

FEDERAL MINISTRY OF POWER PRESS & PUBLIC RELATIONS

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PRESS RELEASE

ADDRESSING INFRASTRUCTURE DECAY, KEY ISSUE IN FRONT BURNER OF BUHARI ADMINISTRATION

...Says Minister of Power, Works & Housing

The Minister of Power, Works and Housing, Babatunde Raji Fashola, SAN, has assured Nigerians that the Buhari Administration will do everything possible to address infrastructural decay which has for years stood on the way of sustainable growth of the economy.

Speaking today in Abuja when he met with a delegation from the International Monetary Fund, (IMF), Fashola, who was represented by the Minister of State, Power, Works and Housing, Hon. Mustapha Baba Shehuri, said Nigeria with a population of over 160million is seriously challenged with provision of infrastructure due to endemic corruption.

He said Government intends to tackle this rot in the power sector through holistic approach as contained in the recently unveiled Road Map to Power, which are time lines and planned series of complimentary activities and deliverables. “We are expecting that at end of the year, our generating capacity will be over 6,000MW by end of 2016, 10,000MW in 2019 and 30,000MW in 2030”.

As planned within the maxim of incremental, stable and un-interrupted power the Minister said Government had taken bold steps to harness the

solar powered projects by signing off on the Power Purchase Agreements (PPAs), with 14 companies located in 9 states and FCT .This will bring to the national grid 1,150MW of solar energy, the Minister said.

While acknowledging the contributions of donor agencies in the Power Sector, he said support in loan agreement in the sum of 273 million Dollars has been earmarked for Nigeria Bulk Trading Company to provide partial risk guarantee for the off-taker and also the \$200 million Dollars from the African Development Bank for grid upgrade plan is also concluded for the Transmission Company of Nigeria.

The Minister said this Buhari administration has demonstrated its firm commitment to the diversification of the economy by moving it away from over-dependence on oil. He added that for the first time the tone has been set, as the Government has reduced the contribution of oil in favour of non-oil revenue especially agriculture and solid minerals.

Speaking on the government's planned energy mix as contained in the Road Map document, the minister said that the plan was to have robust mix that will increase the use of coal, hydro, solar, even more gas to power, bearing in mind that energy in large quatum would be required for individual uses, household access and indeed spread of electricity access across the vast country.

The Permanent Secretary, (Power), Louis Edozien, in his contribution said that the sector's challenge now occasioned by incessant vandalism of the gas infrastructure, has necessitated the development plan which identified stages of growth from 2017 to 2030, on the premise that vulnerability of gas supply will be radically addressed.

He said that a lot of new renewable energy sources would soon come upstream, the 40MW Gurara dam in Kaduna State, the 40MW Kashimbilla dam in Taraba, 10MW wind farm in Katsina and 30MW phase one of Kudendan dual fired plant in Kaduna-State.

On the new Rural Electrification Implementation Strategy before the President, the Permanent Secretary said the document contains a change in focus from the grid expansion to a more decentralized format that would emphasize micro grid to be fed from solar and small hydros, which would be off-grid.

Earlier, the leader of the delegation and Chief of Mission, International Monetary Fund, Gene Leone said his mission was to take an overall outlook of state of Infrastructure development in Nigeria, with a view to taking stock of initiatives, innovations and reforms by identifying time lines for the start and project completion schedules.

“In the sense that we are interested in ongoing project initiative, that would positively impact on the lives of Nigerians, this will enable the Fund to have better understanding of areas of assistance or help in the quest of filling those gaps”.

Timothy Oyedeji
Director (Press)