

# Nation's powerhouse sets the standard

Lagos State is the nerve center of this resourceful, populous African country

As the man whose political mantra is: "We say what we do, and we do what we say!" Governor of Lagos State Babatunde Raji Fashola has done much to change the fortunes of Nigeria's most populous state since coming to office in 2007.

The 48-year-old lawyer, who was the State's former Chief of Staff, has earned a glowing international reputation for good governance, having worked hard to bring important social reforms and a sense of pride, unity and belonging to the 17 million people of Lagos, while his entrepreneurial attitude is attracting streams of new investments.

As Nigeria's powerhouse, the city of Lagos is home to 85 percent of the state population and is the country's financial, commercial and industrial nerve center, with more than 2,000 manufacturing industries and more than 200 financial institutions, including the Nigeria Stock Exchange, based there.

The State also houses the nation's monetary authority, the Central Bank of Nigeria and the Security and Exchange Commission, as well as harboring 60 percent of the Federation's total industrial investments and foreign trade while also attracting 65 percent of Nigeria's commercial activities.

It also accounts for more than 40 percent of all labour emoluments paid in the country, with the headquarters of multinational conglomerates such as UAC, Unilever, John Holts, BEWAC/VYB, Leventis, Churchgate, Chevron, Shell, Exxonmobil and the nation's giant public enterprises all located within the State.

Lagos State is not industrially saturated, however. There exists a vast potential of underdeveloped land in the Eti-Osa Area of Lagos, Badagry, Epe, Ikeja and Ikorodu Divisions.

And, in a bid to decongest the



Governor of Lagos State Nigeria Babatunde Raji Fashola

Ikeja and Lagos Industrial Estates and open up other areas for development, the State Government has provided small-scale industrial estates in all of the State's 20 Local Government Areas and 37 Development Councils.

## Meeting challenges

Other challenges being tackled include a rapidly expanding population that UN estimates predict will make Lagos the third-largest city in the world by 2015, after Tokyo and Mumbai, and a lacking infrastructure.

Governor Fashola is committed to the State government working hand in hand with the private sector, especially on infrastructural initiatives. He speaks specifically about the investment that has already flooded in from China, since Lagos State and the southwest Chinese Municipality of Chongqing fostered links at the end of 2008.

"Partnership with China is strategic, not just in local terms, but in

terms of a new global order if we consider the possibility of stopping poverty.

If the huge populations of China and Nigeria became the catalysts for pulling people out of poverty, it would present an enormous global objective for the planet.

"The partnership is also important because Chinese production levels have risen significantly and they need to find new markets... China cannot consume more than it produces, and Africa is the most valuable and attractive market for trade and commerce."

Nigeria's President Goodluck Jonathan announced last year that the trade volume between the two countries had already risen from \$3 billion to \$7 billion between 2006 and 2010.

Now, with 60 percent of the Lagos State budget allocated to infrastructure renewal, there is scope for more Chinese participation, principally in the Lekki Airport and various transport projects.

As one of the most dynamic growth areas in Lagos State, the Lekki corridor provides an enormous opportunity to satisfy the increasing demands of the overcrowded capital, where the average density in the built-up areas is more than 20,000 people per square km.

A master plan for the Lekki Sub-Region includes several estates, gated residential developments, agricultural farmlands, areas allocated for a Free Trade Zone, an airport, and a seaport.

The Free Trade Zone, Fashola points out, already has a strategic joint venture with Chinese firm CCECC to expand the rail network there.

Investment is also needed to organize water supplies in several areas of the state. "There is a 70-million gallon plan that includes concessions and privatization," the Governor explained.

"We also need mass public housing. Lagos State remains ready to provide land as equity on a joint venture basis as we see partners who have the capital to build here. The market is ready—and there are five



PHOTOS PROVIDED TO CHINA DAILY

The city of Lagos, Nigeria's commercial, administrative and industrial nerve center.

million houses needed," he said.

There have been considerable improvements in the efficiency and

"That has been a huge turning point for us and gives us the ability to attract more talented

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BABATUNDE RAJI FASHOLA  
GOVERNOR OF LAGOS STATE

reputation of the public sector under Fashola's watch.

"It's as if the energy has returned to the state," he says. "There is a real willingness for everyone to participate in public life. The public servant is now a proud officer and there is increased interest from the private sector to do things with government.

resources to complement what we had so far; it can only diversify and improve our situation. People are now saying they want to pay their taxes."

The State's various parastatal organizations are also preparing for increased partnerships in the future as they continue to strive to deliver vital services effectively.

Lagos State Water Corporation, for example, provides safe drinking water to more than 12.5 million people in Lagos State at affordable rates and maintains good quality services by collecting enough revenues to sustain effective operational expenses.

In the meantime, the Lagos Metropolitan Area Transport Authority (LAMATA) is working to raise the city's transport network to international standards and is currently working on a mass rail transit project under a Public Private Partnership, has already generated thousands of jobs, and will create many more once ancillary services are taken into account.

A highly successful Bus Rapid Transit is already in operation, which relies on the use of dedicated "interference-free segregated lanes to guarantee fast and reliable bus travel.

## Agency at the frontline of service delivery in Lagos

Internal Revenue Service makes excellent progress administering tax contributions

There are not many organizations that would relish the challenge of collecting taxes in Africa's largest city, but this vital task is all in a day's work for Lagos State Internal Revenue Service (LIRS).

The hard-working and committed agency is on the frontline of service delivery as its teams of highly-trained collectors ensures the provision of free public services such as health, education, roads, sanitation and water supply.

By raising awareness among businesses and individuals of how their taxes benefit citizens, communities, and commerce across Lagos State, LIRS is spearheading the fight against tax evasion and playing a leading role in ensuring a successful future for Lagos.

### Encouraging tax payments

As part of its crackdown on tax avoidance, the forward-thinking organization used an innovative publicity campaign; prominent citizens resident in Lagos, cutting across tribes, religion, professions and creed were enlisted for testimonial adverts on the need to pay tax and highlight the importance of tax obligations.

Boasting an effective, efficient and transparent revenue collection system that has won it the respect of clients in the corporate and household sectors, LIRS is charged with gathering a multitude of taxes through a network of 36 tax stations and 40 mini tax stations across the State.

Furthermore, LIRS has in operation a Self Assessment Filing System for individuals, the

first of its kind in Africa which promotes transparency of assessment.

Among the taxes it collects are: personal income tax; capital gains tax; stamp duty; and business registration fees. LIRS generates 80 percent of the State's Internally Generated Revenue and is having a direct effect on

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TUNDE FOWLER  
EXECUTIVE CHAIRMAN  
LAGOS STATE INTERNAL REVENUE SERVICE

improving people's quality of life as the city and state develop and improve at a rapid rate.

Under the careful guidance of Executive Chairman, Tunde Fowler, LIRS has made Lagos State financially stronger, more independent, and less reliant on federal government funds and oil export-oriented revenue.

"A decade ago, Lagos State generated an average of 600 million Naira (\$4 million) per month, while in 2009 it was 14 billion Naira per month," says Fowler.

"That growth is both rapid and very impressive."

### Economic powerhouse

Fowler says the success of LIRS has enabled the State to flourish and grow into an economic powerhouse that offers international investors a wide range of benefits and a safe and secure investment environment in the heart of West Africa.

"Any foreign business that sets up operations in Lagos will find the state has a massive market of potential customers, and good security and infrastructure that promotes business at all levels, both at wholesale and retail level," Fowler states.

"Lagos State is very conducive for business and the State government has the financial ability to repay business loans from our excellent revenue collection system."

As the top official of such an important and successful organization, Fowler takes great satisfaction from helping build a brighter future for people living in the most populous city on the continent.

"I feel privileged to be part of the team that is transforming Lagos State and helping people see Nigeria differently," he said.

"We now host a lot of business events and corporate conferences in Lagos and through this work, we are opening up Nigeria to Africa and the international community."

The organization also strives to serve the public with quality services and products, and attain the highest degree of public confidence in its expertise, efficiency and integrity.

**"EXCELLENCE COMES OUT OF SACRIFICE"**

We all want Lagos State to be one of the best cities in the world to live in. It can be. But we must make our own contribution towards making this dream come true by paying our taxes.

**PAY YOUR TAX**

**IT IS YOUR CIVIC RESPONSIBILITY. IT IS THE LAW**

LAGOS STATE INTERNAL REVENUE SERVICE

The Good Shepherd Building, Block H, Plot H1, Central Business District, Opposite Lagos State Secretariat Main Gate, Alausa, Ikeja, Lagos State. Tel: 08082572444, 08059889830, 07034954595. www.lsir.org

# FirstBank branches out to China

Nigeria's bank of choice boasts the most diversified full-suite financial services

In keeping with its pioneering efforts, First Bank of Nigeria Plc (FirstBank), the largest retail lender in the West African sub-region, has extended its footprints on the globe by opening a representative office in Beijing, China.

This dynamic development provides FirstBank with a foothold in the lucrative Asian region, and the perfect platform to capture the burgeoning Sino-African commercial relationship and particularly Nigeria-China trade relations, while leveraging the powerful growth fundamentals of the Chinese economy.

Established 116 years ago, FirstBank, the most diversified financial services group in Nigeria, first ventured into the international market when it set it up a branch in London in 1982, which later became FBN Bank (UK) Limited, Nigeria's first full-fledged subsidiary bank in the UK in 2002.

Furthermore, FBN Bank (UK) opened a branch in Paris in 2008, driving FirstBank's financial ser-



Chairman of FirstBank  
Oba Otudeko



Group Managing Director and CEO of FirstBank  
Stephen Olabisi Onasanya

ices to other parts of Europe. FirstBank has registered its presence in South Africa, through FirstBank a representative office in Johannesburg established in 2004, which is contributing in promoting excellent business relationships among African companies, especially the Nigerian-South African business community.

Led by an auspicious chairman, Oba Otudeko, and group managing director and CEO Stephen Olabisi Onasanya, FirstBank has over five million customers and 1.5 million shareholders. Otudeko, one of Nigeria's most successful businessmen was appointed chairman in 2009 having been in the board for 12 years. He said FirstBank is committed to the development of Nigeria.

"As we build scale within the nation, we also plan to complement our several offshore locations with a growing presence on the African continent. We will do all of this

while prudently and conservatively managing our balance sheet and continuing to justify the faith that our customers and shareholders have placed in us. We commit to decent returns and growth on shareholders' investment in the bank."

With a history of strong commitment to the real sector from the early days of currency distribution in support of produce trade between West Africa and Europe, to its present status as a financial super-market, FirstBank has continued to play an exemplary role in the development of the nation's real sectors. The bank has also been at the forefront of infrastructure projects that have transformed lives for different generations of Nigerians.

## International expansion

The opening of the China office is a key part of the bank's internationalization strategy, but more than that, it will export the African business model to Asia. It will also serve as a platform for African trade development and mutual cooperation between the two continents.

"At FirstBank we attach great importance to China as an economic power, and with the Chinese government's policies and the cooperative policies that have been signed between the two countries, the opportunities will be limitless," said Otudeko.

As head of many successful Nigerian companies across a range of sectors, Otudeko is looking forward to putting his significant expertise and influence to work by expanding opportunities between the two countries.

According to him, the two coun-



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Dependably dynamic: FirstBank opened its Chinese branch in Beijing in 2009 and is there to stay.

tries' greatest comparative advantages lie in infrastructure and power, transportation, logistics and health.

Stephen Olabisi Onasanya, group managing director and CEO of FirstBank said: "This is another exciting 'first' for our bank and an important milestone in our bank's history, as FirstBank's presence in China further accentuates the steady internation-

FirstBank's presence in China accentuates the steady internationalization of our banking group."

STEPHEN OLABISI ONASANYA  
GROUP MANAGING DIRECTOR  
AND CEO OF FIRSTBANK

alization of our banking group." He further asserted that FirstBank will make Nigeria and Africa proud as a worthy ambassador to Asia.

It is worth noting that FirstBank already has other banking relationships with Chinese institutions including an Memorandum of Understanding with Yuemei Group Company Limited, a textile manufacturing firm, with a value of \$50 million.

FirstBank also enjoys a partnership with Shenzhen Energy Investment Company Limited (Shenzhen Energy Group) in the construction of a 3,000 megawatts gas turbine power plant in

Nigeria, worth \$2.4 billion, plus a memorandum of understanding with China's Guangdong Xinguang International China-Africa Investment Limited for a \$500 million investment in Ogun State.

The Guangdong Xinguang Group's collaboration with FirstBank would be in the areas of investment banking, project financing, business advisory services and correspondent banking relationship.

In addition, FirstBank has a Memorandum of Understanding with China Construction Bank to cover global banking collaboration.



At FirstBank, we attach great importance to China as an economic power...the cooperative policies between the two countries mean the opportunities will be limitless."

OBA OTUDEKO  
FIRSTBANK'S CHAIRMAN

# 'Nothing is impossible' Fashola tells students

Lagos State governor delivers innovation message to the University of Nigeria

As central government prepares to invite more foreign investment to the country, the views of Lagos State's dynamic governor Babatunde Raji Fashola seemed ever more salient as he delivered a speech about Nigeria's Abundance of Possibilities to tomorrow's leaders at the University of Nigeria earlier this year.

Speaking in terms of job creation, governor Fashola urged all Nigerians to adopt the attitude that nothing is impossible, "an attitude that resolves to create everything even when there is nothing," he said. "That is the attitude that has made the telephone possible, air travel a reality, electricity a reality and so many of the innovations that now improve the quality of our life. The inventors of these life changing facilities simply refused to accept defeat," he said.

"A person in his youth would have only one rival, that is his own potentialities; and he will have only one failure, that is, failing to live up to his own possibilities. The second factual basis for hope is that every problem of Nigeria is an opportunity, not only for our vibrant population of youths but also for others of like mind!"

"In further exploring the theme of the lecture, the best place to start is the rather astounding report of massive unemployment in Nigeria which is very curious because if ever there was a country of immeasurable employment opportunities, it is Nigeria.

"More than any other nation of its population and size, we have houses, roads and bridges to build. Looking around us, it cannot be hard to see that we urgently require engineers, technicians and artisans in their hundreds of thousands."

As Fashola pointed out, the unemployment challenge is a contradiction within a country that has a lot of job shortages, in terms of teachers, doctors, nurses, lawyers, firemen, waste management personnel and admin-

istrators who are ready, able and willing to work.

He also spoke about the country's over-reliance on imports, in everything from footwear and clothes, to fruit, vegetables and canned beef, and from motorcycles and cars to wristwatches. Rather than send these resources—which could all be found at home—overseas to be made by foreign suppliers, Fashola asked: "Why can't we find the resources to put our own people to work?"

With a population of 150 million and a growth rate of 2.27 percent, which is almost double the world average of 1.17 percent, Fashola explained that if the country does not begin to create goods and services for itself, it may never be able to resolve the quandary of unemployment.

"The inescapable reality is that for so long we have neglected the needful. In tertiary education we have left our inherited curricular virtually unchanged," he said.

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BABATUNDE RAJI FASHOLA  
GOVERNOR OF LAGOS STATE

"As a result, we have not trained our graduates in tandem with the requirements of our communities. We have produced graduates in the areas where our economy makes no demand for them."

Innovation, the governor said, can drive Nigeria's development if more of its universities participate in capital formation projects, such as

technology parks, business incubator facilities, introduce entrepreneurial training and internships into their curricular and encourage students to take research from the University to commercial and industrial firms.

## Creating links

He said creating links between knowledge generation and enterprise development is one of the greatest challenges facing developing countries like Nigeria, adding that Nigeria must urgently begin the process of harnessing its many potentials not just to create employment for young people, but to develop the society as a whole.

"I am certain that as you listen to me you must be wondering that if these possibilities exist, why have things not changed? The answer is very simple. We have not tried hard enough; and in sufficient numbers to create the critical mass that will give credibility to the possibility of change," he said.

The governor told the audience that in Lagos, the administration has resolved to engage in less talk and more work, which according to him "represents the surest way to demonstrate that the possibilities are real and within the people's reach.

"We are therefore reviewing the academic programs of the Lagos State University with a view to opening new faculties in areas of need or new subjects of emerging relevance in existing faculties," he said.

"One of these is the recently introduced Faculty of Transport Studies. For a Megacity, which has enormous transportation challenges and is trying to build not only mass transit bus system, but also a network of railways and ferry routes, we considered this Faculty a matter of urgent importance.

"We have also adopted a policy of proper and continuous maintenance in all public facilities, including hospitals, court complexes, schools, and roads in Lagos State, all of which create more employment opportunities for skilled and unskilled manpower," the governor said.

He reiterated that countless opportunities had also been discovered in farming, despite the fact Lagos has the smallest land space of all the states in Nigeria, where a successful micro-financing scheme is underway.

In the meantime, he said, the Lagos Ignite Program "bridges the gap between the products of the Nigerian educational system and the needs of employers of labour while the Ignite programme prepares young people who are established or intending business owners to meet the demands of the business environment."

He said this is achieved by equipping them with the unique set of skills required for identifying business opportunities and transforming them into success-

ful enterprises and also providing a conversion program for arts and science graduates who want to be employed as teachers or health-care workers.

This report was produced in partnership with InFocus Reports.

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