

# **Sovereign Wealth Fund Model: A Tool for Economic Stability and Public Financial Management: Evidence from a Developing Country**

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## **Authors' contributions**

*This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.*

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## **ABSTRACT**

Nations create Sovereign Wealth Funds to accumulate, save and invest excess liquidity that arise from natural resources and other excess funds in infrastructural developments and in achieving other policy objectives. The paper thus investigated sovereign wealth fund as an effective tool for public financial management and economic sustainability with a particular focus on Nigeria. The exploratory and descriptive research design approach was adopted in evaluating the sovereign fund model as an alternative to public resources management. The paper reveals that sovereign wealth funds can be helpful to a nation especially in the time of economic crisis as it could be used to minimize government revenues volatility rate as well as to build up the level of savings for future generation (  $r = 0.689$  and  $0.763$  for volatility rate and saving for future generation respectively and  $p$ -values  $< 0.05$ ). However, it is discovered that to produce the intended results, the fund must form part of the home country policy document and must be prudently invested. Based on these findings, it is recommended that regulatory body must strengthen the accountability framework around the fund. To this end, there should be fiscal discipline, probity and transparency in the investment, management and reporting of the fund. Nigeria is thus encouraged to sign up and uphold the Santiago principles and guidelines proposed in 2008 for the promotion of global best practices in National Sovereign Wealth Funds operations and management.

*Keywords: Sovereign wealth fund; savings fund; santiago principles; public assets.*

## 1. INTRODUCTION

Sovereign Wealth funds are considered as the best alternatives and effective tools for public sector resource management and economic sustainability. Prior to the establishment of sovereign wealth fund in Nigeria, there have been noticeable weaknesses and disjointed system for cash, public assets and reserves management and utilization in the Nigerian public sector. To ameliorate these shortcomings, the federal government advocated for the creation of the Nigerian Sovereign Wealth in the year 2010 having realized the growing necessity of sovereign wealth fund in the prudent management of government resources and in economic growth and stability [1]. The resource curse syndrome (RCS), which Nigeria has associated with, elucidates the paradox where the greater population of a naturally endowed nation still wallows below the poverty threshold in the midst of abundant wealth and God-given endowments. Nigeria is a nation endowed with naturally and human resources. Despite the prevalent of these resources, the average Nigerian citizen still grapples with the necessity of lives. The country heavy reliance on crude oil and gas revenue for funding of annual budgets and development plans has, at different forums exposed the economy to the vagaries of the oil and gas industry. The boom-burst cycle associated with oil and gas revenue source has overtime left Nigeria in dire financial burst. In order to address the weak resource management framework and the negative impact of the resource curse syndrome, the federal government consulted with relevant stakeholders and researchers on the imperatives of creating sovereign wealth funds. This led to the setting up of the Nigerian Sovereign Investment Authority Act (NSAI) 2011 with its effective implementation date in 2012.

Sovereign wealth fund (SWF) typifies public resources set aside in the periods of economic buoyancy that could be drawn on to stabilize/grow the economy where there is volatility and downturns in the economy. This makes it very important for nations not only to establish sovereign wealth fund but in addition to create clear rules, guidelines and strategies for resource accumulations, savings, prudent management and investment for optimum benefits. For sovereign wealth to be relied upon as effective and efficient tool for public resources

management there must be strict adherence to the rules and regulations guiding the management and investment of the fund. Besides, the sovereign wealth fund operational policy must be well designed and systematically integrated into the nation's economic policy framework. To achieve the desired results, there must be high exhibition of strong accountability, fiscal transparency and probity framework coupled with fiscal discipline and a touch of fiscal responsibility.

Nigeria opted for the adoption and implementation of the Sovereign Wealth Fund model in order to build socio-economic consciousness, strong accountability framework and fiscal transparency in the management of public financial resources. Nations create Sovereign Wealth Funds to accumulate, save and invest excess liquidity that arise from natural resources or other excess funds. Excess liquidity in Nigeria may results from excess crude oil sale over budgeted estimates. The Nigerian Sovereign Wealth Fund is expected to resolve the issues connected with the Nigeria's excess liquidity arising from the sales of crude oil and gas to replace the Excess Crude Account (ECA), which has no specific legal backing and which has elicited a lot of controversies between the federal, the states and local governments in Nigeria.

When the receipts from the sales of crude oil exceed the budget forecast, the extra revenue represents excess earnings, which are held in the excess crude account (ECA). When there is a shortfall of revenues, funds are withdrawn from the excess crude account and shared among three levels of Government. The excess crude account operation in the Nigerian public sector is arbitrary as there is no clear-cut legal or salutatory framework and guidelines regulating its operation. It is considered as a mere administrative arrangement because it lacked legal backing and is therefore prone to political exigencies and manipulation. Claims and mode of disbursement of the excess crude account by different segment of government has led to inter-governmental conflicts [2]. Thus, the setting-up of the Nigerian Sovereign Wealth Fund is aimed at proffering workable solutions to these identified public financial management weaknesses daunting the Nigeria economic and political space. The essence is to discourage the culture of total consumption of earnings through

provisions of savings fund for future generations; the funding of revenue shortages for economic sustainability and stability and the provisions of funds for massive infrastructural development and provision of social amenities. Thus the research objective is to:

- i. investigate the relationship between sovereign wealth fund and revenue volatility rate in Nigeria.
- ii. investigate the relationship between sovereign wealth fund and savings for future generation in Nigeria.

The corollary research hypotheses resulting from the formulated research objectives are:

**Ho<sub>1</sub>:** There is no significant relationship between sovereign wealth fund and revenue volatility rate in Nigeria.

**Ho<sub>2</sub>:** There is no significant relationship between sovereign wealth fund and savings for future generation in Nigeria

## 2. CONCEPTUAL REVIEW

### 2.1 Concept and Components Sovereign Wealth Fund

The primary focus of Sovereign Wealth Fund is the accumulation of savings and the development of a foreign portfolio of investments of a sovereign nation/state. [3] described sovereign wealth fund as a fund that is created from sovereign exchange reserves earned by a sovereign state to meet specific purposes. Attempts have been made to differentiate sovereign wealth funds from foreign exchange reserves held by central banks. Sovereign Wealth Funds may be funded from foreign exchange reserves and any other sources of government revenue and it is invested for a long-term return. On the contrary, foreign exchange reserves may serve as short-term currency stabilizations and liquidity control/management [4]. Usually, when a nation's central bank has reserves in excess of foreign exchange management and needs for liquidity, the excess could be invested in a sovereign wealth fund. [5] defines sovereign wealth fund as a state-owned investment fund invested in real and financial assets such as stocks, bonds, real estates, and precious metals. Alternatively, it can take the form of investments such as private-equity fund or hedge fund invested worldwide. They represent government vehicles funded by foreign exchange assets that are managed separately

from official reserves. They seek higher sales of return and may be invested in a wider range of asset classes than traditional reserves [6]. Sovereign wealth fund connotes assets of a sovereign or independent nation or state that are warehoused and held internally or externally in different reserve currencies of the world such as the US dollars, the British pounds and the Euros. As noted by [7], the major characteristics of sovereign wealth fund include high sovereign currency exposure, lack of explicit liabilities, high-risk tolerance and long investment horizons.

Sovereign wealth fund is created through government budgetary excess and it is funded by foreign assets/reserves and managed separately from government official reserves. In the course of sovereign wealth fund management, the central banking authority may accumulate and hold some types of sovereign wealth funds that usually play significant role in the *economic and fiscal sustainability of the nation*. Other sovereign wealth fund that may not have very important and immediate fiscal management relevance may be accumulated and invested by the State for long-term investment returns. The accumulated funds may represent oil reserves fund, International Monetary Fund (IMF) reserves positions held by monetary authorities and central banks, foreign currency deposits, precious metals, special drawing rights (SDRs), hedge funds or private-equity funds, financial holdings and other national assets such as pension investments. According to [8], Sovereign Wealth Funds (SWFs) have been originally created as stabilization funds to reduce the boom and boost tendency of commodity dependent economies; government could access fund capital from it to smooth out economic downturns when the need arises. He further state that stabilization fund is not an ultimate solution and cannot substitute for good governance and fiscal policy. He argued that there is no economic reason to establish a separate fund to address issues of stabilization and savings as the stabilization role of the fund can be enshrined in a nation's fiscal policy without necessarily setting up creation a real fund. The issue of to what extent a stabilization fund can promote revenue stability has arisen in other occasion since the funds are dependent on global prices and other economic factors.

The goal of the Nigerian sovereign wealth fund is to accumulate, manage and invest reserves funds on behalf of the federal government. It is expected to act as a buffer and a fiscal stabilizer

in the face of crude oil and other major commodities price volatility in the international market. Sovereign wealth fund promote budget funding stability as earnings instability can be taken care of from the economic stabilization component of the sovereign wealth fund. It will act as a veritable vehicle to convey wealth to future generations or to ensure intergovernmental transfer of earnings. In Nigeria, SWF intends to act as an intergenerational transfer mechanism whereby export earnings from crude oil and gas are used to guarantee future government fiscal revenues, asset liquidity and stabilization support. It can be used as instrument to diversify the country's revenue sources to absorb shocks that may arise from economic vagaries. As part of the sovereign wealth agenda and in order to meet Nigeria's annual budget shortfalls, the Excess Crude Account (ECA) whose legality has been a subject of debate was created in 2004 as a stabilization & infrastructural development fund. The ECA receives its funding from the excess oil reserves.

### **2.1.1 Factors affecting SWF sustainable growth and performance in Nigeria**

It is not sufficient to create a promising institution such as the Nigerian Sovereign Wealth Fund. For such institution to realize its objectives, it must be provided with all the necessary tools that will propel it to contribute to national economic growth and sustainability. The breadth and depth of the Nigerian sovereign wealth fund is still very shallow. This has been blamed on weak governance; small size and lack of transparency as well as starvation of fund for investment. It has a narrow focus of mainly stabilizing the domestic economy. However, in a globalized world, the Sovereign Wealth Fund model of resources management is one of the best alternatives open to nations or state in the management of public resources.

There is apprehension by some countries that the purpose of the investment might be strategic and political rather than robust financial returns. Foreign investment by Sovereign Wealth Funds might be for the sole purpose of controlling strategic vital firms for political reasons but come under the guise of investing for financial gains. This raises national security red flag/concerns. Therefore as the Sovereign Wealth Fund pool continues to grow, so does its potential influence on the economy and the market. In addition, Nigeria could potentially lose control and ownership of assets to richer foreign funds.

Therefore, it makes for a good thinking and suggestion for some measures in forms of international protectionism to be introduced to help supervise and forestall certain foreign acquisitions. The continue maintenance of the excess crude account has deprived the NSAI of the necessary stream of revenue that would have enabled the agency to meet its noble objectives. The implication is the starvation of the Nigerian Sovereign Investment Authority of streams of fund that would have been used to pursue the sovereign wealth fund objectives of *promoting fiscal and economic discipline*. In addition, the establishment of the Nigerian Sovereign Investment Authority has faced some forms of setbacks and backlash from major stakeholders such as the State Governors and some Local Government Chairmen. They opposed the idea of making deductions from the federation account with respect to the activation and administration of the NSIA Act. Some argued that the creation of the excess crude account lack legal framework and making it unconstitutional. This lingering issue and the inability of the relevant stakeholders to successfully resolve the variation in opinion has led to litigation. Thus, the legality of the Sovereign Wealth Fund has been a subject of litigation. The Nigerian Government has been hiding under the guise of this legal statement for the continued operation of the excess crude account.

### **2.1.2 Institutional and policy framework for the strengthening of sovereign wealth fund: The Santiago principles**

Various issues have been raised against Sovereign wealth fund management such as investment objectives, levels of transparency, disclosure of relationships and holdings in private equity funds, adequate internal checks and lots more. To douse some of these concerns, the International Monetary Fund (IMF) and its *Santiago Principles* set out common standards regarding governance, transparency and independence. The following rules are to be committed to: accumulation rule which specifies the percentage of funds to be saved and disbursed; the withdrawal rule which specifies when withdrawal could be made by government from the pool of fund and the investment rule which specifies the investment destinations of the fund either external or internal assets. The Santiago principles have been subscribed to by Nigeria and some other nations operating sovereign wealth fund.

## 2.2 Theoretical Review

The study is anchored on the Keynesian Theory which is of the view that government investment in form of spending or saving for the future can contribute significantly and positively to economic growth and sustainability through multiplier effects on total demand and production. It was observed by Keynes that public spending could be used as a policy tool to increase economic stimulus of a nation. He argues that an increase in public expenditures is likely to lead to an increase in investments through multiplier effects on total output and demand. According to the Keynesian view, government borrowing money from the private sector and then returning the money to the private sector through different spending and investing programs could reverse downturns in the economy [9].

## 2.3 Empirical Literature

### 2.3.1 Economic and fiscal significance of sovereign wealth fund: Empirical review

[10] asserts that the major reasons for establishing Sovereign Wealth Fund stem from the fact that central banks have learned from earlier experiences that it is better to have a substantial amount of money in the foreign exchange accounts. They realized that if sufficient cash is available in readily accessible foreign accounts then it could help the government during the time of fiscal crisis, currency devaluation, natural economic emergency and even change in the government. *Sovereign wealth fund investment choices and assets allocation methodologies* may create either positive or negative consequences/influence on a nation's industries and markets. It can act as a catalyst for economic growth and sustainability as the case of some developed countries of the world [11]. However, increasing investments in risky business for high returns or less inclined investment strategies for high technology, research and development based industry in the investing country could be risky [12]. Therefore there is dire need to consider the risk and return trade-off prior to the allocation of sovereign wealth fund (SWF) assets [13].

[14] Initiated an empirical research to investigate financial stability issues that emanates from the increased implementation of sovereign wealth fund in global financial markets using an *event study techniques*. Their study examined the short-term financial impact of sovereign wealth

fund investment on 166 selected public equity markets covering from 1990 to 2009. The impact was analyzed on different basis: market types (developed and emerging markets); sectors (financial and non-financial sectors); actions (buy and sell); level of governance (high and low score). The study also evaluates the role of national governments in the management of sovereign wealth funds. Their findings indicate that there was no significant destabilizing impact of sovereign wealth fund on equity markets. [15] examined the financial impact and wealth effects of sovereign wealth fund investment on the stock of listed companies around the globe. Their results reveal that sovereign wealth fund has recently gained global media attention because of concerns about their large size of financial involvement and extremely rapid growth rates. They analyzed asset allocations by the fund and found that there is a significant positive (1%) mean abnormal return upon announcement of 75 sovereign wealth fund acquisitions of equity stakes in publicly traded companies around the world.

[16] empirically assessed the degree to which modern central banking system offer valuable lessons for the design of good institutional and policy framework arrangements necessary for the realization of the goals of establishing sovereign wealth fund. Findings reveal that the agency relationships set-up by the operational independence of both modern monetary authorities and arrangements that promote accountability and transparency are yet to deliver the require results.

### 2.3.2 Growth and evaluation of sovereign wealth fund in Nigeria

The Nigeria Sovereign Wealth pools of money derived from the nation's reserves will be invested in various securities across the globe in a manner that will benefit the Nigerian economy and the citizens.

A critical review of the growth indices in NSIA's aggregate investments under management between 2012 and 2015 shows dismal performance. When compared with global pool of funds as at March 2015, Nigeria % contribution to the global Sovereign Wealth Fund is 0.0197% (percent) as a publication from the Sovereign wealth Fund Institute shows that the aggregate worth of assets under the NSIA management as at March 2015 was \$1.4billion while global Sovereign Wealth Fund as at the same date was about 7.106 trillion United States dollars. The

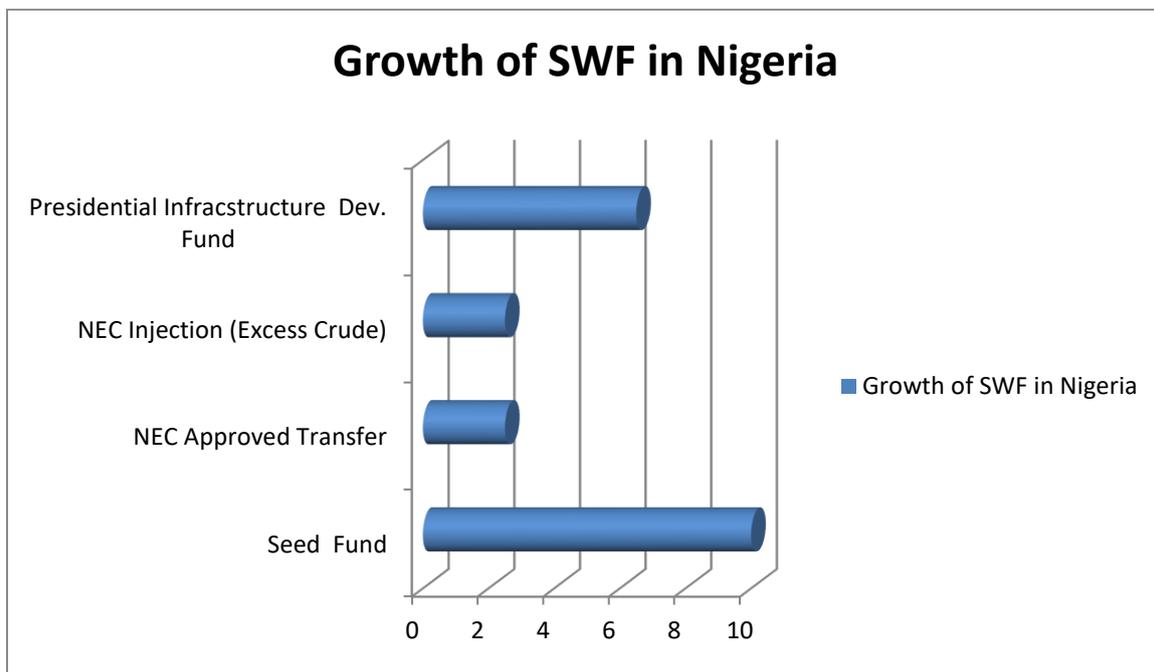
unimpressive performance may have resulted from chains of factors. First, the inability of the Nigeria government to discard the Excess Crude Account that was initially created by the Nigerian government to accumulate excess crude revenues above budget projections. Besides, all excess liquidity from oil revenues above budgetary projections have not in real terms been channeled to the Nigerian Sovereign Wealth Fund [18].

As at September 2017, the Nigeria's sovereign wealth fund has grown to \$2 billion with the

investment agency seeking further growth through agriculture and the addition of asset management. The government's contribution stands at \$1.5 billion, with the rest including funds owned by the institution and those managed for several government agencies, [16]. The 4<sup>th</sup> fund known as Presidential Infrastructure Development Fund (PIDF) was approved by Buhari recently to strengthen NSA's investment in local infrastructures such as power projects, health and roads/bridges. NEC was authorized to transfer \$650 as a seed capital to the PIDF.

**Table 1.**

YEAR	DESCRIPTION	CAPITAL/ASSETS
2012	Seed money for takeoff	\$1,000,000,000
2016	NEC approved transfer	250,000,000
2017	NEC additional injection (Excess crude)	250,000,000
2018	Additional injection of fund (Presidential Infrastructure Dev. Fund)	650,000,000
Total assets held by NSIA on behalf of the Nigeria federation		2,150,000,000
3 <sup>rd</sup> party assets (assets on behalf of Bulk Electricity Trading CO. Plc)		350,000,000
3 <sup>rd</sup> party assets on behalf of Debt Management Office		100,000,000

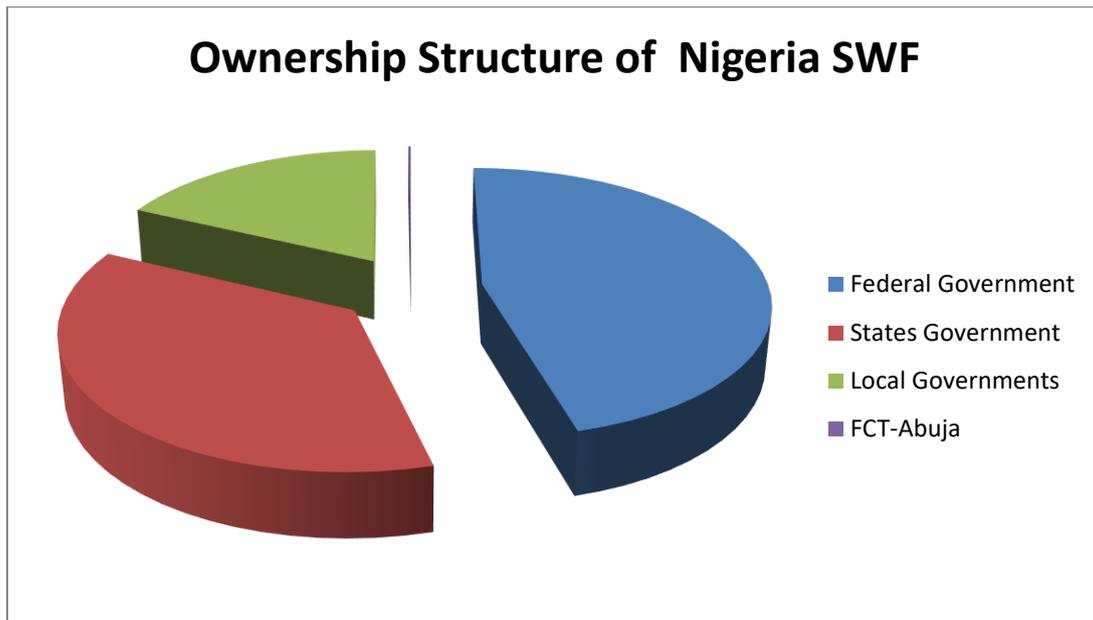


**Fig. 1. Growth of SWF in Nigeria**

**Table 2. Share ownership structure of Nigerian sovereign wealth fund**

Level of Government	Percentage (%) Share
Federal government	45.83
States government	36.25
Local governments	17.76
Federal Capital Territory(FCT)	0.16

Source: Orji Uche (MD/CEO) <https://biwatchnigeria.ng>>Nigeria-swf [17]



**Fig. 2. Initial allocation to the three windows/funds prior to the creation of the fourth window in 2018 are explained in Table 3 below**

**Table 3.**

<b>Windows (Type of SWF)</b>	<b>% Allocated</b>	<b>Absolute Amount</b>	<b>Specific Fund Objectives</b>
Future Generation Fund	32.5	\$325 million	Savings fund for long-term investment for future Nigerians
Nigeria Infrastructure Fund	32.5	\$325 million	Directed towards building and developing infrastructures/projects
Stabilization Fund	20.0	\$200 million	To cater for economic shock and fluctuation. It is safeguard against budgetary deficit.
Sub-total	85.0	\$850 million	
Unallocated	15.0	\$150 million	To be allocated among the three funds if the need arises in future
<b>Total</b>	<b>100</b>	<b>\$1 billion</b>	

### 3. METHODOLOGY

The target population of the study consists of the Central Bank of Nigeria, Board Members of the Nigerian Sovereign Investment Authority and Management of Federal Ministry of Finance. The study purposively administered a total of forty five (45) copies of questionnaire to management and senior staff members of these agencies. The choice for the purposive sampling was due to the largeness of the study population. Descriptive statistics were used and the data were analyzed using Spearman Rank Correlation Coefficient with the aid of Statistical Package for Social Science (SPSS) 20. The decision rule is to reject

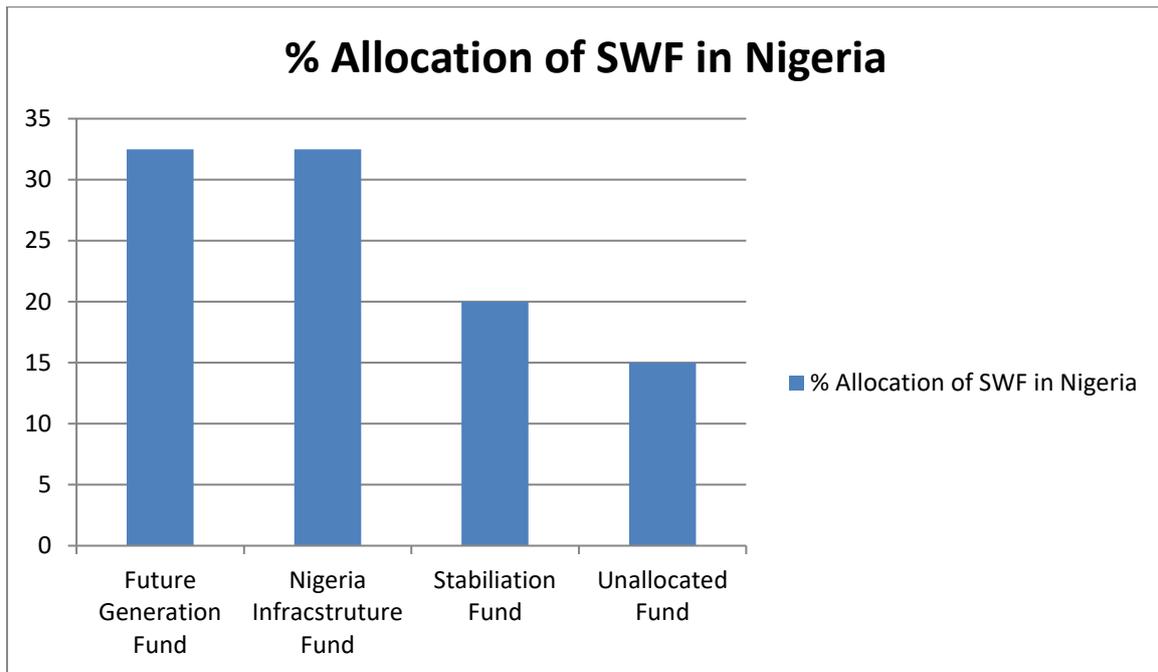
the formulated null hypotheses if p-value is less than 0.05 significant levels.

### 4. RESULTS AND DISCUSSION

#### 4.1 Test of Hypotheses

Two hypotheses were tested so as to evaluate the strength and significance of the correlation between the measures of the explanatory variable and the explained variables.

**Ho<sub>1</sub>:** There is no significant relationship between sovereign wealth fund and revenue volatility rate in Nigeria.



**Fig. 3. Percentage allocation of SWF in Nigeria**

**Table 4. Correlation between sovereign wealth fund (SWF) and revenue volatility rate (RVR)**

	SWF	RVR
Spearman's rho SWF Correlation Coefficient	1.000	.689**
Sig. (2 –tailed)	.	.001
N	45	45
Spearman's rho RVR Correlation Coefficient	.689**	1.000
Sig. (2 –tailed)	.001	.
N	45	45

*\*\* Correlation is significant at 0.05 level (2 tailed)*  
*Source: SPSS Output (based on 2019 Field Survey Data)*

The correlation between sovereign wealth fund and revenue volatility rate was investigated in Table 1 above. The result of the analysis produced the following outcomes:  $r = 0.689$  (69%) and p-values of  $0.001 < 0.05$  level of significance. This implies a positive significant correlation between the two variables. Therefore, the null hypothesis is rejected thereby drawing

conclusion that there exists a significant relationship between sovereign wealth fund and revenue volatility rate in Nigeria.

**Ho<sub>2</sub>:** There is no significant relationship between sovereign wealth fund and savings for future generation in Nigeria.

**Table 5. Correlation between sovereign wealth fund (SWF) and savings fir future generation (SFG)**

	SWF	RVR
Spearman's rho SWF Correlation Coefficient	1.000	.763**
Sig. (2 –tailed)	.	.000
N	45	45
Spearman's rho RVR Correlation Coefficient	.763**	1.000
Sig. (2 –tailed)	.000	.
N	45	45

*\*\* Correlation is significant at 0.05 level (2 tailed)*  
*Source: SPSS Output (based on 2019 Field Survey Data)*

**Table 6. Summary of test hypotheses**

S/N	Hypotheses	R	Magnitude	Relationship	Decision	Conclusion
H <sub>01</sub>	Relationship between sovereign wealth fund & revenue volatility rate	0.689	Very High	+ve	Reject null hypo	Positively Significant
H <sub>02</sub>	Relationship between sovereign wealth fund & savings for the future generation	0.763	Very High	+ve	Reject null hypo	Positively Significant

The association between sovereign wealth fund and savings for future generation was investigated in Table 2 shows. The result of the analysis produced the following outcomes:  $r = 0.763$  (76%) and  $p$ -values of  $0.00 < 0.05$  level of significance. This implies a positive significant correlation between the two variables. Therefore, the null hypothesis is rejected and conclusion is drawn thereof that sovereign wealth fund significantly correlates with savings for future generation in Nigeria.

#### 4.2 Discussion of Findings

Hypotheses one and two were tested using Spearman's rank order correlation coefficient and it produced a score of 69% and 76% respectively and their  $p$ -values are less than 0.05 significant level. These results show a very strong positive association between the variables of study. The outcome of hypothesis one indicate that there is a positive significant relationship between sovereign wealth fund and revenue volatility rate. This implies that sovereign wealth fund is a veritable tool for minimizing revenue volatility rate in Nigeria. The volatility may be associated with instability in the prices of crude oil and gas and other commodities. In the same vein, the result of hypothesis two indicates that there is a positive significant relationship between sovereign wealth fund and savings for future generation. This implies that that sovereign wealth fund is a vehicle for generating funds for infrastructural development and for future generations. These findings to a large extent support the assertions of Orji [17], Okeh [19] and Osirim and Wadike [20] who respectively noticed a sharp increase in the Nigerian sovereign wealth fund after its introduction and who were of the view that the sovereign wealth fund could be a veritable vehicle to save for the future generation as well as generate funds to finance infrastructural

development in developing economy such as the one of Nigeria.

#### 5. CONCLUSION AND POLICY RECOMMENDATIONS

Sovereign Wealth Fund (SWF) is in its infancy in Nigeria, as it has not gained much recognition. This does not negate the fact that it is one of the best alternatives for public resources management and economic sustainability. For this objective to be actualized the Santiago Principles, which is the outcome of a combined efforts between the IMF and the International Working Group of SWF must be adhered to; and the fund must be transparency invested with no political influence. Nigeria should subscribe to the Santiago principles, which are set of 24 voluntary guidelines that have been proposed in the October, 2008 to promote global best practice within National sovereign wealth fund. The investible, stabilization and infrastructural development funds have not significantly influenced the gross domestic product and per capita income of Nigerian partly because of the contending issues with its legal framework coupled with its neophyte status. The primary goal of the Act is the accumulation of savings to promote the development of infrastructures and the provision of stabilization support fund in time of economic instability and volatility. However, the growth and impact of the Nigerian Sovereign Wealth Fund has been constrained by key factor such as limited revenue inflows, poor governance, the continued operation of the excess crude account in addition to legal tussle between the major stakeholders, the federal, state and local governments.

For the NSIA to realize its noble objectives, it is recommended that a strong corporate responsibility and reporting mechanism together

with effective corporate governance must be instituted. Statutory/administrative and the risk management framework must be given a hard push. A strong and effective fund investment management framework is an important aspect that must be given rapt attention and drive. Nigeria should not only sign up but also uphold the *Santiago Principles* and guidelines proposed in 2008 for the promotion of global best practices in the management of National Sovereign Wealth Funds. The managers of the fund should publish self-assessment reports (SAR) on how it adopts and implements the principles within its governance and reporting guidelines. The enabling act that sets up the Nigerian Sovereign Wealth fund should have comprehensive and unambiguous provisions specifying a well defined corporate governance rules for the administration of the fund by the NSIA. The financial and administrative independence of the Board of the NSIA must be enshrined in the enabling Act. This will go a long way in shielding the board from undue interference and political influence. NSIA must as a matter of urgency and priority develop a portfolio scope of the fund, which should be subject to assessment, and international best practices. The birth of NSIA should be turned into a fortune and not misfortune by ensuring that the affairs of the institution are separated from political interference and adequate supervision and accountability framework is instituted.

The Board must be manned and managed by people with lofty track records and experienced people who must focus on establishing a fresh functional and scalable solutions to Nigeria's economic and infrastructural challenges using scarce capital resources to catalyze inflow of investments. The financial and operational independence, internal checks and balances of the organs of the NSWF must be well spelled out and guaranteed by relevant legislation.

### CONSENT

As per international standard or university standard, participants' written consent has been collected and preserved by the author(s).

### ETHICAL APPROVAL

It is not applicable.

### COMPETING INTERESTS

Authors have declared that no competing interests exist.

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