

**Keynote Address Delievered by His Excellency,
Mallam Isa Yuguda, the Executive Governor of Bauchi State,
at the NEITI Northeast Road-show Held in Zaranda Hotel,
Bauchi, on 29 to 30 August 2007**

Protocols

Let me begin by extending a very warm welcome to you all on behalf of the Government and the good people of Bauchi State. To those coming here for the first time, and even to those who have been here before, I say a big welcome to Bauchi State, the Pearl of Tourism. I wish you an enjoyable stay in our peaceful and hospitable state, and hope you will come back. Let me also thank the board of the Nigeria Extractive Industries Transparency Initiative (NEITI) for doing the last of the zonal road-shows in Bauchi State and for extending this special invitation to me.

As you all know, NEITI is part of a global movement aimed at ensuring transparency in the management of revenues from oil, gas and mining sectors. This campaign is designed to reverse what has been termed the “resource curse,” a paradoxical situation where natural resources produce poverty rather than prosperity. Surely, this is an important campaign with serious implications for poverty reduction and sustainable development not only in resource-rich countries but all over the world. The Bauchi State Government fully identifies with this cause and we are happy to note that Nigeria is presently leading the pack through the activities of NEITI. We must not surrender this leadership position. And this is not simply because of its feel-good effect, but primarily because revenue transparency is central to the social and economic transformation of our country.

Mister Chairman, distinguished ladies and gentlemen, my message to you at this forum can be reduced to two words: **Transparency Matters**. And it does for a number of good reasons. Transparency matters because power is held in trust on behalf of the people and because the common wealth should be managed in a manner that is transparent to all the trustees. Transparency matters because it engenders trusts among citizens and between the government and the governed, thereby facilitating the growth of social capital, a critical ingredient for peace and growth. Transparency matters because it limits graft in governance, ensuring that resource endowments promote the common good, rather than the good of a few. Transparency matters because it guarantees due process and competition, thereby facilitating investment, growth and development.

As I said before, transparency is good not just in a general sense; it is particularly good for us as a people. Transparency actually holds the key to the transformation of our country from a potential rich country to a really prosperous one. We all know that our dear country is richly endowed with abundant natural resources. Apart from oil and gas, which presently account for the bulk of our foreign earnings, our country reeks with valuable minerals, stones and metals. Despite this super abundance and despite the billions of dollars that have rolled in over the years, our people are still among the poorest in the world, hindered by low per capital income, abysmal infrastructure, and limited opportunities. For the mass of our people, the vast endowments have not translated to vast opportunities; and the blessings of nature have not translated to blessings for the living.

We need to reverse this paradox of pervasive poverty in the midst of plenty. We need to ensure that these God-given resources raise, rather than restrict, our people. We need to ensure that endowments become blessings and not curses on our people. Revenue transparency, as being promoted by NEITI, offers a critical pathway to doing this. But we also need to expand the scope, far beyond just oil and gas, and even far beyond the extractive sector. True, this sector is critical to national life, but equally critical is the need to adopt transparency in the management of all revenues accruing to government.

I must also add that insisting on transparent management of national revenues is just one side of the coin. The other equally important side is the demand for accountability. While request for transparency focuses on the supply side of good governance, the request for accountability focuses on the demand side. As we all know, no one will supply what is not in demand. What these means is that leaders will continue with business as usual until they know that the led have developed zero-tolerance for opacity, graft and misrule. It also means that leaders will only change their ways when they realize there is a heavy cost for maintaining the status quo.

So we need to concentrate a lot of energy not just on asking the leaders to do the right things, but on mobilizing and sensitizing and empowering the people to demand the right thing. This road-show is thus a good forum for mobilization and sensitization. NEITI deserves congratulations for this. But it important for NEITI and the media and civil society groups to take this message further to the people and evolve mechanism for putting a high cost on and a disincentive for mismanagement of public resources.

Having said this, it is also important to state that transparent and accountable management of extractive resources will not automatically translate to economic growth and development. It is well established in development literature that what makes the difference between poor and rich countries is not the quantum of resources buried in the ground, but the quality and capacity of the people. This, however, does not undercut the argument for transparent and accountable governance. In fact, it complements it. What is clear is that to make the most of the twin concepts of transparency and accountability, we need visionary and competent leadership that will use the gains to unlock the productive capacities of our people, investing heavily in human, physical and social infrastructure and providing the enabling environment for the creative energies of our people to bloom and blossom. This is the path to sustainable growth and development.

Mister chairman, distinguished ladies and gentlemen, our administration is committed to diversifying the base of the Bauchi economy by opening up opportunities in solid minerals. As you know, Bauchi State is rich in minerals such as Iron Ore, Granite, Gold, Columbite, Gypsum, Coal, Clay, Limestone etc. In managing the resulting revenues from these resources, we are committed to the principles of due process, transparency and accountability, as stipulated by the NEITI Act. But we shall take this further by ensuring that revenues from solid minerals and other sources translate to growth and prosperity for all. We take the massive support given to us at the polls by the people as a major expression of trust. We take our mandate seriously. This is our goal: to transform Bauchi State to an oasis of good governance in Nigeria and a success story for the world to study. On this, we shall neither fail nor falter.

Let me end by repeating those two key words that I started with: **Transparency Matters**. Without transparency in revenue management and overall governance, we face the risk of not just corruption and inequity, but also the vicious cycle of poverty, instability and under-development. The vicious cycle can be broken. The risks are avoidable. And transparency not only matters, it is also achievable. I am sure you are all gathered here because of your strong belief in this. I congratulate NEITI on its achievements so far and wish it much more success in the days ahead. Now that it has a legal backing, much more is expected of NEITI. I am sure that the board and the management are up to the challenges ahead and that all stakeholders will keep them on their toes. As you discuss how to take NEITI forward at this road-show, I wish you fruitful deliberations and journey mercies to your various destinations. Thank you all.

H.E. Mallam Isa Yuguda
29 August 2007