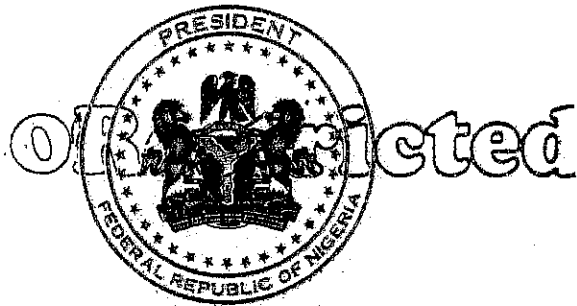
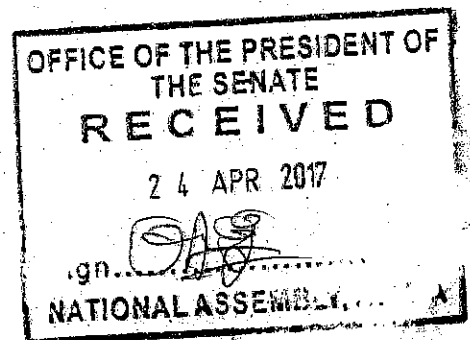




**PRESIDENT,
FEDERAL REPUBLIC OF NIGERIA**

21st
.....April 2017

Distinguished Senator Abubakar Bukola Saraki
President of the Senate,
Senate Chambers,
National Assembly Complex,
Three Arms Zone,
Abuja.

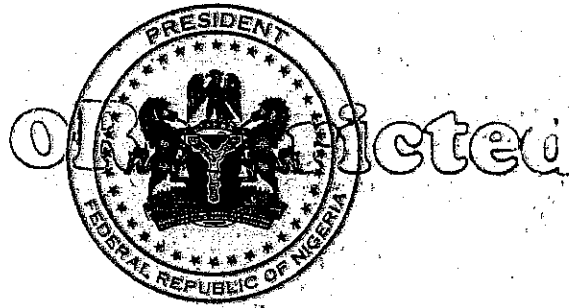


**RE: REQUEST FOR APPROVAL OF FEDERAL GOVERNMENT
2016-2018 EXTERNAL BORROWING (ROLLING) PLAN**

I wish to refer to my earlier letter in respect of the above subject and to inform the Distinguished Senate that the China Eximbank has approved our request for a loan to execute the Lagos-Kano Railway Modernization Project (Lagos-Ibadan Segment) for a sum of \$1.231 billion. The Chinese have also informed us that approval of the Lagos-Kano Railway Modernization Project (Kano-Kaduna Segment) and Coastal Railway Project (Lagos-Calabar Segment) are imminent.

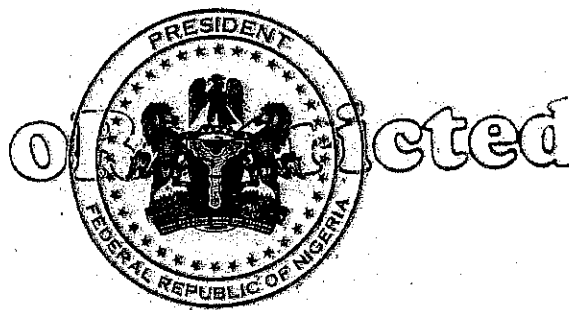
China Eximbank Supported Projects

i	Lagos-Kano Railway Modernization Project (Lagos-Ibadan Segment):	\$1.231 billion
ii	Lagos-Kano Railway Modernization Project (Kano-Kaduna Segment):	\$1.146 billion
iii	Coastal Railway Project (Lagos-Calabar Segment):	<u>\$3.474 billion</u>
	Total	<u>\$5.851 billion</u>



As you are aware, the funds available under the China-Africa Fund are limited and loan applications from all African Countries are funded based on first come, first served and therefore there is an urgent need for us to sign these loans as soon as they are approved or we may lose out in the event that we delay in signing the loan agreement. These loans form part of our overall rail funding strategy. We are already in the process of completing the concession of the Port Harcourt to Maiduguri line to immediately link the Eastern part of the nation. We fully intend to source further concessional funding to ultimately upgrade this critical line to a high speed standard gauge line. These projects form part of our overall plan to resuscitate rail transport across the nation and thereby drive inclusive growth.

Distinguished Senate may also recall my earlier request for the speedy clearance of some emergency projects earmarked for the North-East in the 2016-2018 Borrowing Plan. You would also recall that, my request was based on the need to consolidate the relative peace at that time. Since then, the situation as you are aware has changed dramatically and introduced even more urgency to the situation in the zone than ever before. While the capture and destruction of the strong hold of Boko Haram in Sambisa forest was welcome news, the recent unfortunate incident of the bombing of an IDP camp by mistake, with loss of civilian lives brings to the fore the need to resettle the people back to their homes quickly in order to avoid such incidents in the future. However, for us to be able to do this, there is need for urgent consideration of the identified projects which will enable us to start reconstruction and rehabilitation of the region in order to create jobs for the people and rehabilitate the schools to get the children off the streets and into schools. The World Bank has provided a sum of \$575 million to assist the FGN in these reconstruction and rehabilitation efforts as well as for procurement of vaccines and other ancillary facilities for national routine immunization to eradicate polio after the outbreak in the North

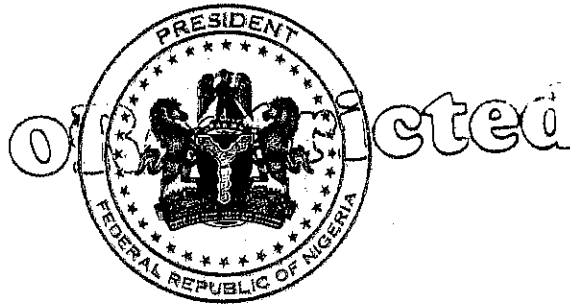


East in 2016. The projects earmarked for the emergency rehabilitation and reconstruction in the North East are as follows:

Previously Requested Emergency World Bank Supported Projects

i.	Polio Eradication Support and Routine Immunization Project;	\$125 million
ii.	Community and Social Development Project;	\$75 million
iii.	Nigeria States Health Programme; Investment Project;	\$125 million
iv.	State Education Programme Investment Project;	\$100 million
v.	Nigeria Youth Employment and Social Support Project;	\$100 million
vi.	Fadama III Project.	<u>\$50 million</u>
	Total	<u>\$575 million</u>

I wish to also inform the Distinguished Senate that, our National Social Safety Net Programme which is intended to assist the poor and most vulnerable people in our societies nation-wide started this January 2017 with the first cash transfer payments in eight (8) states. However, for us to expand the programme to all the states, we need additional resources in addition to our 2017 budgetary allocations. It is for this reason that I am requesting your early consideration of the proposed World Bank assisted \$500 million loan to help expand the assistance and support to the poor and most vulnerable especially in these difficult times.



Additional Emergency World Bank Supported Project

- i. Social Inclusion and Welfare Advancement Project: \$500 million
Total **\$500 million**

Given the current state of our economy and the need to urgently address some of our infrastructure deficiencies in order to quickly improve the livelihood of our people, it has become imperative that we work together in an expeditious way to get our economy out of recession and back to growth. Distinguished Senate, an expeditious consideration and approval of this request will go a long way in bringing stability to the North East and improvement in our infrastructure and by extension a general improvement in the economy and livelihood of our people.

In view of the above, the Distinguished Senate is invited to urgently consider and approve all the above projects totalling a sum of **\$6.926 billion** to enable us commence the reconstruction and rehabilitation of the North East, provide for the poor and most vulnerable people and commence the rail projects in earnest. I believe your early approval would lead to a quick recovery of our economy and return it to a path of growth.

Please accept, Distinguished Senate President, the assurances of my highest regards.

Yours sincerely,

M Buhari
Muhammadu Buhari