departments will then sit down and come up with a workable plan before we put it on the table of the honourable minister.

Would you say that AGISs have been able to capture all the districts in FCT?

Of course!

Including the land swap area?

There is something you need to understand. When you

have satellite imagery (showing a sample), once you acquire the satellite imagery, automatically you have captured the old existing features of the land. So, to answer your question, yes, the acquisition of the satellite imagery gives us the privilege of having everything at database. However, don't forget that we still have virgin areas; they call it green field that has not been designed. So what usually happens is that the Department of Urban and Regional Planning, under the Federal Capital Development Authority, FCDA, based on whatever discussion they will have with the honourable minister, will now be given the authorisation to go and design a particular area.

Again, that will depend on the development needs of the capital. So once they design, they take it to department of survey and mapping who would bring out all the survey data. Once the survey data is brought to the FCT, once survey data has been generated, they will bring it back to the FCDA; this is the sample of the survey data (showing a sample). It will then be brought to AGIS for capturing. This is just an example of another place that is been redesigned and this is the job that the Department of Urban and Regional Planning has done. This is the final job as you can see and the survey data has been generated before it now came to my table and I am now going to send it to my GTI who will capture this survey data in the AGIS system and then you will have it within the AGIS database.

In this green area, they do not have a design; you will now have a design. You will see the potential roads; you will see the green areas; you see the rock and then the places which will be used for either commercial or public institutions, how it will be improved and the areas that will be used for residential. So that is how it is done. As I am talking to you now, the land swap investors have actually gone very far. Most of them have gone very far with their designs but we are the last bus stop because once you put a design in our system it is always very difficult for us to change it. We try to avoid that. So they will have to submit their designs to the engineering department of FCDA who will check and cross-check and ensure that it satisfies every single criterion which FCDA has been following in the last 37 or 38 years.

So you have the data of all the plots in the FCT?

Absolutely! You can actually give me a plot number from your head and I can show it to you, unless the land is false or fake (laughs). Any genuine plot that was actually designed by the Urban and Regional Planning has been captured and it is in our system!

Does the land swap policy increase or decrease revenue for AGIS?

It will increase revenue for the administration. Right now it doesn't really mean the payment of, say for instance, ground rent. For me revenue would be a bit more for this stage. In the Centre we are trying to open up new districts; it is going to provide jobs, it is going to provide opportunities. So in terms of revenue for the administration, definitely it is unquestionable. The land swap is going to bring in a lot of that and again once the

system is actually fully operational, I certainly believe that we will see a lot more of that coming in our direction.

From your travels across the world, do you know any other part of the world where the land swap model was used successfully?

Absolutely, I don't know if you have heard about – they call it The Shard of London. The Shard of London is the tallest (72 floors/306m high) building in the whole of the United Kingdom. It was a Public Private Partnership, PPP, agreement with the government and it obviously took a lot of negotiation. When I was in England, I had a lot of interest in the Shard of London. It is such a fantastic example of PPP that has gone very well. I can even mention Singapore; we have gone to Egypt. All these places have done different sort variant of the land swap. Basically, the land swap is simple transaction, it is just PPP whereby the government and private

sector come together to produce a nice product. The benefit will be felt; one, on the part of the investors; two, on the part of the government; and three, on behalf of the public. So it is a very interesting collaboration that has been going on for quite a while.

What are your fears for the land swap policy?

Honestly, I believe that my fear for the land swap is continuity. Continuity in the sense that someday something happens and then the initiative is dumped. That is the only reason; it is not exactly fear, it is a slight discomfort, I wouldn't call it fear. Even at that, if you look at it very well for any person, for any administrator, for any leader, the bottom line is what I am going to do to demonstrate to the public, to Nigeria, to investors that we are serious about the development of Nigeria's primary city. Any administrator will be interested in fast-tracking the development because it is in their interest. On one hand, I have a slight discomfort but on the other hand I have comfort in the fact the possibility of dumping the project may be a bit remote because the circumstances and the reality of funding of the FCT are unlikely to change. It is almost impossible for us to go back to the previous way of funding district development in the capital because quite frankly, the truth is, the finances are not there anymore. Don't forget because of the change in democracy everyone is coming to Nigeria. You have to find a creative way of continuing to build FCT. There is some encouraging belief that reality will ensure that we carry on with the land swap.

When the land swap districts are fully developed, what impact are you expecting them to make on Abuja?

Based on the concept, based on what we see on paper, if all of that be done, in fact to be honest with you, even if 25 per cent of that is achieved I think the face of Abuja will change spectacularly. I am very optimistic that all things being equal, if everything goes according to plan, based on the layout, based on the visual conceptual design, I believe that what we will be seeing in Abuja in the next five to 10 years will be a spectacle and I am just holding my breath to see that day!

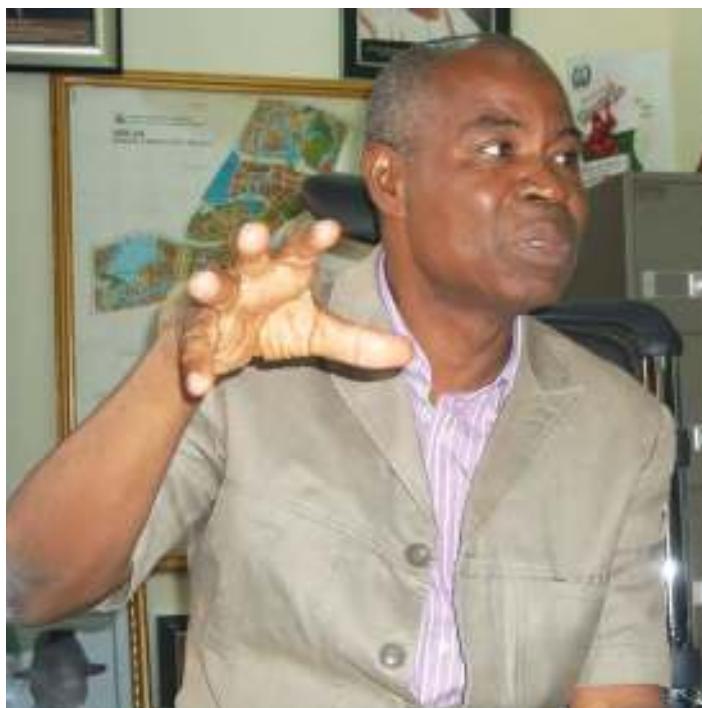


Photo: ADEWALE ADELOLA



'Our Initiative Conforms With Master Plan'

Yusuf Anako is the director, Development Control, Federal Capital Territory Administration. He speaks with **Tajudeen Suleiman**, senior associate editor, and **Samuel Torlumun**, reporter.



What activities do your department carry out under the FCT Administration?

Development control is under the Abuja Metropolitan Management Council. This is the agency that manages buildings approved by the FCT Administration in the federal capital.

What are the achievements your agency has recorded since the advent of Senator Bala Mohammed as the FCT minister?

I can tell you that one of the achievements we have been able to bring on board this administration is the introduction of digital management of building plans. Before now, it was analogue. That is, people submit their building plans to us as papers. Because we also had to keep records of such submissions manually, it was hectic. Given that the city is growing astronomically beyond our earlier plans, we could not continue with that earlier method. Under the able leadership of Senator Bala Mohammed, we have been able to move along with the times. Today, people are able to submit their building plans as soft copies. When they do that, we

Under the able leadership of Senator Bala Mohammed, we have been able to move along with the times. Today, people are able to submit their building plans as soft copies. When they do that, we log into our own system so it makes the process of building plans registration easier,

log into our own system so it makes the process of building plans registration easier.

So what has these translated to in terms of efficiency?

It has helped collapse the length of time you spend getting building approvals. This is because all aspects of this system are synchronised and could all go on at the same time. Now you can have your building plans registered in three weeks, unlike before when it could take months.

So how has your agency been involved in the land swap project?

For our agency, the indigenous villages that were inherited, the idea was to resettle them so that every Nigeria could have claim of FCT. For us, the prospect of such resettlement brings about challenges and opportunities. Recall that the private sector is principally on the driver's seat in the project. Now if all goes well as planned, then our workload will be drastically reduced. When lands are allocated to indigenes as resettlement benefit, they tend to invite people to come and join them in the place. This often leads to distortion of the plans already made for the area. Now, you will see that our agency have been moving into places to remove structures that are not part of the plans. But with the land swap deal, we do not expect this kind of problem in years to come. You see, much of the houses that have had to go come from resettlement issue not properly handled in the past. But now, as we learnt, the private sector will not only handle the resettlement but also help them build their houses. Invariably we will be dealing with a more organised intermediary on their behalf. So it is a wonderful prospect. Now the level of development expected in those areas will be according to what has been planned. In this new dispensation you can be sure that what you have designated in the master plan will be more realisable with the land swap project. Development control is not just about processing of building plans. We are also in charge of handling the development of telecoms operation in any area. Against the background of the radical improvement we are going to see in the power sector, if we are able to open new area and provide them with power and telephone infrastructure, then we can begin to know ahead what alternative plans we have to replace the previous ones.

But have there been challenges in terms of compliance to building standards in the FCT?

There has been several. We had challenges with uncompleted buildings in the FCT. At some point we counted up to 400. We have had to write the owners personally and there have been appreciable responses. The telecoms companies too have been taking us for granted. They feel they can expand their business without having to come and pay their bills. We have to talk to them and the response has been encouraging. You must have also heard that in some places we have had to bring down some telecoms masts.



'Land Swap Will Bridge Infrastructure Gap'

Adamu Alfa Abu is the director of engineering services, Federal Capital Development Authority. He speaks with **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter.

What are the engineering components of the land swap project, the Abuja Industrial Park and the Abuja City Centre Development?

The engineering component for the land swap projects or the land swap development is not different from the ones we had done before. The only basic difference is the mode of funding for the infrastructure. That is where the difference lies. So engineering in FCT has been planned, right from inception, according to the master plan. We have series of engineering construction facilities planned for the districts according to the provision of the master plan. They come in form of water supply, road development, power supply and waste disposal system.

If you look at what has been achieved from inception, we can give you a brief breakdown of what we have done in terms of road development in FCT. We have what we call the primary roads in the territory. These are the roads that are linking FCT or linking Abuja to the regions. We have the road called arterial expressway which is the popular Kubwa Road. It is linking the plank B road from Kaduna to Lokoja. Apart from this primary road, we have the Airport Expressway which is connecting the city of Abuja to the airport and also linking it again through the front road. We have outer and we have the inner-southern expressway. This one connects traffic to the North-eastern states going through the Nyanya area. We have the various ring roads connecting all the phases of Abuja.

From the inception of Abuja till today we have just been able to develop about 12 districts, while about five are under development. I am telling you this so that you will know the huge gap of infrastructure deficit that we have in the FCT. And that's why the essence of this land swap cannot be over emphasised. We still have many districts that need to be done. In the land swap districts there are many locations; we have the one we call phase four south, which comprises two sectors. Each of the two sectors comprises four districts, so these two sectors now have eight districts. Now the infrastructure we are providing there are basically exactly the same with the one we are providing in Wuye, Wuse, Maitama, even in Central Area. Because we are using private sector funding does not change the concept, the master plan concept is strictly being maintained and the standard construction is exactly the same. The standard is the same as we have in phase one that is Maitama, Wuse, Asokoro and all these areas. Even when we complete the land swap districts they will be exactly the same streets as we have in other districts. It does not matter that we are using private sector finance, the quality, the standard will be maintained. The district infrastructure now comprises taking primary infrastructure such as water, power and roads, into the new districts to be opened. The new districts would be bordered by the Inner-Southern Express Way and Outer-Southern Expressway.



Photo: ADEWALE ADELOLA

What about the Industrial Park?

The Industrial Park is another area the FCT administration is putting another effort where an investor is already on ground providing infrastructure. I think we have about 200 industrial plots that will be made available through some investors. Work is already ongoing and the developers have shown commitment to delivering on their promise.

What makes the infrastructure in Abuja different from what we have in other places?

Yes, this is a very good question. Elsewhere in the country, say some other state capitals where you have fairly good infrastructure, when they start with the road, they will finish and then start streetlight. Later on you see them come and start digging the roads again to lay water pipes. Later again you see them digging suck-away. But Abuja has come with a standard international best practice where the entire infrastructure are centrally constructed along the corridor of the road. The sewage pipelines are fused, from your house you connect to the sewage and off it flows to the central sewage station. Water supply and power are also laid along the road network, and everything go under the ground. That is why in all the districts we have built, in Maitama, Wuse, Asokoro and others, you will not see poles distributing power.

The entire infrastructure are done at the same time. Another important feature of our infrastructure is the standard. The roads in Abuja are of such standard that you will not need to do any repair for a number of years. All our roads always perform even beyond their designed lifespan. For example the roads that are being used in Wuse and Garki now were designed to last for about 15 years, but they have served us for about 20 years now. Now that the cost of tomorrow is being paid today by building a standard, strong and reliable infrastructure, and that is difficult for the other states of the federation.

Does a different source of funding pose some different kind of challenge for your department in terms of providing engineering support? Are you fully involved?

No. It rather provides us an advantage. For example, we are already using the money in paying for the design of the infrastructure. The design of the infrastructure was done through consultants, we just provide guidelines, we give you specifications, and then we do oversight supervision. But the consultant who carried out the design only takes the developer's instructions and he turns them in effectively. A lot of things that would ordinarily take us a long time because of funding challenge are now being done with investors' funds. So it's an advantage for us and not a challenge. And like I told you we raise our certificates as we normally do, irrespective of the fact that the project is funded by the private sector.



Developers Must Conform to Specifications

Oluwole Aderinto, deputy director, Urban and Regional Planning, FCDA, speaks to **Samuel Torlumun**, reporter, and **Chinenye Eseke**, reporter.

What is the land swap all about?

It is simply a public private partnership where the administration uses land (the 8,000 square kilometres land of FCT) as equity for the provision of infrastructure. The administration has invited investors, provided the infrastructure and the department has been directed to select two sectors for development. A sector comprises four residential districts; each district is further sub-divided into two, thus giving us 16 investors in the first segment of this programme. We have sectors "N" and "O."

What is the overall planning strategy of the programme?

The scheme came about because the government felt the need to provide infrastructure in most of our districts that have already been planned. It is of no use allocating land without having means of providing infrastructure in the districts. So the administration thought it fit that since we have the land, we can invite the private

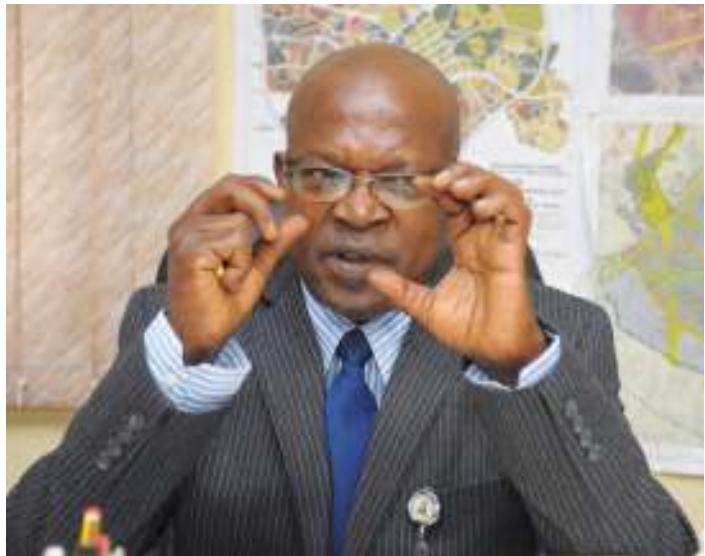
We in the FCT have a driver which is the Abuja Infrastructure Investment Centre blessed with a crop of professionals who came up with the suggestion that instead of spending this huge money in providing infrastructure, why don't you invite private developers? ,

sector on a public-private partnership, PPP, basis to come and provide the infrastructure while we use our land as equity. After the development, the plots would be sold and whatever is realised from the sale would be shared on the basis of 60/40 per cent where the investor takes 60 per cent and the FCT takes 40 per cent. Apart from these two sectors, we also have two other PPP arrangements at the industrial area where we have the Industrial Park, which is being handled by Zeberced. We also have Carraway Dallas, which is along Nyanya Road, where a similar arrangement is in place.

Why do you think the government adopted this model and how useful is it in solving the infrastructural problem?

Government finds it very difficult to fund the provision of infrastructure. We in the FCT have a driver which is the Abuja Infrastructure Investment Centre blessed with a crop of professionals who came up with the suggestion that instead of spending this

Photo: ADEWALE ADELOLA



huge money in providing infrastructure, why don't you invite private developers? We had series of discussions with them and we even had to engage consultants who had an overview of the whole projects – the estate, planning and engineering consultants. They were invited to take a look at the concept of the entire city – phases 1 to 6, with all the connectivity in place. After all these have been done, we then invited developers for the expression of interest in the provision of infrastructure and carried out due diligence. We made sure that every developer conformed to the city planning requirement and programmes.

Did the developers meet all your requirements?

We are satisfied because at every stage, we evolved what is called inspectional report. When you do you inspectional report, we look at how you understand the dreams and aspiration of the authority. We give you a planning brief and when you bring your inspectional report we look at it to see how it conforms with all these, before you go to the draft final. We also appointed what we call the supervising planning consultants, engaged by the authority, to supervise these investors to make sure they don't cut corners. For instance, if you build a neighbourhood that has no hospital, you have deprived the residents of health facilities. The same with police station, post office etc. So the supervising consultant would ensure that all these things are in place before he recommends to the authority for final approval.

Did you at any stage have cause to advise the minister about certain things that were not done?

Yes, when we find out that any investor is not forthcoming about certain things or when we have resettlement issues, we might need to advise the minister. For instance, one major problem we have which is resettlement, where we don't have the full cooperation of the original inhabitants of the area. But the minister has been trying to dialogue with them to reach a compromise.

Could you speak more on the other projects?

I spoke about the industrial park at Idu. You know Abuja is popularly referred to as a civil service town. But we want to inject some development into the city. We want heavy industries in Abuja, not just cottage industries, because no country can develop fully without industries. So that is why we engaged Zeberced to plan, design and develop an industrial park at Idu. We also have Carraway Dallas, a residential district and the Green Highland Rosehill. We have a lot of them also in the pipeline. The ones I have mentioned are those we have signed a memorandum of understanding, MOU, with and work has commenced on them. ■



Land Swap Is Long Overdue

Surveyor Abiodun Alonge, director of Surveying and Mapping, FCDA, speaks to **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

What are the contributions of your department to the land swap scheme?

There have been a lot of misconceptions about the land swap, and it is one of those things we are trying to deal with. There was a time when the Gwaris said the land swap should be interpreted in their language because they didn't understand what it was about. So the first thing we tried to do is to let them buy into the project. Land swap in a layman's language means land for infrastructure development. It is simply trade by barter. We want the private sector to develop the infrastructure for the city and we will use the land as a means of paying. Surveying, as we all know, is the bedrock of development; there is nothing you will do without starting from the basics. And the basic thing is for you to be able to get the accurate base map. When you get the base map, the planners can now plan based on this map. After the planning, it is the surveyors again that go back to implement this thing on the ground.

So from the beginning of the land swap, the first set of people to go to the field is the surveyor. That is why each time we have a meeting we always ask whether the survey has been done. Now, whatever has been planned, we also want to implement as it is on paper. So without accurate survey you cannot have the correct thing on the ground. We are dealing with about 16 investors and if you just allow anyone of them to do what they want, it would not be coordinated. But the surveyors will coordinate what they are doing. This department also regulates surveying in this territory. We know all the surveyors working in the FCT, and make sure they do things just as the structure plan is.

What are the survey plans of the land swap area?

The structure plan has already been prepared by the



Photo: ADEWALE ADELOLA

planning, indicating where all the roads would pass, boundary of each district, the roads, the topography, other features and the boundary of each investor. So they must correctly implement all these on the ground.

Who pays for the surveying?

Before the application of an investor is accepted, there is a certain amount that has to be deposited to enable us carry out these initial activities.

What are the challenges of surveying these land swap areas?

They are so numerous. Why? Because the people did not quite understand what the government was trying to do. They were a bit hostile; so many of our surveyors were beaten up and many hospitalised. I remember the Ketti area, the surveyor working there spent about one week in the hospital. We were just lucky that they were not killed. Survey instruments were also seized and we had to go and appeal to the people before they were released. So those were the early challenges. You know this happened because the kind of resettlement plans they had before Senator Bala Mohammed came did not convince the people that government was serious about their resettlement. They felt they were treated badly in the past, and they didn't know this was a different arrangement.

Had it been we had something like the capital market for infrastructural financing, it would have been possible to develop the city without government subvention. The Minister recognised this, and as part of measures to key into the President's Transformation Agenda, and he brought this (land swap scheme) out of the series of options opened to him ,



'Land Swap Gives Greater Value for Land'

Mai Nasara, director of Land Administration at the Federal Capital Territory, speaks to **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor

What is the nature of your job and what role does your department play in the land swap policy?

As the director of land in FCT, basically my department deals with the implementation of policy and guideline relating to land in the whole of the territory. It also takes charge of titling and registration of land in the FCT. I have been on the job some three years and four months now. The land swap policy is an initiative of the FCT administration, it was borne out of the fact that government can no longer provide infrastructure in most of the districts, and development cannot be sustained or promoted as this present administration would like. So we brought up this initiative to make sure necessary infrastructure is provided in the green zones of the districts of the FCT. Now by that, the concept was developed, some framework was also made, and some interested developers came in. The land department is a key partner in all the aspects and processes of the contract between us and the developers and we have some further conditions. At the end of the day, the land administration will come in and dispense its activities very well, and by that I mean where the titles will be issued to individuals or beneficiaries within the land swap.

The land swap policy is a novel idea, so how is title under it different from title outside of it?

Titling in FCT is the same thing. The only thing is the time at which we raise these titles' schedules. Now, ordinarily in a layout where government has prepared and given as plots, we can make allocation for people or a person and issue him a title. Under the land swap project the land is there, the arrangement and agreement within the

Photo: ADEWALE ADELOLA



Nasara

‘I don’t think government has lost anything; rather it is a win-win kind of situation. The developer will win, the government will win and the public will win’

framework of land swap site is also there; the developers are on one side while the FCT is on the other hand. But the time and conditions are made and the conditions of the pullover are also made. That portion of land that we are going to give to the developer shall now be titled and be issued to the developer. But the remaining part that comes to the FCT can now also be divided in whatever forms and title given in favour of whoever is allocated the land. The titling is virtually the same.

The land swap is an initiative of the FCT minister do you think the civil servants bought into it?

Yes. For any civil servant, and indeed for anybody that knows the situation we are into, you have to buy into the idea. Look at the development of infrastructure in FCT before and now and you will certainly appreciate the government for this new idea. Why? Because for the past 20 to 25 years we have not been adequately developing new districts in terms of infrastructure. But under the land swap contracts, 11 districts will be developed. And I believe by the time these districts are developed, the pressure on the districts in the city centre such as Asokoro, Maitama and others will drastically reduce. People will now go out because

land basically is infrastructure. Once the place is started – it could be Kwali, Abaji or anywhere in the territory as long as it is accessible. This is what we actually want.

Does the land swap give government more or less value for land?

In fact it gives greater value for land. When it comes to land, government has not lost any revenue in this arrangement because by the time we title these assets of land to the beneficiaries of these houses, definitely they will pay government all the bills and the fees. So I don’t think government has lost anything,

rather it is a win-win kind of situation. The developer will win, the government will win and the public will win. By the time we are able to title more parcels of land then you will have the advantage of administering that place so it is a great advantage to us.

So how secure is the title under the land swap policy?

Actually the security is as good as the security in Central Area. We are going to issue the same security that we issued in Central Area through beneficiaries of land within the land swap concept areas.

Will the land swap give the territory more Maitamas or more of Garki?

In fact we will have more and better Maitama and Asokoro from what we see. I am telling you this based on the designs of concepts we have seen and approved so far. I believe it would be a better Maitama.

We have cases where some of the lands that may have been recovered from some other developer for PPP development, now being reassigned to other developers. Are those cases now rested?

Well what you have mentioned has nothing to do with the areas we are considering for land swap because that is why I mentioned green land. These are fresh areas that never had allocation and we make sure that they are open and both compensation and resettlement issues resolved before work can start on the project. Now issues of relocation or reallocation, these are part of the management of land anywhere. The land is granted to individuals under some conditions and as long as they do not meet those conditions or contravene the system plan and condition, the governor (minister in case of FCT) has the right to take over the land. Due processes will be followed and it will return to the government. The land can be allocated to anybody.

So you have been there for some time as a civil servant, you have seen many ministers and now you have also seen more than three years of Bala Mohammed's tenure, what makes him any different from the others?

Well there are a lot of things. For me, it is the attention he gives to issues. Senator Bala Mohammed is somebody you can meet anywhere with an issue from any department and discuss. If you talk of land administration, I can meet him to discuss a land matter or an important issue and he will contribute immediately. Now the second thing is argument. You need to propose a very good argument for you to get him to change his mind on an issue. When you propose an argument, he listens attentively and makes sure the matter is resolved. These are the two characteristics of him that I consider unique.

Can you recount any of the arguments you ever had with him on land swap?

(Laughs) Well, one of the arguments I think I had with him



Nasara
Photo: ADEWALE ADELOLA

on land swap was on the Land Bank issue. A portion of the land that will be developed under the land swap will go back to FCT and we need a bank to warehouse and keep it. Now he asked how it is possible to maintain this bank in a system where the next minister could come and allocate this land and then cause damage to the project. Not total damage as such, but cause some problems to the developers who have developed their properties and would want to sell to recoup their investments. Because the idea of the bank is to keep the land for some time and not allocate them until these people have benefited from what they have invested. Now we had a very lengthy argument that this is not something that is going to hold. We brought up several submissions and differences where we proposed to him on what can be done, that is sort of titling the portion and freezing the land for a period of time so that nobody can make any allocation from there. We had series of argument and at the end of the day he came down to make submissions

that was even better than mine. But he also respected our own contributions.

What was the solution that scaled through?

(Laughs) Well actually the solution that scaled through was that we prayed that we do not get a minister that will come and ask for the bank's key. Well, that goes to tell you how open he is and how we relate. Actually he is somebody that is open and he listens.

Your job is such a time-consuming one. What are the pressures you deal with on this job?

Basically the pressure I deal with is that of request for land, that is the only problem I have. And it is not also a problem but for the fact that we don't have the plots to cover the number of requests we get. It is a problem of non-availability.

So apart from that what are the other challenges you have to deal with?

I don't think we have much challenges in the sense that we get our funds and everything we request. Maybe the only issue is the payment of land charges. It has been a challenge to us as a department. Honestly, people don't pay their rent charges as and when due, and we have to remind them by sending text messages every day. Ordinarily if you are enjoying a title you should be able to pay for the fees and charges as and when due. We have reduced the charges and people are still not paying.

In what way do you think the land swap policy can reduce the pressure for people like you?

Once the development in the land swap areas has commenced, people have the opportunity to key into most of these houses and land for development. So by that; demand will be reduced. This is going to be a massive project, massive in the sense that they are big estates of land where a lot of houses will be built and definitely a lot of people will be ready to key into it.



Indigenes Will Be Resettled Before Investors Start Work

Bernard Amos Lot, director, public buildings, Federal Capital Development Authority, speaks to **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

What can you tell us about the Abuja City Centre Development?

The Abuja City Centre Development is a private sector initiative by the present administration to develop the city centre with private partnership so that we can have provision of engineering infrastructure within the given areas as well as the type of development that is required. We are supposed to have a mixture of offices, residential apartments, commercial activities and so on. And the intention is for us to have 24 hours activities within the central area instead of restricting the use of the central area to office development only.

Chicason Group, a subsidiary of Abuja City Development Limited, is developing it. It is intended that we shall have not less than eight residential apartment blocks, four hotel apartments and about three office apartment blocks. We shall have some commercial activities on the ferry blocks and about three level underground parking to ensure that they have equitable distribution of facilities within the whole development. Now it is of two blocks - Block 1532 and Block 1533. Now I want to mention some of the facilities around these two plots. In the two plots are the national mall and park, through the north we have the national square which is part of the project of the Cultural Centre and Millennium park project. On the other side you have the Eagle Square. So if you are familiar with the environment, this is the Russia Square, this is the Millennium Tower and then the Cultural Centre, so these are the facilities around it. Then through the other side you have the national library, the national mosque, while from that side you have the national cathedral. So it is well located within the area that they will complement the existing activities around that area.

The idea about this project really is that within these two plots there is an existing stream that passes right through it, and the architects have tried to ensure that they design the waterway and some kind of sand fillings and lakes to give us a very good view and a micro planning. If you stand from the Eagle Square, you



Photo: ADEWALE ADELOLA

look at the depth of the land – it is so high. But we have been able to utilise it to create some embankment like a gallery house and other things there. The idea is that it is designed to be integrated into these two plots in such a way that it will free pedestrian movement and allow ease of movement. And as you know, my department is concerned with the integration of public buildings in FCT and as such as possible we should ensure that these buildings conform to certain minimal standards.

Has the project taken off?

The agreement was signed just recently in August 2013 between the group and the FCTA. The details are with the AIIIC.

What is the duration of the project?

The project is in phases and we have not actually finalised the designs.

So you don't have an idea about how much we are looking at in terms of the money that would be used in achieving this project?

Well the project is about \$2.7 billion and the national mall is about \$40 million.

Are we likely to start seeing some

**of these structures before the end of 2014?**

Hopefully yes, they will start. Government is interested in infrastructure development. You will start seeing some of the office buildings, the commercial activities and some of the apartments.

So what are the inputs of your department to the land swap project?

The land swap project is the phase four of the Abuja master plan. It is another private sector initiative by the FCT administration, in line with the Transformation Agenda of Mr. President. We are involved in this case with the resettlement aspect of the original inhabitants on the site. That means then that we are supposed to first of all look at existing resettlement scheme we have on ground. We have to look at the types of design we have and the problems we have in resettlement scheme. We are supposed to improve on how we can resettle these people from the land they are now. There is a committee set up and we have to first of all go to the site as a committee, using the appropriate relevant departments to carry out demographic survey and the enumeration of the crops and economic trees.

So we have to get all these information before we settle them. We have to liaise with housing planning department and they are to decide the site to put them. So first of all we have to get a place that is not far from their ancestral land and should be free of encroachment as much as possible and then we have to do a layout of the area. Now the topography survey shows that we have about 40 settlements in this land swap site and about 17

‘The land swap project is the phase four of the Abuja master plan. It is another private sector initiative by the FCT administration, in line with the Transformation Agenda of Mr. President. We are involved in this case with the resettlement aspect of the original inhabitants on the site’

villages. These villages have about 3,260 households giving rise to a population of 19,500. Once we know the number of people to be resettled, we will then ask urban and land planning to give us a layout that can accommodate the number of plots and additional plots.

We are talking of 3,260 with additional plots for the children of these people, so that when they grow they will be able to get their own settlements. So in designing this layout the architect association must make sure that they design it the same way they do designs in terms of the neighbourhood's concepts. Based on the survey of the population, we have to provide different types of designs. Starting with the prototype one bedroom to two, three, four, five and so on such that if you occupy one bedroom there, we will expect you to get married. So if you will need a two-bedroom, we will have to give you a standard bedroom ranging from 590 square metres to about 700 square metres so that you can expand this one-bedroom core building to two bedrooms, three bedrooms, four bedrooms with your money later. Meanwhile if you are staying in one-bedroom, we should give you two, then maybe the plot can now give you enough land to expand.

So having designed these houses and known the population, we now know the range of the type of households that we have and how many units of one bedroom, two bedrooms, three bedrooms we need to do a standard system. We have a full



Photo: ADEWALE ADELOLA

report on that, a complete report on it which was approved by the minister. We also have to consider their way of life. In some cases, the elders stay alone. We give them a place which is at least like a private place where they can relax. And we have bigger houses, five bedrooms and six bedrooms all for chiefs, not elders. After doing that we have to cost the buildings, pay compensation based on the farmland there on the new land. To provide infrastructure there would cost about N18 billion and provision of houses will cost about N30 billion. The total cost of the whole relocation project is about N48 billion.

The second option now is to integrate them within the same land structure. For this option we have to follow the land use plan as we cannot create a separate area for them. We have studied the land use plan submitted by about 15 investors and found out where they allowed land for resettlement. Integration, foreign people will come and live with you, you can't cross the road anyhow. But the cost of the infrastructure and the houses will be borne by the investor, no matter the option chosen. Integration will take us about 132 hectares of land while relocation will take us about 262 hectares of land. And the cost of integration is N36 billion while cost of relocation is N48 billion.

So we passed this information to the Honourable Minister and recommended that the stakeholders would be carried along in choosing the designs that would be provided for the people. We recommended that in implementing this, the investors will bear the cost of the whole resettlement scheme. Two, we recommended that the minister should allow us to discuss with stakeholders in the communities and the investors on which option they want, whether it is integration or relocation. We have done that; we have presented these documents to them. Whatever option they take, government will go along with it but it is good for them to take the best option for themselves.

Finally, in our recommendation we said that we must secure the site of the relocation first, and build the houses and the infrastructure first before the investors start work on their sites. Before they commence work there, they must finish the relocation projects first. Secondly, the access road and the building must be completed before the investors touch the land swap site; that we stated out very clearly. And the cost of the resettlement scheme must be borne by the investors.

How many hectares do they get for either resettlement or integration?

They will get 362 hectares if they are going to be relocated and 132 hectares if they are to be integrated.



'Our People Are Being Treated Fairly'

Danjuma Bussa, an engineer and representative of FCT in the Revenue Mobilisation and Fiscal Commission, captures the attitude of the original villages of Abuja towards the land swap policy in this interview with **Tajudeen Suleiman**, senior associate editor, and **Samuel Torlumun**, reporter

Do you think issues generated by communities about land swap policy of the FCT are being properly addressed?

To me, very well, they have been addressed. I have been speaking and I will continue to say that the land swap policy as initiated by this administration in the FCT is very good. This programme is new and the FCT minister gave me the opportunity even at the onset to be part of the project as a member of the technical committee. At the beginning there was uproar at the community because there was lack of proper education, there was no proper sensitisation, and there was no proper engagement. But

‘This is the first programme government will go to them, look for them, sit down with them and tell them, this is what we want to do, engage them, hear from them, they will ask questions and then answers will be provided... The minister is ensuring that there is no step taken without the involvement of the community. It has not happened before’

this Minister in his own wisdom got me into it, and I'm trying to do something new. There is a complete departure from the past. What I want to do is the buy-in between my people and the government. Now even some of the youths who were troublemakers are now praising the programme.

You said there was uproar initially; what were the issues that led to the uproar?

People thought they were not being carried along. When I came in, we started carrying people along. Since then, this is the first programme government will go to them, look for them, sit down with them and tell

them, this is what we want to do, engage them, hear from them, they will ask questions and then answers will be provided.

As a member of the community, what was the concern of the aborigines?

The concern of the indigenes was resettlement; that was their major concern, and compensation. And I can tell you, this present administration, with what has already been done in terms of resettlement issue, honestly has never been done before.

How did he do it?

We are still – in fact, we are in the implementation stage now and everybody is involved. What I mean by everybody is involved is the community themselves are involved. I am there as a member, traditional rulers are members; youths are members,



Bussa

even women, so that everybody is carried along.

What does 'being carried along' mean?

To carry along simply means something is being decided and you are part and parcel of it. What happens if you are not called upon at all? The minister is ensuring that there is no step taken without the involvement of the community. It has not happened before.

Do you have the consent of the authorities that the indigenes will be treated fairly?

To me, we are already being treated fairly. The communities are involved in the process. This implementation stage we are now, before now, after the town hall meeting sometimes last year. At the end of the town hall meeting, the minister set up a committee headed by the permanent secretary, and the membership of the community involves youths, women, elders and traditional rulers. And a lot of community concerns were all discussed and agreed upon. So what I meant by the implementation stage is that the committee report now, which was produced by the permanent secretary, has another implementation committee and most us, again, are members. Now can we say we have not been treated fairly? To me, we have.

What would you tell your people about land swap?

Land swap is the best programme that has ever happened to FCT. For instance, if you check today, there are so many programmes since Abuja came to being. But if you check, there has never been any programme that seemed to have addressed resettlement issue like land swap. The communities did not know their fate, but if you look at land swap area now, there is no cause to worry. Recently, we went into the villages to show them sites; if you want integration, this is where you will be integrated, if you want relocation, this is where you are supposed to be relocated. And the government is saying, please the option is yours. Whatever you want is what we give you. And that is what land swap is all about.

Do they have confidence in the administration of Senator Bala Mohammed?

People have so much confidence in the administration of Senator Bala Mohammed.

Why do they have such confidence?

Because the way he is running the system is practical, everybody is being carried along. The community feels this is the first FCT minister that will embark on the project with sincerity. So they have a lot of confidence in him and some of us are like his foot soldiers. Honestly, things have changed for better in most communities. Most people in these communities are singing praises of Senator Bala Mohammed now. Before now there were insinuations that the man was coming to take our land, but now all that has changed.

As a member of this committee, can you recall the interaction you had with the indigenes?

First of all, I am an indigene – you know I am from Keffi community and my farmland is largely affected. You can verify



Bussa

'Honestly, things have changed for better in most communities. Most people in these communities are singing praises of Senator Bala Mohammed now. Before now there were insinuations that the man was coming to take our land, but now all that has changed'

that – my house, everything. But what I discovered is that the system is not what my people were thinking before; this system is of benefit to them. And that is why we have been interacting with them. I go to the village almost every day. I interact with the people because I am a grassroots man. Before now I used to switch off my phone because people were calling me to threaten my life, abuse me or call me a thief, how the minister is using me to collect their land for me to enrich myself. But the situation has changed. Some of them who abused me are now looking for me. Some even told me they are sorry, that they didn't know that it was like that. As a leader, you just have to take it like that.

If the Minister takes time to go round the communities the land swap scheme has affected, what do you think will happen to him?

Oh, my God! Everybody will come up *en masse*, they will be so happy! They will even carry him on their shoulders. They will be so happy; you know it is an interesting programme.

As somebody who is directly affected, is there anything you will like to advise the government?

My own advice to the government is that leaders that are in government have to keep to their promises. Why some of us are speaking confidently about Bala Mohammed is because we have seen him keep his words. So what I can say to other leaders is please let us keep our promises. What a common man wants is that, if you say you want to do something, then do it, keep your promise. Let us be sincere to ourselves, it is not just about covering up issues and you say what you cannot do. Let us be sincere with ourselves and make sure that we make people happy.



Prototype design of Waru Pozema District

Affordable Houses in View

Waru Pozema District Infrastructure Company Limited promises affordable housing in well-developed environment

By TAJUDEEN SULEIMAN

Ken Irhigbe, managing director of Waru Pozema District Infrastructure Development Company, is unhappy with the condition many Nigerians live, even in city centres. Across the country, he sees residents of city centres creating their own utility services because their districts lack infrastructure. He says residents create their own roads, sink their own boreholes and power their houses with self-purchased generators. "Everyone has become a government of his or her own," he said.

But this should not be the case. In the case of the Federal Capital Territory,

FCT, government has been the sole provider of infrastructure. Even when plots of land are allocated to developers, they still have to wait on government to do the infrastructure before construction of houses begins. Sometimes this takes a longer time than envisaged because government has other competing projects that are equally important. Some developers have even gone ahead to build their houses after waiting endlessly for government infrastructure.

Such developers end up putting the occupiers of their estates in deplorable conditions, especially during the rainy season, because there is no drainage and the roads are not tarred. Irhigbe said the situation has to change, and this is why his company is involved in the land swap programme.

His company, which has been allocated the Waru Pozema District "B" for development under the land swap arrangement, is providing solid standard infrastructure that could compare with any of the best in the world. The 317-hectare

Waru District will have high quality roads, water supply, electricity, sewage line and other infrastructure. The company is focused on raising the standard of living in the nation's capital, as it has done in some other African countries where it was invited to build infrastructure. The company has developed infrastructure in Mozambique, Tanzania and some parts of Nigeria. Apart from providing standard infrastructure, the company is also keen on making available to Nigerians affordable land and housing. Irhigbe said it is for this reason the company targets affordable housing for Nigerians to own their own houses in the nation's capital.

He said: "I believe that housing will be affordable. But it may not be low cost because as we talk now, if you spend an average of N100 million to develop a hectare of land, if you spread that cost, a plot is already N10 million. So it is not cheap but affordable, especially if there is mortgage finance."

The company hopes to be able to sell land to the public at a rate that is affordable, and that can give the investors a little margin of profit. It is estimated that about N32 billion would be needed to develop a district under the land swap programme.

Abuja's First Eco-City

By ANAYOCHUKWU AGBO

The Rose Hill Group is the investor for Waru-Pozema 'A' District in the Land Swap programme. It was founded in 1999 and has over the years evolved into a diversified holding company with strategic investments in several sectors of the economy.

With a board of distinguished and experienced Nigerians, the company provides best practice in leadership and corporate governance in business. Rose Hill Group is a diversified investment holding company chaired by Alhaji Suleiman Yahyah. Their investments span infrastructure and concession, aviation handling, hospitality, real estate and engineering, management support advisory.



Architectural drawing of Waru-Pozema 'A' District

In the land swap project, the Rose Hill Group has a massive 357.93 hectares of prime land to express its expertise in business and management. One of the unique selling points of the Waru-Pozema 'A' District is that it is designed to be the first eco-city in Nigeria. Many people who want an efficient environmentally friendly community will be attracted to the Waru Eco-City.

On the project, Rose Hill has seven eminent partners: Sirgrun Partners from Spain as financial advisers; Umar-Pareja, PLLC of United States as architects; Urban Aesthetics Concepts in planning; Julian Zapata GDP of Spain as architects and project managers; Delloitte of South Africa as transaction advisory; Skye Bank/FBN Capita as financial consultants; and RGH Commercial Infrastructure Two Limited as the master developers.

John Iyogbede, project director Waru-Pozema 'A' District development, says the company understands what the pact with the FCTA is and will try to exceed the basics. "Rose Hill Group is committed to ensuring the uniformity of infrastructure standard throughout our district... Rose Hill Group is not just interested in building houses but infrastructure first. The transaction between us and the government is a land swap for infrastructure. So it is a swap for us to put in infrastructure. Our primary objective is to put in the infrastructure first and foremost. And the



**Yahyah, chairman
Rose Hill Group**

government has given us a time frame within which to deliver that infrastructure."

Waru-Pozema is situated inside the Abuja metropolis, along Apo Road, after the legislative quarters, after Shoprite and Mechanic Village. This prime location increases the competitiveness of the district. It is the second largest district among all the land swap districts. "We are investing in excess of \$350 million in the project, in the development of critical infrastructure for the district," says Iyogbede.

On the legal backing for the land swap projects and the uncertainty of the political environment, Iyogbede says the company has confidence in the agreement. "We think that the final development contract that we have with the government is good enough, but there are some little tricks here and there but we believe it is good enough to protect long term interest of investors. We are looking beyond 2015 and you know Bala Mohammed has been a wonderful minister as commando, as we all know, and we are also looking beyond that stage as well."

On the critical issue of resettlement and compensation, Rose Hill is in sync with the FCT. "The system is robust enough to ensure that indigenes' rights are protected and taken care of and we at Rose Hill Group are very keen on that. We don't believe it is an issue of force and the FCT minister is also very good on the indigenes."

In terms of job creation, this district will create an estimated 200,000 jobs in the first phase of the project. And they have divided the development into three phases. Put together, a projected one million jobs will be created in permanent and temporary employment.



'Land Swap Principle Is Good'

Ken Irehigbe, managing director of Waru-Pozema District Infrastructure Company Limited, WADIC, speaks to **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

What is the size of the district you are developing under the land swap?

Waru-Pozema is split into two districts, that is A and B. We are Waru-Pozema B, and the size of our plot is about 317 hectares.

So what are you going to do with that size of the land?

Based on our agreement with the FCT, this land is provided for the provision of infrastructure such as road, water, electricity, sewage line and so on. We will provide all of that, and this land shall be allotted to the public. Of course proceed from the sales of these allocations is expected to be able to pay us what we are going to spend in developing infrastructure and perhaps get a little margin of profit.

How much do you intend to invest?

That we can't tell you precisely now because the total cost is still being worked out and what we concluded at the moment are the designs, land use and the engineering infrastructure designs. At the moment the AIIC and FCDA are discussing with our team as regards project cost. So when we have that figure, we may be able to know exactly how much we are investing. But suffice to say that there is already an amount of money that some of us have invested already in the designs, land use and engineering infrastructure designs. But for the actual development at the post-contract stage, that aspect is what we cannot tell you exactly what the cost is now.

We paid N350 million to cover the supervisory consultant that the AIIC appointed to oversee the development of this project. So those designs that I have talked about now they have already given us their own template that we will work with and as our consultants are working, we are submitting them back to our supervisory consultants for approval. There are other costs that we have incurred that are outside of the N350 million. Like the consultant that did the design, we are paying them from our purse.

Nigeria is a place where I found out that people create their own road, their own water, do their own electricity and build their own houses. Every man is his own local government here. So what the government wants to do is a situation where infrastructure is put first before people are invited to come and live in

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Irehigbe



Photo: ADEWALE ADELOLA

Do you see the Land Swap Project as a good investment venture?

The principle behind it is good; however, until the project is delivered, you can't really pre-determine the outcome. The principle behind it is good; the philosophy is good because you will find out that if you go around FCT even in places where they call city centres, there are so many areas you find in deplorable state that people are living in. Nigeria is a place where I found out that people create their own road, their own water, do their own electricity and build their own houses. Every man is his own local government here. So what the government wants to do is a situation where infrastructure is put first before people are invited to come and live in, as we have

in other developed countries. So to that extent, we can say the philosophy is good but the implementation is another phase of it that we have to look up for.

In your analysis as an investor, to what extent did you take into consideration the challenges faced by investors in this part of the world?

Generally, every industry, especially in a liberalised economy, is propelled by the forces of demand and supply, and Abuja being a capital city is not an exception. In fact, as it is said, Abuja is the fastest growing capital city in the world. There is influx of people, organisations are coming in, they need places to stay, offices to work and all these are being controlled by the demand and supply of this property as the case may be. Currently in Abuja, the demand for housing is more than the supply; that is why the price is this high. So if you ask an average economist, he will tell you that there is a viable market for property in Abuja.

They say it takes about N32 billion to develop a district. How are you planning to raise funds for this project?

All that is still being finalised, but we know that investors are going to fund certain parts of the project which we call equity funding and the remaining part of it will be sourced. When we talk about equity we are talking about investors injecting certain percentage of the money and the remaining part is sourced from the commercial market.

Looking at the interest rate locally, are you comfortable with raising money locally or do you have other options?

Of course there are always options but each option has its own conditions, whether it is offshore funds you are going to use or onshore funds, they have different conditions. If the conditions are right, of course offshore funding will be very ideal for it because of the lower interest rates. But however, to attract a one dollar offshore funding into any nation, certain standards must be met. And it is our hope that this project will comply with all such standards and as such will make it easier for investors to attract this fund. Of course so many of us have offshore partners, but attracting it varies from project to project. Recently Nigeria sold its power generating assets to some investors, how many offshore banks participated in the exercise? Not even one was involved. Not because the power industry is not viable, in fact Nigeria is one of the most viable markets for that industry in the world. But its conditions, you have to set the conditions right. These offshore funds are like sniffer dogs, if you set the conditions right the owners of these funds will beg you to take the money. But miss it one step and they move away.

What are the conditions you think might be a hindrance to these offshore funds?

They would love first of all to work in a totally deregulated environment – less of government controls. Then they look at the kinds of guarantees that you put in place. These are major things that will come to play when you are looking at offshore funding. For example, in this kind of project, they would want to know what is the legal framework guiding the project. To what extent is the government involvement and what the level of control is. If they feel that any government that comes in tomorrow can just dismiss the project with a wave of the hand, it will not work.

For all these conditions you have talked about, do you see the Land Swap Project as fashioned by the FCT fulfilling all these conditions that could guarantee offshore funding?

There is a memorandum of understanding that defines the general principle that regulates or that will guide this relationship. Like I said, the principle is that government is saying you investors, because of your track records in property development, come we will give you two hectares of land. Put infrastructure there, we will determine what the cost is and give you part of that land to upset your cost and make a margin then government will retain whatever is the outstanding. So that is a

general principle that is the understanding that we have that will guide the transaction.

But however when it comes to the legal agreement, that is where the i's and the t's in the agreement will be finalised. For instance, how many people am I supposed to employ from the communities where this project is being carried out? The final agreement will take care of all of that and we are in the final meeting with the government. Hopefully, we look forward to having an arrangement that is good enough that will enable the investors to successfully deliver the project and equally enable the government to achieve its set objectives.

What is your experience in this area? Have you done any project of the same scale before?

If it is financially, I will say yes. But we have not done 317 hectares elsewhere. We have done a lot of projects in parts of Africa and some are still ongoing. We have something ongoing in Mozambique; we have something ongoing in Tanzania. We also have another relationship with Anambra State. In fact, we

have a lot of things here and there. We are at home in this area, we have the expertise, and we have the machinery.

It is true that Nigeria has the highest construction cost in the whole world?

It is true, think about it. One time in this land swap when we were trying to identify some plots, they went to do survey of the district that they wanted to give. The people of the community attacked the people, the team of FCDA engineers that went there to the point that before those people could conclude the survey, they had to go and get police order to finish survey of the environment. That is already additional cost. When you are working under that kind of environment, you now find out that in delivering the project, you are not just talking of the construction cost, you are going to be thinking of the cost of security. That is not the fault of the minister; it is just the kind of environment we live in.

Do you think land swap will give us affordable housing in Abuja?

I believe that housing will be affordable. But it may not be low cost because as we talk now, if you spend an average of N100 million to develop a hectare of land, if you spread that cost, a plot is already N10 million. So it is not cheap but affordable, especially if there is mortgage finance.

You have seen many FCT ministers. Is there any difference between this one and others that have gone before?

I don't know him personally, but one of the approaches he adopted in the land swap project is that the host communities must be carried along. That, he has done excellently well and those communities have been carried along. Perhaps under other administrations, what was obtainable was that they used force and all that. So that is to tell you that his approach is certainly different.



Photo: ADEWALE ADELOLA



'Land Swap Programme Will Transform Abuja'

John Iyogbede, project director, Waru Puzema District, handled by Rose Hill Group, speaks to **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor and **Chinenye Eseke**, reporter.

We are looking at your investment in the Land Swap Project where you are developing a district. What are the details of the district you are developing?

We are the investor for Waru Puzema District under the Abuja land swap programme. Rose Hill Group is a diversified investment holding company chaired by Alhaji Suleiman Yahaya. We have interests in infrastructure, hospitality, engineering, management of services and so on. Rose Hill Group has invested in land swap because we believe that it is a laudable programme, championed by the Honourable Minister for the FCT. It is the programme that will transform Abuja Phase 4. For those who do not know, land swap essentially is a programme for the rapid development of Abuja phase 4. It is a phase in Abuja that has not been developed to date, and the minister came up with this brilliant programme that private investment should drive the infrastructural development for Abuja phase 4, because government has done so much and now the private sector must come in. So Rose Hill Group as a partner, a friend to the government, took up the challenge, and we have decided to invest in this programme.

We were selected under a transparent selection process and we were selected as a preferred investor for a district called Waru Puzema. Waru Puzema, for those who do not know, is essentially along the Apo Road, after the legislative quarters. It is situated right after Mechanic Village or Shoprite. Waru Puzema is essentially in town, not in the bush. We are developing a new district right in Abuja. It is 357 hectares in size and the second largest district among all the land swap investors. We are investing excess of \$350 million in the project, in the development of critical infrastructure for the district. Rose Hill Group is committed to ensuring the uniformity of infrastructure standard throughout our district. Why we are taking on this challenge is that in the past, some programmes have come and have not really delivered in terms of infrastructure, they just go on building houses. Rose Hill Groups is not just interested in building houses, but infrastructure

first. The transaction between us and the government is a land swap for infrastructure. So it is a swap for us to put in infrastructure. Our primary objective is to put in the infrastructure first and foremost. And the government has given us a time frame within which to deliver that infrastructure.

What is the time frame?

Essentially we have to put in the infrastructure within four years, a maximum period of four years for infrastructure then the real estate can go on for another four to six years. So that all makes a total of 10 to 11 years, but infrastructure must be completed with 48 months.

Are you going to do it in phases?

Yes, we are going to do it in phases. That is, phase 1, phase 2 and phase 3. We have successfully concluded our surveys, and have successfully concluded the ranches which have been approved by the FCDA and are almost concluding the engineering design and negotiating the financial arrangement and the final contract between us and the government.

When will the first phase be concluded?

We are hoping that 35 per cent of the infrastructure will be done between 12 to 18 months.

You are committing \$350 million into this project. How do you intend to recoup your investment?

We have done a substantial analysis of the project, we have management consultants in Nigeria and abroad, looking into the feasibility of the project, how much it is going to cost us to develop and how much we hope to recoup from the project. And from all indications we can see that we will reap massive reward from this project, if we successfully complete the infrastructure. Well, it is a high-risk project because we are depending on the government to do its part. Government must take the upset into phase 4 and also link investors to Abuja water supply, the power grade and so on. So we are banking on the government to do that. And because we are working in a political environment, there are political risks associated to it. But there are also high rewards, and we believe that at the end of the day, there must be rewards for investors.

How long do you think it will take you to recoup your



Photo: Adewale Adelola

'If we have to wait for the government to develop Abuja phase 4, then we have to wait for the next 10 or 15 years, because we still got districts in phase 3 that are still being developed, for instance, Jaihi is still there. So the government knows that with private investors you can accelerate development of Abuja in phase 4'

**investment?**

We think the scheme allows us to do upland sales to a maximum of 35 per cent, so the financial arrangement is that we must complete 15 per cent of total infrastructural cost in equity that comes to us, and the 35 per cent upland sale we can raise fund at the maximum of 35 per cent. And we can raise debt capital to the maximum of 50 per cent. So it is debt, equity and upland sales. And we believe that we will recover the cost of the first phase from the 35 per cent upland sales, we believe that very strongly but that is still yet to be proven. Although when we get on the ground and start doing things that is when we will know what will actually happen. Yet we believe that we will get success at the first stage.

In the private sector, you are very conscious about the security of fund. What steps have you taken to ensure this?

There are checks and balances within the agreement and the processes that the Minister has set for the implementation of land swap. Once the final agreement has been signed between the government and the investor, and the investor starts work on the project, the investor takes possession of the site for development. And essentially when we start development of infrastructure, we have massive security, because what the government wants at the end of the day is not just for you to get the land, but actually develop it and put the infrastructure, so your greatest security is to carry out the infrastructure work, and that is applicable to all investors, not only Rose Hill Group.

That gives us massive security because if you are complying with the terms of contract, any new government, any new minister that comes tomorrow will see that these are serious investors who are complying with terms of agreement, they are developing Abuja phase 4. If we have to wait for the government to develop Abuja phase 4, then we have to wait for the next 10 or 15 years, because we still got districts in phase 3 that are still being developed, for instance, Jaihi is still there. So the government knows that with private investors you can accelerate development of Abuja in phase 4.

So you think the legal instrument is robust enough to guarantee your investment even if there is a change of leadership in government.

We think that the final development contract that we have with the government is good enough, but there are some little tricks here and there but we believe it is good enough to protect long-term interest of investors.

What percentage of the \$350 million would you say is offshore?

We can raise 50 per cent debt capital. We can raise it from Nigeria and outside of Nigeria. But the problem of raising huge sum here in Nigeria is that the interest rate is double digit – 21, 25, 27 per cent – which makes it difficult for investors. So most of the investors are looking up to raising their funds abroad. And we are at the forefront of that, we are talking to partners in the United States, we are talking to partners in Spain, we are talking to partners in the Middle East who have interest in the project. So we are hoping to raise substantial part of our project funding from offshore.

Are you satisfied with negotiations with the indigenes?
We at the Rose Hill Group believe strongly that there are three

parties in this project. The federal government of Nigeria represented by the FCTA led by the minister, the investors like the Rose Hill Group and others, and the indigenes. These are the three parties to that contract. This project will not succeed without investors because they are the ones bringing the money, this project will not succeed if the government has not initiated it, and this project will not succeed if it has not got the buy-in of the indigenes. The legal position is that all lands in the Federal Capital Territory belong to the federal government of Nigeria administered by the minister of FCT on behalf of the President. That is the legal position. The indigenes are recognised in terms of ancestral rights. But the legal position is very clear. The Honorable Minister and Rose Hill Group are keen that the ancestral rights of the Gwari people and others that live within the FCT are respected.

So the minister has set in motion a resettlement and compensation committee of which I am a member and that has been looking into the best way of ensuring that the rights of the indigenes are protected. So the system is robust enough to ensure that indigenes' rights are

protected and taken care of and we at Rose hill Group are very keen on that. So everyone is being carried along, and when you talk to them, they will testify to that as well.

What is your opinion of the land swap programme?

The benefits of the land swap programme are two folds. Firstly, it is bringing in excess of \$2.5 billion into infrastructural development in the FCT. On the average each investor is bringing in between \$200 million to \$300 million; multiply it by 16 investors and it is in excess of \$2.5 billion. That amount would not have flowed into the FCT infrastructure in 10 to 15 years, and the money would not have come in if it were only allocation from the federal government. The second issue is that Abuja is becoming grossly over-populated.

So the second advantage of this programme is that it will substantially reduce the infrastructural deficit in the FCT apart

from bringing in as much as \$2.5 billion. The third advantage is that it will make the dream of Abuja to become one of the top 20 cities in the world in the year 2020 come true. And I think if we can successfully deliver Abuja phase 4, it will really put us on the map. We went on a tour in South Africa, my chairman, some members of our team and I, to look at what they have done in infrastructure and we were amazed. We were actually amazed. It is a world-class infrastructure. We think we can do the same thing in Abuja, and we can do the same in phase 4. We want to have a city that we can be proud of.

How would this enable job creation?

In terms of job creation, over 200,000 jobs will be created in the first phase of this project. We think that this project for infrastructure is for four years, while real estate may take another four years to be completed. We think close to a million jobs will be created as a whole, in terms of permanent and temporary employment.

You are supposed to resettle the indigenes. How is that going?

We are not going to give money to the people directly; there is a system of payment that we will have to follow which is transparent because the government will be there, the indigenes will be there and the investors will be there as well. And then it will be done in line with the FCTA standard.



Photo: Adewale Adelola



'We Are Blazing a Trail'

Aja Fynecountry of AMPM Global Investment Limited, speaks to **Anayochukwu Agbo**, general editor, and **Chinenye Eseke**, reporter.

Can you tell us about your investment in the land swap project?

Our project outlay in the land swap programme is about N50 billion. That is what we are going to invest.

What is the size of the land?

The size of the land is about 285 hectares.

Where is the location?

In Burem West 'B'.

So what have you done so far?

So far we are at the third stage of what they called investor proposal. And that third stage is the financial negotiation stage. We have already gone through the two initial stages that included the draft investor proposal after which we now went into investor proposal proper. That investor proposal proper includes the detail survey of the site, the planning of the site and the detail engineering drawing. So we have undergone the detail engineering drawing, we have also made the costing which is the bill of engineering measurement, and all these we have done in conjunction with the AICL and FCDA.

The 285 hectares of land you mentioned, what are you going to do with that large expanse of land?

The large expanse of land has been planned in such a way that we have different outlays, the residential, commercial, the public/semi-public areas, religious institutions, recreational areas and of course the roads. But mainly what we are working for, as it is now, is the infrastructure. The main purpose of this project is the provision of infrastructure. So, all these are towards the provision of infrastructure using a better system provided by the government, which is known as the land swap policy.

How do you intend to recoup your investment?

Don't forget this is a partnership, a PPP between us and the government. The idea is that it is a win-win situation between

‘The issue of compensation is the issue that needs the cooperation of the government, the people who were farming in those areas and we the investors’



Photo: ADEWALE ADELOLA

us and the government and the general public. We provide the infrastructure and then we have the sharing pattern with the government to enable us have access to the land that we have provided the infrastructure for. That will now help us to recoup our investment while the rest goes to the government who will now distribute to the general public. So we will recoup our investment from that portion of the developed area where we are going to provide the infrastructure that will be due to us. That is why it is land swap; give us land in lieu of the infrastructure we are going to provide.

Another issue is compensation and resettlement, are you comfortable with the arrangement?

We can't say we are comfortable or not. The issue we can all understand is the position of the government, and we can also sit with the people who were living in those areas or farming in those areas. The issue of compensation is the issue that needs the cooperation of the government, the people who were farming in those areas and we the investors. We have always seen it as such, and that is why we have always participated in deliberations, or series of arrangements that led to what we called an acceptable



position involving the government, the people and investors with the minister insisting that all the three parties must agree. And with the adoption of the proposal for compensation and resettlement, even though it is a costly project, I think we are going along with it for now, as it is.

Do you think the legal instrument for the land swap project is robust enough to guarantee your investment?

Before now we have been given a draft agreement for us to study, and we have studied it, we have made some inputs, but of course you know it can never be 100 per cent. Most of these things are things we can look and say, well what can we do? As it is, all efforts have been made both by the government and the investors to see that any of those logjams that could come before any of the funds of the investors and the actualisation of the project is straightened out. We have studied the legal draft agreement and made some input in writing, to the authorities, so we are expecting that there will be no big trap.

What are the challenges you are facing?

In terms of the project so far our main challenge here is the issue of funding. You know, the amount of money being talked about is not a small one so we are expecting that we will get low interest funding that will enable us to execute this project. But I cannot say for now it is a major challenge, we are working on it and I am sure that it will come out good. Secondly, the issue of this compensation like you mentioned before is one of the issues that have delayed this project. We were hoping that before now actual construction would have started, but as you can see, these are the little bottlenecks we have seen so far. But in terms of other areas where we had our initial fears, in terms of our cooperation with AICL, FCDA we have recorded major successes, we have been able to come out of the engineering design stage, and you know every other thing is going on fine for now.

Looking at the FCT as an investment destination, how can you access the prospects of this programme?

I think a lot has been put in place to make FCT investor friendly and as you can see this land swap is a testing point. This is the first time this collaboration of this magnitude is taking place in the history of our infrastructural development. And if you can take it from there, it means we are blazing a trail. Abuja actually has all the potential.



Photo: ADEWALE ADELOLA

As a Nigerian are you comfortable with the influx of foreigners to the investment sector?

Why not? You know foreign direct investment is the panacea for real economic growth. We are even very happy that some of these issues that drive foreign direct investments are gradually coming out here. We are still looking forward for more of such foreign direct investments because that is the only way that we can really pick up. And you know that is one of the ways we can become one of the 20 big economies in the world. So it is very important that we embrace foreign direct investment.

What is your assessment of the FCT minister, as you relate with him as a businessman?

In relating with him, I was surprised at his level of dedication to this project, his level of commitment and his level of interest. The energy he brings to the project is unprecedented. We have had situations where foreign investors will come, he will invite us, make presentations by himself going deep into the night and the following day you will still see him on the project again. I think he has been phenomenal.

Are you worried about the security threats?

We all know that most of the issues about security are all about politics. We believe that in the next few months all these threats will fizzle out. Everybody knows that Nigerians are not ready to sacrifice their lives. What we are seeing today is an unfortunate attitude of some disgruntled youths who don't really have an agenda. So we are not bothered because we do know that insecurity cannot hinder investment in Abuja. And so long as we are alive we will continue to strive for the best in our country, Nigeria.

Do you see other investors as a threat?

Don't forget that if you go to the market now, you find different people selling different or the same items. It does not mean that those that finished their stock today will come back with the same stock tomorrow. There are always ways; there are always situations that give opportunity to different people. And each investor of course will bring in one thing or the other to give him an edge or to leverage on what he is doing. That is the business secret that every investor will bring into the project, some people will bring a factor of speed, before you know they have finished houses and people will start buying. Some will bring the factor of finance. So certain persons will look for those people. So we don't see it as a threat, but a solution.



Land Swap Will Decongest the City

Mathew Onoba, project director, Keitti Infrastructure Development Company, speaks to **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

What is the size of your investment in the land swap programme?

We have a little over 180 hectares of land.

Are you going to develop the district in phases or you will take it at a go?

Of course we're going to develop it in phases but there will be no break. The phases will flow into each other. We intend to provide the finished product in phases.

We have all that stated clearly in our plans. The development plan that we have looks at a project that will run for between two and four years – all in phases. There is a target the FCDA has in mind. For instance we are expected to achieve about 30 to 35 per cent within the first phase, then you can go to the market. We intend to push that initial phase within the first year all things being equal.

You are one of the 15 investors in the land swap. Why do you think you were chosen?

The whole idea is to get the private sector involved as partners in progress with the government for the development of the country. We as a company believe that to move the country forward, you need that approach to governance; it is not just the responsibility of government alone. So we believe in it and we believe it is workable. I want to believe that other investors who agreed to part of this initiative also understand the need for all hands to be on deck. Abuja was expected to be developed in phases. But if you look at the influx of people into the city, it is ahead of development. And so government cannot put all of its resources into developing the city. The only way to go about it is to go into this kind of partnership. If you go round the city now you will see a lot of estates, the estates are virtually in the bush. Houses are built and some of them uninhabited because the basic infrastructure that people require are not provided.

Do you have the capacity to carry

This land swap programme will meet the shortfall in housing in the FCT. But more importantly, it will improve the quality of human habitation, and when people live well, it leads to longevity

through with this project?

We certainly have the capacity. When FCDA went into this programme, there were a number of checks that were put in place to ensure that the companies they will be dealing with are viable companies. For instance, in terms of technical appraisal, due diligence was carried out on the company. The financial status of all the companies too was checked. You have to go through all these and come out clean. For the land swap programme, it is not





just enough to have the technical capability but you must have the financial capability as well. We met all the requirements, and that is why we are in the programme.

Have you done anything similar to this in the past?

In Nigeria, no. In Nigeria itself, this particular programme is novel; I don't think it's been tried before. But we as a company, directors of the company, have worked all over the world, on programmes like this. That is why we are bringing to bear on this programme all our experiences in other parts of the world. For instance, I have worked on similar projects in the Middle East for three years. What we're doing is bringing together expertise and resources we have all garnered over the years to develop our own city and our own country.

Are you convinced you will be able to recoup your investments?

When you go into an investment, you must first have belief in the system. If Nigerians don't believe in Nigeria, then it will be difficult to ask foreigners to believe in the country. Certainly we have trust in the system, we have trust in the government. We are going into it because we believe the government is sincere about the programme and we are convinced about their resolve. Of course as investors we're watching our backs and not just throwing out money. But we do believe in the government and we believe in the FCDA. It is a partnership. They have responsibilities and we have our own responsibilities too.

If there is a change of government or minister, do you have confidence that these projects would go on?

I believe so. Of course there have been some things the government was involved in, in the past, like the boulevard scheme. But government is a continuum; the fact that a minister leaves and another comes in should not stop a government project. That is why legal framework will be put in place, documents will be signed and MoUs will be signed. If a minister leaves and another comes, the legal framework will be binding on both parties. We have no worries about that at all.

What would you say are the economic and social benefits of the land swap programme?

We know that in this country, the shortfall in housing delivery is about 17 million. For us to meet our basic requirement, we need to build 17 million houses. So the benefits are there to see for all. Nigerians are poorly provided for in terms of housing. This land swap programme will meet the shortfall in housing in the FCT. But more importantly, it will improve the quality of human habitation, and when people live well, it leads to longevity.

Apart from developing infrastructure in the district allocated to you, are you also planning going into estate development and other things?

If you look at our land use, we have neighbourhood centres, we have commercial districts, we have schools, we have hospitals, so it's not all about housing. All the basic things you need, the basic infrastructure for good living are all provided. It's not possible for one company to develop all of that, but we are going

to open up the place for other investors to come into the area. The first approach is to develop the primary infrastructure for this district. The moment that is done, that will in itself will ginger other investors to come in. Look at Dubai for instance, somebody woke up and decided let us do a medical facility in a community, and all the top hospitals in the world are moving in there and making sure they have facilities there. Those are the kind of things we're looking at. By the time these facilities are put in place—the commercial hub, the medical area, the schools and others, I want to assure you we will attract the very best from all over the world. That is what this is all about.

Can you give us an idea of the number of jobs you're likely to create?

From construction to finish, I assure you that thousands of jobs will be created. Right now, even as we are putting together the blueprint, a lot of companies have been working hand-in-hand with us to ensure that our blueprint meet local and international standards. There is already a strong impact that is being felt in the consultancy world because of this scheme. I can assure you that by the time we break ground and move to site; a lot of jobs would be created. And it is going to be a continuous thing.

What can you tell us in terms of the quality of infrastructure you want to put in place?

I mentioned earlier that there are local standards and there are international standards, we are working to meet both standards. Let's face it, in the end there will be competition, so we have to ensure that the facility we put in place meet local and international standards, otherwise we will be pushed out of the market. And we wouldn't want that to happen. I can assure you that we will meet the standard that can compete with anywhere in the world.

What can you say about the commitment of the government and the minister of FCT to these projects?

I think it's quite commendable. All the various meetings and interactions we've had, you can see that all the relevant agencies that need to be put in place are already in place. The FCDA has a good pool of experience, especially looking at the fact that Abuja was built from the scratch. Abuja was developed by FCDA, so they already have this experience. All the people we've interacted with have impressed us with their depth of technical knowledge. That is why they are providing the guidance as well because they have their blueprint, they have their standards.

By the time the districts under the land swap are fully developed, how do you think it would change the face of the city?

Abuja is a very unique city. From inception up till now, a lot has gone into the development of this city. And it is the pride of the country; we need to be proud of Abuja. This current initiative will further boost the status of Abuja as a city that works. It will decongest the city and make it work better.



I can assure you that by the time we break ground and move to site; a lot of jobs would be created. And it is going to be a continuous thing



China at Work

Haitong International Nigeria Limited brings Chinese expertise into infrastructure construction in the Federal Capital Territory

By TAJUDEEN SULEIMAN

Haitong International Nigeria is a Chinese company registered in Nigeria to deliver quality infrastructure, housing and urban construction. It may be a young company but it has years of Chinese expertise in construction in behind it. The company is supported by the Export & Import Bank of Peoples Republic of China, China Hongye Construction Group and JOC in its partnership with the FCT.

The company is one of the investors in the land swap programme of the FCT and is



to comprehensively develop the KETTI "A" District, which occupies 296.01 hectares of land. Yang Hausheng, Managing Director, said the company had finalised its design and was ready to commence work once the issues of resettlement and compensation are properly sorted out.

He said the company had done a lot of infrastructure developments in China, adding that the company was pleased to participate in the development of Abuja, which he believed is one of the fastest growing capitals of the world. One of the landmark projects the company had done in Nigeria is the Central Bank of Nigeria project in Ekiti State. It is also involved

with other projects in different parts of the country.

Hausheng is of the view that Chinese companies, especially construction companies, have a lot to offer the country if given the opportunity. He said the company would further attract foreign investors to take advantage of developmental efforts of government. He said the company believes in the country and had no fears for its investment.

"We have confidence in the safety of our investments. But as a company from China, we also need government to trust us and have confidence in us to do the project."



Hausheng (second right): We have confidence in the safety of our investments



'Land Swap Will Bring Foreign Investments'

Yang Hausheng is the managing director of Haitong Group, one of the major investors in the land swap scheme. He speaks to **Tajudeen Suleiman**, senior associate editor and **Chinenye Eseke**, reporter

Why is your company participating in the land swap programme?

We are a Chinese company and our company has done a lot of urban construction, and the land swap is going to be one of it. It is an opportunity for us to participate in the construction of Abuja.

Have you done this kind of project before?

We have done a lot of projects in China.

Do you have confidence that your investment in the land swap would be protected?

We have confidence in the safety of our investments. But as a company from China, we also need government to trust us and have confidence in us to do the project.

Has your company done this kind of projects before?

We have done projects outside Nigeria. But in Nigeria, at the moment, the project we have done is the central bank project in Ekiti State. We are also involved in some other projects.

From your experience in China, what are the benefits of the land swap project for the FCT?

The minister of the FCT, Senator Bala Mohammed knows the benefits of the land swap, and that is why the government is doing it. If there is no benefit, the government will not do it.

Where is the money for the project coming from? Is it from China or Nigeria?

We cannot get funds from Nigerian banks because of the high interest rates. We'll source funds from China where the rates are lower.

Are you satisfied with the negotiations with indigenes in the land swap areas?

We did not have any face-to-face contacts with the residents of the areas. This is being handled by the FCT and we hope that both the government and the residents would trust us and give us their support.

As an investor, is there any advice or request you will like to make?

There are lots of different opinions on the land swap. Some think it is a fraud by the government, but actually it is not a fraud. It is a scheme designed to bring private capital to the funding of infrastructure in the FCT. If it is well managed, the land swap will translate into rapid infrastructural development of Abuja because



Photo: Adewale Adelola

'Senator Bala Mohammed knows the benefits of the land swap, and that is why the government is doing it. If there is no benefit, the government will not do it'

it will invite investors from all over the world. Foreign investors would bring their funds here if it is well managed.

Do you have the capacity to develop your districts within four years?

The problem we're confronting now is the resettlement and compensation of the local residents. We as investors cannot solve the problem; we have to depend on the government to do that. If the government handles the issue satisfactorily, then there won't be any problem and we can do our jobs within the stipulated time. Take China for example, the government took care of the resettlement and compensation problems. So if the government settles the problem, then we can work. We have done a lot of work on design and other preliminary activities for the development of our district. Once the stage is set for us to commence work, we will deliver.



President Goodluck Jonathan and other guests listening to the Executive Director of Eagle Hills, Mohammed Abbar, at the groundbreaking of the Centenary City



Olajumoke Akinjide and Senator Bala Mohammed at the unveiling ceremony of Centenary City, Abuja



Abdulsalami Abubakar with Namadi Sambo



Vice-President Namadi Sambo inaugurating 100 high-capacity buses for easy transportation of Abuja residents



FCT Minister, Senator Bala Mohammed, confers Kenyan President Uhuru Kenyatta with Honorary Abuja Citizenship



President Goodluck Jonathan with Senator Bala Mohammed and Justice Minister, Mohammed Adoke, before leaving for EU Summit in Brussels, Belgium



Inauguration of FCT AEPB cleaning vans



Patrol vans donated to Nigerian security agencies by the administration of Senator Bala Mohammed



Senator Bala Mohammed (middle) and others inspecting plan of Jahi District at its groundbreaking ceremony



President Goodluck Jonathan presenting the Queen's baton to FCT minister, Senator Bala Mohammed, in Abuja during Queen's Baton Relay for the 20th Commonwealth Games held in Glasgow, Scotland. With them is Vice-President Namadi Sambo



Senator Bala Mohammed, represented by the FCT Permanent Secretary, Engr. John Obinna Chukwu, inaugurating AICL Apo-Dutse Housing Estate



FCT Minister, Senator Bala Mohammed presenting the Key of the City of Abuja to the Chinese Premier



Senator Bala Mohammed (left) with former Governor of Anambra State, Peter Obi, when he paid the minister a courtesy visit in Abuja



FCT Minister welcoming President of the Republic of Lebanon, General Michel Sleiman during his visit to Abuja



'We Want to Create a Mini-Florida in Abuja'

Toye Ariyo is the chairman of Bolmus Infrastructure, one of the investors in the land swap scheme. He speaks to **Tajudeen Suleiman**, senior associate editor and **Samuel Torlumun**, reporter.

What are your views on the land swap programme? As the name suggests, it is land for infrastructure model. It is a partnership between the FCT and private investors to develop infrastructure in Abuja Phase 4.

Have you done anything like this before?

We have been involved with other infrastructural development but not private public partnership. What we have been involved in is investments in the real estate sector. We acquire land, in Lagos, Port Harcourt, Abuja and develop infrastructure and accommodation. We've done this in Victoria Island in Lagos; in Lekki Phase I; in Chevron, in Ajah, in Port Harcourt (the Greater Port Harcourt) and in Jabi and Apo in Abuja.

In terms of your investment portfolio, what is your level of capitalisation?

In the real estate sector combined, we're worth about N5 billion. These are not ongoing projects but already executed and completed projects. We have on-going projects in Abuja and Lagos.

Could you give us an idea of what you proposed to do under the land swap scheme?

The land swap scheme gives us a unique opportunity to bring into this country what we have seen in other parts of the world. We have travelled over the world in the cause of our business and we have seen all sorts of infrastructure, and we have come back home and wondered how those people were able to achieve that level of infrastructure and maintain it. The minister of FCT also travelled to the United States and saw some district developed under this kind of scheme, and that informed him of the urgent need to have a similar scheme in Nigeria.

So what we plan to do here is to create a mini-Florida in Nigeria where you have gateless, fenceless community of estates; where you have non-visible boundary lines between houses, proper infrastructure such as water, roads, gas and so on. For example in our own estates we are going to pipe gas for domestic use and residents would not need to carry gas cylinders around. We are going to have a central gas storage facility where we'd pump gas to every house and people buy scratch cards and load it in their meters and get gas. It would be so with electricity and water. In terms of infrastructure, we are doing exactly what FCT wants done. They are using us to fund the infrastructure. But we are taking land as payment for funding. We're still doing everything according to their specifications, even the resettlement and compensation is according to their model. And they have got a very good resettlement plan in the FCT. But the only problem is that they have to budget for the payment; those to be compensated

Photo: Adewale Adelola



would have to wait for the FCT budget to come in before they can be paid. And sometimes the budget is not fully released, and compensation doesn't get paid for many years. But because we are private individuals, once the assessment has been done, we would compute and pay the people to be compensated. They would not have to wait for FCT budget, and that is part of the investment we're bringing in to the project. So we'll do roads, sewage, sewage treatment plant, water, electricity, telecommunications, street lighting and all that. We are going a step forward because we don't want a situation where you sell land to people and they come and mess up the district infrastructure. So we're going to have utility services to every plot so that you build your house and just connect the services. So that people don't start cutting the road and all that.

And you have the capacity to do this in four years?

We are not expected to finish the whole districts in four years. What the government is interested in, and what it usually does, is



to design a district and build the infrastructure. After building they now allocate land to people who now build their own houses. Some buy the land and keep, wait for 10 years and then sell. Some buy; keep until they have money to develop. We have no control over that. But our own is that within the four years we would develop the entire infrastructure – primary, secondary and tertiary infrastructure. And I think the ministry is generous by giving the four years. We must also understand that the four years is not just for building the infrastructure. They've allowed time for the design, compensation, environmental impact assessment and others. I think it is the totality of these that the four years cover.

How many jobs do you hope to create in the next four years?

We were at a meeting with some American investors that are also interested in being part of the land swap programme, and its amazing the number of jobs that are going to be created. Not just for the youths, but for the women and even the elderly. Directly and indirectly, we are going to have about 15,000 people working at the site in different aspect. It would be a development of a micro community in itself because you will have food sellers and other artisans all milling around. It would be a boost for the local communities.

When all the districts under the land swap are fully developed, how do you think it would change the face of Abuja?

As people migrate into the city, the issue of accommodation comes up and the possibility of altering the master plan also comes up. If you go to Maitama for instance, it is supposed to be a residential district with some designated areas for business. But what you see there now is a lot of businesses everywhere. The same with Wuse 2; if you go to Ademola Adetokunbo it is fully commercialised. What the new districts would bring to the city is opportunity for people to have proper and fully residential areas, completely separate from the commercial areas. And there will be a lot of land for children to play around – parks, recreation and so on. I think it's going to be really interesting.

Do you have technical partners?

Oh yes, we have local and foreign technical partners. For instance we brought in architects from the United Kingdom who designed the new Hong Kong city, and they designed the new technology city in China. It's amazing the Chinese even ask the British to come and do design for them and they've done other works too. That is why we wanted them because they understand what the technology city is. And we have got engineering design partners who are Nigerians. You know that nobody knows your country better than you. They are people that had worked extensively as part of the development of Abuja so they know what is required by the master plan and how to key in this vision into the master plan. They know how to merge the expectation of the foreign architect with what is on ground and obtainable here. So it's a good mixture. We also brought in foreign financial partners because this is a long-term

project where it could take about four years to finish infrastructure, and about another five or six years for people to build 70 per cent of the residential dwellings. We're going to bring about 30 per cent of the funding ourselves to create accommodation for the mass market, the low-income group. Mr. President and the minister of FCT put a very strong emphasis on that – creating housing for the low and middle-income group. We are looking to build about 50 percent of the houses for the low income, where someone can buy a three-bedroom apartment for as low as N5 million. Of course for us to make money to justify our investments, we'll still go for the high-income group.

Do you have confidence in the security of your investments, especially if there is a change of government?

This is a question a lot of people ask. The AIIC thought about this very carefully and mitigated against this risk element. In case of this risk, it is done in a way that from day one, ROO will be cut for the number of plots you have. They cannot give COO now because you don't even know who you're selling to. ROO will be issued from the beginning. They have come up with a method that secures everybody. They say ok, we'll give the COO to an intermediary who would hold it in trust for both parties with an instruction that if the investor does the infrastructure to a certain level, you release so and so COO to him. And when they finish all the work, release the remaining COOs to them, but retain a certain percentage so that if any fault is discovered with the infrastructure they did, we can call them back and say do it again. They will hold that for a one year period before they give us a final one. And I think that secures everybody. So there is no political risk as far as this investment is concerned.

Photo: Adewale Adetola



'The land swap scheme gives us a unique opportunity to bring into this country what we have seen in other parts of the world. We have travelled over the world in the cause of our business and we have seen all sorts of infrastructure, and we have come back home and wondered how those people were able to achieve that level of infrastructure and maintain it'

What can you say about the commitment of the minister of FCT and the federal government to the project?

We have seen that the minister is very committed. As an investor and a Nigerian who know the bottleneck that bureaucracy can create, we waited in anticipation to see how the minister will do it. But we have seen that he has taken every step to mitigate against these kind of issues. Everything we've asked for he has done; everything that's supposed to be done has been done, he has been giving us tremendous support in achieving our objectives. We have had a few workshops too, talked to banks on how this thing would work and they are comfortable now. I think the minister has taken this as a project that has to work.



Bolmus Infrastructure
aims to build a district with
centralised utility services

By TAJUDEEN SULEIMAN

Toye Ariyo, chairman of Bolmus Infrastructure, has travelled wide and seen smartly built cities in different parts of the world. And such cities were built through government and private sector collaboration. His dream is to be part of that history in his own country.

Now he has an opportunity to make his dreams come true with the land swap programme of the Bala Mohammed administration. He is one of the investors who went through rigorous screening



Building a Smart District



Artistic impressions of housing estates being executed by Bolmus Infrastructure

process to emerge as a participant in the development of infrastructure in the land under the land swap programme. But Bolmus is not entirely coming into a new territory. The company had been involved in infrastructure and real estate development in Lekki Phase One, Victoria Island and Ajah, all in Lagos, and some in Port Harcourt. It has also developed estates in Jabi and Apo, in Abuja. But this is the first time it is going to be involved in opening up a new district and building infrastructure

and real estate by simply getting free land.

Speaking on plans of his company for the new district, Ariyo said the company plans to replicate the smart districts they saw in countries like the United States and South Africa. Bolmus will not only build infrastructure and real estate in the new district, but it will centralise the utility services to be provided in the estates. This is to ensure that such utility services like provision of gas, water, power and others are constant. It is also to ensure proper maintenance of these utilities.

He said: "So what we plan to do here is to create a mini-Florida in Nigeria where you have gateless, fenceless community of estates; where you have non-visible boundary lines between houses, proper infrastructure such as water, roads, gas and so on. For example in our own estates we are going to pipe gas for domestic use and residents would not need to carry gas cylinders around. We are going to have a central gas storage facility where we'd pump gas to every house and people buy scratch cards and load it in their metres and get gas. It would be so with electricity and water."

Since the intention of the company is to build a smart district, residential areas would be completely separated from commercial areas unlike what currently obtains in Maitama and Wuse districts where residential apartments have been turned into offices and shops. There will also be plenty of land for recreational facilities.

The company, worth about N5 billion in asset, planned to build all the primary, secondary and tertiary infrastructure for the new districts within the time frame of four years. Ariyo said not less than 15,000 direct and indirect jobs would be created on site throughout the duration of work. ■



**A prototype of Gwagwa concession development**

Making Land and Houses Affordable

Gwagwa Concession Limited, one of the 16 investors in the land swap programme, aims to develop districts where land and houses would be affordable

By TAJUDEEN SULEIMAN

Several years after he bought a property at Maitama District, Faruk Saleh, managing director, Gwagwa Concession Limited, one of the 16 investors in the land swap projects, could not forget the oddity of the transaction. The piece of land cost the original owner a paltry sum of N5,000 at the time of purchase, but he had to pay N3 billion to buy it from the owner a few years ago.

He said the cost of land in Abuja, where a piece of land goes for N150 per square metre, is one of the most expensive anywhere in the world. This is why he saw the land swap programme introduced by the administration of Bala Mohammed, Minister of the Federal Capital Territory, FCT, as a blessing. He said it was capable of crashing cost of land and also would eliminate land speculation.

He said: "We are in a

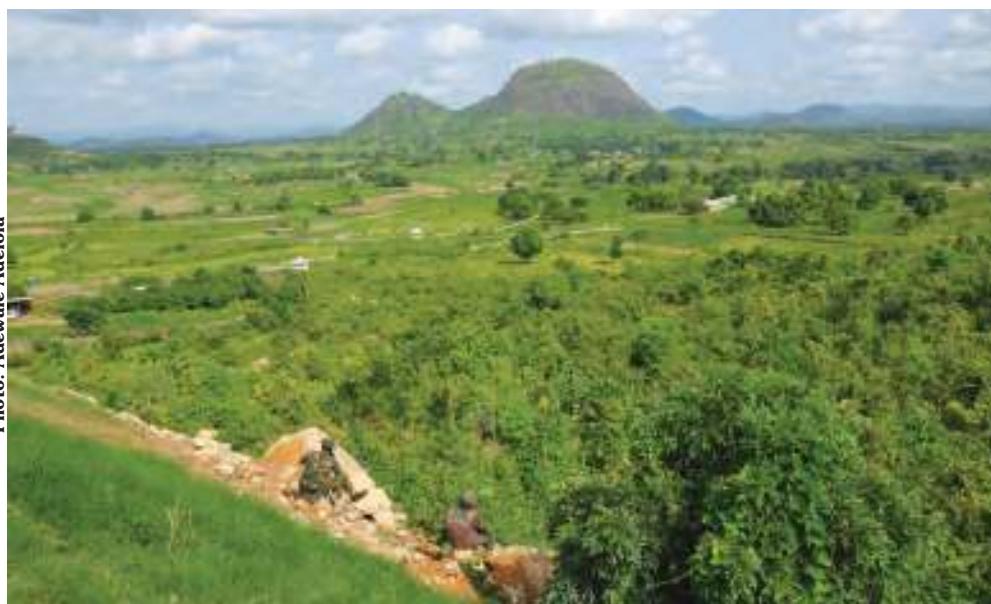
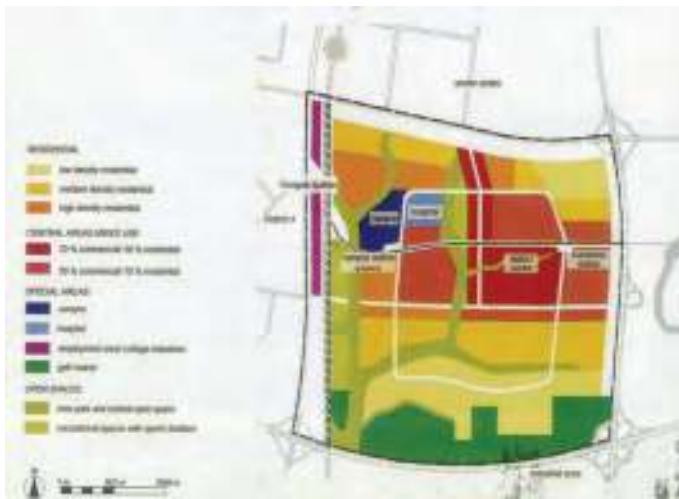


Photo: Adewale Adelola

situation where a piece of land is going for about N150 per square metre in Maitama or Wuse. A thousand square metres of land is going for about N150 million. This is just the land, not your cost of development. It is one of the most expensive anywhere in the world. Land swap is a blessing for us more or less for developers, investors, government and potential landowners. Why should we continue with a system where someone buys a plot of land from government at the cost of N5,000 and sells the same land after a few years at N3 billion?"

Saleh, whose company has been involved in real estate construction in phases one and two of Abuja, said his excitement about the land swap had to do with the fact that he would be able to participate in the development of a city where he had stayed all his life. He said the involvement of the private sector in infrastructural development of Abuja would bring the city at par with other major cities of the world. He is worried that the

nation's capital has not developed to the expectation of Nigerians because governments in the past failed to look at alternative means of funding development and growth of the city.

He stated: "We are not moving at the pace we are supposed to move in terms of development and modernisation of our infrastructure – roads, transportation, telecommunication, hospitality, real estate and other developments that could make a capital city compete with other capital cities of the world. Moving from the government to the private sector to fund these developmental initiatives would lead us to that goal."

Speaking on what his company hopes to do with the district allocated to him under the land swap, he said a detailed business plan has been submitted to the Federal Capital Development Administration. He stressed that building world-class infrastructure – roads, drainage, power and water – would be the initial priority of his company. To fast-track development of the city, his company would also partner with other world-class investors to build a five-star hotel that could compete with the Transcorp Hilton.

Gwagwa Concession Limited is also interested in other facilities such as world-class health care facilities, schools, telecommunications and other services that could improve the standard of life of the people. But most importantly, the company hopes to make land affordable to citizens interested in building their own homes, and also build houses that are affordable to the ordinary citizens.

Julius Berger Nigeria Limited is the technical partner leading the consortium of other partners working with Gwagwa Concession Limited on the project. ■



'Why We Are Investing in Abuja'

At ABG Group we leverage on our financial ability to invest in choice portfolios that create opportunities to yield maximum returns for all stakeholders

BGD Properties Limited is an arm of **BGD** Group which was established to invest in property/real estate development in Nigeria. Our vast networks of association and partnerships with various reputable professional firms within and outside the country give the cutting edge to deliver on complex engineering projects within time and cost.

The strategic location of the nation's capital, as well as ongoing large-scale development activities, makes it a fertile ground for investment. The development of Abuja constitutes an economic resource of unimaginable magnitude when the expected demand for services is considered together with the necessary basic housing and infrastructural facilities that would have to be provided to make the city run efficiently.

The FCT Administration under the leadership of Senator Bala Mohammed has continued to encourage local and foreign investments into the city by providing the much needed enabling environment and practicable policies like that of the land swap, which is meant to catapult the infrastructure development of Abuja.

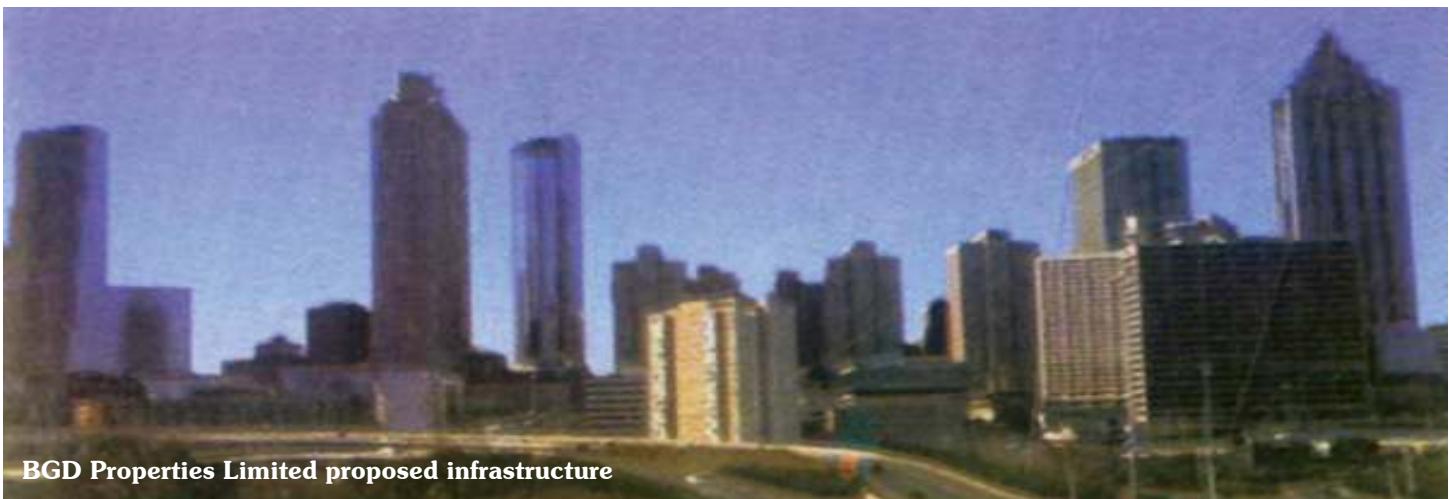
One of the ways of achieving this

infrastructure development is by creating more of this enabling environment in which businesses can thrive and people will be empowered to take advantage of new economic opportunities, opening up the opportunities to the private sector to lead the infrastructure development like the FCT is currently doing.

The private sector will be the engine of economic growth and development under such environment. It will be the executor, investor, and manager of businesses. The government will play the role of enabler, facilitator, and regulator, helping the private sector grow, create jobs, and generate wealth. This would reduce



BGD Properties Limited proposed infrastructure

**BGD Properties Limited proposed infrastructure**

government control and attract private sector investment, thus jobs would be created, the forces of demand and supply would bring equilibrium in the prices of houses and there would be affordability.

Housing development is one major area in which the FCT is in need of increased private sector participation. The Abuja Master Plan envisaged a 51.8 per cent contribution from the organised private sector to the government of Abuja. The government has done considerably well in the area of providing both office and residential houses to a large section of the residents. However, these facilities remain inadequate as the population of Abuja keeps increasing thereby putting undue stress on existing housing facilities. Given the liberal land allocation policy and the prospective large number of corporate bodies and individuals wishing to rent houses, more private investors would as a matter of prime importance avail itself of the huge market advantage by investing in real estate even in the land swap districts and more jobs would be created.

Business Projects

The latest Economist Intelligence Units report, released in 2013, ranked Abuja as among the African cities with the best opportunities for growth in 2013 and beyond. In fact it ranked Abuja as 11th, this goes a long way to show that the FCT's economy is relatively open and is richly blessed with abundant human resources but the Abuja city is yet to really benefit from its comparative edge. Indeed, FCT is yet to benefit meaningfully from the opportunities offered by being one of the most developing cities in Africa because of its infrastructure decay and this is one of the problems that the Land Swap will address.

The FCT Administration has adopted a policy that is meant to give a new focus and direction to the way the city would develop over the next decade. The enormous business prospects that would

come out of this initiative can only be imagined.

The FCT is now home to millions of people from all parts of the world. The 2006 headcount, which is in use, put the population of Abuja at about 776,298 while the total population of the FCT is currently estimated at about 2.5 million. The population is dynamic and Abuja is equidistant from all parts of Nigeria. It is a symbol of Nigeria's unity and a reaffirmation of our enduring vision of dynamism and prosperous development. This fact alone is enough to generate business prospects.

The private sector will be the engine of economic growth and development under this massive city infrastructure transformation agenda. It will be the executor, investor, and manager of businesses. The government will play the role of enabler, facilitator, and regulator, helping the private sector grow, create jobs, and generate wealth.

Return on Investment

It is important that we understand the nature of most real estate investments which are always multi-billion naira, lucrative long-term investments. It entails investing a lot of money and promises a lot of returns in the long run.

We appreciate the excellent framework conceptualised by the FCT Administration especially in terms of the gradual release of title documents. We are not however unaware of the long-term nature of the investment.

We have done our project risk analysis and we have no doubt that it would yield the needed returns on investment in the long run. We are interested in the project and convinced that the project would bring the necessary returns on investment in the long run.

Number of Jobs to Be Created and Local Content

During the preliminary technical works

and preparation of our survey, planning and engineering designs, we were able to create about 100 jobs for skilled and unskilled workers, including our own initial start-up team, the staff of our consultants, labourers, and so on.

It is important to note that part of our start-up team is a team of community relations, resettlement and compensation consultants. The consultant too has a team that was engaged for this assignment and this is indirectly part of the jobs we created.

After the ground breaking when construction starts, we are looking at creating over 20,000 jobs for labourers, material suppliers and so on. The complete infrastructure construction of a whole district would surely involve creating about 20,000 direct and indirect jobs over a period of four years.

As part of the Group's policy, the major part of this workforce would come from our own local content here in Nigeria, even people in the surrounding communities would benefit more from this recruitment. Apart from some expatriates from our partners, the major part of our workforce would be local content.

Funding Challenges

We don't really have funding challenges as we are still creating strategic partnerships with various funding partners not only in Nigeria but also abroad. We are utilising the financial opportunities available through the various open windows to attract funds at lower rates in order to ensure continuous flow of funds in the course of the project's lifetime and also ensure affordability of our final products.

We have received the assurance of a number of local and international reputable financiers; we have reached the final stages of discussions. But you will also agree with me that the whole process can only be tied up upon the execution of an agreement with the FCT Administration as applicable in every relationship of this nature.



'Land Swap Is a Revolution'

Faruk Saleh is the managing director of GCL and group managing director of Metro Capital Advisory Group. He speaks to **Tajudeen Suleiman**, senior associate editor and **Chinenye Eseke**, reporter, on plans of the company

You are one of the investors in the land swap scheme of the FCDA. What do you have to tell us about the land swap programme?

The land swap scheme, in a nutshell, is a revolution in terms of changing the entire landscape and infrastructural development of the Federal Capital Territory. It is an initiative that should be welcomed by every reasonable Nigerian. People should look at the advantages this initiative would bring for the rapid development of the city and the country in general.

What is your motivation for participating in this scheme?

For me, it is the fact that I am going to participate in the development of our city in line with what obtains in other global cities and capitals of the world. We are not moving at the pace we are supposed to move in terms of development and modernisation of our infrastructure – roads, transportation, telecommunications, hospitality, real estate and other developments that could make a capital city compete with other capital cities globally. Moving from the government to the private sector to fund these developmental initiatives would lead us to achieve that goal.

Why did you think you were chosen as one of the investors to participate in this scheme?

It was a rigorous process and it was strictly based on competence and the kind of team you have put in place. In our own case, we ensured that we had world-class consultants who will advise us on the right path to ensure we get this project right. Every one knows Julius Berger Nigeria Limited, Julius Berger International and AS&P. They are world-class master planners, engineering



Photo: ADEWALE ADELOLA

and infrastructure designers. Julius Berger Nigeria is leading the consortium in terms of technical advisory to ensure that the whole structure of the initiative is being followed based on the FCT guidelines. You should understand that it is not something that people would do based on their own impression; when you work closely with AIIC and the FCT administration, you will certainly appreciate what they have put in place. It is a massive achievement for a government to be able to make things work this way.

I am actually surprised because the kind of cooperation and commitment you see from FCTA administration is commendable. I haven't seen it anywhere in our public sector. So you should give credit to the FCT minister in terms of putting the framework and ensuring that the framework is followed strictly. You can't jump any part of it. And the fact that your money is being used to fund it, you have to ensure you get the best out of it.

Let me give you an example. Prior to monetisation policy, government gave out houses to every civil servant. After the monetisation, they sold the houses. You need to see the rapid changes that were made to the houses within six months or a year in most cases. When it was under government, they were nonchalant about maintaining them. So basically, if you take infrastructure and give it to private sector investors, you are bound to see very rapid development. You know what Dubai used to be 10 years ago and what it is today. The fact that the resources are not available for government to put in place this infrastructure, it

‘I am actually surprised because the kind of cooperation and commitment you see from FCTA administration is commendable. I haven't seen it anywhere in our public sector. So you should give credit to the FCT Minister in terms of putting the framework and ensuring that the framework is followed strictly’



is imperative that government seeks a feasible and advantageous option. I believe the landswap would work, and Nigerians would reap immense benefits from it.

What gives you the confidence as a businessman that this will work?

Coincidentally, I have lived all my life in Abuja and I have seen the transformation of Abuja. I am into real estate development in Abuja and our company has carved a niche for itself in terms of high-end luxury real estate development and delivery within the FCT, ‘the phase 1 of FCT’. We have concentrated more on phase 1 – Maitama, Wuse II, Asokoro. So the land swap scheme is an initiative that we as developers have always envisioned. Prior to Senator Bala Mohammed’s administration, we have always had this vision to create something that would give the Federal Capital a semblance of development in terms of modern amenities, facilities and services. The Transcorp Hilton was built by government in 1987. Have you seen any other five-star hotels in the class of Hilton in Abuja since then?

The most important part of the real estate market is the land. What value do you get for land? That would determine the cost of the house. In a situation where the land takes almost 60-70 per cent of your cost is not healthy. There is a lot of hoarding and round tripping. And because of the quality of the infrastructure in phases 1 and 2 of the FCT, nobody is willing to go outside of those areas. It has led to a situation where a one-bedroom ‘self contained’ (studio apartment) in these areas is going for almost N1.5 million per annum. So we as developers, our interest in the land swap is to break down this barrier. It benefits us as developers, but Nigerians are losing.

We are in a situation where a piece of land is going for about N150,000 per square metre in Maitama or Wuse. A thousand square metres of land is going for about N150 million. This is just the land, not your cost of development. It is one of the most expensive anywhere in the world. Land swap is a blessing for us more or less for developers, investors, government and potential landowners. Why should we continue with a system where someone buys a plot of land from government at the cost of N5,000 and sells the same land after a few years at N3 billion? I bought a land for N3 billion in Maitama from a man who told me

I give a lot of credit and salutation to the FCT minister for coming up with this ambitious policy for the benefit of Nigeria. He has put in place a wonderful team of civil servants from the AIIC and TNC who have now reformed themselves with private sector mentality ,

he paid government N5,000 only. This is why I think land swap is one of the best policies ever initiated by government.

You are a businessman basically. Do you have confidence that you would recoup your investments in the land swap, and at what duration?

Every business has its own risks. You weigh options and take the bull by the horns. You can have your projections, your business plans and cash flow; it can work as planned. It can go higher or lower. But the unique part of this is that you have the ability to initiate what would attract investors. First, under the guidelines of the FCT master plan, there is that flexibility for you to use the Land Use plan based on what you want to develop in line with the FCT master plan. You have a piece of land, and there is nothing like land anywhere in the world, most especially in Abuja. And with that piece of land it is now left for you to use your initiative, business model and sense to ensure that you make money out of it.

From your projection, what is the estimate of returns on investment?

There are various steps an investor can take. Some people might just want to provide infrastructure, sell the land and go. Some will say no, part of that land I want to build another Transcorp Hilton. And because of the hotel, people might come and rush the land and so on. There are other key elements that I don’t need to mention. Profit and loss is subject to your plan, funding and your whole vision about the infrastructural development of the district you have. We have presented our business plan to the FCT. So Nigerians really have to choose whether we want to continue the old ways or we want to catch up with the rest of the world. That is the opportunity the land swap is offering us as a people. Land swap is an opportunity for the rapid development of the country.

How soon can you deliver infrastructure in your own district?

Forty-eight (48) months or four years. But you can also do it in two, three or four phases. We are looking at delivering our first phase in 18 months, from ground breaking.

Do you have an idea of the number of jobs you would provide in the first phase of development?

We are looking at about 15,000 direct jobs and about 25,000 indirect jobs. Even as at now, we provide on a daily basis between 1500 to 2,000 jobs in our various sites in Abuja.

What is your last word?

I give a lot of credit and salutation to the FCT minister for coming up with this ambitious policy for the benefit of Nigeria. He has put in place a wonderful team of civil servants from the AIIC and TNC who have now reformed themselves with private sector mentality. It is working extremely well and the synergy between the investors and them is smooth. I will just say kudos to the minister and hopes his dreams come true.



Photo: ADEWALE ADEOLA



'Land Swap Has Attracted Foreign Investors'

Ahmed Rufai Sirajo, engineer, chief executive officer, Afri Projects International and Consulting Limited, speaks on the involvement of his company in the land swap. He speaks to **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter



Photo: ADEWALE ADELOLA

Why did you invest in the land swap scheme?

We were qualified as one of the investors and allocated land in "Zone B," which covers about 306 hectares of land. We are supposed to provide the entire infrastructure – the major roads, drainage system, power supply, water supply and make proper demarcation of the land for residential, commercial and institutional provision. After this a certain percentage of the land will be given to us for us to recoup our investments and make a little margin of profit. Now, we chose to participate in this for a number of reasons. The administration of the FCT minister, Senator Bala Mohammed, decided it would open up new districts through private sector participation and we saw this as an opportunity for us to participate in the development of our city.

How much do you think it will cost you to develop your

district?

The overall cost of the project will be the determining factor of what percentage of the land that will be ceded to us.

Have you done anything similar to this in the past?

Yes. Afri International Project is a company that has been in existence for over 10 years now and we have done several development projects in Lagos State and Kaduna State. Although they are not like the land swap, you know the land swap is a little new to this environment. This is an issue of the public private partnership being introduced by the federal government to curtail its financial burden. So we are trying to participate in it to reduce the burden of providing infrastructure.

Are you confident you can recoup your investments?

Of course we are confident. In the first place, we would not have started if we did not have confidence. The federal government backs this project and we have confidence in the federal government. So with the backing of the government and the plan to open up the FCT, we have confidence that all of us will be able to recoup our investment within a very reasonable time.

Do you think the legal instrument backing the land swap is robust enough to survive this government and guarantee your investment

I get a lot of CVs every day from engineers. So it is something that has a very long and positive impact on the economy of Nigeria and individuals. At the end of the day, our investment in land swap will lead to affordable housing and other social amenities like hospitals and so on ,

**government after government?**

The answer is yes. But I will say the legal framework is a draft that has been submitted by the FCT. We have looked at the draft and made our comments, and reverted back to them. They are also looking at it, and also commenting. At the end of the day, we are hopeful that we will come to an agreement over the draft. We have confidence that succeeding governments will look at it positively.

Do you think the land swap projects will improve the economy of the FCT?

First and foremost, we are talking about opening an entire district. To open a district, you need hundreds of billions of naira, and when you are talking of this kind of money, you start from the ordinary food sellers and labourers. Then you have the masons and the engineers. I get a lot of CVs every day from engineers – electrical, mechanical, environmental engineers and civil engineers. So it is something that has a very long and positive impact on the economy of Nigeria and individuals. At the end of the day, our investment in land swap will lead to affordable housing and other social amenities like hospitals and so on.

You certainly need a lot of money to carry through your investment. How are you going to source this money?

Yes, we are at liberty to source our funds from within and outside Nigeria. We are very happy to tell you that we have met with the new governor of the Central Bank and as you have heard interest rates are going to be reduced. As I already told you, there are a lot of international financiers who are ready to provide these loans at very low rate, between 4-7 per cent at a very long-term re-payment period and a very comfortable moratorium period.

With the kind of investment you will be making, do you honestly think you can deliver affordable housing?

Definitely, that is what we are working on. The FCT Administration is trying as much as possible to see that the premium on land, at the end of the day, is an affordable one. Aside from what the FCTA is doing, a lot of work is being done by the Federal Mortgage Bank to improve the mortgage system in Nigeria so that people can own houses at cheaper and less expensive rates. So we believe that at the end of the day, we should have affordable housing. But affordability is also a relative thing. If you say affordable, it should also be good. If there are things that will make it good and

Photo: ADEWALE ADELOLA

‘This is a very modern minister (Bala Mohammed) who wants the progress of FCT. He might not be around when the projects are completed, but definitely we will turn back to him and say this man has done a great thing for the FCT’

you put certain fees, then I think it as an excellent thing.

By the time your district is ready, can you tell us what the minimum cost of land will be?

It will be too early for me to tell you. But as I said earlier on, we are anticipating that the funds would come at single digit. We are also anticipating that the FCTA will be conceded at a very reasonable rate so that the premium at the end of the day will be reasonable. So with all these things in place, an average person can own a house over a long period, with over a long period re-payment.

Certainly there will be competition among the 16 investors. How are you planning to survive the competition?

There are 16 investors but our supervisors, managers and consultants are the same. So the cost of the infrastructure will virtually be the same, cost of re-payment or recoupment of investment will virtually be the same. So competition will be on how efficient you carry out your work to conclusion. An efficient company will have efficient partners, and we will use that to probably surmount competition.

Do you have the capacity to complete the project within the four-year deadline?

We have 306 hectares of land, and from the preliminary programme of work we have submitted, we believe we will be able to complete them within four years.

What is your assessment of Senator Bala Mohammed, the minister of the Federal Capital Territory?

Senator Bala Mohammed came in and I think he took a lot of time to study the problem with the infrastructure of the FCT. He is very aware that it will be a huge burden on the government to provide money for the development of the entire infrastructure of the city. All over the world, in generating infrastructure, power and water supply, the standard practice is the participation of private companies and the government. So he has put us a step ahead because after what we are looking at now under these projects, I don't think that people will continue to look for huge government projects. It will be PPP projects all the way. So this is a very modern minister who wants the progress of FCT. He might not be around when the projects are completed, but definitely we will turn back to him and say this man has done a great thing for the FCT.





Bringing Quality Infrastructure to Abuja

Urban Shelter Infrastructure Limited is known in the Abuja real estate sector for quality and aesthetics

By TAJUDEEN SULEIMAN

Urban Shelter Infrastructure Limited is an offshoot of Urban Shelter Limited, a company registered since 1991. Urban Shelter Infrastructure Limited is a fully integrated development and management company, registered to undertake the procurement and development of infrastructure within and outside the borders of Nigeria for domestic and interstate purposes.

Musa Dangogo Aliyu, managing director, says the company specialises in the design, building and construction of administrative, commercial and industrial buildings, airports, seaports, tunnels,



Musa Dangogo Aliyu, MD, Urban Shelter Infrastructure Limited



Lakeview Homes Phase 1, Abuja

**Garki Ultra Modern Market, Garki 2, Abuja**

power stations, dams, bridges as well as water supply. It also does construction of sewage system, airport terminals, infrastructural developments and management of projects on domestic and international scale.

Urban Shelter Infrastructure also engages in total district development involving infrastructure and real estate development. The company signed a memorandum of understanding, MoU, with the Federal Capital Territory Development Administration, FCDA, to provide infrastructure as well as commercial, institutional and housing development facilities for Sheretti B District in the land swap development programme. Development of the district is estimated to cost about N30 billion.

Urban Shelter Limited, the parent company, had come a long way since 1991 when it was registered as a real estate development and management company.

The diligence and industry of Aliyu, who is also the chief executive officer of the company, has turned the entity from a local brand to an international brand noted for quality housing.

A company that started business with a share capital of N2.5 million now has N2.8 billion in share capital. The company has, within the last 20 years, developed over 3,000 units of houses, over 10,200 units of shops and 12,000 square metre office spaces in FCT and Niger State.

The infrastructure company is however younger having been registered for operation only three years ago. It has also done infrastructural development both at home and abroad, and had registered its presence in countries like Ghana, Zambia, the United Arab Emirates, UAE, while looking towards other African countries. "We're going international; we are looking

at property development in Ghana, Zambia and others and the infrastructure company will be doing the infrastructure for us. So there is a kind of synergy between the two companies. The infrastructure company is young whereas the mother company is 21 years old," Aliyu said.

Urban Shelter has become a big name in the real estate sector. The company's FCT journey began with the NITEL Head Office, Zone 6, it was given out on rent and later the company bought the property at the rate of N2,000 per square metre and paid N5.6 million in the first two years. The company later bought it for a market value of N40 million in 1991/92 when cement was N50 per bag.

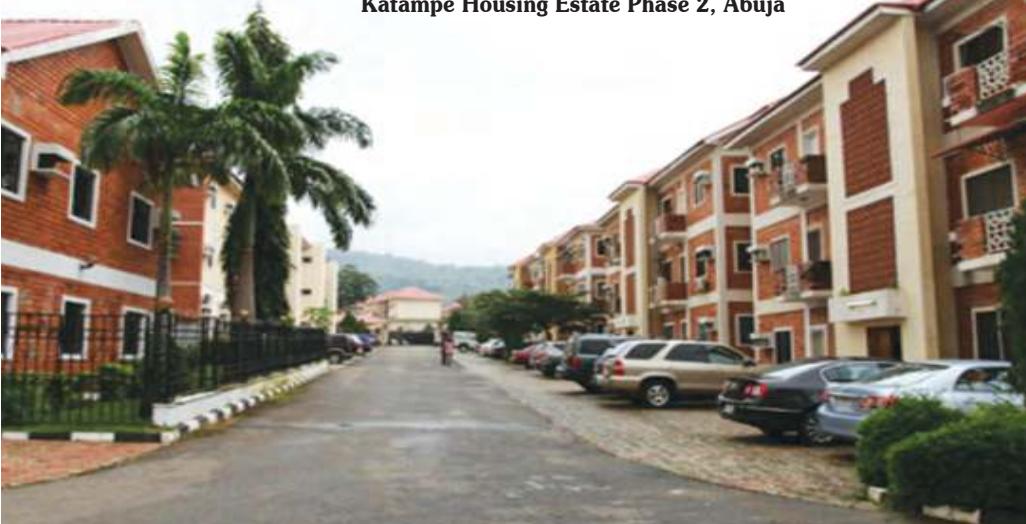
The company plowed back the money in developing diplomatic houses in Maitama, six-bedroom houses with underground chalets and boys' quarters. Then it started the Shelter Plaza now Shippers Plaza in 1992, where the head office of the company is located.

Part of the business strategy of the company is to collaborate and partner with individuals, public, private and international institutions to deliver housing and infrastructure. Previous collaboration between the company and the FCT includes the conceptualisation, design and development of the popular Garki Ultra Modern Market in Abuja. It has also developed several housing estates in the city including the Evergreen Residences in Durumi, in partnership with the Kano State government.

Projects handled by the company also include the beautifully designed and strategically located Lake View Homes at the Kado Housing Estate facing the Jabi Lake. It is perhaps the only estate enjoying such view. It also designed and constructed the asphalt finished road network for Katampe Housing Estate phases 1 and 2; Lake View Homes and Union Homes Estate.

The company has a world-class indigenous management team with vast knowledge of the industry, extensive property development experience and unique administrative skills. The management team is led by Aliyu, who has an MBA from the prestigious Ahmadu Bello University, Zaria. In recognition of his contribution to the industry, the Commonwealth University, Belize awarded him a doctorate in 2011. He has been the pioneer MD since the inception of the company in 1991.

The company is also a recipient of the International Quality Crown Award, London in 2012 in recognition of its outstanding commitment to quality and excellence.

**Katampe Housing Estate Phase 2, Abuja**



Building Environmental

System Properties Development Consortium Limited takes the environment into consideration in design and execution of projects



System Properties Development Consortium, SPDC, Limited has established its presence in the Federal Capital Territory with many high-end estates in Maitama, Asokoro and Jabi



By TAJUDEEN SULEIMAN

System Properties Development Consortium, SPDC, Limited is an active player in the construction industry. The company has established its presence in the Federal Capital Territory with many high-end estates in Maitama, Asokoro and Jabi. It is one of the companies participating in the land swap programme of the FCT,

and is to develop the Burun "A" District. The district has 319.40 hectares of land.

SPDC has incorporated a Special Purpose Vehicle called "Burun Development Limited," which has gone into partnership with some other companies for technical and financial support. The companies are: CRCC Limited (China), H&S



Friendly Properties



International Nigeria Limited and Jaiz Bank Nigeria Limited.

SPDC was founded to meet the growing needs of environmentally responsive and economic designs and project management in the Nigerian construction industry. The firm offers comprehensive consultancy services to all sectors of developers in the construction industry. Satisfaction of clients, through making sure that time, money and human resources are put to optimal use and within the limits of established standard, is key to its operations.

Sanni Hoseni Zuwedu, managing

director of the company, revealed that the over 319 hectares has been partitioned into over 1,000 plots. He explained that the land use and detailed design of the district has it divided into two neighbourhoods separated by an arterial road. It has low and high-density houses with an interactive neighbourhood centre. “We have displayed our design ingenuity to make our district unique,” enthused Zuwedu.

On resettlement, he says, the company



Zuwedu: Invests N30 billion to develop Burun “A” District

is thinking ahead and that whatever scenario the affected communities prefer has been factored into their planning. “We have a lot of settlements in our district and we have incorporated them into our design. We are not thinking of resettlement; they may prefer reintegration within the scheme.” To him, “something must give way for modernisation,” so the company has built an apprenticeship for the local communities into their project design.

The company’s budget for developing the district is about N30 billion. They are exploring a multiple scheme in their funding plan. So how will they market the units? Zuwedu is keeping the company’s marketing strategy to his heart, but he says they have enough mix to compete favourably with other districts for subscribers with an increasing appetite for quality.



More Affordable Houses for Workers

The Federal Capital Territory Administration is putting smiles on the faces of workers through the mass housing scheme

By TAJUDEEN SULEIMAN

Providing affordable housing, especially for workers, is a challenge to government at both the federal and state levels. Official statistics put the housing deficit in the country at over 17 million. More than one million of this deficit is in the Federal Capital Territory, FCT.

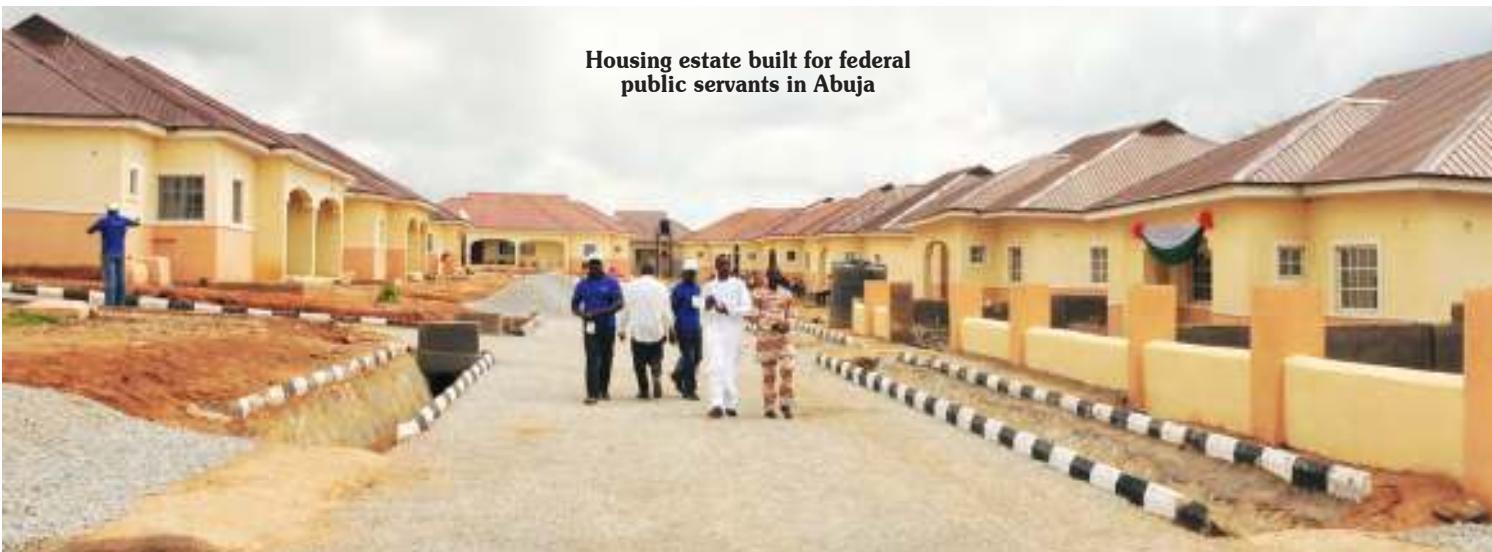
This is why, in line with President Goodluck Jonathan's Transformation Agenda, the administration of Bala Mohammed, a senator and minister of the Federal Capital Territory, FCT, found a way of making affordable housing accessible to workers in the territory. This is also through public and private sector collaborations.

Giving an insight into what the Federal Capital Development Administration, FCDA, was doing to provide housing for workers, he said over 100 land allocations have been given out to developers by the administration in the last three years. The lands are given out almost at no charge to enable the developers build affordable housing for workers, while government provides the infrastructure needed in such residential estates. Many of such estates have sprung up in different parts of the city.

Such houses are accessed by workers through mortgages that are repaid over a long period of time. Hundreds of civil servants have benefited from this arrangement in the last three years. Many of these mass housing estates are still coming up within the city.

Goodhomes Property Development Company, one of the investors participating in the mass housing scheme, is planning





Housing estate built for federal public servants in Abuja

to build estates at Lugbe and Apo areas of the city. Hamza Shuaibu of the Business Development Office said the company would start with Apo where 9,000 units of affordable houses would be built, starting from July this year, before moving to Lugbe. He said the company was working in conjunction with the Nigerian Labour Congress, NLC, and the Trade Union Congress, TUC, who facilitated the project.

He advised workers to take advantage of the scheme and subscribe for the houses, which will come in various types of two and three-bedrooms. On the average, the minimum cost of a house would be about N10.44 million. A two-bedroom all *en-suite* goes for N10.44 million while a three-bedroom all *en-suite* goes for N12.42 million. The estate would occupy 292 hectares of land.

Speaking on the payment plans for the houses, he stated: "We have various payment plans, and one of the easiest for workers to access the houses is to go to the Federal Mortgage Bank, FMB, and take a mortgage loan. We have allowed for at least 10 per cent down payment, depending on the value of house you're buying. The FMB has its criteria and they work in conjunction with some other mortgage institutions. What we have done is to ensure that the houses come as subsidised as possible. We will be in charge of the houses while the government, in its magnanimity, has offered to make the infrastructure available, and that has helped to reduce the prices of the houses." The company, in accordance with the Memorandum of Understanding signed with the government, has made compensation for indigenes and residents at the site.

The Chikason Group of Companies is another investor in the mass housing scheme. The company has also been allocated land in Lugbe for the scheme. Speaking on the project, Alex Okafor,

chairman and chief executive officer of the company, said: "We have signed agreement with TUC to do 100,000 houses for Nigerian civil servants, which is the dream of the present administration. They want to make sure that civil servants

have their own houses, so we're starting with Abuja and about 25,000 housing units would be built. The minister has provided us with land for the take off of the project and planning is at an advanced stage. The land is at Lugbe."

'Land Swap Will Benefit All'

Umar Jibrin, an engineer and director, Mass Housing at the Federal Capital Development Authority speaks to **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter

What is the relevance of your department to the land swap programme? The land swap programme, as you know, is aimed at providing infrastructure for the district that has been lying fallow over the years. My mandate as director of mass housing is to partner with the private sector to provide housing for the entire strata of the citizens. 'Mass housing' – meaning housing availability for all types of Nigerians. So the infrastructure that will be provided in the land swap districts will mean that plots that will be available for developers to invest and provide housing stock to Nigerians in the FCT will be enhanced; will be boosted and the housing crunch will definitely collapse.

Are you assuring Nigerians that there will be affordable houses in the land swap districts?

There will be plenty of houses that are going to evolve in the districts that are considered for the land swap. We are going to have abundance of housing that will certainly bring down the cost of housing to bearable limit. That is because we are going to have houses that are going to be of large quantity of different species and character.

We are going for the middle level, the lower-class level and for even the high-end. And then if you look at eight districts, almost each one of them is between 250 hectares to about 400 hectares. Even if you take maybe a quarter of each district and say that they are going to be for mass housing development or housing estate provision, you can imagine the kind of housing that will be there, especially when you consider that with the master plan arrangement of Abuja, there are zones designated, low density, medium density and high density. So we are going to have all manner of houses going to different levels in some locations. Ultimately it will mean that there will be many houses that would be made available and once you have something in large quantity it means the price

would be affordable.

What are the specific inputs of your department in the land swap project, in terms of interfacing with the investors?

Yes we are interfacing with them in making sure that they understand in the first place the concept of mass housing in the FCT. They should understand that there is a guideline that guides the provision of housing in the FCT and from onset they know that after providing the infrastructure, they know the way they are going to develop the housing estate or other development they like to come up with for themselves or even for anybody that is going to be the subsidiary developer that will come to those plots.

Ordinarily when you look at Abuja, it is not like there are no houses, but we have more of empty houses because of the cost of renting or acquiring those houses. With the land swap initiative, are there safe guards to stop a repetition of such scenario where there will be a lot of housing but unaffordable for the average resident of Abuja to stay?

What I am saying is that each one of the investors understands that he has to put up a proposal that must

I want to believe that for us we will be looking at technical composition and their technical capability to provide housing. If they are civil engineering contractors, we would expect that they would have a team that can also deliver housing schemes such that we will not be having challenges in moving with them to provide the houses that are up to the standard of the territory and in compliance with our guidelines. The primary infrastructure which is the major road, water, electricity and so on, will be provided by government to support the investors who are supposed to now do the secondary infrastructure and the houses. This is what the land swap investors must take into account. They must have the capability to do this secondary and tertiary infrastructure as well.

‘It is not government that is doing the projects, it is the private investors that have the money, they are the ones that would build the houses. So it is the individuals who are interested that will contact them’

Can you give an idea of the number of the housing unit you expect from the land swap programme?

Meanwhile these plots are not only for mass housing, there will be areas that are strictly for relocation or allocation and other commercial and public usage. So it will be difficult but believe me I know it is going to be in a very large quantity.

What are the criteria that will be used to ensure equitable distribution of the houses so that they are not hijacked?

Well, we are like the coordinators and we look at what everybody does. So we only do oversight of what they do. It is not government that is doing the projects, it is the private investors that have the money. They are the ones that would build the houses. So it is the individuals who are interested that will contact them. Most often we will not even know when or who will be approaching them.

Apart from this land swap project, are there other mass housing scheme that have been undertaken or will be undertaken under this administration?

Absolutely, that's what we have been doing since this government came on board. The government has given a lot of lands to individual developers who have been doing their thing even though there are challenges and flaws here and there which we have been

trying to address. We are also planning to get some of them that have allocation to come and do them in the way that is indicated by the guideline.

Can you give us an idea of the number of such projects, especially under Senator Bala administration?

I think over 100 allocations have been done for mass housing development and they are at different levels of development. Some are at infant stage; some have grown and are beginning to do their construction, and some of them are just trying to get their agreement concluded. There are processes and you have to at least get final approval before we endorse and sign this agreement for you to really commence work with the engineering construction.



Photo: ADEWALE ADEOLA

be agreeable to us. Because partnership now means that whatever you are going to do should be mutually agreeable to all of us. Meaning that if we give you a district, you are going to submit your proposal to us as every other person does. So we will now determine the housing types and how it should be, so it will not be for only the high ended. That's what I mean by saying when you have a mix of them then you have the affordability issue addressed.

This question is similar to the one you just answered now and I want you to put it in a more specific term. As a director of mass housing project, what are you going to be demanding from the investors in the land swap programme?

Diversifying into Real Estate

The Dangote Group has successfully invested in many sectors of the Nigerian economy; they were convinced by the FCT Minister to also invest in the land swap initiative



Dangote Group is partnering with the FCTA in the comprehensive development of Sherreti "A" District

By TAJUDEEN SULEIMAN

The Dangote Group is one of the most diversified business conglomerates in Africa with a hard earned reputation for excellent business practices and products quality. The management of the Group comprise of dynamic leaders with varying background in manufacturing, government and financial sector of the economy. The Group also owns real estate assets at various locations in Nigeria including Lagos, Cross River, Rivers, Kano and Abuja.

The Group is partnering with the FCTA in the comprehensive development of Sherreti "A" District under the land swap programme. The company's technical partners for the project include: James Cubitt Architects, Morgan Omonitan & Abe Limited and KOA Consults Limited. Sherreti "A" occupies a land size of 177, 98 hectares.

The Group is committed to complementing the government's initiatives in making the economy private sector driven. No doubt, the Dangote Group is a testimony of successful and rewarding private entrepreneurship.

The Group currently has a market capitalisation of over \$24 billion as at December 2013. It has four of its 13 subsidiaries listed on the Nigerian Stock Exchange (NSE). One of the subsidiaries, Dangote Cement PLC, is the biggest listed company in West Africa and the first Nigerian company to join the Forbes Global 2000 Companies. In addition, Dangote's Obajana Cement plant is reputed to be one of the single largest cement plants in the world with an estimated capacity of 13.25 million metric tonnes per annum.

Since inception, the Group has experienced phenomenal growth on account of quality of its goods and services and its focus on cost leadership and efficiency of its human capital. Dangote Group is a multi-billion naira company now poised to reach new heights. The Group's core business focus is to provide local value added products and services that meet the basic needs of the populace.

Through the construction and operation of large-scale manufacturing facilities in Nigeria and across Africa, the group is focused on building local manufacturing capacity to generate employment and provide goods for the people.

Established in May 1981 as a trading business with an initial focus on cement, the Group diversified over time into a conglomerate trading cement, sugar, flour, salt and fish. In 1999, the Group forayed into manufacturing. The Group is now one of the largest manufacturing conglomerates in sub-Saharan Africa.

The Group, which has won many local and international awards, was rated one of the Top 10 African brands by London-based *African Business* magazine in November 2013.





'We Are Providing Affordable Housing for Workers'

Hamza Mohammed Shuabu is of the marketing and business development officer of Good Homes Property Development Company. In this interview with **Tajudeen Suleiman**, senior associate editor, he talks about government's plans to provide about 100,000 affordable housing units for workers.

Could you tell us about the projects you are handling in the FCT?

Right now we're handling the nationwide workers' housing scheme, which is about 100,000 units to be built in the 36 states of the federation and the FCT. We're jump-starting this exercise with that of Abuja at our Apo site. We actually have two sites in Abuja – Apo and Lugbe. We're starting with the Apo site which will contain about 9,000 units of houses of various types.

You are implementing the project in collaboration with the Nigerian Labour Congress and the Trade Union Congress. Why is that so?

Actually it is a private sector initiative in conjunction with the

NLC/TUC because we're looking at affordable housing, and we also know that these organisations have made concerted efforts at making sure that the average Nigerian worker has decent accommodation. So with the President's Seven-Point Agenda, and the promise of affordable housing, we thought it was a good idea to work with them. They called us in and we came together to do this. We're driving this process together. We're working together to provide affordable housing for workers.

Have you conducted any research on the housing requirement of the Nigerian workers?

It is common knowledge that there is housing deficit of about 17 million houses, and the bulk of it is for the lower income level

Photo: Adewale Adelola





individuals. So that is instant information for us to work around with. Right now I think just about two per cent of the population actually owned their houses.

Has the project taken off?

Yes, it has taken off in earnest by way of site clearing, drawings in place and layout has been approved. We moved to site in July.

How would the workers get to own these houses?

We have various payment plans, and one of the easiest for workers to access the houses is to go to the Federal Mortgage Bank, FMB, and take a mortgage loan. We have allowed for at least 10 per cent down payment, depending on the value of house you're buying. The FMB has its criteria and they work in conjunction with some other mortgage institutions. What we have done is to ensure that the houses come as subsidised as possible. We will be in charge of the houses while the government, in its magnanimity, has offered to make the infrastructure available, and that has helped to reduce the prices of the houses. These prices were also agreed upon by the NLC/TUC before we commenced. But we intend to leverage greatly on mortgage institutions with the FMB, and as you know, government has been able to establish a mortgage re-finance company which will aid in providing sufficient liquidity within the system, thus bringing down interest rates from what we have in the market today.

When will the infrastructure be built?

What we're working at now is a simultaneous arrangement where as we commence work on the building, infrastructure would also come in phases because we know that the government has a lot of capital expenditure on its shoulders. Providing infrastructure in the FCT would have to come in phases.

On the average, how much would these houses cost?

On the average the minimum cost of a house would be about N10.44 million. A two-bedroom all *en suite* goes for N10.44 million while a three-bedroom all *en suite* goes for N12.42 million.

When a worker makes the 10 per cent payment, what are the guarantees that his investment would be safe?

In the case of Good Homes at it were, we've made it quite clear that your investments are highly guaranteed in the sense that should you decide to pull out of the scheme, your money will be made available to you without any form of deductions whatsoever. But we don't hope that would happen. Definitely that is a point that has been conceded by the proponents of this scheme. So, monies given to us would be kept safe.

Is there any possibility that prices could go up?

At the moment we're actually doing a promo and giving the houses at a discount of 10 per cent. The management has seen the need to encourage more Nigerians to participate in the scheme and we have extended the period of the promo. But I cannot say how long that would be. But right now the prices would remain constant to encourage people to participate.

In what ways has the FCTA facilitated this scheme?

The FCT has been magnanimous by way of providing land at next to nothing. Where we have to make payment to cater for those on the land, we just paid compensation to those on the land. So I will say that by way of provision of land, they have done extremely well, and that's why we're having the prices we



Photo: Adewale Adelola

have right now.

What is the worth of this project?

I will say it is within the region of N5 billion. It's a massive project covering about 292 hectares of land. We regard the area as prime and we're looking at about 9,000 housing units, top-notch infrastructure.

We're also looking at a timeline of two-five years for the project, depending on demand. We also intend to execute it in phases.

'The FCT has been magnanimous by way of providing land at next to nothing. Where we have to make payment to cater for those on the land, we just paid compensation to those on the land. So I will say that by way of provision of land, they have done extremely well...'

How do you intend to source funds for the project?

Funding will be through equity and debt financing. We're already talking to our funding partners on this, but we will jump start the project with our equity, with our funds. But certainly for a project of this magnitude, we would seek assistance from financial institutions.

Is there anything you would like Nigerians to know about the project?

Well, I will like to say it's a great opportunity to invest. In terms of location, you can't have it any better, and Nigerians should seize the opportunity now, especially as there is an attempt by government to create a robust mortgage industry. People should look at it as an opportunity to key in right about when the revolution is taking place. My advice is for people to seize this opportunity.

Are you confident that government will provide the primary infrastructure as promised?

The reason we have the confidence is because we have the key congresses partnering on this, and they would certainly ensure they advocate that the infrastructure is provided. And I think the government took their request into consideration when making that pledge to provide infrastructure. And because of the commitment of government to provide these houses, I think they will make sure that happens. We all know that infrastructure is important for this kind of project, especially in a city like Abuja. ■



We've Done a Lot for the People

Peter Yohanna Ushafa, chairman, Bwari Area Council, speaks to **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor

What have you been able to do since becoming chairman?

This is my second term in office; I've been here since 2010. We have been able to impact positively on our people. Administration is all about people. We have been able to partner effectively with the FCT ministers; they have created a good synergy between the area councils and the FCT Administration and that is the main reason we have been able to record substantial achievements. In the health sector, we have constructed primary health centres all round the Bwari Area Council – Shere, Gabau, Ushafa, Kogo, Sabongari and so on. We also have ongoing ones in several places. We have brought health care closer to our people. We have also done a lot in the education sector where we have given scholarship awards. The only one left for us to pay now is that of the 2013 admission year because we want to ascertain that genuine payments are made. We have been paying between N18 million and N20 million every year on students' scholarship. We have built new schools and renovated dilapidated ones to make education more accessible. We have been able to construct boreholes in all communities in the council. Any community you go to today and they say there is no water, may be there is a broken down pipe somewhere. We are doing all these because of the motivation we got from the Transformation Agenda of President Goodluck Jonathan. In road construction, we have been able to asphalt so many roads. We have in Ushafa, Second Gate in Dutse Alhaji, Kubwa, Biaji Primary School, and four in Bwari. Other rural roads that we are not able to asphalt due to funds constraint, we have graded them. We have constructed additional office accommodation in the council. We completed the legislative block and the library. We are trying to do more because our ministers have given us free hand to operate. I want to commend them for doing that.

In other states, there are issues about governors taking from local government allocations. What is the situation in the FCT?

Our case is not like that, they don't take our money. The wage bill for medical doctors serving in Bwari Area Council is the same as the doctors in the National Hospital or the Presidency is receiving.

Veterinary doctors, social workers and teachers all receive what their counterparts in the federal ministries receive. My local government burns N110 million monthly on salaries and wages. Don't forget that the wear and tear on infrastructure is also highest in the FCT because of the influx of people in the councils. We are told that the influx of people into the FCT daily is at the rate of 1,000 per day. And out of this figure, only 200 go back. That is why I always cry that FCT deserves a pet project fund from federal allocation. The fund would help us to develop in such a way as to match development in the city so that the city can be decongested. If a two-bedroom costs N2 million in the city, it costs N500,000 here in Bwari, and if we have adequate infrastructure here, people will prefer to stay here than go and pay that amount of money in the city especially when what one earns per annum is not up to N1million.

You have done a lot of projects here in Bwari. How do you get funding? Is it just your allocation or you have been able to boost your internally generated revenue?

Most of them from our allocation, and some too from our partnership with NGOs. For instance, the primary health centre



Photo: ADEWALE ADELOLA

in Dumi was built by an NGO. The one in Mapa was also built by an NGO. We partner with them and they were assisted by US embassy, USAID and UNICEF. We are trying to boost our IGR. There is a market we are trying to build that would boost our IGR so that even when I am no longer chairman, it will help the area council in revenue generation.

Do you have any PPP arrangement that is designed to help you build some infrastructure?

Almost all our markets are PPP because we cannot do it alone. My total allocation at the end of the year is not above N2.5 billion and one of these markets may be going for about N1.2 billion to



‘What I think the federal government should be doing now is integration of the original inhabitants and not resettlement. We’re all Nigerians. Those who have not yet been resettled should be integrated’

complete. So where do I get the money. What we do is to give out the land as equity. Then you come with your fund and develop and we now agree on percentage of remittances to the Area Council for specified number of years. We have the Dutse Alhaji Market, which is known as the Oloye Olajumoke Modern Market, in appreciation of the minister (of state). We also have the Senator Bala Abdulkadir Housing Estate, which is for staff of the area council. We are just waiting for the development control approval because we’re through every other thing. Other markets under the PPP arrangement include: Kubwa Modern Market, Dei-Dei Market, Maitama Market, Dei-Dei Trailer Park, Dawaki Modern Market and Mpape Modern Market. The Kubwa Market has over 2,000 shops and it will be one of the biggest markets in the FCT. Those who will take the shops will pay 30 per cent deposit of the cost of the shop so that we will be sure of your interest in the shop. You know, if you ask people to just declare interest without any financial commitment, they will just take advantage of it and it will not work. The original owners of the shops will be given the privilege to own shops at the market because they are documented. We are also bringing in banks to give mortgage so that people can own the shops. What has been hampering our effort at boosting IGR is lack of relevant laws. But some of the laws will soon come on stream.

Apart from mortgage, what have you built into the agreement with the investors to make these shops affordable to majority of your people?

The original owners will be given first right of refusal, and that was why we documented them. Some privileges will be accorded to them. The percentage payment they will make will be less than that of others. If others are paying N200,000 as 30 per cent, they will pay N150,000.

You said there is synergy between the area councils and the FCT Administration. Can you give us some details about this synergy?

Let me give you examples with two sectors in the FCT. The agriculture secretariat launched a project in Bwari Area Council here last week. Ordinarily, it was a project of FCTA but they decided to launch here in Bwari to show the relationship between the area councils and the FCTA. If we are not working together, how would the common man in the council benefit from the

‘The original owners will be given first right of refusal, and that was why we documented them. Some privileges will be accorded to them’



dividends of democracy? Fertilizer distribution: they had to liaise with the local government for farmers to get registered. If there is no synergy, how do you do that? Health facilities, the same thing because every equipment under SURE-P, MDG and others, we pay counterpart funding. How do you do that without synergy?

Now the FCT has been able to create a department called the Satellite Towns Development Agency, which has to do with the grassroots in the FCT. If they don’t have local government in mind, they will not be creating things like that. So we are being carried along as local governments in the FCT.

What have you done to encourage agriculture?

Bwari Area Council is a food basket of FCT. We bought 10 tractors last year and distributed to each of the wards where we have an elected councillor. Each tractor costs us N7.5 million but the tractors go directly to the farmers at N1.6 million because we went and dialogue with the FCTA and they gave us rebate, at 50 per cent discount, which brought the cost to N3.2 million, and we at the council also gave it to farmers at another 50 per cent discount. Also, there is some construction coming up by Ushafa Bridge, it is the Chinese government that is trying to build a Demonstration Farming Centre in partnership with the Federal Ministry of Agriculture and the area council. Farmers will be trained at this centre in the production of different species of crops.

FCT is an area where many of the original inhabitants have been displaced as a result of development. What are the challenges of the area council administrations?

I am an example because I am an indigene. What I think the federal government should be doing now is integration of the original inhabitants and not resettlement. We’re all Nigerians. Those who have not yet been resettled should be integrated.

What is your opinion on the land swap policy of the FCT?

It is a very good policy for development.

Give Due Attention to Resettlement

Micah Jibah, chairman, Abuja Municipal Area Council, speaks to **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor

What are your views on the developments going on in the Federal Capital Territory?

We are dealing directly with the people at the grassroots because I am a grassroots man. Here we don't just cite projects; we ask the people what they want before embarking on any project. If you go to Juwa, their problem used to be water, but now they enjoy pipe-borne water, not borehole. The minister approved that we do water projects there. In Jukwe, their road has been asphalted. In Kabusa ward, you will not believe the road development there. In Juwa, a two-kilometre road construction is also going on and will be completed soon. We have bought patrol vehicles for the police. There is no community where we have not cited a project dear to the people.

What is the attitude of your people to the land swap policy?

Frankly speaking, the Gbagi people are peace-loving people and they are accommodating. Since the inception of the Federal Capital Territory here, I don't think there has been crisis in any community. I have never heard that the Gbagi people are causing confusion because of developmental activities of the government. I want to tell you that our people welcome the development in the FCT. For example, people living in Jakasa on top of the hill, it used to take them about three hours to get to Suleja. But today they don't spend more than 30 minutes. In the past if you live at Karshi and you want to go to Keffi, it took about two hours and 30 minutes. But today you spend about 30 minutes. So we're happy with developments here.

Are there issues over resettlement and compensation plans?

As a grassroots chairman, I want to advise the government to look at the issue of resettlement and compensation. The federal government should give proper attention to the issue of resettlement and compensation. That is my candid advice.

What is the nature of resettlement and compensation you think your people will need?

I have said it earlier, our people are peace-loving people and they will not want any violence. Whatever proposal the government is bringing will be acceptable to the people. Government should look at the issue of compensation very well. The proper thing should be done. On the issue of resettlement, people should be given what they are due for. If someone is due for a three-



Jibah

If he [Bala Mohammed] is not doing well, I believe he wouldn't have remained in that office for this long. For Mr. President to have allowed him to remain in office for up till this time shows that the minister is doing well. We also testify that he is doing well, and he is carrying everybody along

bedroom house, he should be given the three bedrooms.

How has Senator Bala Mohammed served the needs of your people in the four years he has been minister of FCT?

I think he is the longest serving minister of the FCT, and I believe strongly that he is doing very well. If he is not doing well, I believe he wouldn't have remained in that office for this long. For Mr. President to have allowed him to remain in office for up till this time shows that the minister is doing well. We also testify that he is

doing well, and he is carrying everybody along.

In which areas would you want the minister to do more for your people?

The minister is our own governor. The issue of resettlement is something that bothers our people. It is a gigantic project and we will love the President to give the minister more powers to tackle the issue of resettlement in the FCT.



'My People Want Relocation'

His Royal Highness, Alhaji Musa Idris, Serikin Jiwa, is a walking encyclopaedia of history. He recounts the history of Abuja and FCT, explores the plight of his people amidst hi-tech development and considers options that will benefit his people in this interview with **Anayochukwu Agbo**, general editor, **Chinenye Eseke**, reporter, and **Adewale Adelola**, senior photojournalist

Would you recall for us a brief history of your people? Abuja was a province under the Zazzau kingdom (Zaria kingdom) in those days. Makau, the then Emir of Zazzau, fled from Zazzau southward, with a group of his people during the Jihad of Uthman Dan Fodio and settled here. Before the coming of Makau, we the people of Jiwa and other communities already inhabited what is today called the Federal Capital Territory. People like Jiwa, Izzon, Kawu and others were already leaving here. Parts of these villages were answerable to Zazzau and also paid tax and gave slaves to Zazzau every year. We the people of Jiwa originated from Zazzau and we were here before Makau. So when Makau fled down here, he moved down to Jiwa because the Jiwa people were his brothers. At that time,

Makau people were about 3,000 while Jiwa people were 500. But because Jiwa people mocked Makau about his defeat by the Jihadists, there broke a fight between the brothers, which lasted for three years, seven months and seven days.

Meanwhile, Makau people were more in population compared to their Jiwa brothers, so they defeated them but refused to take us as slaves. By that time the imam of Jiwa was a sheriff, the Prophet's brother, who told Makau not to touch Jiwa, and Makau agreed. What they did was to take one of the staffs of office from us because we had two staffs of office we collected from Zaria, that is, the crown and the sword or Tambari. So they took the Tambari. Makau then moved from here to Lapai in Niger State. On reaching Lapai, his community queried him because he refused to take Jiwa as slaves after defeating them. But he said he couldn't

‘The land swap will reduce the menace of land racketeers and speculators who made houses unaffordable in the city’

do that. And they cut his head! Two of his children, Abukakar and Abuja, were not killed. They had to run for their lives. So they turned back. When they came back to Zuba, they knocked on the great wall of Zuba. By that time it was Mohammed Bawa, they opened the door for them. They were caged for seven years, seven months and seven days.

From there they moved them down to the present settlement called Abuja. If you reach Abuja you will see one round hut near the court called Zauran Zazzau. When they settled at that place, they named it after one of his sons, Abubakar Ja (in Hausa, it is Abubakar yellow). Abubakar Ja was now shortened to Abuja, and that is how we came to have the name Abuja. Some people ruled us again in Abuja, by that time Nasarawa was a province and Abuja was a division. And we had a number of districts under it like Jiwa district and others. But Wuse and Jiwa districts were amalgamated in 1918. So you should know that Jiwa has been in existence for a long time. Now coming to 1976, when the creation of FCT started, by that time, Abuja had four districts namely: Abuja district, Kwali, Kuje and Bwari districts. So out of these four districts, FCT took three districts and left Abuja district. So you can see that the present FCT, about 90 per cent of its land belongs to Abuja, that is, the former Niger State. You can also see that from Abacha Barracks the land belongs to Nasarawa while from Abaji it belongs to the old Kwara State.

Abuja is 36 years old as a Federal Capital Territory. Within these years, what has happened to your people?

Development started in Phase One, which has Wuse, Asokoro, Maitama districts, and Garki Area 1. We still have places that are not developed. Now, the government has embarked on what is called land swap.

What is your attitude to land swap?

Having been adequately informed about the policy, I can tell you that I appreciate the land swap policy. You will agree with me that allocation of plots in FCT before the appointment of Senator Bala Mohammed as minister was business. This hindered development in some areas and made land costly to a point that a poor man could not afford land anywhere in Abuja. For instance when Mr. B gets allocation, it is not for the purpose that he wants to build, it is just because he wants to go and sell. So the price of plots went up, making it more and more costly. To build a house in Abuja became more problematic. Formerly when

‘ We need a place where we can expand, and if we need where we can expand then we need to go for relocation or resettlement. For resettlement if you need a place for palace, you have your area, you have your different neighbourhoods, you have where development will be, a modern city ’

they gave such allocations, indigenes don't talk, they just collect the land and go peacefully. You will be sitting down in your farm, government will give somebody allocation and they will come and pay you N15,000. But the man who paid you little amount on your land will then go and sell for N300 million!

Our children are now educated and they are becoming wiser, so they started resisting. But the law that governs FCT says the land belongs to the government. It is the economic trees that are in your farm that will be paid for as compensation. So as a result of that, our people came together and started planting economic trees and waiting for those

who would come to take over their land. They too will get their resources from you. All these made the cost of land bigger and the cost of housing equally skyrocketed. This also resulted in several cases in the court because of allocation issues. The crises about land became too much. So these were the problems that made Bala Mohammed to create the idea of land swap. The land swap will reduce the menace of land racketeers and speculators who made houses unaffordable in the city.

How do you think your people will react to the land swap policy if it comes to Jiwa?

If I understand, my community may not understand. If the government wants them to understand, that means something tangible needs to be done. Government has to enlighten the community before the implementation of the project by instituting a committee that will go to the grassroots and explain in detail what the project is all about so that they will know.

But since you are their king, is it not easier for you to explain to them in the manner that they will understand than the government who may not have enough skills of speaking to the grassroots?

The people are supposed to be enlightened on the benefits and disadvantages of the three options of resettlement, integration and relocation. I enjoin you journalists too to help in this campaign of awareness.

Which compensation option would you prefer for your people – resettlement, integration or relocation?

During the Nasir el-Rufai administration as the FCT minister, there was the argument that we are original inhabitants and not indigenes but we said no, we are indigenes! I was a member of the



Idris

Photo: ADEWALE ADELOLA

Advisory Committee on FCT that was set up and we went to Paris, capital of France, to see how development started there. I also went to Brasilia, the new capital city of Brazil. There I was opportune to see how they treat their indigenes. We went to one of the villages where they did resettlement. They were even inviting people to move to Brasilia. So you can see that in some areas in Brasilia, when people refused to move or relocate, they did not force them (but) the government continued with development around them. They gave everybody his land, but you see, they didn't behave like us who are quick to sell the land government gives us. So when you see a 50-storey building looking at you, you have no option than to sell your land and move back to the resettlement area built for original inhabitants. They were not moved by force.

So for the question you asked me, my preference may be different from my community, but what my community wants is that a local man wants to live in a local area. They are local people that don't want to leave their culture. If you are talking of integration there will be no expansion, but your cultural norms and values will soon vanish because you have to exist alongside other cultures that may prevail on yours. As we are mixed in Abuja, if you are speaking your language with an Igbo man you must mix it with English. For me, integration is not the best for the people because a Gbagyi man has 30 children alone from many wives, so where will you get space if you opt for integration? We need a place where we can expand, and if we need where we can expand then we need to go for relocation or resettlement. For resettlement, if you need a place for palace, you have your area, you have your different neighbourhoods, you have where development will be, a modern city. And even if you want where to worship, your shrine, tell the government that this is what I want, it will be given to you.

On the issue of compensation on economic trees, what model of compensation do you favour?

Adequate compensation for economic trees before encroachment is the best. That means when they come to your farmland, they should pay you for the economic trees that are there before they come in to start work. Secondly, as an indigene, you are a farmer, your father was a farmer, your great grandfather was a farmer and you don't have anything to do. You need to be compensated with another farmland because that is your source of livelihood. And the certificate of that farmland should be written in gold that it is not for sale.

With that you know that your house has been created for you.

But where would we be resettled? That is the question. Government has to look for the radius of the catchment area and keep us there. Moving us completely to other destinations may be a little bit alien; we have to stay close to where people are enjoying, because we too are Nigerians. We want a situation where the resettlement and integration may be within. For instance, if you are taking me away from here to resettle me outside my chiefdom you are creating problem because tomorrow there will be a communal clash of authority between

Photo: ADEVALE ADELOLA



Idris

the two chiefdoms. So the workable model here is to take a part of our town and settle us there, so that we can be in touch with our culture.

You have seen other ministers of the FCT, what do you think makes Bala Mohammed, the present minister, different from the other ministers you have known?

I have worked with El-Rufai; he is a very straightforward person. If not because of his arrogance, El-Rufai is a complete human being. But Bala Mohammed is simply unique. Let me start from the traditional rulers. It is during the tenure of Bala Mohammed that traditional rulers know the benefit of a minister in FCT because everybody is enjoying everything. Some ministers benefited from us, abandoned us and left. But Bala Mohammed has not done that. Secondly, Bala is a straightforward man, and history will record his achievements when he is out of FCT in terms of development. He came in at a critical time. The ministers who

Bala is a straightforward man, and history will record his achievements when he is out of FCT in terms of development. He came in at a critical time. The ministers who came before him enjoyed, but now he is taking the pains caused as a result of the wrongs of the past

came before him enjoyed, but now he is taking the pains caused as a result of the wrongs of the past. Bala is a kind of person that doesn't like gossip. He is a person that would not want you to come and tell him lies. He doesn't like greedy people. It is better if you want to talk to Bala Mohammed, don't allow anybody to be your mediator; meet him one on one. Tell him the truth and he will accept you; but if you are the gossipy type, Bala Mohammed will kick you out of his house. Bala Mohammed doesn't forget if he promises you, and he is always willing to fulfil promises.



It Is the Solution to Resettlement Problems

Photo: ADEWALE ADELOLA



Usman Nga Kupi, Sa'peyi de Garki, is the traditional ruler of Garki, Abuja. He speaks to **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter.

Could you give us some background about your people?

Abuja, the Federal Capital City, met the original inhabitants namely – Gbagi, Gwandara, Gede, Oro, Igba, and so on. We have seen so many ministers and Abuja has expanded tremendously. But our people have been facing challenges of resettlement after their communities were taken for development. Senator Bala Mohammed, having seen the challenges we are passing through,

especially in the area of resettlement, brought this idea of land swap. There have been a lot of loopholes in the integration plan for inhabitants of Kubwa, Jikwoyi as well as Garki. The other one that is going on at Share and that of Wasa are challenges that make us cry aloud that we have been short changed. There is nothing positive for us and our people have not felt any positive impact. Senator Bala said that the only option that he could do is to introduce a land swap project to FCT. There was a lot of outcry here and there among those that are the original inhabitants, residents of Abuja, even Nigerians generally. People criticise here and there and even within my own jurisdiction it has not been easy for me; it has been a great task, more particularly to people who are directly affected. But because the minister is a man of vision, he said the only way we could achieve result and succeed is to carry the people along. He had to call all of us the stakeholders, all the people who are directly affected and other residents of Abuja to enlighten us, to tell us the reality, the positive result that we will achieve with land swap. After assembling us, several committees were also set up to visit the site and the villages. The committees, including traditional rulers, had to go round and give information on the programme to the people. Stakeholders in communities that would be affected like Ketti, Burun, Gwoke, Dagaje to mention but few, were incorporated into committees and we all brainstormed together on the best way to go about the programme.

Do you see the land swap as a solution to the resettlement challenges of the indigenes?

Well, we have two options – either to be integrated or relocated. However, with the input we have presented, if fully implemented by all the stakeholders, we will be able to achieve as much as 85 per cent success.

What can you say about the commitment of the minister of FCT to making sure that these agreements are implemented?

I have been praying that Senator Bala would start this project and oversee its completion. If he oversees this exercise I assure you the aims and objectives will be achieved. But my fear is that I don't pray that he leaves this office when he has not commenced this project or when he has commenced the project and he leaves half way. I do not know if the person that will take over will be able to

Because the minister is a man of vision, he said the only way we could achieve result and succeed is to carry the people along ,



Photo: ADEWALE ADELOLA



follow his footsteps. He listens, accommodates and carries the people along. I am hundred per cent sure that if he is the one to implement the project, we would achieve what we want.

On the issue of compensation, you said there are many challenges, that your people were crying before this policy came. Can you tell us details of the challenges facing your people? What were the problems with the former concept of compensation?

You see there are issues of compensation and re-settlement. On the issue of resettlement, the people affected were not carried along in the plan. The government conceived the exercise, implemented the policy, and simply told our people to go. In Garki, we showed them the site we wanted but when they designed the structure, they didn't ask for our input. They just commenced development, nobody was informed about anything. And after they had gone half way, they said we have to start settling there. But we said 'No', resettlement can't be done like that. If you want to have a comprehensive resettlement, the structures, the infrastructure have to be completed. All they said was that we are giving you allocation data, go and start moving in, and that led to a lot of problems that we are still battling now.

So what is the way that would be acceptable to your people?

The only way out is what Senator Bala is doing, making sure stakeholders participate in decision making so that nobody will be

‘Why can’t we be allowed, as the host and landlord, to see Mr. President? If other Nigerians can walk so many kilometres to meet Mr. President, why can’t I meet with him?’

able to point accusing fingers to any other person; neither to the government, the investor nor the royal fathers because we are part and parcel of the project. So the only option is the step that Senator Bala has taken by carrying the stakeholders along, and everybody contributing his own quota.

Would you prefer resettlement or integration?

Well, each of the two options has advantages and disadvantages but what I learnt with integration is that at the end of the day we are going to be consumed by other Nigerians whereby most of our tradition, culture, norms, values, even the language, will be polluted. So we are foreseeing that resettlement may be better because we will still be able to preserve some of our norms and values.

Is it that your people don’t want to embrace modernity?

Look modernity can take place anywhere; once modernisation comes you embrace it. We are trying to protect and preserve our norms and values.

As it is now, in terms of government jobs for your people and other things, are you people getting enough from government?

No, that's a serious challenge we have been passing through. Despite the fact that Senator Bala has been trying his best, but it is not enough. We have so many youths now that are unemployed, which is even a general problem affecting the nation. I have even suggested that there is need to have a commission because the land is our resource. If Niger Delta people have their commission, there is nothing wrong for Abuja to have its own also. An idle hand is the devil's workshop and if we don't engage our youths, they may one day become social menace. So the solution is for the government to give us Abuja commission whereby it will assist in training our children from primary to secondary school, and assist the youths to secure gainful employment. Industries can also be established to support our young ones.

How do you rate the positive impact of this present administration on your people?

In the first place that's the beauty of democracy, we have people who are fully participating, we have a senator, we have House of Representative members as well as our area council chairmen and councillors. Our legislators are there and they are also contributing their quota to see that some of these youths are employed.

Your palace is close to the Presidential Villa, have you met him since he became the president?

I have not. I would love you to ask Senator Bala why he has not taken me to Mr. President. That has been my agitation for a long time. Why can't we be allowed, as the host and landlord, to see Mr. President? If other Nigerians can walk so many kilometres to meet Mr. President, why can't I meet with him? I met Senator Bala and also the minister of state, and presented this request. The entire residents here are not happy that we have not been allowed to meet with him even though Mr. President lives with us here. ■



We Are Providing Infrastructure in Satellite Towns

Tukur Ibrahim Bako, director, Satellite Towns Development Agency, speaks to **Samuel Torlumun**, reporter, and **Chinenye Eseke**, reporter

What is STDA all about?

Satellite Towns Development Agency, STDA, as the name implies is responsible for improving the lives of people residing in the satellite towns. This comes in the form of providing primary infrastructure like roads, water supply, sanitation and affordable housing programme, which we have started. Recently, the minister has directed that we should go a little bit further in the provision of affordable housing in the sense that we should try to be looking at the beneficiaries in groups, not on individual basis. Like if you are a cooperative society, you can apply to us and we will give you the land, and the cooperative society will develop it under our own supervision. Why the minister directed that the houses/land should be allocated to cooperative societies is because it is more difficult for a cooperative society to

sell land than an individual and these lands are being allocated in satellite towns of the area councils.

Recently, Wasa has been allocated to cooperative societies and infrastructure are on the verge of being provided. On the environmental side, we started with the clean and green programme with licensing. This licensing is an arrangement whereby the collection was advertised and the clients who were qualified were allocated portions for clearing of waste. If you go to all satellite towns, we are improving on the provision of infrastructure particularly, the provision of roads. Like in Kubwa we have done as much as 75 per cent; in Kuje, I think 100 per cent and that is for the first phase. We have also done 100 per cent for Kwali and Abaji in the first phase of infrastructure provision, and we are thinking of going into the second phase.

For the regional roads that we are creating, the government is now concentrating on Karshi-Apo Road which is about 17.5 kilometres. We are concentrating on that because it is going to ease the traffic flow on the Abuja-Keffi Road. If you are living around Jikwoyi, Karshi and Karu, you don't have to go through Nyanya-Abuja-Keffi Expressway. The work done is about 47 per cent. And I am happy to tell you that SURE-P is intervening, hopefully by the end of this year we will attain 90 or 100 per cent. We have the Kuje-Gwagwalada Road, you know that is to also ease some of the traffic on that axis. It is 16 kilometres, 10

kilometres have been awarded and it is about 60 per cent completed, the second segment, which is six kilometres, has been procured and it is going to be awarded. Happily, SURE-P has been intervening in that respect by funding the entire project. We have a road from



Photo: ADEWALE ADELOLA

Some of the things he (Mohammed) has brought will not mature until the next two to three years. But there are visible ones that you can see... Take the rail infrastructure, take the Airport Road and Kubwa Road, take the Lower Usman Dam that has been commissioned to improve water supply in satellite towns and in the city... ,



‘Yes, we will go into the land swap programme but at modest level, because whatever we are trying to do is to make housing affordable to the residents of the satellite towns. So if you go into the city model, the residents in the satellite towns cannot afford it. So we are still doing our own research to make it affordable’

Gwagwalada to Izom linking Niger State, from Gwagwalada you can go to Izom. On that road also we have done more than 50 per cent. A lot is being done, if you go to Bwari, the districts four and five of the Bwari districts have also gone as high as about 60 per cent for the infrastructure on ground.

If you go to Karshi district one and two, we are also working there, with a significant progress. Our major challenge is funding, but what we have done is to prioritise our projects such that those that will have immediate impact on the economy of people of satellite towns are considered. Based on that, we have prioritized Karshi-Apo as one of our major priorities; Kuje-Gwagwalada is also a priority, Gariu Shelle, the relocation site for some of these villages. We will get there; it is only the funding that is the problem.

Can you give some of the details of the infrastructure that you are providing in satellite towns as well as their quality?

We have two standards, the city standard and the satellite towns' standard. You know the city has too much traffic compared to the satellite towns. So the quality of infrastructure we are providing is that of the satellite towns' standard. If you talk about the drainages, we provide the open drains instead of the underground drains. For power supply, we are not doing underground, we are doing surface wiring. The reason is also to beat cost because the demand in the satellite towns now is almost 200 per cent outweighing that of the city, because the city has been growing for the past 30 years, but for the satellite towns, it is now that the attention is being paid to its development. So the quality is that of the satellite towns and the standard form. But for the regional roads that we are providing, the standard is that of the city, because they are the ones that will ease the traffic flow, so if you don't provide the required standard, then the cost of maintenance will be more than the contract sum.

Are you saying that you are going to try out land swap policy in the satellite towns?

Of course, I won't say we are going to try out the land swap policy in the satellite towns. We have a target group and you know provision of infrastructure is very expensive and wherever an investor comes in, he will want to recoup his money. Yes, we will go into the land swap programme but at modest level, because whatever we are trying to do is to make housing affordable to the residents of the satellite towns. So if you go into the city model, the residents in the satellite towns cannot afford it. So we are still doing our own research to make it affordable. But let me tell you what the government is doing, I will take example, the Gidan Daya programme where we are trying to relocate people from a place



Photo: ADEWALE ADELOLA

which has been declared unfit for human habitation. We have gotten the land, and the government is providing infrastructure and ADB is funding that programme. Where we are going to get money to pay back the loan is the land in Nyanya because we are going to sell the land or turn it into land swap. When we free that land we are going to get development whatever they invest there, we will recoup some of our monies.

What can you say Dr. Bala Mohammed has brought in that previous ministers did not do?

Some of the things he has brought will not mature until the next two to three years. But there are visible ones that you can see. Take the rail infrastructure, take the Airport Road and Kubwa Road, take the Lower Usman Dam that has been commissioned to improve water supply in satellite towns and in the city, take the award of contract for the supply of dam in Karshi, take the issues of the buses, the transportation he has provided, look at some of the hospitals that he has equipped, Maitama Hospital is one of the best hospitals we have in the country and Asokoro hospital. There are so many, look at the land swap, the centenary city, so they are so enormous.

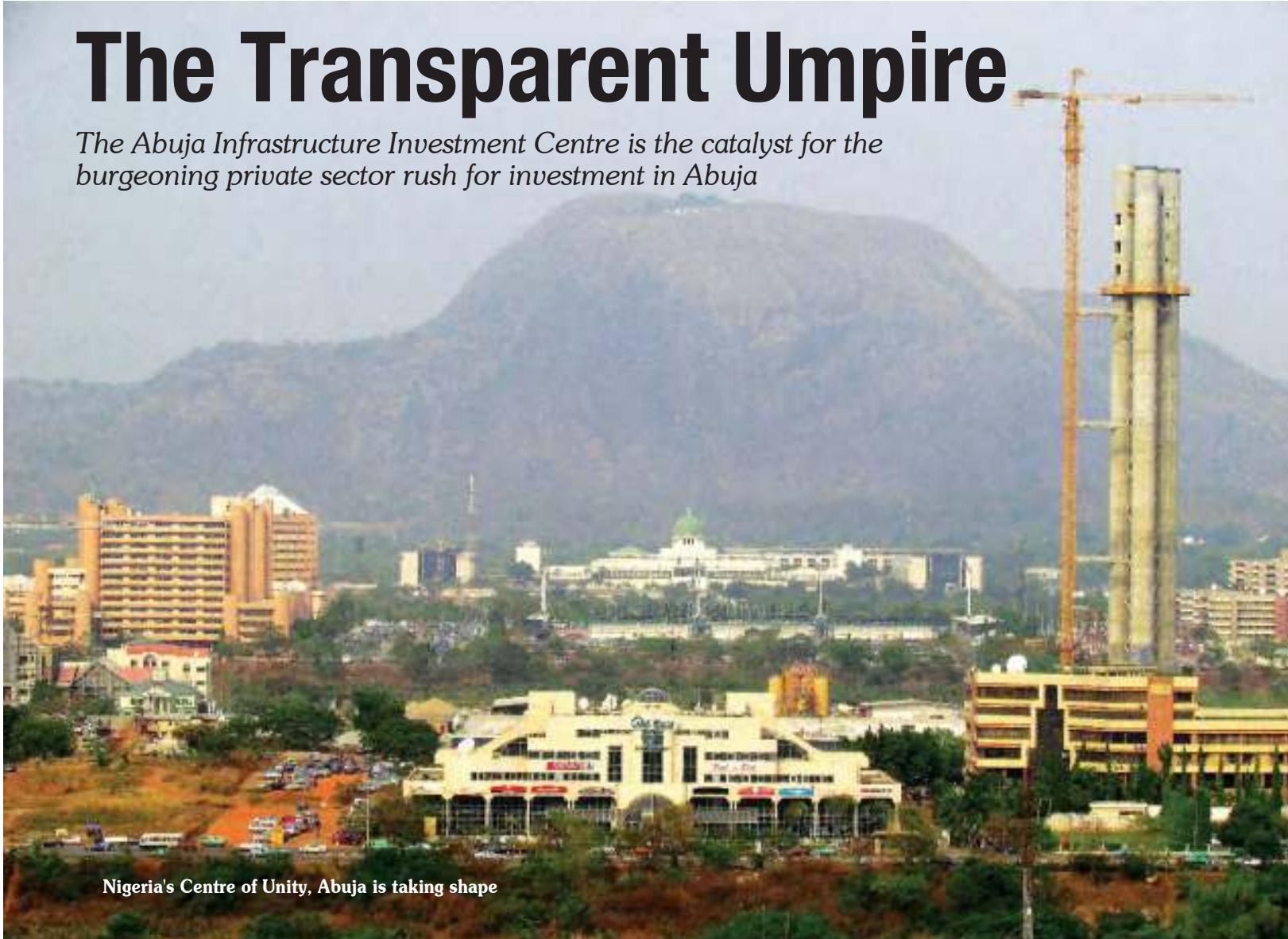
What has been the priorities of STDA under this minister?

Number one is sanitation. To clear the satellite towns, this has been our major priority. And let me tell you, seven out of our 10 calls is on sanitation. And the establishment of some of these regional roads that will decongest traffic in the city is also another priority of ours. These are the two major priorities. You asked about the markets and I would let you know that most of the markets that are located on the roads, the minister has ordered that they should be relocated from such locations because not only for security issues, but for the traffic that is being generated along the places. Another priority of ours is the facility inventory we are doing, because we must complete the programme before we will know exactly what each community requires. Some may want borehole, some may want clinic and all that. So based on that assessment they may be able to plan. That is also our priority.



The Transparent Umpire

The Abuja Infrastructure Investment Centre is the catalyst for the burgeoning private sector rush for investment in Abuja



Nigeria's Centre of Unity, Abuja is taking shape

By ANAYOCHUKWU AGBO

Farouk Sani, a lawyer and coordinator of Abuja Infrastructure Investment Centre, AIIC, is a human machine that possibly works even in his sleep. But his greatest asset goes beyond his love for work; it is the unusual transparency with which he runs the efficient centre. Like his boss, Bala Mohammed, FCT minister, he deals with the investors without any strings attached. Consequently, investors are rushing to the centre for investment opportunities.

How the centre is handling the implementation of the land swap policy is unbelievably transparent. This has endeared the centre to investors who are always on the guard for the infamous 'high cost' of doing business in Nigeria. Some of the investors in the land swap projects said they were shocked by the way AIIC

handled the initial commitment fee of N350 million each of the 15 investors paid. Put together, that came to a total of N5.2 billion. Ordinarily, the money would have been remitted to AIIC account for administration but the centre, to assure the investors of their seriousness, transparency and integrity, allowed each investor to set aside that amount in its own account where it is jointly administered. This way, the centre stays away from financial conflicts and suspicion which may slow down the projects.

The centre was established by Adamu Aliero during his tenure as FCT minister and ratified by the Presidency. It was set up to bridge the funding gap in the public sector by seeking private sector funds to procure basic infrastructure and services for the FCT. It has its headquarters at 3rd Floor, ITF House, No 6 Adetokunbo Ademola Crescent, Wuse II, Abuja.

Currently, it is providing the following

services: provision of infrastructure in new districts, Abuja Mass Housing Projects, Nigerian Cultural Centre & Millennium Tower, Abuja Parks & Recreation Projects, Downtown Mall and other malls, agricultural projects and development of AIIC Permanent Office Complex, which promises to be one of the biggest designs in the emerging Abuja skyscrapers.

The mission of AIIC is "to effectively coordinate the conception, development, procurement and implementation of public infrastructure and services through the public-private partnership, PPP, framework on the basis and in accordance with the federal government approved national policy on PPP."

Mohammed inherited AIIC from his predecessors and made it an efficient machine. It acts as an intermediary between private sector investors and government bureaucracy, quickening the processes and taking away the dreaded

AIIC'S STEP BY STEP GUIDELINES FOR PROSPECTIVE INVESTORS

The step by step guideline for all stages of the PPP transaction from project development to project procurement, project implementation and project conclusion.

1. A Prospective Investor should:

a) Be required to make an application requesting the Hon. Minister, FCT to call for Expression of Interest (EOI) in respect of its Unsolicited Proposed Project:

★ The Application shall describe the infrastructure to be provided or the services to be rendered.

★ The Application shall state the quality of the infrastructure, the service standards to be met and the financial commitment expected on the part of FCTA.

★ The Application shall not state how the infrastructure is to be designed and built or how the services are to be delivered.

★ The Application shall include the company profile demonstrating its experience and financial strength.

b) Pay to AIIC a non-refundable Processing Fee of N100,000.00 (This would satisfy the EOI non-refundable Processing Fee if EOI is ultimately called).

2. AIIC would send the Investor's Application to the relevant FCTA Department (s) and open discussion with it.

3. The relevant FCTA Department is to:

a) Evaluate the request and determine whether the proposed project is within its developmental aspiration, i.e. whether it requires the infrastructure or needs the service;

b) State whether there is (or could be) a budgetary allocation for the Government's financial commitment to the project, if any;

c) State whether the project or service is within the extant Rolling National Development plan.

4. The relevant FCTA Department in collaboration with AIIC will package the project and present same for the approval of the FCTA Executive Council.

5. AIIC would request the ICRC for a Certificate of No Objection from ICRC and thereafter FCTA would seek approval of the Federal Executive Council for the procurement of the PPP project.

6. After the approval of the Federal Executive Council, AIIC would then request the Hon. Minister, FCT to approve the Investor's Application for Expression of Interest.

7. Thereafter AIIC would kick-start the procurement process beginning with advertisement for Expression of Interest, carefully defining the project in terms of the infrastructure to be delivered and service standards to be met.

8. The AIIC Board would then appoint a committee to evaluate the EOIs and produce a list of pre-qualified Investors. The membership of the Committee shall include the relevant SDA.

9. The AIIC Board will approve the report of the Committee and thereafter the pre-qualified Investors would be invited to submit separate technical and financial bids after they must have conducted due diligence on FCTA's facilities for the project.

10. The AIIC Board would then appoint a committee to evaluate the technical and financial bids and submit its report.

11. The AIIC Board will consider the Report and thereafter recommend the Preferred and Reserved bidders for the PPP project to the FCTA.

12. The FCTA will consider the recommendation and seeks the approval of the FEC to commence negotiation with the preferred bidder.

13. The AIIC Board will constitute a Committee to negotiate the terms of the Agreement with the preferred bidder and execution of agreement.

14. The AIIC's Compliance Unit in conjunction with the relevant SDA shall thereupon ensure strict compliance with the Agreement.



Some AIIC staff: Exemplary in their assignments

pains thereof. AIIC does not circumvent government institutions rather its intervention quickens their necessary response to private sector requests. Abuja wants to be among the top 20 cities in the world by the year 2020 and is implementing a seven-point agenda to realise this. The centre adheres strictly to due process at all stages of the PPP process to ensure

transparency, competition, optimisation of risks and security of investment. It gives due regard to FCTA's secretariats and departments in the conception and implementation of PPP projects and shows a great understanding of the private sector as being more innovative and dynamic in the design, construction and operation of PPP projects.

In the coordination of TELL's special publication, AIIC characteristically displayed its signature honesty, hard work and transparency. Every request for information and technical assistance was met. Appointments were kept. And the human resources were fantastic. The centre set up a six-person strong team to work with the magazine and they were exemplary in their assignments. And that is just a tip of what the investors get!

An Emerging Conglomerate

The Abuja Investments Company Limited is showing how a government-owned company can make profits consistently



FCT SURE-P AUMTCO high capacity buses

By ANAYOCHUKWU AGBO

Abuja Investments Company Limited, AICL, was incorporated in 1994 by the Federal Capital Development Authority, FCDA, as the flagship business development and investment holding company for the Federal Capital Territory. Through

deliberate private sector initiatives the company has metamorphosed from a government-owned enterprise to a fully private sector concern operating with global best practices and proper corporate governance structures. Today, AICL has “grown to become a world-class investment firm, fostering profitable global business partnerships.” Leveraging on excellent local knowledge, the company

offers bespoke investment opportunities and professional financial advice. The company’s target is the development of essential businesses and services required in the rapidly evolving federal capital. It is mandated “to attract, encourage and promote private investment into key sectors through commercially viable public private partnership projects, PPP. It has implemented successful PPPs in



FCT SURE-P/AICL taxis:
Changing the face of city
transport in Abuja

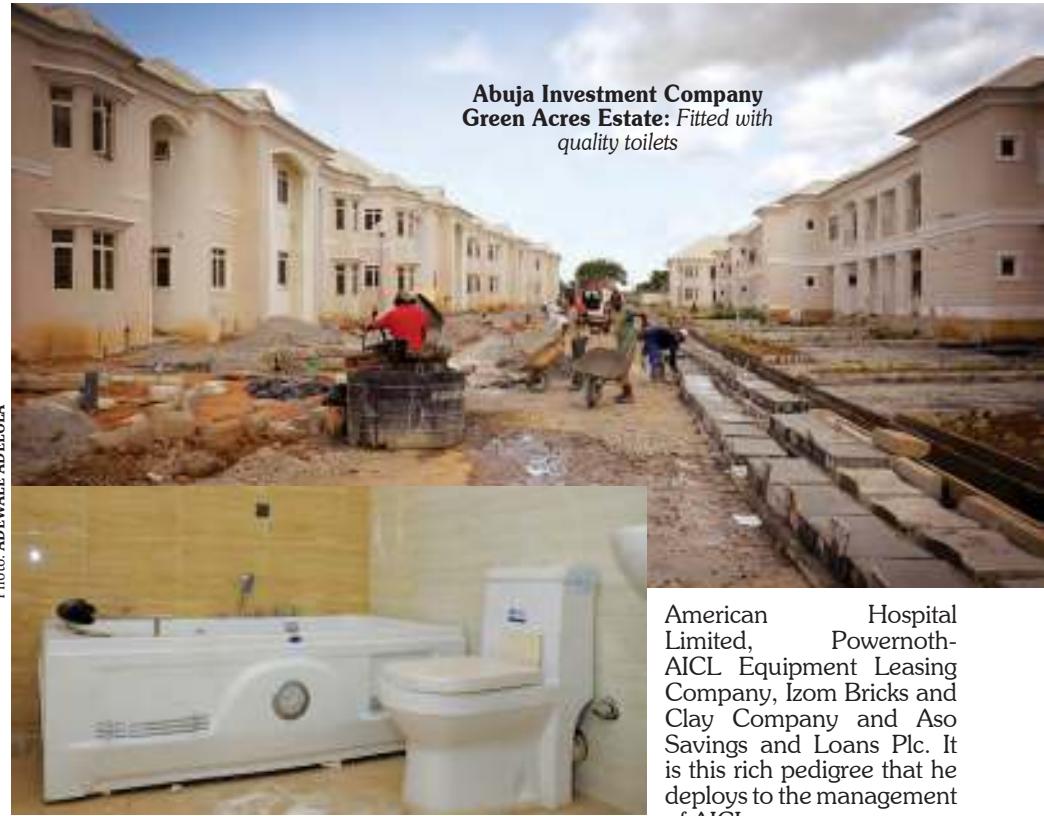


Photo: ADEWALE ADELOLA

health care, education, transportation, convention and conference facilities, telecommunications and logistics.

Other areas include: hospitality, waste management and renewable energy. In addition, it has also directly executed real estate developments, including mass and social housing projects. Recently, AICL started diversifying into cutting edge big ticket infrastructure projects. These include the automotive complex and district infrastructure development. Musa Ahmed Musa is the Group Managing Director and Chief Executive Officer of the company. An experienced technocrat with a distinguished record of service, he has served as a member of Nigeria's Diplomatic Service and has held numerous political appointments. Musa holds a PhD in Political Science (Political Economy and International Relations) from Howard University, Washington DC (1990), and MSc in Business Administration from the Central Michigan University, Washington Campus (1985), as well as a BSc in Government and Politics from Maryland University, College Park (1984), all in the United States. He has chaired the boards of many parastatals, including Bauchi Hotels Limited (Zaranda Hotel), Alind Nigeria Limited and the Bauchi State Investment and Property Development Corporation.

He also served as a member of the Governing Councils of the Nigerian Institute of International Affairs and the National Health Insurance Scheme. He is currently a member of the Governing Board of the People Democratic Institute and chairs the Boards of Abuja Property



**Abuja Investment Company
Green Acres Estate:** Fitted with
quality toilets

Photo: ADEWALE ADELOLA

American Hospital Limited, Powernoth-AICL Equipment Leasing Company, Izom Bricks and Clay Company and Aso Savings and Loans Plc. It is this rich pedigree that he deploys to the management of AICL.

Today, AICL has three subsidiaries and 15 affiliates. The subsidiaries are: Abuja Property and Development Company, Abuja Markets Management Limited and Abuja Urban Mass Transport Company. The affiliates are: Abuja Automotive Village, Abuja Film Village International,

Development Company, Abuja Film Village International, Abuja Technology Village Free Zone, Abuja Auto-Complex Limited, Abuja Markets Management Limited and the Abuja Urban Mass Transport Company. He is a member of the Boards of the Abuja Leasing Company,



Photos: ADEWALE ADELOLA

Dubai International Market



Abuja Technology Free Zone, Abuja Leasing Company, American Hospital, Power Noth/AICL Equipment Leasing Company, Abuja Auto Complex Limited and Abuja Connect. Others are Izom Bricks and Clay Company Limited, Aso Savings & Loans Plc, Capital Polymer, Central Legacy Real Estate Limited Capital Hotels, Abuja Cultural Centre PLC and Backbone Connectivity Network. Abuja Investment Company Limited is also not left out of the land swap investment program. As part of its involvement in real estate and property market in the Centre of Unity, the company was allocated 288 hectares of viable land called Jaite B District in the Phase IV, a greenfield district which is being developed through private sector participation. The land use plan shows multiple economic opportunities and diverse residential styles. "The development of Jaite B District will ensure the transformation of Abuja into one of the best cities in the world by 2020," says AICL.

Photo: ADEWALE ADELOLA



Bawa: The Green Acres Apo-Duste Housing Estate is world class

The imposing World Trade Centre being developed by the Churchgate Group is also being executed under the auspices of AICL. The FCT SURE-P/AICL Abuja Taxi Scheme is changing the face of city transport in Abuja. It is a policy of the FCT to operate an efficient and regulated transport system. The scheme took off with 160 taxis. The second phase was launched in February 2014 with additional 180 taxis. Dr Musa says that 500 will be added in the third quarter of 2014. The target, he

revealed to TELL is a fleet of 4,000 taxis to make internal transport a pleasure in the capital city. Abuja Investment Company Limited has some of the best real estates in the Abuja property market where it is competing favourably with other private sector developers. For instance, the Fairway Estate Games Village has five-bedroom luxury duplexes. The eight units have since been sold out.

The Company also built the Green Acres Apo-Duste Housing Estate, a N3 billion project without any bank loan.

Built on 2.6 hectares, it has 50 units of three-four bedroom terraces and four-bedroom duplexes, TELL team was conducted round the mouthwatering luxury estate by Isah Bawa of the marketing department of AICL. He described the estate as "world class." The AICL is also developing the Dubai International Market in the Kaura District in partnership with Zanib Courage. Paul Ojogbane, general manager of Zanib Courage, described the market as "Dubai Part 2." He said the concept was to recreate the Dubai experience in Nigeria and "basically reduce the cost of going to Dubai." When fully operational, like Dubai, it will operate 24 hours and will be fully serviced.

Jemila Malagwi, head, marketing and communications of AICL, sums up the company's passionate drive: "The first thing is to consistently make the brand strong; consistently have a strong brand, provide good service and great products. We want to be known for our investment savvy. We want use and drive investment for the FCT and its citizens. We are opening our doors to internal and international investors, utilising our positives to drive business. We will be catalyst for everything else!"

We Combine Profit-making With Social Services

Dr Ahmed Musa, chief executive officer, Abuja Investment Company Limited, speaks to **Anayochukwu Agbo**, general editor, **Chinenye Eseke**, reporter, and **Samuel Torlumun**, reporter



Photo: ADEWALE ADEJOOLA

Give us an insight into the operations of Abuja Investment Company Limited.

Abuja Investment Company Limited, AICL, is a holding company, which has a number of subsidiaries under it, and the Federal Capital Territory wholly owns it. As the name indicates, we are a holding company comprising five to seven companies. The primary companies that are under us are the Abuja Property Development Company, APDC, which deals with issues of property development; then you have Abuja Markets Management Limited, AMML, which is handling facility management for our markets like Wuse Market and Dei-Dei Market. Another one is the Abuja Mass Transport Company, AUMTC, which deals with the issue of transportation, the red buses that are operating on the roads of Abuja. These are the main/primary companies we have. We also have percentage holdings in other companies like the Abuja Film Village, which we own 50 per cent, and then Federal Capital Development Agency, FCDA, has the remaining 50 per cent. We also hold 50 per cent shares of the Abuja Technology Village, ATV.

...By the time we will reach the optimum level of what buses are needed in FCT, then we would have replaced the existing ones. So what is released is N1.5 billion for AUMTC and N1 billion for the taxis. We are changing the face of transportation sector in the FCT

But we own the APDC, AUMTC and AMML 100 per cent, which makes us a holding company. Then we have the AICL Power North Company that is the waste management company, we own 80 per cent of the company. We also have holdings in Abuja Leasing Company, ALC; 20 per cent and 14 per cent in ASO Savings and Loans. And we have a number of small companies too.

What projects do you have under this company?

If we go by the definition of AICL, we are categorised in terms of five main schemes that define what Abuja Investment Company is: property development, transportation, markets development and management, commerce and investment facilities consultancy services. Under property development, we have projects like the World Trade Centre, a major landscape project in Abuja. It is a project that has cost up to \$1.2 billion and still counting. And we are partners to it by way of providing the land. The minister of FCT facilitated this investment. By the time it is concluded, it is going to be three towers. The tallest tower among them will be between 37 and 50 storeys. The two towers standing now are 23-storey buildings. One is housing and the second one is an office block. Then there is going to be a conference hall/centre and a shopping mall. Our equity in the World Trade Centre is not defined in terms of percentage. The land belongs to us and it is released to the investors but the entire project will be our own after 98 years. So it has a reversionary period. And then we have an amount of money inside the project because there is a development control fee they are supposed to pay but it has been converted to equity. We can decide to apply it as equity or we can have some properties within the projects. This is our relationship. The second one is the Abuja Downtown Development, opposite the Federal Secretariat, which is 17 hectares and is going to be clusters of office blocks, residential

apartments, shopping malls and hotels. This is the project that will be costing investor \$2.6 billion. Abuja Investment will own 10 per cent equity. The agreement has been signed, and the project will be taking off any moment from now. We also have the Apo-Dutse Housing Estate, which is a ₦ billion naira project. We built games village where we have luxury apartments with penthouse. We built it but we have already sold them. We also have a district to develop because we are into district development as well. We



are one of the beneficiaries of the land swap (we have 287 hectares at Jaite District) and we are now talking with major construction companies to partner with us.

What are the details of your investment in transportation?

Under transportation, we have a new taxi scheme called FCT SURE-P AICL Taxi Scheme. Under this scheme, the honourable minister has given us N1 billion from SURE-P fund and we have been able to buy 355 taxis; you can see them on the streets. We are hoping that, in the not too distant future, we are going to populate the FCT with these taxies. Until we reach the maximum capability of what FCT can absorb. I think the maximum could be around 4,000. We do not know the number yet because we are working with FCT Transport Secretariat to know the number that can give the optimal level of taxis that are needed, because it is not good to provide more than it is needed. So I believe the optimal level will be around



4,000 to 5,000. Right now we are in the midst of talking to three banks as I have told you earlier – Zenith, FCMB and JAIZ banks. This afternoon, we will be having our final talks with JAIZ Bank because we are going to be taking N1.1 billion to purchase more taxis. With this number, you will see a replacement from the withdrawal of the existing rickety taxis in the FCT. One good thing about these taxies is that, they embrace subsidy for the owner because it is new scheme under which the operator will end up owning these taxies, after three years. You put a deposit of N130,000 then they take the taxi and make payment of N36,000 per month. So for three years, they would have paid, then it becomes their own. And that is what makes it successful because they will be working hard to see that they have complied with the repayment terms. These taxies have geo-fencing technology, so wherever they go we see

Photo: ADEWALE ADELOLA

We Want to Build a Strong Brand

Jemila Malagwi, head, Marketing and Communications, AICL speaks to **Anayochukwu Agbo**, general editor, and **Chinenye Eseke**, reporter

You are in charge of marketing in Abuja Investment Company Limited, and come in contact daily with the market place; from that perspective what do you make of Abuja?

I have witnessed the rapid transformation of the FCT in a very dynamic way. I'm very excited to see where the city is going by 2015 and beyond.

Do you think Abuja has any chance of making one of the 20 biggest global economies by the year 2020?

I think it already is. Nigeria is a dynamic country, probably the most dynamic country in Africa and Abuja being the capital is a great place for people to come and experience this dynamism of life. I always see Nigeria becoming better; I see it becoming more modern and being able to host more world events and being more open to business and having a bigger playing field in government business.

Do you think women are playing enough roles in this evolution?

As you look through the ministries, parastatals, the agencies and the entire Goodluck Ebele Jonathan government, you are seeing women being represented in the highest numbers to date in Nigerian history. And I think their administrative skill is adding a dynamic pull to the country. So we



Photo: ADEWALE ADELOLA

them. And there is a geographical limitation they can go, beyond that, we will have to give you permission to take the taxi outside FCT, that will be, if you have a special commission to take passenger. But if you go outside Abuja without permission, then we can demobilise the vehicle from here.

We also have a bus scheme. There were 200 buses before now, but recently the FCT minister gave AUMTC N1 billion with which we bought Yutong buses from China. These buses are using Cumming engines, one of the strongest buses with air conditioner and a capacity of 100 passengers, the standard used in advanced countries. We are hoping that these buses will replace the existing ones. We are also going to buy 300 or 400 more. So by the time we will reach the optimum level of what buses are needed in FCT, then we would have replaced the existing ones. So what is released is N1.5 billion for AUMTC and N1 billion for the taxis. We are changing the face of transportation sector in the FCT. Everywhere you go it is AICL. ■

‘We want to be known for our investment savvy. We want to drive investment for the use of FCT and its citizens. We are opening our door to internal and international investors, utilising our positives to drive business’

really owe it to the President for seeing our abilities and lifting us up and encouraging women through public and private sectors.

What more do you want to see done in your department to sell AICL products to both the Nigerian public and the international market?

The first thing is to consistently make the brand strong; consistently have a strong brand, provide good services and great products. We want to be known for our investment savvy. We want to drive investment for the use of FCT and its citizens. We are opening our door to internal and international investors, utilising our positives to drive business. We will be catalyst for everything else. So for me it is to continue to keep up with the great consistency that has already been the momentum. We have a great leadership under Dr Ahmed Musa. He is a very forward-looking, all-encompassing managing director. He carries us along. And we are learning more about policy and the way government works. So for us, we will continue to learn and continue to keep the brand strong. ■

‘We’re Bringing Dubai to Nigeria’

Paul Ojogbane, general manager, Zanib Courage, promoters of Dubai International Market speaks to **Anayochukwu Agbo**, general editor, and **Chinenye Eseke**, reporter



Photo: ADEWALE ADELOLA

What is the concept of this market?

The concept of the market is called the Dubai concept.

To a layman who has not been to Dubai, what does this mean to him?

It means bringing Dubai to Nigeria; we call it Dubai part two. Basically, we intend to reduce the costs Nigerians incur when they travel to Dubai for business purposes.

So when fully operational, what are we expecting to see here?

When fully operational, you expect to see the full concept of Dubai and a 24-hour operation. It will be one of the best of its kind in Abuja.

What is the percentage of completion?

The first phase is almost 60 to 70 per cent completed.

What is the size of the first phase?

The first phase is almost half of the market.

The first phase has how many shops?

We have completed about 1,000 to 2,000 shops.

‘...We intend to reduce the costs Nigerians incur when they travel to Dubai for business purposes’

So what does it take to have a shop here?

It takes the normal way of acquiring property. You get application form at N10,500 and pay for the shops. The shops are in different categories.

What other facilities do you have here?

For now we have the road network, a police station and a security post; water and light. These are the basic facilities we have here for now. Every utility service here is centralised, including water and electricity.

Have you done this kind of development anywhere before or is this your first experience?

This is our first experience and by the grace of God we are doing it well. ■



Architectural layout of Jabi Lake project: Exquisite

A Mouth-watering Lakeside Experience

The development of Jabi Lake is providing the capital city with waterfront business and pleasure

By ANAYOCHUKWU AGBO

The only large body of water in Abuja is the Jabi Lake. It is all the Centre of Unity has to offer to those who love the sea and water-based recreation. It spans over five kilometres from the Jabi District to the Kado area, snaking over 17 hectares of shoreline between the two districts, 10 minutes from Abuja's Central Business District. The project started in the regime of Olusegun Obasanjo and former FCT minister, Nasir el-Rufai. Obasanjo's successor Umaru Yar'Adua and former

FCT minister, Aliyu Modibbo continued with it. It did not make progress under Adamu Aliero era as minister. However, the turning point came during the tenure of Senator Bala Mohammed as minister.

The promoter of the project Hakeem Belo-Osagie, a highly respected Nigerian businessman and chairman of Etisalat, reveals the origin of the concept. "The concept first came after my visit to Cape



Jabi Lake next time



An aerial view of the Jabi Lake development

Town and I saw the waterfront. I saw the construction and it is one of my favourite places. The inspiration for it is the Cape Town Waterfront which is a development that includes malls, retail shopping, apartments, entertainment, cinemas and hotels."

It consists of multiple developments in which there are three classes of hotels, malls, cinema, shops, offices and residential blocks. According to Belo-Osagie, "We are going to have probably the first five-star plus hotel in Nigeria, which would be a super luxury hotel. We would also have a middle market hotel which would be a very good hotel... So what I am trying to do is I am trying to have a development for all classes of Nigerians and have them in a place in which, irrespective of your income level, you can benefit from the various facilities there."

The Jabi Lake development will gulp about \$5 billion, which is the highest investment in Abuja so far by a single developer outside the land swap districts. The mall alone will gulp over \$200 million. The collection of hotels and residential blocks will cost about \$5 million. "What I really want to do in this project is to do something that Nigerians can look at with pride and say yes what we see in Johannesburg, what we see in Dubai, what

we see in London can be done in Nigeria as well. And it can be done in a way that is acceptable and can be utilised not just by wealthy people in our country but can be utilised by many others as well," says Belo-Osagie.

He says there has been rapid progress under Mohammed because of his peculiar love for business development. "The most progress has been made under the current regime, and I think that Bala has been outstanding. And he has been wonderful because many ministers – it is very common – tend not to want to finish projects that were started before them. But he has not. He has this attitude that this is his project. He will make sure he finishes this project. And the support he has given us, honestly, has been wonderful. And without his support for this project, the project would not have survived."

Mohammed explains his passion for the Jabi Lake project. "When I came, it was just to entrench the integrity of our entitlements. This investor was asked by a former president, Obasanjo, to go and get investors from the Middle East and other developing countries. He used his resources. We keyed in and entered that place. Government at that time gave them the place and they paid for the premium

and got the certificate of occupancy over the 27 hectares with the shoreline to do a mix use development – in terms of world-class shopping mall, exquisite housing for the developing community, hotels and so on. But at the end of the day somebody (a former minister) came and changed it and then took half of it. There were a lot of problems, so they went to court. When I came I discovered that it was unfair. It is not advantageous to us and with all humility and respect to whoever changed that, I explained to the person and I explained to those people and I was able to resolve this thing out of court and then I returned everything to them. That is why they are where they are today. And of course I am happy that I gave them the marching order with all humility. We want to make sure that during our time they will do the ground breaking ceremony," revealed Mohammed.

He also explained "that is why you can see the work going on; you can see the development going on there and I am happy, they have shown me their business plan, financial plan and their work plan. They are just starting with the mall. They have signed agreements with the US embassy and other major franchising organisations in the world to come and build something that is going to be exquisite within this shoreline."



'We Are Investing Over \$3 Billion in Jabi Lake'

Hakeem Belo-Osagie, chairman of Etisalat and the promoter of the Jabi Lake Project, discusses the details of his \$5 billion project with **Nehru Odeh**, assistant editor



What is the background of the Jabi Lake Project?

The Jabi Lake Project has been going on for four years. And it is a project that is on the shores of the Jabi Lake. The inspiration for it is the Cape Town Waterfront, which is a development that includes malls, retail shops, apartments, entertainment, cinemas and hotels. What we wanted to do was to have the first type of estate that overlooks the sea with apartments overlooking the sea. What we don't have is a single development that is integrated, in which you can have a hotel and from the hotel,

‘What I really want is to do something that Nigerians can look at with pride and say yes what we see in Johannesburg, what we see in Dubai, what we see in London can be done in Nigeria as well’

you can move to the mall, from the mall, you can move to the cinema, from the cinema, you can move to shops, from there you can take a short walk and you can go to an office block or you can go to a residential block.

And one of the unique features we put in the place is that we are going to have three hotels on the site. We are going to have

probably the first five-star plus hotel in Nigeria, which would be a super luxury hotel. We would have a middle-market hotel, which would be a very good hotel, probably around a five-star hotel. That is a hotel for people who just want a clean place, efficiently

run, not expensive, eat good food, clean bed, nice place for you to sleep and that is all you want. So what I am trying to do is to have a development for all classes of Nigerians and have them in a place in which, irrespective of your income level, you can benefit from the various facilities there.

How did you come about the concept?

I think the concept first came after my visit to Cape Town and I saw the waterfront. I saw the construction and it is one of my favourite places. In fact, when we started this project, we actually organised for some of the officials of FCT to visit Cape Town, to visit the waterfront and have a clear picture in their minds of what we are trying to do. It makes it easier for you when somebody is presenting something to you to have a better understanding of what he is trying to achieve and your commitment to it is enhanced. The project started during the regime of Olusegun Obasanjo and then FCT minister, Nasir el-Rufai. His successor Umaru Yar'Adua and minister, Aliyu Modibo Umar continued with it.

This kind of project needs a lot of planning. But the most progress has been made under the current regime. And I think that Bala Muhammed has been outstanding. And he has been wonderful because many ministers – it is very common – tend not to want to finish projects that were started before them. But he has not. He has this attitude, that this is his project. So I find him as a very effective minister, very committed. And he always calls me early in the morning, late at night, "Osagie, how far with this project?" Sometimes I would tell him, "Honourable Minister, I need six months." He would say, "No, two months. We don't have six months." So he is also pushing all of us to get it done, to meet all the various targets. And all the investors that we have brought in have been very impressed.

What is the size of the investment?

I think that this investment will certainly run in excess of \$2 to \$3 billion easily, because the mall alone would be at least about \$200 million or more. The collection of hotels would be another four to \$5 million. And we then have the residential blocks. I would say that total investment at the end of it would be between \$2 to \$5 billion.

How profitable is the project?

To be honest with you, I do believe that it would be a profitable investment. It would take some time. It is not an investment that is going to be yielding money in 12 months. No. It is a project that would take time. But once we have passed that payback period, it would be registering a steady stream of profit afterward. But there will be a period in which we must spend money. And this is simply because if you want to do it to a very high standard, you have to spend the money to make sure it is done correctly. What I really want is to do something that Nigerians

' I think that Bala Muhammed has been outstanding. And he has been wonderful because many ministers tend not to want to finish projects that were started before them. But he has not. He has this attitude, that this is his project. So I find him as a very effective minister, very committed '

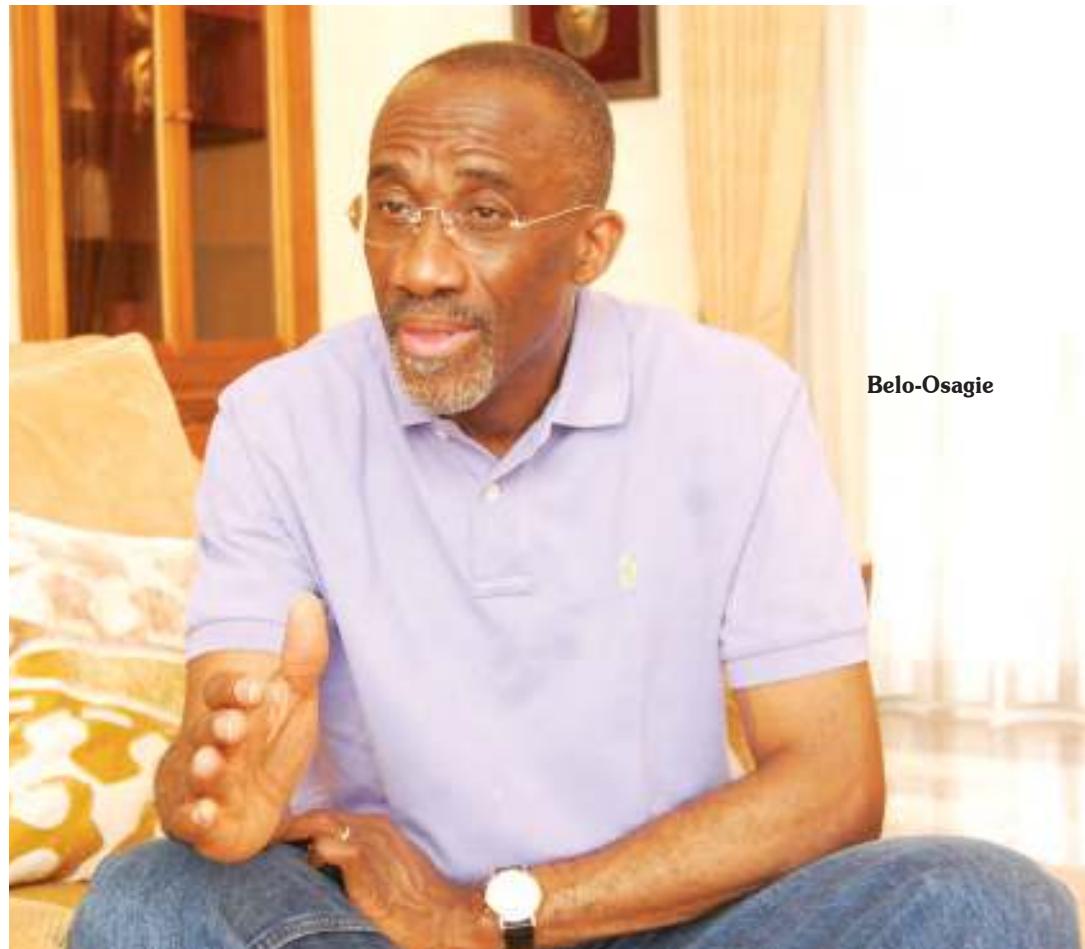
can look at with pride and say yes what we see in Johannesburg, what we see in Dubai, what we see in London can be done in Nigeria as well.

Why did you choose Abuja as the location?

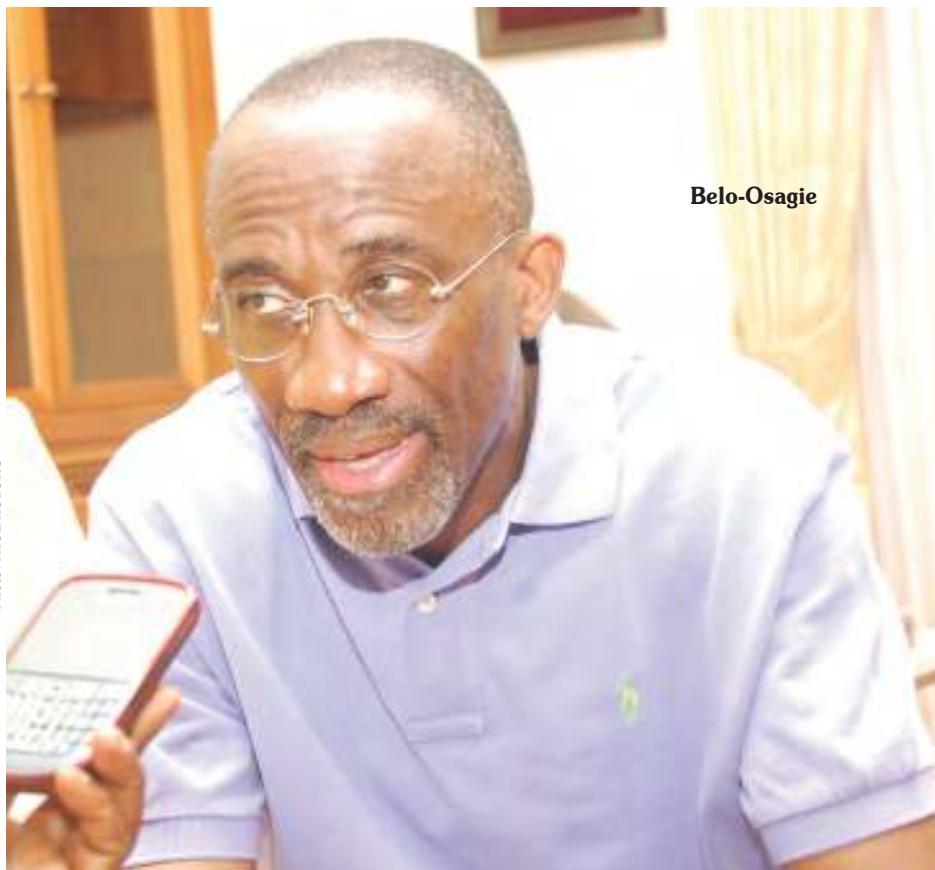
I chose Abuja because of many reasons. One, it is the nation's capital. It is the centre of Nigeria. It is everybody's place. And I think that the capital city is the fastest growing city in the country and that it has a mix of government and private business as well. The private business is smaller than the government, but I see the private business growing. And I thought also that it would be easier in Abuja to get the size of land that you require. I think that this project would probably have been done in either Lagos or in Abuja. Circumstances make Abuja easier for this project.

How are you funding the project?

I put in a substantial amount of my own money because in the early days we spent a lot of money on economic analysis,



Belo-Osagie



Belo-Osagie

Photo: PAUL KUYORO

soil testing, environmental testing and others. In fact, in the early days people were thinking there was nothing happening there. The reason they think there is nothing happening is that we had to do a lot of analyses, a lot of thinking, and lots of drawings. We had to think about the traffic configuration in that area and that is being done now. We are also fortunate in that we have the cooperation of some local banks; we have the cooperation of a lot of international firms. I am very confident that we would get some funding from financial groups who, I think, can see that Nigerians are among the largest shoppers in the malls in Dubai. I think we would get funding from the United States and Europe. And as we progress stage by stage, we would probably end up having different packages for different segments of the project. There may be different people who want to finance hotels. There may be different groups that want to finance residential apartments. So for each one we would take different partners. But the mall is the first project that would be completed.

How strong is the legal instrument for the project?

They are very strong. That was one of the things that we spent time on; that everything was in correct, legal, procedural, administrative order. And everything is in order in that sense. Foreign investors will not put down one kobo unless that is all done 100 per cent.

What is in the project for government?

The main thing that I see that is crucial for the government is that right now apart from the Transcorp Hilton, the government has no place where we want to organise a conference for Africa. We have only one place – the International Conference Centre – and we have only one hotel – Transcorp Hilton. Now, other countries where they wish to have major international conferences, they would have five, six, seven, eight different venues that others can go to. They will have a hotel where it is being held and have several others. We don't have it. And if we aspire to be leaders in

(Bala Mohammed is) very intelligent, very hardworking, very committed Nigerian and he has the respect of people from all over the country. Whether you are from Bauchi, Edo, Katsina or Rivers State, he is ready to attend to you, so far you are a Nigerian, so far you are committed to Abuja

Africa, for Africans, we need a situation in which if we really want something held in our country, it can be held. But these days you find that when something is being held in Africa, it is either they think of Addis Ababa, Nairobi, Johannesburg and, increasingly, Accra. And we in Nigeria have to have the facilities on ground such that it would be big enough to organise a conference for Africa. And that is going to be very expensive for government.

How is the project going to create jobs for Nigerians?

We would see job creation in the following areas: In the construction business, that is job for all those who are building. Building is going to take at least another five years. We would see retailers. You find that increasingly in Nigeria now we have all of these supermarkets where people are selling foodstuff. In the early years they were importing a lot of those foodstuffs. After a while they realised that it is not efficient to import all of them. And if you do import them, you will have a supply chain that can be broken. So they have already started saying can we get these foodstuffs from farms in Nigeria? Now for the farmer he now knows that there is a supermarket that will get a regular supply of his product every month or every quarter. And that can only be good for him. I think that this idea of getting foodstuff in supermarket in Nigeria is going to encourage and engender an agricultural revolution.

What are the challenges you have faced over time?

Investors' interest, I am happy with the progress we have made there. Then data and finance. Data are very important because statistics are not easy to get. Banking and feasibility studies that you can show to investors are not easy. Our statistics on how many hotel rooms there are, how many visitors come to Nigeria, statistics on how many are likely to visit are not easy to come by. And that has been an impediment.

You've worked with Bala Mohammed for so many years on this project. How do you assess him?

Very intelligent, very hardworking, very committed Nigerian and he has the respect of people from all over the country. Whether you are from Bauchi, Edo, Katsina or Rivers State, he is ready to attend to you, so far you are a Nigerian, so far you are committed to Abuja. I find him very broadminded. He listens to both sides. He is very considerate. Even when sometimes he takes a decision that doesn't favour us, we know that he has examined all the implications carefully before taking the decision.



'The Jabi Terminal Will Be First of Its Kind in Nigeria'

Greg Udegbe, chief operating officer, Inter-City Transport Terminal Limited, Abuja, speaks to **Tajudeen Suleiman**, senior associate editor, and **Samuel Torlumun**, reporter

Could you tell us some things about the project you are handling for the FCTA?

The project is a private-public partnership, PPP, initiative. We are supposed to build a model transport terminal in the FCT. We have 70 per cent shares in the project while the FCT has 10 per cent and Abuja Municipal Area Council, AMAC, has 20 per cent.

Tell us the features of the project?

We are supposed to build a model transport terminal in Abuja, and at the same time run the city services buses to carry people from one part of the city to the other. We are also supposed to operate inter-city transport to all state capitals, that is, from the Abuja terminal to all state capitals. The transport terminal will comprise of a five-star hotel and a shopping mall. From the terminal, you can get vehicle to any part of the country; transportation will be available to anywhere from there. And we are not the only one that will use the terminal. All the present operators will also use the terminal. We also have a two star hotel where drivers and passengers who arrive overnight can stay.

What is the worth of this investment?

It is one hundred and thirty four million dollars (\$134 million).

How do you intend to finance it?

We got finance from abroad.

Why not locally?

The amount involved is a lot and you know the problem of high interest rate charged by Nigerian banks. The interest rates are very high.

What form of incentives did you get from the current administration?

They have been very helpful and very cooperative. You know this is a Diaspora investment. All of us involved with the project don't live in Nigeria. When we were coming, most of our friends warned us. They said we were going to be disgraced. And when we came, it was really tough at first – the Abuja Infrastructure Investment Centre, AIIC, at a stage we thought they were playing us. But at the end, we realised that what they did was the best thing for the project. We were selected purely on merit, and I must commend them for that. There are still organisations in Nigeria that go after merit.

Have you handled any project like this one before?

Not really, but we are a consortium. We have architects from Tanzania that have worked on similar projects. The construction company we are going to use for the project is a United States company and they have worked on so many of these projects before.

Are there problems you found out with the transportation system of the city?

The transport system of the city is not organised at all, and we

are happy that the FCT is trying to do something about that. For instance, if you live in Nyanya and you want to travel to some parts of the country, you have to start asking people where you will get a vehicle to your destination. But with the terminal coming in, all those problems will be taken care of. Again, there will be timing for the buses and they will leave as scheduled even if a bus has one passenger. Initially there may be hiccups but once we are consistent with it, everybody will know that things have changed. You can go to the Internet and check the timing of our buses.

It is widely believed that the operators in the transport sector are difficult to deal with. Are you going to bring drivers and conductors from abroad?

No, no, no. There will be local content. A lot depends on training and retraining. For instance, we started training our drivers last month. We employ and train. There is a certification course our drivers must go through with the VIO. There is another certification course they must go through at the Federal Road Safety Corps, and another at the Nigerian Institute of Transport Technology, Zaria. Most operators don't do this but we want to ensure they have everything it takes to drive. We are going to insure them and insure the vehicles. Once we have all these things in place, it will be cheaper for us to insure the driver and the vehicles because insurance companies would be more receptive to us. Still on training, we intend to recruit most of the thugs around the Utako Motor Park and train them as conductors and security men. It may be difficult to get most of them away from that side, so we will look for a way to integrate them into the project. If not you may have problem.

Where did you get the model of the proposed terminal?

The concept is from the terminal in Stratford, the terminal that was used for the Olympics. We had to convince members of the AIIC that we are capable of doing what we say we want to do.

The FCT also has plans for the light rail and the metro projects. How are you going to integrate your own scheme into that?

There will be a rail station in the terminal. There is a bus terminal and a train terminal. The train is going to pass through the terminal. It is going to be very easy for anybody to go by train to the terminal and get a bus or taxi and vice versa.

Are you going to have special lanes for your vehicles?

Yes. We should have it so as to encourage people to leave their cars and use public transportation.

How many people are you likely to employ?

We are looking at employing over 2,000. For the transportation terminal where we will have the hotel and the biggest shopping mall in Abuja occupying about 5,000 square metres of land, we will need people to run them. For the terminal itself, the construction company will have a very big workshop. All the technicians would have to come from here.

How will it change the transportation scene in Abuja?

It will change it completely. All our buses will be air-conditioned. Right now, if you want to go from (Wuse) Zone 4 to Maitama, there are no buses; you have to stop a taxi. We believe by the time our buses start going round the whole of Abuja, people will be proud of our transportation system.

How long will it take for the project to commence?

The transportation terminal will take off in the next six to eight months; all our buses will be in Abuja. The hotel and the shopping mall will take off in the next three years. Nigerians do a lot of shopping; they travel to Dubai and other countries to buy designer bags and all that. This is going to be the first shopping mall in the country where you have the shops of world designers like Gucci, Valentino and so on. The franchises themselves are coming to open their shops in Nigeria. It will be the first of its kind in the country.

First in the Sky

Abuja World Trade Centre, the first skyscraper in Abuja, attracts global business moguls to Nigeria

By ANAYOCHUKWU AGBO

The Abuja World Trade Centre, WTC, being promoted by the Churchgate Group in partnership with the Abuja Investment Company Limited, is the flagship of global business and exquisite architecture in the emerging Abuja business hub. The Churchgate Group has shown great competence and management savvy in high-rise properties development. The main focus of the group is luxury office apartment, office accommodation, office spaces and luxury apartments. It built Churchgate Tower One in Victoria Island, Lagos and Churchgate Tower Two at AfriBank District in Lekki.

In Abuja, Churchgate built the first high-rise block of offices by the private sector in the Central Business District where the WTC is also located. Called Abuja Tower One, the structure was built at a time when planners were not allowing structures of that height but they convinced the city planners it was worthwhile. "Encouraged by the success of the Abuja Tower One, we now said let's move into real estate development and change the face of Abuja," explained Aigbokun Adeogun, general manager.

The Abuja WTC is a \$1.2 billion project that is already changing the



Churchgate high-rise block of offices at WTC, Abuja

Photo: ADEWALE ADELOLA



World Trade Centre network: Designed to appeal to global businesses

Tower One Residences at WTC, Abuja:
To provide exquisite lifestyle experience

skyline of Abuja and inspiring similar designs. It is a multi-tower collection of AAA office towers, which the company says are “designed to appeal to global businesses requiring premier services.” It fondly refers to it as “The premier address for sophisticated living.” It consists of luxury apartments, capital mall, offices, concierge services, fitness centre, swimming pools, tennis and squash courts, underground parking and penthouses.

Tower One residences at the Abuja WTC feature elegant one to six-bedroom floor plans with spacious balconies. According to the promoters, Tower One residences promise to be the most complete lifestyle experience that reflects demand for perfection. “I believe that it is giving Abuja a decent amount of exposure because it will be fully linked to the World Trade Centre network and there are a few hundred around the world. And for your city to be a part of that network, it is incredibly important,” affirms Vinay Mahtani, group managing director, Churchgate.

Two towers of the WTC will be completed by December and over 60 per cent of the apartments have already been sold. By the time it is commissioned in December it would have been sold out 100 per cent. The promoters attribute the speed of execution to the support of Bala Mohammed, FCT minister, whose input changed the profile of the project to what it is today. The FCT is also completing a ring road to provide easy access to the centre.

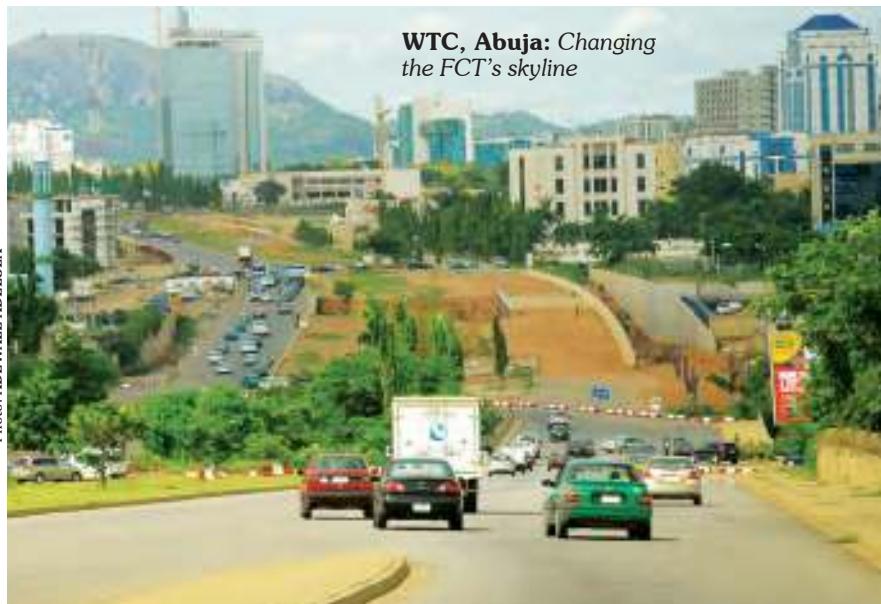
For confidential enquiries and to register, please contact:

08186686686 or 08160000440

or visit www.wtcabuja.com



Photo: ADEWALE ADELOLA



WTC, Abuja: Changing the FCT's skyline



Abuja World Trade Centre Is Unique

Aigbokun Adeogun, general manager, Churchgate, speaks with **Anayochukwu Agbo**, general editor and **Tajudeen Suleiman**, senior associate editor, on plans of the company

Tell us about the Churchgate Group.

The Churchgate Group is the promoter of the Abuja World Trade Centre, which is a multi-billion dollar project. It is actually a \$1.2 billion project. Churchgate is in partnership with the FCT through Abuja Investment Company. Our interest in properties in recent times has seen us executing high rise, high value, high net worth and luxury office complexes in Lagos, mainly in Victoria Island, AfriBank Street in Lekki, and here in Abuja. We also have project plans in Port Harcourt. Our main focus is actually luxury office apartments, office accommodation, office spaces and luxury residential apartments. We have the Churchgate Tower One in Lagos and Churchgate Tower Two at AfriBank District in Lekki. Churchgate Tower One is actually the oldest.

About three years ago we completed Churchgate Tower Two – a 16-storey structure. Before we completed the Tower Two in Lekki, we built the Abuja Tower One structure at a time when planners were not allowing structures of that height. But we were able to convince the planners that we could do it. I think apart from the Churchgate which had the Abuja Tower, there were also Radio Nigeria House, NNPC and the CBN that were allowed to go that height. We are the only private company that benefited from that policy at the time. Encouraged by the success of the Abuja Tower One, we now said let's move into real estate development and change the face of Abuja. Churchgate used to be into textile, fishing, banking and other things. But now our main focus is on property development. In Abuja our main project is the World Trade Centre project, a \$1.2 billion project. We embarked upon the phase one since 2011 and we were able to go this far through the encouragement of both the previous and present FCT Administration.

What is the concept of the World Trade Centre in Abuja?

You can see that when you drive from the airport up to the location of the World Trade Centre, you cannot see any iconic structure. What you see are mid-level developments. So we now said ok, we will go for high-rise and the city planners allowed us to go for mixed-use development. That means we will have retail outlet, office complexes, shopping mall, recreation facilities and so on. The size of the land is 6.12 hectares, so we developed this concept of multi-tower high-rise buildings, which will be built in phases. We will have towers that would contain luxury office spaces, luxury apartments with one bedroom, two bedrooms, three bedrooms, four bedrooms and so on. In order to make this project truly iconic, we got the approval of the World Trade Centre in New York to brand this one Abuja World Trade Centre. The first phase of the project is almost ready and will be completed by December.

A lot of work is going on inside. World-class architects designed the towers, and Nigerian engineers are handling the other aspects. The towers have underground basement and parking lot. We are going to have residential service apartment in tower two,

We are very grateful to the FCT, most especially the administration of Senator Bala Mohammed, who has actually seen this project (the Abuja World Trade Centre) as his own project. We are getting a lot of support from his office

luxury office apartments in tower one, then a hotel. The way it is configured, the structure is supposed to be alive for 24 hours in a day; like the Oxford Street in London, you are talking about a central area. It is the same in the US and Johannesburg in South Africa. That is what the FCT aims to achieve. We are very grateful to the FCT, most especially the administration of Senator Bala Mohammed, who has actually seen this project as his own project. We are getting a lot of support from his office. We are also grateful to Abuja Investment Company which is also supporting us, and has an interest in this project. When you have this kind of support, which the private sector needs, it makes our job easier.

What is the strength of your workforce?

We have 1,000 workers. At any time you will see 1,000 people working here. Sometimes it can drop



Adeogun

to about 950 or 900 but what we have currently is about 1,000.

So how many Nigerians are working here?

We have Nigerian engineers and other Nigerians working here. The Nigerian Association of Engineers has visited here twice; the Lagos chapter came and brought a lot of their members to tour this project and we are happy to take them round. The Abuja branch has also been here and they were very happy to be here. But technically we have expatriates. There are contracts that have been given out to other contractors. For instance, a German company is doing the foundation, another is being handled by a company based in Europe, while a Nigerian company is handling some. The cement is from Dangote and a lot of some other things are being supplied by Nigerians.

Do you have confidence in the Nigerian economy despite the security challenge?

We believe the insecurity is just a thing that will be resolved by government and we also believe that Nigeria is going to bounce back and things will be even better than before. Government is

trying its best and we are just partners with government.

Who are your construction partners?

The construction is being done by Churchgate Construction Company but we are leveraging on the expertise of our staff who are recruited from all over the world and who have a lot of experience in construction. That was why the structure could go up under one and half years to the height it is, and we thank God the structure is very good.

When are we likely to see this construction completed?

I cannot say, what I know is that we are going to finish the first phase in December and commission it. Then we will begin the

second phase thereafter.

What value specifically would you say that Bala Mohammed added to your project?

Senator Bala Mohammed has really done a lot. He would come in here unannounced just to look around and tell us they will like to commission the project before they leave office. The Minister's interest is to make sure that this project is on ground. He wants to ensure that the project takes off and supports President Goodluck Jonathan's administration's desire to attract more foreign direct investments into the country. He has been of immense help to us. The FCT minister is the one that has shown uncommon interest in the transformation of the FCT.

'We Want to Be Part of Nigeria's Great Story'

Vinay Mahtani, group managing director of the Churchgate Group, speaks to **Anayochukwu Agbo**, general editor, and **Tajudeen Suleiman**, senior associate editor

Your investment in the World Trade Centre, Abuja is huge. What gave you the confidence to bring this size of investment into Nigeria?

You see, our family has been here for several decades, so we have all naturalised as Nigerians. Also, we have seen how the country has progressed; we also feel that we want to be part of the great story. We are very confident in Nigeria today and in the future, we feel that rather than doing investment in other economies, this is actually where we should be. First of all there is a lot of potential; it will make an investment profitable. There is a potential to make an impact. We felt that our resources could be well used, so that we can carry out this project.

So far, what is the response like in terms of marketing?

I think it has been very positive. Initially people didn't believe in what we were doing. They didn't understand the magnitude of the project; they didn't understand what it was going to be. But now you don't have to educate them about the project because they now see that it is going to become a business hub that attracts businesses from abroad and also businesses locally. And people are always very receptive in having this kind of shop in the capital of Nigeria.

Towers 1 and 2 are almost ready, what percentage sales have you made?

I wouldn't want to give you a specific percentage but I think what I will try to say is that sales are moving rapidly. Our sales people are busy every single day, and we do expect that we will sell out within the coming month.

So by the time this project is fully completed, what do you think this project will achieve in Abuja for Nigeria?

First of all, I believe that it is giving Abuja a decent amount of exposure because it will fully lead to the World Trade Centre network and there are a few hundred around the world. And for your city to be a part of that network, it is incredibly important. Also, we have currently increased employment by the thousands of people we are hiring on site to come and carry out the work. However once this project is finished, it will create opportunity for tens of thousands of Nigerians. I feel that is very good for the

'...Once this project is finished, it will create opportunity for tens of thousands of Nigerians. I feel that is very good for the capital city. It is putting Abuja on the world business map. This is really something that gives us pleasure'

capital city. It is putting Abuja on the world business map. This is really something that gives us pleasure.

Are you satisfied with government's support for your project?

The government has been very magnificent! The government has really helped us in pushing through this project.

Apart from this project in Nigeria are there other places you would want to do this project?

I told you that first of all, we have attachment to this country; secondly, there is an opportunity in Abuja right now and we hope that there will be more developments that will follow this.

So looking at Abuja in the next 10 years, what do you think the skyline of the city will be like?

It is very difficult to say but I will like to say I see the likes of New York City and Hong Kong.

What do you think our government should do to encourage more of this?

I think one of the things they should do is to ensure that the whole of approval process is more transparent and honest. For us it was good. But I think it will be a way to encourage investment in the country. I also think that there is the need to get out there and let the world know that you are ready to accept investment, it is very important as well. But I think the government has been very supportive for us in this project.

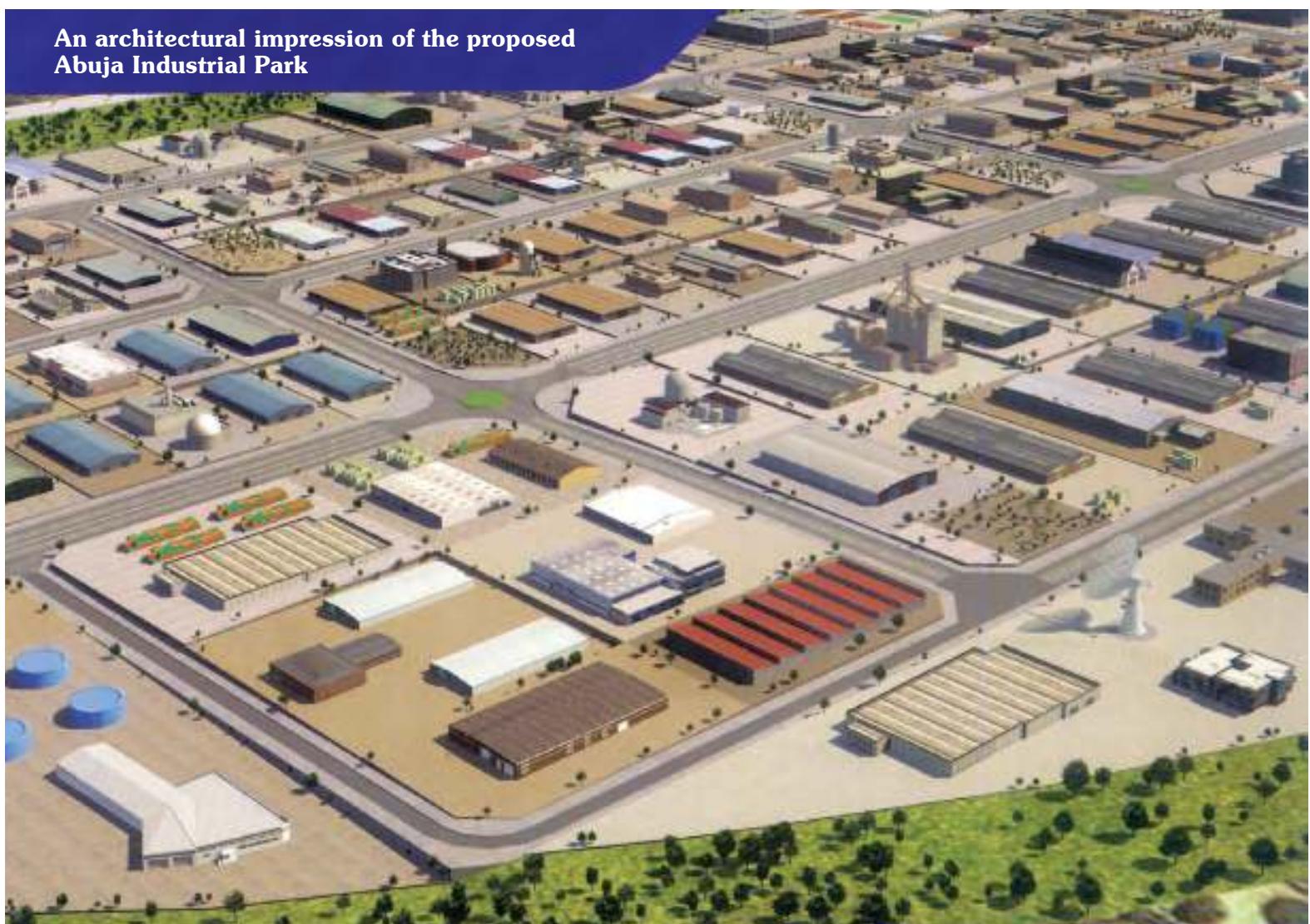
You are bringing in a lot of expatriate workers in this project; do you have problems with the immigration?

For us it hasn't been a problem. What we do is actually to bring in the expatriates to train Nigerians. We hope that by bringing expertise from abroad and developing Nigerians we will avoid doing this in future.

In other words, you are building local competence?

Yes, we are building local competence and we hope that skills are being transferred so that we become fully independent in future.

An architectural impression of the proposed Abuja Industrial Park



The Making of an Industrial Hub

The Abuja Industrial Park promises to transform the industrial landscape of the city and the country

By TAJUDEEN SULEIMAN

It promises to change the industrial landscape of Abuja forever. Seating on 245 hectares of land at Idu, the Abuja Industrial Park, when completed in four years' time, will boast of world-class infrastructure which include 10.6 kilometres of roads, 9.7 storm water line

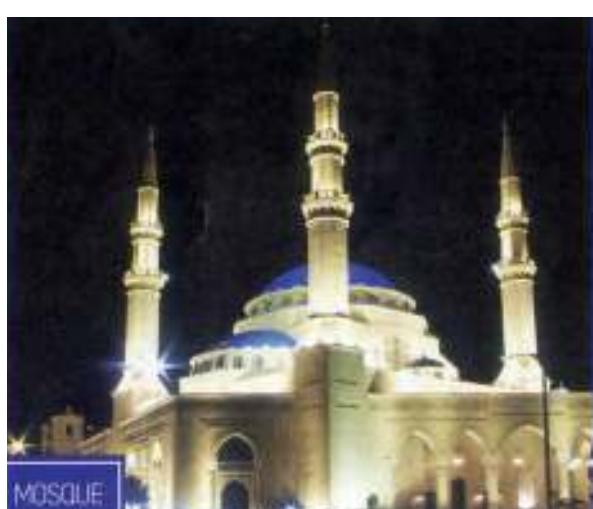
cables, 10.4 kilometres of water line, 8.6 kilometres of electrical cable and 29 kilometres of telecommunication cable. With 177 parcels of land laid out for varied industries, the park promises to bring a new and modern industrial culture into Abuja and the country at large.

Zeberced Group, the Turkish company building the park, has already started the project to supply more applicable and

special area suitable for gathering different industrial sectors from all over the world. After a long running project designing process, the Abuja Industrial Park has been created as a mixed industrial park project to host 177 production areas from different sectors.

When completed, the park will no doubt represent a quantum leap for the city and the country towards becoming an important production and industrial centre. The park will have modern structures, while numerous support services, small-to-medium sized workshops and work places will be launched to meet the requirements of functioning factories and businesses. The park will attract many foreign investments and support the economic development of the city.

The diversity of the industries to be created would mean that different business experiences and production cultures will be transferred from all over the world to Nigeria's capital city. It will also make the process of obtaining industrial permits and custom services easier and faster while



The Industrial Park will employ no fewer than 40,000 employees



facilities to be established at the park. With this, hundreds of unskilled and skilled workers will yearly be educated and given the chance of practising in the factories and vocational schools. Nigerian youths will be educated in vocational classes on areas where they show talent, and each will have skills to be part of the production process in the park.

No doubt, this aspect of the Industrial Park will help Nigeria cope with the challenge of finding workers with vocational and technical skills, especially in the production and service sectors.

Zebered Group says the current administration in the FCT certainly looks forward to the completion of this park, which has the potential to cement the status of the country as the largest economy in Africa. The project will boost the number of made in Nigeria products and increase the economic capability of the country. It will shoot up the value of locally made products in the sub-region and in the continent while equity capital and natural resources will be saved and used for domestic production.

Increasing production level will transform Nigeria to a production centre of the West African sub-region while the resultant international and domestic trade will become an important source of revenue for the city and the country. The Abuja Industrial Park will also enjoy the advantage of location in the heart of the country, connected through railways and airport. New railways and highways have been constructed to make the park accessible and provide easy channels for distribution of goods. It will help decrease import and increase exports. Transferring of raw materials and machinery from overseas countries to the park is also made easier. ■



'Nigeria's Potential Is Huge'

Adil Aydin Kurt, MD, Zeberced Limited, a construction giant operating in the country speaks to the team of **Anayochukwu Agbo**, general editor, **Tajudeen Suleiman**, senior associate editor, and **Chinenye Eseke**, reporter



Photo: Adewale Adelola

Tell us about your company.
Zeberced was established in 2007 and started with a quarry operation in Abuja. Later we saw a very huge potential in construction and went into construction. This is the business we also do in Turkey and we have quite an experience in this area. Nigeria is developing very fast, especially Abuja. We have asphalt plant of 240 tonnes capacity and we have also developed a block industry. Now we are into construction. We constructed the Turkish embassy in 18 months and it is one of the best buildings in Abuja. We have also started the Katampe residential project.

No government will like to kill this project because it is for the future of the country

What are the details of your projects?

The Katampe residential project is on five-hectare land; it is 340 units of houses. It is a \$75 million real estate project that will be one of the best not only in Abuja but in the country. It is a self-contained estate where everything exists – shopping mall, markets, etc. We are also into commercial furniture making. But our main target and dream is the industrial park. We have a special thinking about the industrial park. We believe Nigeria has a huge potential, and for now most products are still imported into the country. Industry is not developed enough in this country. Abuja is developing very fast and if you look around, what you see are mostly residential apartments, no organised industrial park. We have an experience in Turkey and we can bring that experience here. We believe Nigeria will be the biggest economy in Africa very soon and without industry, it will be a little bit difficult. During the presidential visit to Turkey, we were part of it, we visited some industrial parks in

Turkey and we decided to do a similar thing here. We got land, about 250 hectares at Idu Industrial Area. We have already finished with paying compensation and the design and now we are on site to start the project. We paid almost N120 million in compensation since last year. It consists of about 177 parcels within the range of 5,000 to 13,000 square metres. It is conceived not just as an industrial settlement but also has a commercial life camp where there are some commercial, administrative, social and educational facilities. There will be low and medium industries. One of the unique features is that it is surrounded by rail lines and a network of roads that will facilitate access into and out of the park.

During construction, we are going to employ at least 30,000 workers. The total value of the project is more than one \$1.7 billion. We are also going to invite investors who will come and open industries at the park and that will increase the value of investments at the park. Nigeria is at the centre of Africa and is well endowed with different natural resources. And if we use the advantages well, Nigeria will be the China of Africa. That is why we are planning to develop industries in this country. The Idu Industrial Park is going to be a model for the country so that we can have different industries in different parts of the country. Nigeria has the potential for industrial development, just like Turkey, which became an industrial giant in the last 20 years.

When will the project be ready?

We are already on site and in the next three years the project will be ready. We are planning to finish the first phase in three years. It will have 68 industrial plots and we already have investors applying to come into the country.

What areas would investors be involved?

The industrialists will invest in different sectors such as power, furniture, plastic and so on. The problem is just to get an industrial area where investors could get all necessary facilities. Once that is developed, the investors will rush into the country because they know the market is here. We are also planning to establish some factories at the park. We will move our factory to the industrial park. We also want to go into leather production because you have the raw materials here but there are no factories to process them.

Do you think the agreement you have with government protects your investments?

As investors, we are trusting the government. We are following the agreement and we expect the other side too to follow the agreement. For now they are following the agreement and we believe that there is no government that will not support the project we are doing. No government will like to kill this project because it is for the future of the country. It is what the country needs and it is part of what can make this economy one of the greatest in the world.



A Centre of Business and Leisure

The Abuja City Centre Project W



Aerial view of Abuja City Centre project as presented by the Chikason Group



Will Create 10,000 Jobs



By TAJUDEEN SULEIMAN

The Abuja skyline is set to change for the better when City Centre Development Limited, a subsidiary of Messrs Chicason Group, completes the \$2.7 billion Abuja City Development Centre. The agreement with the company was signed on March 5, 2014, to provide the secondary infrastructure and develop the National Park and Mall for the government.

The project is located within the Central Business District and is bordered by Ahmadu Bello Way and Sani Abacha Way, as well as the Constitution Avenue and Independence Avenue. Landmark structures currently near the project site include the National Mosque, the National Library, the Cultural Centre, the Millennium Tower project and the Federal Ministry of Finance, among others.

The centre to be constructed comprises of residential apartment blocks, office buildings, hotels (4, 5 and 6 stars), three levels of car parking lots designed to suit the topography of the site, and separate vehicular and pedestrian traffic, and shopping/commercial arcades lined along the building. The height of the structures on the land ranges from 20 to 30 floors of scenic skyline designed to complement the nearby Millennium Tower project.

The design concept utilised some natural features of the site, including the use of the existing stream to create a controlled waterway and fountains with scenic beauty. The waterway will traverse the plots and the National Park, creating a cooling effect in the immediate environment. The residences and commercial complexes have different entrances to avoid congestion and for privacy as well as for security.

The basic security measures such as provision of surveillance cameras, body scanners and trained security personnel formed part of the design consideration. Fire fighting equipment, fire lifts and helipads are being provided in the buildings to aid rescue during emergencies. It will bring boulevards and nightlife to the Central Area through a live, work and play concept. It is to ensure the central area remains active round the clock on a daily basis.

The mixed use feature of the city centre project will bring life to the city centre at night and illuminate the skyline of Abuja. The complex would also offer several job opportunities to Nigerians from facility maintenance to sales and services.

The FCTA has equity of five per cent in the sum of about \$135 million or N21.6 billion investment value into the project.



An artistic design of the Abuja City Centre



Architectural design of National Library

The provisional building plan fees of about N1.338 billion payable in respect of the plots for the project, and the land premiums of about \$8.5 million or N1.36 billion, form part of the FCTA's five per cent equity in the project.

Speaking on the progress of work at the site, Alex Okafor, chairman and chief executive officer of the Chikason Group, said building approval for the project had been completed and the company was in the process of calling for tenders from international and local contractors. "We are also discussing with some international developers to join us.

I wouldn't want to mention their names now until we sign the agreement. But they are some of the biggest estate developers in the world; we are finalising our partnership," he revealed. Okafor said the project will create more than 10,000 direct and indirect jobs while many international franchises have also indicated interest in being part of the shopping mall at the centre.

A similar land for infrastructure arrangement has been made with Chikason Group for the provision of affordable housing for workers



Millenium Tower, Abuja

in the FCT. Although the arrangement is for the provision of 100,000 housing units for workers throughout the 36 states of the federation and the FCT, the pilot project will take off at Lugbe in Abuja. The company is to build 25,000 housing units for workers in the FCT.

To facilitate the project, the FCT minister has provided the land for the take-off of the project at Lugbe, along the Airport Road. Planning is at an advance stage and work is due to start soon. Okafor said the dream of the Goodluck Jonathan administration is to ensure that workers have decent and affordable housing.



'Abuja City Centre Is a Multi-million Dollar Project'

Chief (Dr) Alex Chika Okafor is the chairman and chief executive officer of Chikason Group of Companies, a major investor in the Abuja City Development Project. He speaks to **Tajudeen Suleiman**, senior associate editor and **Samuel Torlumun**, reporter

What are the projects you are currently handling in the FCT? Our company is involved in the Abuja City Centre and the mass housing. The building approval for the city centre is at the last stage. We have started calling for tenders with local and international contractors. We are also discussing with some international developers to join us. I wouldn't want to mention their names now until we sign off the agreement. But they are some of the biggest estate developers in the world, and we are finalising our partnership.

From the presentation made by your team, the project is massive. Do you have the capacity to carry through the project?

We also have other mega projects in other African countries, more than five countries outside Nigeria. I believe God will see us through.

In terms of the volume of investment, can you give us an estimate?

It is a multi-billion dollar investment, consisting of about 26 units of towers with shopping malls. Part of the tower will be a five-star hotel. We are working very hard and arrangements have been made to source the funds overseas because no Nigerian bank can fund such project. We don't have investable funds to that level. We have got to advanced levels with our partners and we don't believe it is undoable. We have committed so much money, in the region of tens of millions of dollars. It is a multi-million dollar project. The drawings are being handled by international firms because we are not used to this kind of projects.

By the time the project is fully completed, what is your projection of how Abuja would look like?

It will change the entire look of Abuja and Nigeria because with what we have put in place, a lot of international franchises we are negotiating with are also coming in. They have not been in the

Photo: Adewale Adelola



country before, and they are coming to be part of the shopping mall. These are some of the things we are working on.

What is the number of jobs you are likely to create by this project?

Oh! That is something else. It will create more than 10,000 jobs.

Where is the site for the mass housing project?

We have signed agreement with TUC to do 100,000 houses for Nigerian civil servants, which is the dream of the present administration. They want to make sure that civil servants have their own houses, so we are starting with Abuja and about 25,000 housing units will be built. The minister has provided us with land for the take-off of the project and planning is at an advance stage. The land is at Lugbe.

You are making a lot of investment into all these projects. Do you have guarantees that your investments are going to be protected?

Yes, we are. I believe no government would be against the Abuja City Centre unless the person is an enemy of this country. Any government that loves this country will appreciate the investment. It is going to be the first of its kind in Africa.

What can you say about the commitment of Dr. Bala Mohammed, the FCT minister, and the federal government to the project and to infrastructural development of Abuja?

I don't know how to describe it. But you can see that the minister has transformed Abuja. When you look at some of his projects, they are projects that would speak for him whenever he lives office. His level of commitment and that of the current administration towards the development of Abuja is unparalleled.

What are the challenges you foresee?

The only we are facing today is that of the issue of security, which is affecting investors' confidence in our country. But I believe the federal government is taking the right step towards handling it.

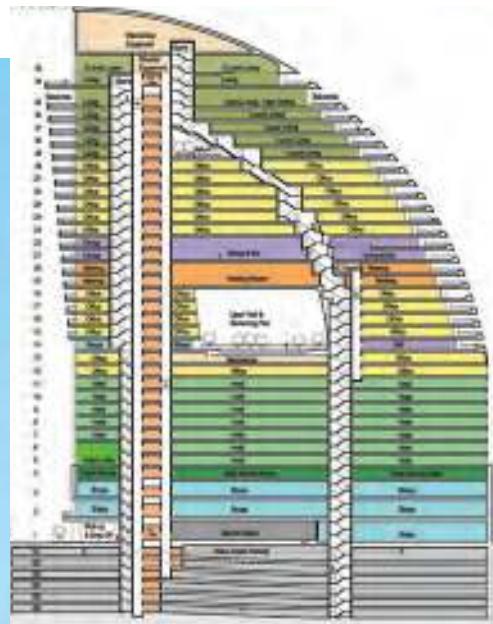
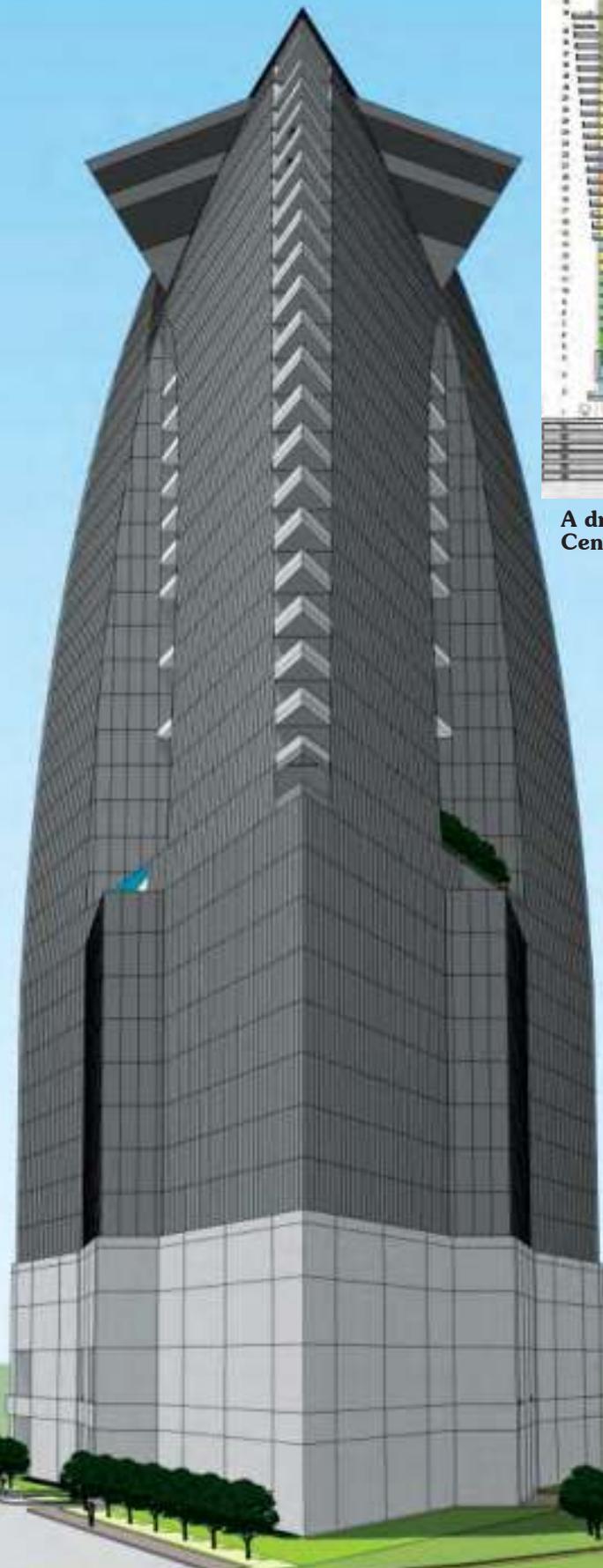
The Hudson Triangle

Thirty-five floors of exquisite creativity

By ANAYOCHUKWU AGBO

The Hudson Triangle Tower being developed by the Hudson Group is one of the most ambitious structures in the emerging property mix in Abuja skyline. Initially, the group wanted to do a 45-storey beauty but the Federal Capital Territory Administration's development control only approved a 25-storey structure. This necessitated a revision of the design down to 35 floors. "We are still hopeful that we can convince them to allow us to build a 35-storey building", says Prince Tom Iseghohi, executive vice president, Hudson Group, United States, US.

The Hudson Triangle Centre, from one side, looks like a ship sail-bending south. From another angle it looks like the Shard of London. And from a third angle it is poised like a rocket on the launching pad. It is conceived as a 35-storey mixed-use development. The budget for the development is \$1 billion. According to Iseghohi, it will



A drawing of Hudson Triangle Centre, Abuja

be financed with a combination of money from the US, Nigeria and Singapore. The architect is based in the US; the developer in Singapore while the renderings and financial analysis was done in India. The Hudson Group under the leadership of Prince Iseghohi, conceived the concept.

By the projection of the group, the project is expected to create 2,000 direct jobs and 10,000 indirect jobs as a result of the implications on GDP and per-capita income. The 35 floors consist of shops, conference halls, hotel, offices, conference rooms, luxury apartments and open park swimming pool. There may be an addition of an alternate office for the FCT minister in the tower. Like the Abuja World Trade Centre, the Hudson Triangle will also make a huge impact on the image of Abuja and bring tremendous business benefits to the investors, government, subscribers and the public. ■

'We Are Building an Iconic Edifice'

Prince Tom Iseghohi, facilitator of the Hudson Group, in this interview with **Anayochukwu Agbo**, general editor, discusses the details of what is seen as the most exciting architectural design about to grace the Abuja skyscape

Tell us about the Hudson Group and your investment in the land swap initiative.

The Hudson Group is a New York-based investment and transformational consulting company. So on the one hand, we consult for local and international investors, developers and on the other hand we also thrive by our own investments. So we conceptualise investments and we bring both technical and financial partners into those investment opportunities, because we are more knowledgeable about the Nigerian environment, both in terms of the right type of project to conceptualise as well as the right approach to ensuring that implementation is properly done. In addition to that we are raising capital internationally. The international investors are going to be looking for local

partners that are credible internationally and also understand how to operate domestically, which is where we come in. Before I go into the project we are working on with the FCT, let me give some context. Any good administration that is interested in development has to be intelligent enough to figure out what it has and what it does not have. In my own view, the FCT administration has done a terrific job of understanding what resources it has, what resources it does not have, what it needs and who has the resources that they don't have. Because in a business transaction you have to be able to take what you have and effectively trade it for what you don't have so that both parties can get what they want. The FCT has land, somewhat in abundance, but what FCT doesn't have is the development capacity in terms of the volume of

capital that is required to actually develop infrastructure and other types of things that are necessary for a city like Abuja. And then the international technical capability to really put in place world-class infrastructure also does not exist. So they have to figure out a way to take the land they have and utilise it to bring those things that they don't have. I think the land swap approach is a good policy to do that. So looking at that prospect, we have approached the Federal Capital Territory Administration because we have access to foreign technical developers that can bring the capital and the technical expertise to

‘...The FCT administration has done a terrific job of understanding what resources it has, what resources it does not have, what it needs and who has the resources that they don't have’



Photo: ADEWALE ADELOJA

build world-class infrastructure within the FCT. So we approached them to allocate land to us and our international partners so that we can build a world-class mixed development. So that is the project we have been working on.

Has the land been allocated to you?

We are in the process of getting it finalised and what I have observed is that if you follow due process, the FCT is relatively easy to work with. I found out that the process is well defined on what you need to do and if you don't believe in your projects, then it becomes difficult to engage the FCT. In our own case, we had to spend a lot of money doing design, making sure we understand the dimensions of the land, getting our foreign partners to do architectural design and the relevant studies that are necessary to be able to convince the FCT that such development makes sense for Abuja and it is going to result to the type of development that FCT is trying to engage in.

What are the details of your proposed land use?

The site we are looking at is in the Central Business District. It is a 7,000-square feet site and interesting enough it is not a square site, it is a triangular site which can be a challenge. But what we did was that we took the land survey and the topographical analysis of the land and we gave it to some brilliant architects from Dallas, Texas. The developer is from Singapore, the architects are from Dallas and the civil engineers are from Germany. So it is collaboration between Germany, United States and Singapore. The financiers are a combination of USA, European financiers as well as financiers from the Far East that are backing these Singaporean investors. The design was done in Dallas, Texas because we wanted to have an iconic building, such that when you see that building, you will immediately look at it as something that is unique. It is a 35-storey building and during the initial discussion with the FCT and AIIC they immediately insisted that we must go through development control for them to review the design and see whether it is even feasible. As we speak though the land allocation has not been finalised, but it has already gone through development control. They have given us feedback on what they will accept and what they won't accept; all those things are in the final design of the building.

What's the business arrangement with FCTA?

In this collaboration, what the FCTA is bringing is land, so it is just a land allocation and in exchange they are getting part of the space of the completed building; they are getting royalties, without investing a kobo. They are also getting the percentage of the royalties that come during the life of the project. And the way the transaction is structured right now, after we have recovered the investment money and made some profit, the building will belong to the FCT. It is a BOT that include a management contract, but after the expiration of the BOT period the ownership of the building changes and the new owners can decide if they want us to continue or to have other people manage it.

How much have you estimated to spend?

It is between \$700 million to \$1 billion. It is a 35-storey building on 7,000 square metres of land. The building is a triangular building as dictated by the shape of the land.

What are the details of this 35-storey edifice?

Offices, guest houses, residential apartments, convention

centres and so on.

So what international labels will you bring to Abuja?

In a building like this, you will be thinking about some international labels you will want to bring into Nigeria. We have confidentiality agreement but what I will tell you is that these are world class developers that have designed hotels like the Shangrila and those types of hotels. These are top five-star hotels. And for convention centres we would engage top convention managers in the world. We are working with global tour that can bring convention to Nigeria as a result of these types of facilities that we don't have now. On the residential side we are going to create exciting building at prices that will make us sell out very quickly. You see, one of the biggest problems that developers create for themselves in Abuja and Lagos is that a lot of buildings are empty because they overpriced them. It is not going to be cheap building; it is going to be one of the best buildings if not the best but when we are done with this building, we are not going to price ourselves out of the market. In our studies, we realise that we can make money at the price that is reasonably affordable, not to price ourselves out of the market. We promise world class but affordable houses.

There are a lot of investors, each also coming with its own concept, from your own feasibility studies, do you think there is enough space for this competition to take place?

Certainly, there is enough space. The last time we checked, there was a shortage of about 20 million houses in Nigeria. So even if 300 companies start together to develop as long as you hit the right price, for the next 30 years you won't be able to satisfy the demand. So there is enough demand but the question is, is there enough income to support that demand? And you have to understand that this type of development also increase the GDP, increase the per capita income, increase affordability, increase employment, so it sort of feed on itself. The more you have this kind of development the more you have people who can afford to live there. The more the economy improves the more employment improves, the more security improves. Whenever employment improves, security also improves because somebody who is working barely has time to create mischief. So, I believe that the more developers that come into the country, the better for the industry. If you want to buy a property in Nigeria people will tell you to pay N30 million, you have to go and bring N30 million. If we can also do this where people could make monthly payment, I think that will increase affordability of housing in the country. We expect that when people do this kind of project, they should make it exciting for the average Nigerian.

You need a lot of energy to power this project. Are you confident that government's power reforms will produce enough energy for you, or are you making alternative arrangement?

As you know, there are different elements to the power reform and for buildings like these you have to develop a power source specifically for this building, and to be able to run the building. And then whatever excess power we generate that the business is not consuming, we put it to the grid. It is part of our budget.

We see a lot of FDI flowing into the country as a result of the land swap projects. As a Nigerian, are you worried that opportunities are being taken away from Nigerians?

Well, first of all, foreign investors don't like to invest by themselves; foreign investors want to invest alongside credible local partners that understand how the system works and are credible internationally. So my view is that Nigerians have an opportunity to participate as long as they take a long-term view just like foreign investors do. Unfortunately, I think, generally speaking, we have a mentality you put your money in the morning and you take it in the afternoon, which is not how infrastructure investment works. You put in a lot of money upfront in an infrastructure investment and then you plan to take it out over a long period of time. Our payback period in this project is going to be a long time.

There are lots of Nigerians who have money but may not have ideas on how to invest. Are you giving Nigerians opportunity to invest in this project?

What we intend to do is once we get this project going and it is fully occupied, what that does is that it creates a stream of future cash inflow. So when you have a stream of future cash inflow you can actually securitise that cash flow and get cash today. So we intend to do that and then create a real estate investment trust, develop more buildings, make it public so that the average Nigerian can invest in it. We believe strongly that you have to give Nigerians an opportunity to participate even at a small scale in real estate infrastructure development without having to own the whole thing or have bulk money. And the best way to make them participate is through a real estate trust where even someone that just has N100,000 can invest and can drive by the building and say yes I own part of that building.

This project, how many jobs are we expecting that it will create?

This project will generate in terms of direct jobs somewhere in the neighbourhood of 1500 direct jobs. Then in terms of overall impact on the economy, in terms of indirect jobs, you can multiply that by five and that will be the total number of jobs that we expect to generate in the total economy.

In terms of the local content side of it, what is the percentage of the local content?

Most of the construction work will be done by local labour, although we are going to use a steel and steam structure which means that a lot of the works is going to be more like an assembly. But local labour will be trained to do it, supervised by international engineers that really know how to get it done so that everything can be done properly.

Have you met the FCT minister in the course of this



Isegbohi

project?

I have never met the minister. We know each other from afar and I am sure if he sees my name he knows my name. Clearly, I know him, but I can tell you that I've never ever met him and I have never discussed this project with him personally. This is a project that we've taken through the system, we've gone through due process of how it works, we've met the people in charge and we made a presentation to them. You know when people take the time to develop a project properly and present it to people that are in charge, they will accept because people want to leave a legacy and do something good. You structure it in a way that it makes sense from their own point of view. All that the minister saw, as far as I know, was our memo that was taken to him.

A lot of foreigners complain about pressure from approval authorities, politicians and all that, to get things passed through. What was your experience?

We had to go back over and over again to make presentations and explain things. And they've negotiated with us in a very tough manner, asking us series of questions. That is the kind of pressure we got.

Do you have a robust legal agreement that can guarantee you continuous development and management of the project till it is done?

My experience is that when you have a solid agreement, the government actually respects it. It has been proven over and over again, and in a situation where government refuses to respect such agreement, it is proven in Nigeria that when people go to court, they get what was agreed upon, it is not different from any other country. So the key is that when you are going into an agreement make sure you review the legal framework, you understand the laws that govern the agreement and you follow the due process and you comply. If you do that you are saved.

If you are the minister of FCT, what would you do to streamline all the FDIs coming into Abuja in order to guarantee the interest of the government, the people and that of the investors?

I would do exactly what the FCT minister is doing. He has an agency that is focusing on infrastructure. That agency heads all investors and ensures that the FCT interest is protected while at the same time making sure that the transactions are structured in such a way that it also encourages investors. I will do exactly the same thing.



Photo: Adewale Adelola

Sunrise Hills Estate: A blend of European and Mediterranean architecture

A Unique *Sunrise* in Abuja

Sunrise Hills Estate, being developed by Sunrise Development Company, combines unique architecture with scenic landscaping and spectacular sunrise

By TAJUDEEN SULEIMAN

Sunrise Estate Development Company is taking the Abuja property market by storm with its development of a unique concept of housing for the nation's capital. Sunrise Hills is an estate that uniquely combines European and Mediterranean architecture with the hilly Asokoro terrain, giving the estate a panoramic view that only few builders could accomplish. It is one of the functional Public Private Partnership arrangements the FCDA has had where land is given as equity.

The company has a lease agreement on the land and it is supposed to develop the infrastructure and sell the plots. But it went further to develop prototype houses for potential landowners in the estate. The estate sits on 500 hectares of land with hills taking about 90 per cent of the land. But the company has been able to convert the terrain to advantage, building well designed houses into the hills. The estate is accessed by well asphalted roads that

snake through the hills and around the different categories of houses.

Explaining the unique features of the estate, Sami Abou Jaoude, managing director of the company, said: "We are keen on landscaping in the sense that we don't want to abuse the size of the land. The idea behind it is to keep space between the houses and the remaining part of it is to be landscaped. So, this is part of the concept which has many elements, and we have to put them all into one part. And that is the challenge we are coming out of. We are happy it is coming out very nicely. We are managing to get the view, the quality, architecture, the landscaping, the quality of the road, the functionality, the bedroom and so on and so forth."

Sunrise Estate Development Company is into real estate development and is well known for quality finishing and

unique architecture. It has a subsidiary that specialises in estate infrastructure while it concentrates on building construction. The infrastructure is tailored towards the unique building concept of the company.

Jaoude observed that the company does not compromise standard and quality in its housing delivery, stressing that there are very few estates with the quality and



Land use plan for
Sunrise Hills Estate



landscape that would be found at Sunrise Hills Estate. He said Abuja deserved quality residential housing that would match the quality of the infrastructure provided by government in districts such as Maitama, Wuse, Asokoro and others.

The project is still in its first phase and at 60 per cent completion, but the market is already buzzing. According to Jaoude, the houses have all been sold as there is a rush for them despite the high cost. The price of the duplexes starts from N115 million, with a 2-bedroom starting from N115 million and the 3-bedroom goes for N125 million. He said the cost was on the high side because of the finishing and quality of the construction.

Building materials, he noted, were more costly in Nigeria, and that the cost of doing infrastructure locally here was costlier than elsewhere. "It is near the double of what you can do outside the country. I don't know why, but that is the case. It is a bit expensive." But despite the price, Jaoude said people were willing to buy quality houses in the city, adding that houses of similar prices fell short of the quality of Sunrise houses.

By the time the land is fully developed, a shopping mall that will be one of the best in the country is expected to sprout on the land. The details of the design are still being finalised and construction may start soon. The mall is expected to begin operation by 2016. There is also a 5-star hotel on the drawing board, a police station, fire station, mosque, a church and school area as part of the facilities coming up at the site. ■



Photos: Adewale Adelola





'Sunrise Hills Estate Is Unique'

Sami Abou Jaoude is the managing director of Sunrise Estate Development Limited, developers of the Sunrise Estate, Asokoro, Abuja. He speaks to **Anayochukwu Agbo**, general editor; **Tajudeen Suleiman**, senior associate editor; and **Adewale Adelola**, senior photographer

Tell us about your company.

Sunrise Estate Development Limited, SED, is into real estate business development. We are part of the SETRACO International Holding Group; we are a sister company to SETRACO and a sister company to AIK. As a company we are into real estate development, whereby we sub-contract the development of the infrastructure of the building construction based, of course, on our vision of the project and our standard. We come up with a concept and we try to execute it at viable market rates.

So what concept are you developing at Sunrise Estate Project?

The main concept is based on the specific nature of the land. Most of the land, about 90 per cent of it is hilly. This has created challenges as far as construction and infrastructure is concerned. But then again, the concept was: we wanted to maintain the look of the place; we don't want to change it and at the same time give an added value to the concept in terms of view generally. What we want to be part of the concept as well is the quality of construction, of architecture; the functionality of the houses; and most importantly the landscape; it is very important to us. We are keen on landscaping in the sense that we don't want to abuse the size of the land. The idea behind this is to keep space between the houses and the remaining part of it is to be landscaped, either sunscaped or house-caped.

So, this is part of the concept which has many elements, and we have to put them all into one part. And that is the challenge we are coming out of. We are happy it is coming out very nicely. We are managing to get the view, the quality, architecture, the landscaping, the quality of the road, the functionality, the bedroom and so on and so forth. It is one concept that we are trying to go for. And the infrastructure, it is different from what you can find elsewhere. We have special design streetlights and pavements, real underground and all the stuffs. So, it is one concept that we are trying to go for because we believe this is the concept Abuja needs now. You can find very few places like this. We are building a unique estate. We can't have a better choice of the kind of houses we want to have or to look forward to. So, that is the concept we are trying to come up with. We are trying to integrate everything within the nature of the place; that is the idea.

What are the sizes of the buildings and how much do they go for?

Well, let me put it this way, we are not into mass housing, it is important to understand that. Two, we are ready for good quality; I mean we are tapping into this market to have good

Photo: Adewale Adelola



quality housing. Now, the sizes are different. For example in phase one, we are coming with different prototypes. We have the two-bedroom apartment, three-bedroom apartment. We're coming with compound houses, with duplexes within a compound. And we have individual plots for people who want to build their own houses. But we have our own concept and it must conform to our concept and standard. So, we have different categories for different choices. Some people like to have their own plots; others would like to live within compounds. And some just want to have a foothold in Abuja; they don't want to have a house so they go for a two-bedroom apartment. So, this is one of the categories we are coming out with as far as phase one is concerned.

As part of the project now, there is a shopping mall; one of the best shopping malls in Abuja or in Nigeria is coming along. It should be starting soon; the land has been prepared. We are finalising the detail design now and we are hoping to start by October this year, which would take maximum of two years. There is also a five-star hotel coming up as well. And of course as part of the amenities for the whole area, we are coming with a police station, fire station, mosque, a church and we will also have areas for schools. Of course, we are building at the outskirts of Abuja and as we are developing, we want to add these things for the community to be able to take advantage of the things that are coming up.

How long have you been doing this?

Effectively the whole thing you see here has taken us about two years - as far as infrastructure and the construction. The rate of work is getting faster now as the market is developing, demand is getting higher; as people are aware of the project and they are very happy with what they are seeing. That is the thing.

In terms of the market, could you be more specific about the interest generated in the market?

Let me explain how we had the idea of doing this development. Abuja has succeeded as a capital city and the population is growing at a very high rate. This has given us the interest to go into real estate because you have to take care of the growing demand for accommodation. So, that is what attracted us to the idea of real estate development as far as the market is concerned. The project is already attracting many, many people. Certainly, we are in the stage where there is a kind of stagnation at the moment. But it is just a matter of when we complete it; definitely, we have more people coming in. We are giving more lands to others to come and build; all these within our own concept. It is very important to build within the



concept and we try to be able to meet this market as the market is growing.

What percentage of sales have you made?

We are now at 60 per cent approximately, for phase one.

Is your design European?

The architecture is a bit European/Mediterranean in approach; the construction is very similar to the background where we come from - that is Lebanon. We come from a country which is all mountains. It is not easy; we are used to building on hills as well. We know it is costly because you also have to maintain the integrity of the design. When you are cutting the hills; this is how we can keep the view for example. So, we cut some part of it; then we cut another part. But to be sure that there is no collapse of the soil as you are cutting, you have to make a retaining wall, to make sure the construction is safe. So what happens as you can see, we have an aerial view, then downstairs, you have additional space, where it can be a multipurpose; it can be a gym or the children's playhouse or whatever the person likes to have. This is just an added option. But we are very happy that people are enjoying it.

How much does it cost to subscribe for a two-bedroom; and how much is the three-bedroom?

The two-bedroom starts from N115 million. The three-bedroom goes for N125 million. It is on the high side because of the finishing and quality of the construction. You see, things are costly in Nigeria. The cost of doing infrastructure here is not the same as you would find elsewhere. And it is near the double of what you can do outside the country. I don't know why, but that is the case. It is a bit expensive. However, there is a market for these prices in Abuja; these prices are not new in Abuja. Why do we enter this market? When we look at the products in Abuja offering at these prices, we could see the gap. When we saw there is a gap, we said let us enter this market and improve the quality of the product. For example, for a piece of land that is approximately 1,700 square metres; it is a five-bedroom house – a big one. It goes for N450 million. This is a common price you can find everywhere. Compare what we have at N450 million with others and you will see the huge difference. See, we don't want to go for little products. When we looked at these prices, we said look we can come up with something of better quality; much better quality in many aspects. So people come, take our own prices and compare it to what is already on offer in the market and they can see the difference. That is the idea. That is why we are interested in going into the market.

What is the business relationship between your company and government in terms of the equity?

We have a development lease agreement with the government. Basically, our agreement is just to do the infrastructure and sell the plots. Our agreement is just to build infrastructures. But the chairman wanted to have something which is really nice; so he went further and came up with prototype buildings as you can see. Because we do not just want to have infrastructures and sell the plots without the control of the concept that we are doing. We are totally investing ourselves into these projects and going even further into developing houses. It does not mean we are not allowing anybody to come in, but other entities that might be interested in coming in have to be within this rule – to maintain the value of this place. The infrastructure is totally developed in the sense that you have the water supply, sewage, drainage, electricity cables and so on. Also, we would be coming with the fiber optics; we would try to provide fiber optic connections. We are also supplementing power in the



Photo: Adewale Adelola

Abuja has succeeded as a capital city and the population is growing at a very high rate. This has given us the interest to go into real estate because you have to take care of the growing demand for accommodation

sense that we would provide generators. We will not allow anybody to have generators; we are providing generators next to each substation in case power is down, it automatically goes up. And we want to make sure that the place is up to what we are looking for. When you go that far, you are taking risk.

So, what are the challenges of investing in Abuja here?

It is not something you can say oh, by the next two or three years I will make so and so. It may be higher and it may be lower than projection. It is not just us but a matter of the whole country. But we are encouraged by the fact that Nigeria is one of the biggest economies with a good GDP. Abuja has a very nice road infrastructure and design. When you go to Maitama, Asokoro; and all these places as far as infrastructure is concerned; it is one of the best anywhere. However, from the housing view, when you look at it, we saw that with this kind of infrastructure, our kind of housing can go with it. These kinds of houses will attract people coming into Abuja. Also we felt that Abuja can be the foothold of many Nigerians in the diaspora who may want to come back home. Many people also from different parts of the country may want a foothold here in Abuja for different purposes. Of course, they can have an apartment in a place like this during their stay in Abuja. Now the challenges are, like I said, the cost is a bit high – the cost of materials, the imported materials. We have to import materials as well if you want to maintain this kind of quality. Basically, these are some of the problems we have.

What is the size of the land on which this estate is sitting?

The entire estate is about 500 hectares. You know we have to remove the roads, the sloppy areas. That is about 40 per cent of what we have now. It is good because it is part of the panoramic view of the whole estate.

The first phase is how many hectares?

It is about 20 hectares. But now we are starting a second phase and we are starting with the mall. We are getting about 100 hectares to be developed approximately.



Berthing a World-class Transport Terminal

The ultra-modern Intercity Transport Terminal to be located in Utako will provide a world-class one-stop station for travellers in the FCT

By TAJUDEEN SULEIMAN

A n affordable and efficient transport system is said to be essential for the growth of a nation. It allows individuals who do not own a vehicle to maintain employment and contribute to the economy. It also reduces the volume of traffic congestion on the roads, which in turn reduces the levels of pollution and road crashes.

This, perhaps, explains why the current leadership of the Federal Capital

Territory Authority, FCTA, has embarked on an affirmative action to improve the transportation sector in the capital city. In 2013, the FCTA introduced a new public transportation policy focused on making the sector more organised and efficient. Under the policy, large capacity buses and mini buses were allowed to travel through some designated routes in the city centre. The policy has no doubt reduced traffic congestion and criminal activities associated with bus services in the city.

But now the transportation sector in the city is about to change with the proposed

Intercity Transport Terminal Limited, ITTL, to be located at Utako/Jabi Park. When completed, it will be a transportation supermarket where residents could board vehicles to any part of the city and to any corner of the country. ITTL is a Public Private Partnership between the FCTA, the Abuja Municipal Area Council, AMAC, and a consortium of private sector developers.

Greg Udegbegbe, chief operating officer of ITTL, said the company aims to build an ultra-modern, high quality, functional transportation hub that will make public

MASTERPLAN

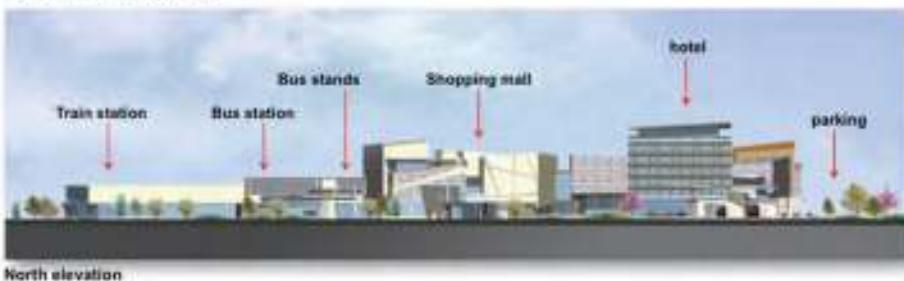


key

1. Parking area
2. City bus terminal
3. Up country bus terminal
4. MALL
5. CENTRAL SQUARE
6. HOTEL
7. SERVICE AREA
8. BUS MAINTANANCE AREA
9. BED AND BREAKFAST
10. FUEL STATION
11. FIRE STATION
12. POLICE STATION
13. TRAIN STATION



MASTERPLAN SKYLINE



North elevation

HOTEL – reception and bedrooms



transportation in Abuja and nationwide more convenient for passengers. "We are supposed to build a model transport terminal in Abuja, and at the same time run the city services buses to carry people from one part of the city to the other. We are also supposed to operate intercity transport to all state capitals, that is, from the Abuja terminal to all state capitals. The transport terminal will comprise of a five-star hotel and a shopping mall. From the terminal, you can get vehicles to any part of the country while transportation will be available to anywhere from there. And we are not the only one that will use the terminal. All the present operators will also use the terminal. We also have a two-star hotel where drivers and

passengers who arrived overnight can stay," he said.

TTL will also provide an integrated multi-modal transport terminal with a shopping mall, hotel, commercial, support services, leisure and entertainment complex. The company promises to change the face of public transportation in the city through the provision of high quality infrastructure that is matched with efficient and reliable services. It will establish a distinctive station design, which is contemporary, consistent, timeless and appropriate to promote a coherent, integrated and seamless public transport system.

The terminal, to be completed within the next six months, will be a transport terminal that is integrated into commercial facilities, supporting infrastructure and recreational facilities including a shopping mall, hotel, restaurants, cinema, ATM, public square, leisure and entertainment, to create a new workspace and place of rest for the residents and city visitors. It will ensure that passenger requirements are fully incorporated within station planning and design.

Udegbé says the entire project, which is estimated to cost \$134 million, is a PPP set up as a 25-year concession, with 30 per cent ownership for the public sector stakeholders (FCTA/AMAC) and 70 per cent for ITTL and its consortium of international financiers, development partners, builders and equity contributors. The project-financing plan is a combination of equity, developer loan and construction finance from ITTL and a consortium of international financial institutions led by the US Export-Import bank.



Airport Road: Now enhances free vehicular movement

Enhancing Urban Renewal

The Bala Mohammed administration strives hard to reinforce the status of Abuja as a smart, functional and people-friendly capital city

By TAJUDEEN SULEIMAN

No doubt, those who conceived the vision of Abuja as the nation's new capital city envisioned a planned city where public utilities are functional and services are efficient – a city that is inter-linked by good road network and street lighting that allows good night vision. Abuja was to be a city growing faster than its population.

But today, the reality is that the population of the city has continued to grow astronomically while expansion and development have been at snail speed. A city that was planned to accommodate fewer than two million people has suddenly found itself having to provide

services and utilities for over three million. Successive governments, since 1991 when government officially moved to Abuja, have paid lip service to the expansion of the infrastructure and development of the city. The result is that most of the indices of a failing city have become noticeable such as bad roads, poor water supply, epileptic power supply, insecurity and a growing slum population.

Still, government continues to allocate land to applicants without any plan to build infrastructure in the areas allocated, thereby increasing the number of slums in the city.

But to halt the decay and reverse the ugly trend, the current administration, in line with the Transformation Agenda of the President Goodluck Jonathan administration, came up with the idea of allowing the private sector fund provision of infrastructure in new districts. The government pays for this service by giving the investor a percentage of the land in the new districts to be developed.

In the words of Abiodun Alonge, director of Surveying and Mapping, "It is simply trade by barter. We want the private

sector to develop the infrastructure for the city and we will use the land as a means of paying." Explaining this development model, Oluwole Aderinto, deputy director, Urban and Regional Planning, said funding infrastructure development in the city has become a huge burden that government could no longer bear, and the new way around it is the land swap policy.

The result of this innovation is the rapid development of districts, roads and other infrastructure currently going on in the city – all by private investors. Renewal of the city is not restricted to green fields (undeveloped areas) alone, parts of phases two and three of the city that are suffering from lack of infrastructure are also on the card. The government, according to Olajumoke Akinjide, minister of state for the FCT, is also looking to halt the infrastructure decay in developed parts of the city. Government has entered into development agreements with the private sector on the provision of infrastructure in Katampe, while it is in the process of approving that of Mabushi and Durumi areas of the city. The development of other areas is also in the pipeline, according to



Kubwa Expressway: An astounding departure from the past gridlock

Akinjide.

The FCTA and the private sector are also collaborating on provision of link roads so as to decongest traffic in the

city. Government recently flagged off the phase One of the Outer Southern Expressway that would connect Asokoro to Gwagwalada. It is designed to link the

districts under the land swap programme to the expressway and open up the area. Final touches are being put on the detailed engineering design for the phase two of the

road. By the time they are completed, the traffic gridlock around Asokoro area will ease drastically and make road passage within the city more fluid.

The Kubwa expressway was completed two years ago while the Airport Road is almost fully completed. More than 90 per cent of the work is already done. Traffic now flows seamlessly on the Kubwa Expressway during the day and at night. The road is fully lit at night to enhance night vision while all the flyovers on the road are now fully functional.

Supply of safe drinking water to residents of the FCT is also a priority of the Bala Mohammed administration. Early this year, President Jonathan commissioned the phases three and four of the Bwari Water works where two ultra-modern water treatment plants were installed. Each of the water treatment plants has the capacity to produce 10,000 cubic metres per hour or 10 million litres of water per hour. So the current administration has added 20 million litres of water to what was on ground when Mohammed took over as minister of the territory. It is no doubt a big leap in service to the people.



President Jonathan inaugurates the Lower Usuma Dam Water Treatment Plant in Abuja, with Philip Aduda, Mohammed and Akinjide



Land Swap Will Create Over 500,000 jobs

Ari Isa Mohammed, Director, Economic Planning, Research and Statistics, FCTA, speaks to **Anayochukwu Agbo** and **Tajudeen Suleiman**

Based on your research, what is the economic outlook of the FCT?

The economic outlook of the FCT is very bright. The founding fathers didn't look at creating the FCT from an economic point of view but to set up an administrative capital for the country. But you can't bring in people into the city and not have an economic outlook for it. Basically the mandate of the FCT is about setting up an administrative framework that is efficient and effective, and also providing infrastructure for the 8,000 square kilometres, particularly with the 250 square kilometers capital city. You realise the fact that the population, the demography, will put pressure on the city to provide for one, the basic necessities of human beings that exist. So that infrastructure is important. Thirdly, we provide services to the residence in the most efficient and effective way. Fourthly, we're also looking at empowering the residence of the city and reducing poverty, and also providing a secured environment for work, living and play. So what we are trying to do is basically to look at it as the African city of choice.

If it is a city of choice, you have to look at the economic

outlook of the city. One, look at the transportation; it gives you an ample opportunity for economic value addition. Look at the population and the food they will require, it gives an opportunity for agriculture. You find out that even though we are not the commercial focus of Nigeria, we need to be economically viable to sustain the residence. About 40 per cent of the residences in communities are agrarian, so building the agriculture potential is fundamental.

Let us come back to the provision of infrastructure. In 1978 when the report came, the aim was to build the city in 35 years. But down the lane we have only been able to build 30 per cent of the city. The ultimate population of the city was supposed to be about 3.6 million. But today with only 11 districts, the population had gone to 5 million. And the total number of district required was 79 districts and 11 sector centres. But now we have only done 11 districts and the population had gone to 5 million. So we have really outstretched the population projection for FCT. The point means that the demography is driving fast, and there is need for more shelter, more infrastructure, and it behoves government to think about initiatives that will meet the challenge of government



This is the minister that has brought the highest level of private sector participation in the development of the FCT. If you were in this city in the last five years, you could see the differences over the years. No time has the private sector really come into FCT as the last three to four years

Photo: Adewale Adelola



funding over the years and the demand of residence for world class-infrastructure. We need to plan to meet the challenge of urbanisation.

Could you tell us some economic changes that Abuja has witnessed in the last three years under the administration of President Goodluck Jonathan?

First is the GDP, it has grown from \$5 billion to \$9 billion. There is also an improvement in the standard of living of the average residence of the FCT. In 2008, we conducted a survey of 336 communities and the average income was N10,000 and below per annum. We conducted another one in 2011 and the household income had increased by over 300 per cent. People's income now moved from N50,000 to N150,000, because of some of the initiatives of the government; the multiplier effects of some of these investments, not only in critical infrastructure but in human capacity development.

What is the economics of the land swap policy?

Public investments in infrastructure have moved down to 30 per cent from 2009 to 2011. So the administration of Senator Bala Mohammed had to rethink; review the existing funding and rethink the challenge of providing for the people coming into the city. It had to rethink the possibility of reducing squalor settlements in the city and the effect of over population on the critical infrastructure such as water, sanitation and others. So we came up with an initiative called the land swap, which is in line with the transformation agenda of the President. We said we need to provide 10 additional districts by incentivizing the private sector to provide this. And since we did not have the actual funds to pay, but we have the land, which is our only resource, we decided to use it. We said let us have a partnership with the private sector where the land will be our resource. They will use their money to develop the districts and based on agreed sharing policy, they will recoup their investment.

What is in the land swap policy for the FCT besides providing social amenities?

The beauty of it is the multiplier effect of the outcome of the policy. One, if you are building 10 districts under the land swap model you will be talking of employment for nearly 500,000 residents. That is at the construction level. After the provision of infrastructure, there will also be employment by secondary investors who will build housing projects, parks, hotels and those who will provide security, power, water, sanitation, etc. Thirdly, we will earn revenue from land registration and titling, and most importantly we will soon introduce the property tax. We will also introduce consumption tax. So government is not losing anything by the land swap.

What is the place of the original inhabitants in all of your developmental projections?

That is the beauty of the land swap. The land swap is done with the inhabitants. If you go to a land swap district, we have already done the survey of the total inhabitants that are found in that community. And if we are going to take a decision, we take a decision with them. Do they want integration or resettlement? In the overall FCT policy, even for employment there are special provisions for the indigenes of the territory. I think that is the most important thing. How do you seamlessly have the indigenes being



Photo: Adewale Adelola

involved in the development of the territory? To me, the land swap answers that question because it is a holistic plan. If they want to move out they will be compensated and resettled and if they want integration, they will be integrated into the development of the district. So they are carried along in the development of the city.

In terms of compensation liabilities, what is the total we are looking at?

If we are looking at the existing compensation issues, we need over N150 billion to resettle and compensate people in Utako, Jabi, Pyiakasa and so on.

You have worked with many ministers. What do you think is outstanding about Senator Bala Mohammed?

This is the minister that has brought the highest level of private sector participation in the development of the FCT. If you were in this city in the last five years, you could see the differences over the years. No time has the private sector really come into FCT as the last three to four years.

How much is the size of the foreign direct investment in the last four years?

As at 2012 we had \$4.2 billion, and now we have over \$7.5 billion. But our projection in the next four years is to have additional \$25 billion investment. The Centenary City alone is going to gulp over \$18 billion. The Aerotropolis that is coming up around the airport will gulp another \$12 billion or more while the Smart City, from Singapore, will gulp about \$600 million. Even the land swap projects will cost us nearly \$500 million, and we hope to see that 70 percent of the investment fund will be coming as foreign direct investment. Most of this is done by the private sector. Over the last 30 years, nobody has given the private sector a platform like now.

Why we are doing this land swap is to free government resources from investment into infrastructure in the city, for development of human capacity in the rural areas. More money will now be there for investment in education, for empowering the communities in agriculture and other areas.



The Many Benefits of Land Swap

If fully executed, the Land Swap Initiative promises to unlock the potentials of the Federal Capital Territory and transform it into one of the global economic hubs of the 21st century



By ANAYOCHUKWU AGBO

The FCT Administration deliberately designed the land swap programme because of the huge benefits accruable in the short and long terms. And even at this early stage of the land swap programme, the administration is already counting its blessings:

- It has saved for the FCTA over N4 billion, which would have been required for district development preliminary works in the areas of survey, planning and engineering services;
- It has created over 400 skilled jobs and over 1,000 direct and indirect unskilled employments.
- Within the next four years of project

A luxury estate: An architectural layout of one of the land swap districts

execution, it is projected to create over 1,000,000 direct and indirect jobs;

- Within the next four years, it is projected to attract a total investment into FCT in the areas of infrastructure and housing of not less than N993.9 billion.
- It has so far stabilised the Abuja property market due to the seriousness with which the land swap investors have been zealously pursuing the programme. The forecast is that within the next four years, cost of real property will be realistic as obtained in other capital cities of the world.
- It has generated renewed investment interest in the FCT to the extent that the FCTA is now rated as the only MDA **that** may attain the expectation of attracting 39 per cent of private sector infrastructure investment under Vision 20: 2020 National Implementation Plan II
- In addition, it would fill up the yawning infrastructure deficit in the federal capital by providing roads, water, light, affordable houses and world-class affordable houses for the residents of FCT.
- It has provided unique opportunity for the younger generation of FCTA technical personnel to learn basic district development strategies as well as to experience new technologies of district development execution.

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ACCELERATING ABUJA's
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