

Human & Environmental DEVELOPMENT AGENDA RC:16,485

14th May, 2018

The Speaker,

Lagos State House of Assembly Alausa, Ikeja Lagos State. RECEIVED

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SIGN AGOS STATE HOUSE OF ASSEMBLY

Attn: RT. HON. MUBASHIRU OBASA

DEMAND FOR THE INVESTIGATION AND PROVISION OF INFORMATION RELATING TO THE FOLLOWING PERTINENT ISSUES:

- 1. LAGOS STATE'S ALLOCATION OF WASTE MANAGEMENT CONTRACT
 (CLEANER LAGOS INITIATIVE) TO VISIONSCAPE SANITATION
 SOLUTIONS
- 2. THE ALLOCATION AND APPROPRIATION FOR THE IKEJA BUS STOP PROJECT
- 3. THE COMPANIES ALLOCATED THE CONSULTANCY OF LAND USE CHARGE COLLECTION

The above subject matter refers.

The Human and Environmental Development Agenda Resource Centre is a non-governmental organization and non-partisan human rights and development league. It has the mandate to protect and promote universally recognized human rights, accountability and environmental justice in Nigeria and Africa, in accordance with international standards. These objectives are pursued through research and publications, campaigns, human rights education and empowerment projects and programmes.

We write to demand that you use your good office as Speaker of the House of Assembly to facilitate the investigation of circumstances surrounding the issues highlighted above including provision of relevant information on same.

The requested investigation and the demand for information has become pertinent based on the several media report, particularly the report of Premium times; an online newspaper dated the 2^{nd} day of April, 2018 where allegations of corruption, incompetence and influence peddling was comprehensively reported with respect to the Visionscape project and the general in-transparency of the current Lagos state administration.

A. LAGOS STATE'S ALLOCATION OF WASTE MANAGEMENT CONTRACT (CLEANER LAGOS INITIATIVE) TO VISIONSCAPE SANITATION SOLUTIONS

The Lagos state government on the 23rd day of February, 2017 executed a Memorandum of Understanding (MOU) authorizing the creation of Special Purpose Vehicle (SPV)- the Municipality Waste Management Contractors Limited, for a major multi-year new integrated waste management services contract, with a 10-year initial duration and giving the company the mandate to implement the Cleaner Lagos Initiative (CLI) through the provision of vital infrastructure by designing, building and managing the first engineered sanitary landfill in Nigeria, in addition to the provision of waste collection, processing and disposal services for residential properties, roads and highway.

We are also aware based on the press release on the website of the Lagos State House of Assembly dated the 22^{nd} of March, 2018 that three commissioners, their respective Permanent Secretaries and the Accountant-General were invited with respect to the issue of Visionscape's performance and the mounting refuse in Lagos state.

Worthy of note is also the comment attributed to the Speaker, Hon. Mudashiru Obasa to effect that the Consolidated law on the Environment which the House passed was in order, but it needs to be pointed out that a provision of the concession included in the law was not complied with. The government ought to revert to the House before bringing in Visionscape and another comment suggesting the need to unravel those behind Visionscape.

Based on the premise that the house already has a background knowledge of the issues surrounding the coming into being of Visionscape with respect to Lagos, we wish to bring the following facts to your attention.

There are questions and allegations as to the real people behind the company, while a facet of Lagosians believe that the company is a special purpose vehicle by the "Feudal Lords" of Lagos to divert public resources into private holdings. Another allegation bothers on the fact that the said company exists only in Lagos State and does not have any record of waste management work/contract executed before the Ambode led government brought it into Lagos State.

The allegations further go on to highlight the fact that until 2017, Visionscape as a company never existed and that its only existence in Dubai is as posted on the internet and quoted as "info@vs.grp Tel: +97143501000 50th Floor, Conrad Dubai, Sheikh Zayed Road, Dubai, UAE. The said Conrad House where Visionscape is purportedly located on her 50th floor, is right in front of World Trade Centre Metro Station. So, apart from the high-brow location of Visionscape, nothing in its record shows any evidence of real work/contract executed in any country.

Also, the correspondence address of VisionScape is inconsistent as same is quoted as "Suite E2 2^{nd} Floor, The Octagon, Middlesborough, Colcheste, Essex, United

Kingdom, CO1 1TG" and obviously Middlesborough, Colcheste, and Essex are all different towns and areas in the United Kingdom.

On the whole, it is alleged that, using the state's power, a completely inexperienced, incompetent, untested and dubiously formed company and monopoly was foisted on Lagosians to oversee the onerous tasks of waste collections and processing in a city that is the 5th largest economy in Africa and Nigeria's commercial hub. With the contract given at almost 20 times the amount the Lagos state was spending on waste management and 3 times the grants given to Lagos Waste Management Agency (LAWMA) was approved for Visionscape with trillions of Lagos State physical assets ceded to Visionscape under very shady and dubious arrangements. This action has made several thousand entrepreneurs and employees lose their businesses and jobs respectively with some living under the threat of job loss.

According to the financial records of the company, Visionscape, a shell company, formable with less than \$20,000 (N7Million) became a multi trillionnaire behemoth in the current government's dispensation.

It is also apposite to state that inspite of the presence of VisionScape and all the financial and physical resources available to the said Visionscape, Lagos state has more filth and grime overflowing into her open sewers and bigger water channels, resulting in blocked drains which causes massive flooding in the long run during rainy seasons and thus the company can be said to be currently running at less than 30% efficiency. The coming on board of Visionscape has coincided with a return of trash heaps and dirt across most roads and streets in Lagos, meanwhile, the Lagos state government is paying N1.5 Billion per month to Visionscape.

It is also worth noting that several bodies and agencies including civil society organizations have called severally for the termination of the agreement entered into with Visionscape based on its terrible performance in waste management in the city of Lagos and the current crisis it has thrown the waste management sector into. This was the opinion of the Environment Rights Action/Friends of the earth Nigeria Initiative. Also, the Association of Waste Managers of Nigeria (AWAM) popularly known as PSP has denied the purported partnership deal with Visionscape to rid Lagos of solid waste.

It is in view of the above allegations of fraud, corruption and sharp practices in contracting sensitive projects meant for the benefit of a large population of Nigerians living in the country's economic hub that we are demanding a thorough investigation into the above issues to avoid the situation wherein an entire agency or project is pocketed by a few to the detriment of the entire state, viewing the

health implications (outbreak of lassa fever and other diseases) of allowing refuse to mount in the state. .

We also demand that the noble house of assembly invokes its legislative powers to see to the revocation of the said contract, the award of which initially failed to pass through the requisite procedure of the state house of assembly and thus the said visionscape is unrecognized by the Lagos House of Assembly.

B. THE ALLOCATION AND APPROPRIATION FOR THE IKEJA BUS STOP PROJECT

We are also concerned about the in-transparent nature of the award and execution of the Ikeja Bus terminal project which was recently commissioned by the President of Nigeria. However, having not seen evidence of the award details of the said contract or its pprocurement process, we are compelled to demand that you use your good office to furnish us detailed information as to the state's spending on the said project. We believe that the requested information will aid the investigation by civil society into the award, disbursements and execution of the project, same being a public project, with a view to promoting the accountability, transparency and zero tolerance to corruption policy of the Lagos state government.

C. THE COMPANIES ALLOCATED THE CONSULTANCY OF LAND USE CHARGE COLLECTION

The public outrage over the 400% hike in Land Use Charge (LUC) was made worse upon the discovery that Alpha Beta, in which Mr. Tinubu is a major shareholder or the owner, was inserted as a collecting agent.

A report by Sahara Reporters, an online newspaper also revealed that the two other collecting companies are Information Connectivity Solutions Limited (ICSL) and De Soffit Consults Limited. ICSL, SaharaReporters discovered, is a sister organization to Mr. Tinubu's Alpha. Their searches at the Corporate Affairs Commission (CAC) also revealed that ICSL has two directors, Messrs. Abiodun Akinkunmi and Lanre Bankole. The said Mr. Akinkunmi, a former Lagos State Finance Commissioner, was on the board of Alpha Beta while serving as commissioner, a contravention of the Code of Conduct for Public Officers.

The country's Public Service Code bars public office holders from working in private organizations. The code equally bars public officials from putting themselves in positions where personal interest could conflict with their duties and responsibilities.

It was also gathered that, upon registration, the shareholders of ICSL were Alpha Beta Consulting Limited with 4,999,999 shares and Mr. Tunde Badejo, who had

just one share. To deflect suspicion, Alpha Beta transferred its shares to Connectivity Investment Holding Company (CIHC) and the Document of Transfer was filed at CAC on 13 July 2017. CIHC further transferred all its shares to ICSL on 28 July 2015.

The second company, De Soffit Consults Limited, with registration number RC 932446, has as one of its directors, Mr. Lasisi Olalekan, Special Adviser on Taxation and Revenue Matters to Mr. Ambode. According to documents from the CAC, Olalekan owns 40 percent equity in the company, while one Mr. Ogunlana Femi owns 30 percent. The remaining 30 percent is owned by one Mr. Lawal Olanrewaju. It is worth noting that the Lagos State governor appointed Mr. Olalekan as Special Adviser while holding the position of Managing Director of De Soffit Consults Limited. So, since assuming office as Special Adviser and up till date Mr. Olalekan functions as a director of De Soffit in contravention of the Public Service Code.

With his appointment of staff of privately owned companies, who refuse to relinquish their previous jobs, Mr. Ambode appears not to be interested in the violation of Code of Conduct for Public Officers and the conflict of interest of the officials involved.

On the basis of the above revelation, we are demanding an immediate investigation of these allegations by the state house of assembly and a possible prosecution of those indicted in the investigation for an attempt to hoodwink well-meaning tax payers in Lagos through shoddy appointments aimed at personal interests of appointees rather than the collective good of all Lagosians. The said action is important in other to correct opinion such as this by Tunde Leye, a consulting partner at SBM Intelligence:

"Lagos has gotten progressively less transparent today, they don't even bother, under the previous Governor Fashola for example, even though the budget was not detailed, you could find procurement information on the LASG website (that's how we knew how much he spent on the website or boreholes for example). We know exactly the cost of building the Lekki Ikoyi Bridge. Compare to Ambode where we do not know how much he spent to build the Ajah flyover or anything else. Civil society has tried to invoke the freedom of information (FOI) act repeatedly but they have either been ignored or blown off. Lagos is very opaque."

We look forward to your prompt response and action, Sir.

Yours faithfully,

atina.

Olanrewaju Suraju

(Chairman)