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LEAVING THE DEBT

NIGERIA'S EXTERNAL BORROWING AND THE CALL FOR MORATORIUM

By Ken Henshaw, Social Action

On 23 July 2009, the Nigerian House of Representatives called on the Federal Government to stop further external borrowing after it was made known that the country had secured another $195 million loan from the World Bank, bringing Nigeria's external debt stock to $3.7 billion. According to House members, these recent loans have been "shrouded in secrecy" as the executive arm of government failed to follow constitutional requirement that makes it mandatory for the legislature to be consulted before any external borrowing. The House described the manner in which loans were taken as "dubious, shady and corrupt" and mandated its committee on debt management to investigate Nigeria's loans and ascertain their legality or otherwise.[i] This recent call to halt external borrowing represents a rare response on the part of legislators to matters of urgent national importance.

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Nigeria remains one of the most impoverished countries in the world, despite substantial revenues to the government from over 50 years export of petroleum resources. Indeed Nigerians have become poorer and social infrastructure in the country is in state of decay, or has collapsed. On the other hand, as revenues from oil production increased, Nigeria's attractiveness to predatory external creditors led to major borrowing by successive governments with the resultant huge external debt burden on the country. All manner of loans were collected from private and multilateral creditors by the federal and state governments during mostly military regimes. And the resultant debt burden meant that substantial amount of oil revenues were expended on annual servicing of accumulated external debts.

This briefing highlights Nigeria's previous slide into external indebtedness and serves to support the call on Nigerian citizens to act towards preventing the unconscionable re-acquisition of a burden that would hinder the opportunities of national progress for present and future generations.

Social Development Integrated Centre (Social Action)
33 Oromineke Lane, D-Line
Port Harcourt, Nigeria
Email: info@saction.org
Websites:
www.saction.org;
www.chimaubanicentre.org

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THE DEBT BURDEN

In 1999 when Nigeria transited from military to civil rule, the country was enamoured with an external debt burden of over $36 billion, accumulated over a period of 40 years. The bulk of the country's external debt accrued through accumulated penalties and compound interest on loans which the world's richest countries extended to previous administrations, mostly military dictators. Indeed, actual borrowing from Nigeria has been put at about $10 billion.[ii] Though through the years Nigeria had paid over $35 billion in annual debt service payments, as at the beginning of 2005, the country still owed $36 billion! One of the stated objectives of the civilian government of Olusegun Obasanjo was to free the country of external debts by seeking a write off of the entire stock. In his many trips abroad, the former president pushed this position to creditor countries and institutions arguing that the loans did not transform into tangible benefit for the citizens. Though actual debt cancellation was never achieved, efforts in this regard led to the controversial debt buy back deal. In 2005, the Nigerian government announced that it achieved debt cancellation agreement with the Paris Club of creditors.[iii] On the terms of this agreement, out of a debt of about $30 billion, the Paris Club cancelled $18 billion (including moratorium interest), representing 60 per cent of the debt after the remaining $12.4 billion was bought back by Nigeria with payments in 2005.[iv] Measures were also taken by the government to exit debts to the London Club with payments amounting to $2.15 billion.[v]

Despite its celebrations over an exit from indebtedness with the deal with the Paris Club of creditors, the Nigerian government may be returning to unsustainable indebtedness

Despite its celebrations over an exit from indebtedness with the deal with the Paris Club of creditors, the Nigerian government may be returning to unsustainable indebtedness with fresh 'frivolous' borrowings from external creditors including China and the World Bank Group. As it stands, Nigeria's external debt profile has increased to $3.7 billion as at July 2009, and is gulping a reasonable portion of the annual budget in service charges.

The announcement by World Bank Country Representative in Nigeria, Onno Ruhl and the Nigerian Minister for Finance, after the IMF/World Bank Spring Conference on 25 April 2009, indicates that more loans are being sought by the Nigerian federal government to buffer the effect of a supposed deficit in the 2009 budget.[vi] The budget deficit which the Minister of Finance forecast would reach 3.02 percent of gross domestic product in 2009[vii] has been blamed on the global economic crisis brought about by the collapse of the US financial market. This comes barely months after the government's pompous brandishing of the country's strong economic credentials and foundations, which would purportedly withstand the test of the anticipated economic storm.[viii] The Central Bank Governor had cited Nigeria's huge foreign reserve and the Bank's consolidation exercise as proof of the country's insulation from the crisis. As it stands, the country's financial system has been greatly hit by the crisis as evidenced by the Naira exchanging at 180 to 1 US Dollar as at July 2009, the lowest drop in the value of the national currency ever recorded.

Understandably, this trend must have caused worries in government circles. But rather than take concrete actions to strengthen Nigeria's weak economy occasioned by years of neglect, as well as weak financial control, the ready alternative has been to continue borrowing as a way out of the crisis. Indeed the federal government had been borrowing long before the onset of the financial crisis. After the exit from the Paris Club, government became rather better at concealing the facts of new borrowing from the public.[ix]

In comparison to the practice in Nigeria, several developing countries have adopted far reaching domestic strategies to mitigate the effects of the global financial crisis. Malaysian economists, for example, are advocating an increase in internal investment, while China is working towards boosting local consumption by increasing wages and thereby the purchasing power of the population.[x] One of the reasons for this is the understanding that it makes more sense to develop one's economy to make it as independent and vibrant as possible rather than sink it deeper into global financial waters. Countries are also rethinking the neoliberal economic model and the attendant deregulation and liberalization while restoring popular development models that protect the broad interests of citizens.

Nigeria seems to be doing quite the opposite: preparing frameworks and opportunities for more foreign exchange and capital flight from the country in annual debt servicing.

The above scenario calls to question the $3.7 billion which the country is said to owe and the proposition for fresh, unregulated external loans as offered by institutions like the World Bank. While $3.7 billion may not be too high in itself, what Nigerians should check is a situation whereby the debts mount up to the unsustainable levels that were enforced by creditors before the Paris Club exit.

Africa Action, a US based advocacy network estimated that between 1970 and 2005, Nigeria had paid over $54 billion as part of its debt servicing obligations.

A HISTORY OF OPAQUE LOANS AND ACCUMULATED PENALTIES

The history of Nigeria's external borrowing goes back to May 2, 1958 when the sum of $28 million was secured from the World Bank for the construction of 1780 miles of railway from Kuru in Jos through Bauchi and Bornu, and to improve then existing rail network.[xi] In the years following, Nigeria continued seeking and obtaining credit facilities from international creditors, though loans within this period were mostly concessional, with longer repayment span and lower interest rates.[xii] However, in 1978, basing its decision on falling oil prices, the military government of General Olusegun Obasanjo acquired the first major loan of $1 billion, referred to as the 'jumbo loan', from the International Capital Market.[xiii] This figure calculated against previous debts, brought Nigeria's external debt stock to $2.2 billion. About the same period, the frequency of borrowing increased considerably with the entry of state governments into external contractual loans obligations. At this period also, the number of loans secured on concessionary basis reduced significantly, while the share of loans from private sources at stiffer interest rates and conditions increased.[xiv] By 1982, the accumulated external debt of Nigeria stood at $13.1 billion. Unfortunately, it is difficult to tell just how much of this figure was accumulated through interest and how much was actually borrowed due to scanty and unreliable information. Some analysts have argued that Nigeria's original borrowing was not more than $10 billion.[xv]

As at 1990, Nigeria's external debt portfolio had risen to $33.1 billion. According to figures released by the ministry of finance, the total external debt outstanding as at 1999 when the country returned to civilian rule was $28 billion. Of this figure, the Paris Club constituted the highest source with 73.2 percent, while the balance was owed to the London Club, multilateral creditors, promissory note holders and others. By 2000, the external debt load increased again to $29 billion. This figure also translates into annual payments in debt servicing of about $4.0 billion, a sum which was later reduced by the International Monetary Fund (IMF) to $1.6 billion as an outcome of 'good performance'.[xvi]

While in 1985, Nigeria owed Paris Club creditors about $8 billion, by the end of 2004, it owed them $31 billion (out of the total debt of $36 billion), despite having had almost no new loans within the period. In simple terms, on account of interest and arrears alone, Nigeria's debt rose by $23 billion during the period.[xvii] Due to high interest charges and penalties for not paying on schedule; including 'penalty for the penalty' the country has also paid $35 billion over 20 years and still owed $36 billion.[xviii] Indeed Africa Action, a US based advocacy network estimated that between 1970 and 2005, Nigeria had paid over $54 billion as part of its debt servicing obligations.[xix]

It is not surprising that by the year 2000, the new civilian administration in Nigeria in concert with other developing debtor countries began canvassing for debt cancellation, describing the back log of debt as odious.

Odious debt

The concept of *odious debt* entered economic and political discourse at the end of the 19th century, when the United States government repudiated the external debt owed by Cuba after seizing the island in the Spanish-American war. The US authorities did so on the grounds that Cuba's debt had not been incurred for the benefit of the Cuban people; that it had been contracted without their consent, and that the loans had helped to finance their oppression by the Spanish colonial government. The underlying argument is that if a debt is incurred by the government of a country without the consent of her people and without a corollary translation into practical benefit for the citizens, such debt cannot be said to be binding on the people.[xx] It follows therefore that the responsibility for the diversion of borrowed funds falls not only on corrupt public officers, but also on their creditors, including private bankers as well as bilateral and multilateral institutions like the IMF and World Bank. With or without their full knowledge, loan sums have often ended in private hands. In some cases, full knowledge of this fact did not deter creditors from further extending loan facilities. For similar reasons, much of the debt of Nigeria could be termed 'odious'. According to the doctrine of Odious Debts, three conditions must be present before a state can repudiate a debt: "The debt must have been incurred without the consent of the people of the state; the debt cannot have benefitted the public in that state and the lender must have been aware of these two conditions".[xxi]

From the records at the Nigerian Debt Management Office (DMO) most of Nigeria's debt can be classified as "odious". Indeed, former President, Olusegun Obasanjo who was instrumental to signing Nigeria on to external loans during his time as a military dictator had described most of Nigeria's external debt burden as being "of dubious origin".[xxii] When assuming office as a civilian president in 1999, he said that from a historical, moral, environmental and human rights perspective, the country's external debt was illegitimate. He said:

> "*If the creditors can document where the money went, and show that it benefited the citizens of the borrowing country via investment or consumption, then the debt will be accepted as a bona fide external obligation of the government. If, however, the fate of the borrowed money cannot be traced, then the present African governments must infer that it was diverted into private pockets, and quite possibly into capital flight. In such cases, the liability for the debt should lie not with the government, but with the private individuals whose personal fortunes are the real counterpart of the debt.*"[xxiii]

Lending a voice to the debate between debt buy back and cancellation or unilateral repudiation, in March 2005, the House of Representatives adopted a motion asking the executive arm of government to stop further payment of foreign loans owed the Paris and London Clubs, saying the money should be used for the development of the country.
The motion read:

> *"Whereas the Federal Government of Nigeria has over the past 25 years been under undue burden over debt allegedly owed to foreign creditors, manly the Paris and London Clubs of creditors;*
> "*Whereas the government and people of Nigeria have over the past five years done all that is humanly possible towards establishing the economy on a path of sustainable growth despite complexity of constraints;*
> "*Whereas in spite of all these achievements, Nigeria's creditors and development partners have failed and refused to grant Nigeria substantial debt relief to enable her consolidate on the gains for sustainable growth of the Nigerian economy;*
> "*Whereas the president of the Federal Republic of Nigeria, Chief Olusegun Obasanjo, has made several appeals and visits to foreign countries and groups of creditors for relief and cancellation of Nigeria's debts without success;*
> "*Whereas Mr. President and the government of Nigeria have established sound economic policies to reposition the Nigerian economy as encapsulated in the National Economic Empowerment and Development Strategy programme;*
> "*Whereas Nigeria's debt stock as at 1985 was about 19 billion USD and between the said 1985 and 2005 Nigeria has repaid a total of 37 billion USD to all her creditors including the Paris and London Clubs of creditors;*
> "*Whereas despite the above, the debt stock as at December 2004 was 35 billion USD outstanding to all external creditors of Nigeria;*
> "*Whereas from 1984-1999 Nigeria was under military dictatorship with devastating impact on economic, political and social stability placing Nigeria in the same category of countries emerging from war "This House do call on Mr. President to cease forth with further external debt payment to any group of foreign creditors.*"[xxiv]

Actual debt cancellation or repudiation was never achieved, but the engagement with the creditors and outcry from the international community led to the 2005 debt buy back deal. However, some observers faulted the exit framework and term insisting that the country had been short changed. Nigerians questioned the logic of calling the debt deal a 'write off' when the country had paid many times above what it actually borrowed. Of equal concern was a controversial $1 billion paid as consultancy fees to certain unnamed persons who supposedly facilitated the deal.[xxv] Critics also expressed concern over the exclusion of the National Assembly in the deal which was unilaterally decided on by former president Olusegun Obasanjo and his Minister for Finance, Ngozi Okonjo Iweala who herself was drafted into the cabinet from the World Bank and duly returned to the same organization at the expiration of her appointment.

This neoliberal strategy is principally focused on the promotion of free markets, including privatization, deregulation, trade liberalization, drastically reducing the role of government and cutting back on public services.

CREDIT PATTERNS AND 'CONDITIONALITIES'

As part of the debt buy back agreement between the Paris Club and the Nigerian government in 2005, the latter was expected to meet International Monetary Fund (IMF) 'conditionalities' of economic liberalisation that restricts the ability of government to invest in social services, while setting the stage for fraudulent privatisation of national assets, expansion of poorly regulated natural resources exploitation, environmental degradation and human rights abuses.

The conditions from the Paris Club follow conventional practice whereby the IMF and the World Bank impose certain 'structural adjustment' programmes (SAP) on the client country. This neoliberal strategy is principally focused on the promotion of free markets, including privatization, deregulation, trade liberalization, drastically reducing the role of government and cutting back on public services.

As conditions attached to loans, the international creditors have at various times demanded that Nigeria adopt the following neo liberal policies:

- Reduction in overall public expenditure
- Upward review of interest rates
- Removal of petroleum and other subsidies
- Trade liberalization
- Devaluation of the currency[xxvi]

With loan offers, external institutions like the World Bank have been able to undermine the sovereignty and independence of many countries. The disposition of the Breton Wood institutions has always been that they have a quick fix for the economic difficulties of developing countries. With this thinking, they have quite often prescribed policies that are essentially anti-people, caused poverty and encouraged the tying of the economy of developing countries to the apron strings of predator global capital, much to the detriment of the local people, and mostly to the benefit of donor countries.

As condition for a 1986 loan, the IMF had demanded the introduction of SAP in Nigeria. This demand was made despite the fact that similar adjustment programmes inspired by the same organization had failed in every country where it was implemented.

A pseudo national referendum conducted by the military regime of General Ibrahim Babangida rejected the introduction of SAP; nonetheless, the programme was introduced with devastating consequences. Rather than stimulate the economy and better the lot of Nigerians, it brought the economy to the brink of collapse. During the period, inflation rose to record highs. The exchange rate fell from $1.78 = 1 Naira in 1980, to $1= 85 Naira in 1996.[xxvii] The now famous anti SAP protest by Nigerian students in 1989 are indications of resentment of Nigerians to SAP.

According to Professor Claude Ake while reflecting on poverty in Nigeria under SAP,

> *'the indebtedness of Nigeria has increased over the adjustment period...The poor have suffered from the high rate of inflation as well as from other conditions: the fall in real wages among urban workers; the collapse of infrastructure, including water supply, electricity, and transportation; the new commitment to cost recovery in education, health care, and city council services; and the general decline in welfare indicators such as adult literacy and primary school enrolment.'*[xxviii]

When the policy was withdrawn in later years, the country had been far more ravaged by poverty and political instability than it had been before the introduction of SAP. With all these negative consequences, the IMF described the policy as having been 'moderately successful' in Nigeria.

A 2006 loan offer by the World Bank gives another rare insight into the shady nature of its 'assistance' to countries like Nigeria. The loan was extended to the National Universities Commission (NUC) and meant to finance the acquisition of modern Information Communication Technology infrastructure for Nigerian universities. However, the term of the loan required that 95 percent of the $102 million (which is $96.9 million) would be retained for the payment of consultancy services to be provided by the World Bank, while a paltry 5 percent or $5.1 million will be deployed to acquire the actual infrastructure for the universities. The loan was duly rejected by the NUC.[xxix]

All together, the external loans regime has ensured that more resources are leaving Nigeria to industrialised countries than the country receives in development aid from the G8. In 2005, the UK receipt from the $12.4 billion paid by Nigeria as part of the debt deal with the Paris Club is more than what the UK government spends in aid to the whole of Africa in five years and more than what G8 countries devote to conditional aid to the continent in ten years.[xxx]The payments from Nigeria also represent one of the single largest capital transfers from one part of the world to another in all recorded history.

WHAT WERE THE LOANS USED FOR?

Most of Nigeria's external loans were received under the guise of funding the health, educational, agricultural, infrastructure and manufacturing sectors. However, a look at these sectors today raises questions as to what the loans were actually used for.

Available statistics have shown that the bulk of Nigeria's debt was accumulated from 1978, during Obasanjo's tenure as a military dictator, through Shehu Shagari's civilian administration (between 1979 and 1983) and the Babangida military dictatorship (1985-1993). On the whole, the first Obasanjo regime received 22 foreign loans. But the Shagari administration surpassed this by taking a total of 59 loans, while the General Muhammadu Buhari dictatorship (1983-1983) took 8 external loans. [xxxi]

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Nigeria's educational sector has deteriorated to the extent that public tertiary education in the country is only an option for those who cannot afford an alternative. Public primary schools have decayed so much that even the poor seek privately owned schools, even when the private schools operate without adequate government regulation. The health sector has not fared any better. With life expectancy still tilting between 45-46 years[xxxii], modern health services is still alien to the majority of the population, and available options are still unaffordable by the majority. The same goes for the agricultural sector where Nigeria has not improved in the area of food sufficiency.

An oil palm estate (Risonpalm) built with World Bank loans in Rivers State in the late 70s and early 80s is now a cesspool of political corruption, after local people were dispossessed of their farmland, forests and livelihood to enable the building of the project.

In manufacturing, the Ajaokuta steel complex, set up in part with money secured from external loans (German Government loan of 50 million Deutch Marks and technical assistance grant of 25 million Deutch Marks), provides another example of the black holes for foreign credit. The steel plant has remained unviable over the decades. With time, it has become a viable conduit for political office holders to divert funds into private accounts.

A RETURN TO DEBT

Despite its celebrated exit from indebtedness with the Paris Club deal, the Nigerian government is returning to unnecessary indebtedness to rapacious external creditors including the World Bank Group and recently China. In 2007, the government announced that it had received new loans of up to $2.3 billion since the return to civil rule in 1999. Nigeria's external debt stock currently stands at $3.7 billion.

Table 1 External Debt Outstanding by Economic Sector as at 30 June 2009

Amount in USD Millions		
Economic Sector	Amount	% of DOD
Agriculture	536.82	14.46
Air Transport	5.32	0.14
Education & Training	318.82	8.59
Electricity	145.25	03.91
Energy - Elec. Hydro	206.84	05.57
Energy – Gas	26.62	00.72
Energy (Electricity)	74.87	02.02
Environment	177.18	04.77
Fishing	0.00	00.00
General	47.66	01.28
Ground Transport	49.20	01.32
Health & Social Welfare	635.45	17.11
Housing & Urban Develop.	73.63	01.98
Industrial Development	20.42	00.55
Investment	16.71	00.45
Irrigation & Related Act	58.71	01.58
Manufacturing - exc textile	10.01	00.27
Monetary Policy	55.96	01.51
Multisector	32.93	00.89
Other	182.44	04.75
Rail Transport	1.99	00.05
Road Transport	204.47	05.51
Rural Development	56.64	01.53
Scientific & Tech Equip.	206.54	05.56
Telecommunications	106.84	02.88
Water Supply	467.94	12.60
Total	3,719.24	100.00

Source: Debt Management Office[xxxiii]

As expected, servicing the growing debt stock is gradually becoming a burden on the federal government and its federating states. In terms of external and domestic debt service revenue ratio, some states have had to submit a large proportion of their allocation from the federation account. In 2007, Cross River State suffered a 10.40 percent deduction from its gross federation account allocation to external debt service. Oyo State had a deduction of 8.84 percent, Lagos State 7.78 percent, Nasarawa State7.05 percent and Akwa Ibom State 5.88 percent. In actual monetary terms, the deductions amounted to $2.2 billion for Lagos State, $2.07 billion for Oyo State, $2 billion for Cross River State, $1.2 billion for Nasarawa State and $1.19 billion for Akwa Ibom State. According to the Debt Management Office, the total debt service payment by Nigeria to external creditors in 2007 was $3.186 billion.[xxxiv]

In July 2009 the Federal Government secured another $195 million loan from the World Bank, as Nigeria's finance minister announced that the country was in early talks with the World Bank to help finance its budget deficit occasioned by the fall in the price of crude oil. Describing the discussions as only 'exploratory', the minister said such loans will only be on concessional basis. But the World Bank country representative Onno Ruhl was less modest. He addressed a press conference in Abuja where he announced that negotiations for four projects were successfully completed. The projects include purchase of mosquito nets to fight malaria, funding for secondary education and purchase of HIV/AIDS control drugs.

Some economic technocrats in Nigeria have blamed the budget deficit on plunging oil prices brought about by the global financial crisis. However, while it is true that there has been a decline in the price of crude oil in the international market, the fact remains that it is still within the projections of the 2009 budget which was made with a projected crude oil price of $45 per barrel. A resort to borrowing from international creditors is not only unnecessary but may be irresponsible. Meanwhile the World Bank had already approved another $500 million loan for the Nigerian federal government.[xxxv]

Borrowing to Leverage the Budget Deficit or Budget Execution and Impact Evaluation?

A 2009 monitoring report on state and local government budgets in four state of the Niger Delta produced by Social Development Integrated Centre (Social Action) and the Niger Delta Citizens and Budget Platform revealed that,

avenues of fraud abound at the different tiers of government in Nigeria including deliberate decisions not to spend budgeted funds, which are kept back for possible looting by officials. The effect of misappropriation or (outright) embezzlement of funds meant for projects in states or local government areas have been deeply adverse. The people are denied opportunities for quality health care, education and economic empowerment. And communities continue to wallow in poverty with infrastructure dilapidated or nonexistent.[xxxvi]

The report goes further to expose numerous cases where huge budgetary allocations were made by State and Local governments for projects that were intended but were simply never executed, even when funds were available from the federation account. A combination of factors including budget secrecy, lack of periodic budget assessment and huge allocations to vague and phantom matters such as 'government house' and 'general administration' have turned the budgetary process into viable avenues for private enrichment. It follows sensibly that before bothering with obtaining new loans to salvage the supposed budget deficit, effort should be made to evaluate the performance of previous budgets of the federal, state and local governments in Nigeria. It is the contention here that serious effort in this regards would unravel budget balance enough to brave any reductions in oil revenues.

OILING CORRUPTION

Years of oil exploitation with increasing revenue at the disposal of the state, has not translated to an attendant improvement in the economic status of the majority of Nigerians. Indeed, while earnings accruing to the government have increased for the most part, a wide socio economic divide has emerged between the very rich and the majority of Nigerians who live on less that N150 a day. The failure of development in Nigeria and the increasing poverty of the people can be directly attributed to state corruption, in part promoted by external creditors intent on profiting from irresponsible regimes.

In 1983, estimates of foreign exchange siphoned out of the country ran as high as $7.5 billion. A Nigerian government investigation estimates that at the height of the oil boom in 1978 (roughly coinciding with the 'jumbo loan'), corrupt politicians were transferring $25 million every day or $10 billion yearly, almost 40 percent of the nation's foreign exchange earnings.[xxxvii]

In 2004, the Economic and Financial Crimes Commission (EFCC) released information that corruption and mismanagement swallow about 40 percent of Nigeria's oil income. It went further to say that at least 100,000 barrels of crude are stolen every day. In a separate statement, the EFCC further revealed that the country has lost as much as $380 billion to corruption and waste in 39 years. It is believed that the situation may have worsened even under civilian rule.

RECOMMENDATIONS

The following scenario raises questions as to the necessity, desirability and capacity of government to manage Nigeria's proposed loans and the rising debt stock. A pragmatic assessment requires that the government halt all external borrowing (whether on concessionary terms or not), by all tiers, until a process to verify the details of Nigeria's external loans - including what they were used for - is established.

- The National Assembly should pass legislation placing a moratorium on all external borrowing by government at all tiers
- A public audit of all loans taken by governments at all levels to ascertain their conditions, purpose and eventual usage.

Table 2 Recent World Bank Credit to Nigeria

Project Name	IBRD/IDA (shown in US$ millions)	Status	Approval Date
Financial Sector and Public Financial Management Development Policy Credit	500	Active	28-JUL-2009
Nigeria Electricity and Gas Improvement Project (NEGIP)	200	Active	16-JUN-2009
Nigeria Electricity and Gas Improvement Project (NEGIP)	400	Active	16-JUN-2009
Malaria Control Booster Project - Additional Financing	100	Active	16-JUN-2009
Nigeria HIV/AIDS Program Development Project II	225	Active	16-JUN-2009
Lagos Eko Secondary Education Project	95	Active	16-JUN-2009
Commercial Agriculture Development	150	Active	15-JAN-2009
Power to the Poor: Off-Grid Lighting from Cassava Waste in Nigeria	0	Active	30-DEC-2008
Pre-paid Health Scheme Pilot in Nigeria	0	Active	19-NOV-2008
Partnership for Polio Eradication Project - Additional Financing (FY08)	50	Active	30-SEP-2008
Second Health Systems Development II - Additional Financing	90	Active	30-SEP-2008
Community and Social Development Project	200	Active	01-JUL-2008
THIRD NATIONAL FADAMA DEVELOPMENT PROJECT (FADAMA III)	250	Active	01-JUL-2008
Nigeria: Building Statistical Capacity at State Level	0	Active	03-JUN-2008
Nigeria Federal Roads Development Project	330	Active	03-APR-2008
Rural Access and Mobility Project (RAMP)	60	Active	01-APR-2008
NG-Lagos Landfill Gas &Composting (FY06)	0	Active	09-JAN-2008
Nigeria National Energy Development Project - Carbon	0	Active	06-AUG-2007
Nigeria Federal Science & Technical Education at Post-Basic Levels (STEPB)	180	Active	22-MAY-2007
Nigeria HIV/AIDS Additional Financing	50	Active	22-MAY-2007
Nigeria State Education Sector Project	65	Active	26-APR-2007
Nigeria Lagos Urban Transport Project	50	Active	10-APR-2007
Community-based Poverty Reduction Project Supplemental	25	Closed	01-FEB-2007
Malaria Control Booster Project	180	Active	12-DEC-2006
NG-CF Aba Cogeneration (FY06)	0	Active	19-JUL-2006
Lagos Metropolitan Development and Governance Project	200	Active	06-JUL-2006
Second National Fadama Development Critical Ecosystem Management Project	0	Active	11-APR-2006
Avian Influenza Control and Human Pandemic Preparedness and Response Project for Nigeria	50	Active	29-MAR-2006
Nigeria: Extractive Industries Transparency Initiative Implementation	0	Closed	25-JAN-2006
Niger Delta Community Foundations Initiative	0	Active	20-SEP-2005
Nigeria National Energy Development Project GEF MSP	0	Active	22-AUG-2005
Nigeria National Energy Development Project	172	Active	01-JUL-2005
Second National Urban Water Sector Reform Project	200	Active	01-JUL-2005
State Governance and Capacity Building Project	18.1	Active	28-JUN-2005
Partnership for Polio Eradication Project Supplemental Credit	51.7	Active	24-MAR-2005
Sustainable Management of Mineral Resources	120	Active	14-DEC-2004
Federal Government Economic Reform and Governance Project	139.99	Active	14-DEC-2004
National Urban Water Sector Reform Project 1	120	Active	15-JUN-2004
Nigeria National Capacity Needs Self-Assessment	0	Closed	15-APR-2004
Micro, Small and Medium Enterprise Project	32	Active	16-DEC-2003

Second National Fadama Development Project	100	Active	16-DEC-2003
Local Empowerment and Environmental Management Project	0	Active	31-JUL-2003
Local Empowerment and Environmental Management Project	70	Closed	31-JUL-2003
Partnership for Polio Eradication Project	28.7	Active	29-APR-2003
Lagos Urban Transport Project	100	Active	21-NOV-2002
Universal Basic Education Project	101	Closed	12-SEP-2002
Community-Based Urban Development Project	110	Active	06-JUN-2002
Second Health Systems Development	127.01	Active	06-JUN-2002
Transmission Development Project	100	Closed	31-JUL-2001
HIV/AIDS Program Development Project	90.3	Active	06-JUL-2001
PRIVATIZATION SUPPORT PROJECT	114.29	Active	14-JUN-2001
Community Based Poverty Reduction Project	60	Closed	20-DEC-2000
Small Towns Water Supply and Sanitation Program Pilot Project	5	Closed	18-MAY-2000
ECONOMIC MANAGEMENT CAPACITY BUILDING PROJECT	20	Closed	11-MAY-2000
Second Primary Education Project	55	Closed	11-MAY-2000

Source: www.worldbank.org

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[i] 'Reps ask Yar'Adua to halt further foreign loans', http://234next.com/csp/cms/sites/Next/Home/5438630146/Reps_ask_Yar'Adua_to_halt_further.csp

[ii] 'Nigeria Considering Another Loan From World Bank' http://www.assistnews.net/STORIES/2009/s09050106.htm

[iii] The Paris Club consist of creditors of 19 of the world's richest countries, who meet to address issues of the debt of developing countries that are having repayment problems

[iv] Nigeria's Paris Club Debt Problem by Lex Rieffel, The Brookings Institution, Policy Brief 144, August 2005 http://www.brookings.edu/comm/policybriefs/pb144.htm

[v] The London Club is a group of commercial banks, organized informally that collectively negotiate their claims and interest against debtor countries. Their composition is not static but depends on which banks have given loans.

[vi] "Budget deficit- Nigeria considers another loan from World Bank", Daily Sun Newspaper of Wednesday, May 13, 2009, p.49.

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