



**Opening Remarks by His Excellency, Honourable Abdulaziz Yari
Abubakar, Governor of Zamfara State and Chairman, Nigeria
Governors' Forum (NGF) at the National Economic Council (NEC)
Retreat on the Economy, on Monday, 21st March, 2016**

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It is my pleasure to welcome you all to this National Economic Council (NEC) Retreat, which has become imperative against the backdrop of our country's dwindling fortunes. The challenges we face today have not only led to a slowdown in our economic growth, but have held back the pace of our development programmes.

Today's retreat is being held at a critical time in our national life, as both the federal and State governments are facing economic hardship. Today's retreat therefore hopes to provide a unique opportunity to articulate short term measures in order to alleviate the extended hardship of our people, while planning for medium and long term solutions for our economic growth and development. The country must overcome a series

of obstacles; most pressing are economic diversification, job creation and a more effective conversion of growth into what matters most – wealth creation for our citizenry.

Mr. President, you will agree with me that in recent times, total gross federation revenues to the 36 States have continued to decline steadily, reaching over 100%, from a monthly average of N258 billion in 2013, down to N167 billion in 2015 and now in the month of February 2016, dropping to its lowest level of N134 billion since 2010. The gap between our gross allocations and net allocations have also continued to widen as States now face higher downward pressures from federation deductions as a result of loan deductions and ISPO commitments – which means our net allocations are declining even faster.

As State governments, we are committed to closing this fiscal gap by raising our internally generated revenues. Agricultural and solid minerals development are priority sectors we are focusing on to improve our agricultural productivity, food security, and export revenues. We require the full support of the Central Bank of Nigeria (CBN) in financing these initiatives for economic diversification. The CBN through its development finance funds must provide adequate funding for the agricultural and manufacturing programmes. We must

consolidate lending funds and interventions in these sectors and also improve access and utilization.

The Nigeria Governors' Forum is also making progress in a number of important areas; including intensifying IGR reforms and addressing the issues of double taxation and policy harmonization. It is in the light of the above that the NGF organized a 2-day Internally Generated Revenue (IGR) Summit with the collaboration of the World Bank and DFID, in order to improve IGR institutional reforms, collection measures, block leakages and cut the cost of governance in States. A number of States have already taken the lead in these measures.

It is my sincere expectation that this retreat would come up with practical solutions to fully rally the nation towards a clear economic direction that will ensure a more inclusive growth for our great country.

On behalf of my colleagues, I wish to express my profound gratitude to Mr. President, and Mr. Vice President, for putting in place this historic and unique retreat, and it is our hope that the retreat would meet the yearnings and expectations of Nigerians. I look forward to a fruitful deliberation and the implementation of the resolutions reached.

Thank you.