

FUNDING PUBLIC TERTIARY EDUCATION: ROLES OF
TERTIARY EDUCATION TRUST FUND (TETFund) AND ITS
FUTURE FOR SUSTAINABLE DEVELOPMENT

A paper presented by the

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at the

Ahmadu Bello University Zaria Alumni Lecture

October 2022

INTRODUCTION

The Ahmadu Bello University (ABU) Zaria, Alumni Association was formed in the 1960's in Lagos by some of the pioneer graduates of the University. This humble beginning took the form of undergraduate meetings with few members in attendance. Thereafter a Working Committee was constituted for the Association in 1975 and branches were launched in different parts of the country. Over the years, the Alumni Association has grown in stature and expanded not just in members and branches, but in terms of its operations and functions. Today, it has a Board of Trustees, with formal registration of members, hosting reunion lectures, dinner nights etc. Generally, an Alumni Association provides forum and opportunities of networking among people and sometimes serve as platforms for giving back to one's alma mater. Meetings of the Alumni Association such as this, serve to unify and promote interaction amongst members, bring back good memories and provide various supports to their members.

Another significant role played by the ABU alumni association is to uplift and project the image of the university. The alumni members help to mediate and resolve dispute involving the university, members and other external bodies. At gatherings such

as this, you are compelled to remember your days in the university with so much nostalgia and such memories remind one of his obligations to the institution from which he has taken a lot in nature and in training. It is in this context that I am truly humbled, and I do treasure this unique opportunity to present this paper.

Funding of education comes from different sources in Nigeria. These include students and their parents by way of fees and charges, proprietors, philanthropic and faith-based organizations, endowments, grants from industry and other stakeholders for research, innovation and problem solving government budgetary provision, Education Tax, external funding and Private Sector Investment. The Tertiary Education Trust Fund is an Intervention Agency of government that supports the public tertiary institutions, defined in its Act as public Universities, Polytechnics, and Colleges of Education. Other tertiary institutions in Nigeria such as Monotechnics, specialized institutes (public and private) agric and cooperative colleges etc are not beneficiary of TETFund. These tertiary institutions however collectively contribute to the nation's social and economic development through four major missions:

- i. The formation of human capital; (meeting the man-power needs of the country)
- ii. The building of knowledge bases (primarily through research, innovation and knowledge development);
- iii. The dissemination and use of knowledge (primarily through interactions with knowledge users); and
- iv. The maintenance of knowledge (inter-generational storage and transmission of knowledge).

The Nigerian government is making necessary efforts to meet the goal of universal basic education and is now seeking to widen access to and improve the quality of secondary and tertiary educational programmes. However, the Country like many developing nations is confronted with serious revenue constraints due to myriad of problems ranging from overdependence on oil, non-activation of other productive sectors, failure to modernize our agriculture, poor infrastructure base to outright theft and corruption; wrong economic choices and failure of innovative changes. This was exacerbated by the COVID-19 global pandemic, energy crises, war in Ukraine and the consequential economic impact as well as increased compelling societal needs and demands.

PUBLIC TERTIARY EDUCATION AND ITS CHALLENGES

Tertiary Education benefits not just the individual, but the society as a whole. Graduates of tertiary education are more environmentally conscious, have healthier habits and have a higher level of civic participation. In short, tertiary education institutions prepare individuals not only by providing them with adequate and relevant job skills, but also by preparing them to be active members of their communities and societies.

The economic returns for tertiary education graduates are the highest in the entire educational system with an estimated 17% increase in earnings as compared to 10 % for primary and 7% for secondary education. These high returns are even greater in Sub-Saharan Africa, at an estimated 21% increase in earning for tertiary education graduates. According to World Bank Report, Nigeria has a teeming population of over 200 million people, still expanding and so will require some growth in post-secondary education to accommodate the increasing number of students seeking for higher education qualification. However, the potential of the Nigerian tertiary education systems to fulfil this responsibility is frequently interrupted by problems of efficiency, equity and quality.

Nigeria's tertiary institutions continue to encounter problems of inadequate facilities and basic infrastructure. Facilities such as laboratories, lecture halls and classrooms are either dilapidated or absent in many of our institutions across the Country. In recent times ICT has come to occupy an important place in teaching and learning. However, ICT facilities are lacking in most of the tertiary institutions in the country. For the nation's tertiary institutions to meet up global standards and best practices, ICT facilities must be made available with ubiquitous broadband penetration to all institutions. The nation's tertiary institutions must have functional laboratories and equipment to carry out research. There is the need to build the capacity of academic staff of all tertiary institutions in the country in different fields required to produce the human capital the country needs. Achieving this has been a huge challenge for Nigeria as a country. So many reasons have been advanced on the predicaments of Nigeria tertiary institutions, ranging from poor governance, low global rating, frequent disruptions in academic calendar, inadequate facilities and infrastructure to cope with the explosion in number of students, shortage and poor quality of teaching personnel, inadequate attention to research, poor quality graduate etc. So far, these challenges have not been resolved. Insufficient funding

has remained the most critical challenge that has threatened the amelioration of these constraints and enhancement of qualitative higher education in Nigeria. Nigeria's Institutions of higher learning continue to face the problems identified above despite the interventions by TETFund hence the need to explore other avenues for ensuring sustainable funding of tertiary education in Nigeria.

The Tertiary Education Trust Fund is expected to complement government's budgetary allocation for the tertiary education sub-sector, with a view to repositioning the sub-sector for better performance. The agency the currently provides intervention to Two Hundred and Forty-Six (246) public tertiary institutions in Nigeria which are 96 Universities, 75 Polytechnics and 75 Colleges of Education. The break-down of these institutions is as follows:

Universities	<ul style="list-style-type: none"> • Federal 49 • State <u>47</u> <li style="text-align: right;"><u>96</u>
Polytechnics	<ul style="list-style-type: none"> • Federal 34 • State <u>41</u> <li style="text-align: right;"><u>75</u>
Colleges of Education	<ul style="list-style-type: none"> • Federal 28 • State <u>47</u> <li style="text-align: right;"><u>75</u> <li style="text-align: right;">Total <u>246</u>

ESTABLISHMENT OF TERTIARY EDUCATION TRUST FUND (TETFund)

The Tertiary Education Trust Fund (TETFUND) is an interventionist agency of the federal government established by act of parliament known as the TETFund Act No.16, 2011. The agency is charged with the responsibility to deliver effective and transformative interventions to all public tertiary education institutions defined in the Act as Public Universities, Polytechnics and Colleges of Education in Nigeria through funding and effective project management. The Fund since its establishment has strategically positioned the nation's higher institutions by providing essential physical infrastructure and content-based programmes for effective teaching, learning, research, and innovation for global competitiveness. TETFund administers, manages, disburses, and monitors the utilization of the initially 2% now 2.5% Education Tax paid by all registered companies operating in Nigeria. This tax is allocated on an annual basis to Public Universities, Polytechnics and Colleges of Education in the ratio of 2:1:1.

Prior to the establishment of the Education Tax Fund (ETF) now Tertiary Education Trust Fund (TETFund), the state of

infrastructure in the higher education institutions in the country were at the level of near collapse, while morale of the teachers and learners were generally very low. Again, the incessant strike by the Academic Staff Union of Universities (ASUU), Academic Staff Union of Polytechnics (ASUP) and Colleges of Education Academic Staff Union (COEASU) helped to draw attention to the problems, it also contributed to the gradual decline of the education system.

In the bid to overcome these challenges and to create conducive academic environment in the higher education institutions, a commission was set up by the then military head of state of Nigeria, Gen. Ibrahim Badamasi Babangida in December 1990 to carry out a review of higher education in the country. The commission was named after its chairman, the Gray Longe Commission and charged with the responsibility to review the post-independence higher education reforms including that of the Lord Ashby's commission of 1959. The commission after its review recommended among others the funding of higher education through earmarked tax borne by all registered companies operating in Nigeria. Through the recommendations of the commission, the implementation committee headed by Prof. Olu O. Akinkugbe, reached and signed an agreement on the 3rd

September 1993, between the Federal Government and Academic Staff Union of University (ASUU) who had included in their agitation, the implementation of the Gray Longe Commission Report for the funding of public higher education institutions in Nigeria. Significantly, the signed agreement led to the establishment of the Education Tax Fund (ETF) Act No.7 of 1993 as amended by Act No.40 of 1998 to Education Trust Fund which then catered for all sectors of education namely; primary, secondary, and higher education institutions. The act empowered the Federal Inland Revenue Service (FIRS) to assess and collect the Education Tax (EDT) on behalf of the Fund and remit to the Fund through the Central Bank of Nigeria.

The TETFund Act No. 16 of 2011 exited the primary and secondary education sector and was focused only to public tertiary institutions namely public Universities, Polytechnics and Colleges of Education.

TETFUND AND TRANSFORMATION OF TERTIARY EDUCATION IN NIGERIA

There is absolutely no doubt that TETFund has recorded laudable achievements under its various intervention lines. These include various infrastructural projects across Universities, Polytechnics

and Colleges of Education that range from classrooms, theatres, halls and laboratories. The Fund has equally provided sponsorship to thousands of scholars across institutions in Nigeria. It has further equipped and sponsored the publication of books and manuscripts in various institutions and provided grants to scholars and lecturers under both the National Research Fund (NRF) and Institution Based Research (IBR) grants.

All these efforts are aimed at enhancing the material and manpower capacity of beneficiary institutions for nation building and development. A break-down of these activities is as follows:

CATEGORY OF BREAKDOWN OF ALLOCATIONS BY INSTITUTIONS 2011 - 2022	
INSTITUTIONS	AMOUNT
Universities	651,615,706,719.48
Polytechnics	327,501,307,369.06
Colleges of Education	325,394,060,254.70
TOTAL	1,304,511,074,343.24

The Fund's interventions come under two broad categories viz:

- i. The Annual Direct Intervention, and
- ii. The Special Intervention

➤ Physical Infrastructure and Programme Upgrade

Infrastructure has been given special attention because of its decay and collapse across public tertiary institutions in Nigeria. A careful observation will reveal that the Fund between January — October 2022 alone carried out and completed 607 infrastructural projects amounting to N26,722,833,189.97 across beneficiary institutions. These projects include construction of senate buildings, lecture theatres, classrooms, hostels, offices, library buildings, laboratories, road network, power, fencing and procurement of equipment, amongst many others.

➤ Academic Staff Training and Development

TETFund sponsored over 10,632 lecturers in the local Ph.D. programs, as well as over 9,072 lecturers in the local Master's degree programme across the country between 2011 and 2020. The Fund has also sponsored over 7,677 academic staff to overseas institutions comprising 4,485 lecturers for Ph.D. programs and over 3,192 Master's degree candidates also within the same period. The Fund has further supported 71,263 Lecturers in Federal and State Colleges of Education under its teacher supervision program, bringing it to a total number of 98,644 academic staff across public tertiary institutions that have benefited from the academic staff training and development

program of the Fund. In the same vein, the Fund sponsored an estimated 17,121 academic staff across tertiary institutions in the country to foreign conferences, while 4,459 non-academic staff of public tertiary institutions benefitted from sponsorship to workshops. In addition, 17,410 academic staff were sponsored to attend local conferences within the country, while 28,660 non-academic staff were sponsored by the Fund to attend local conferences and workshops in the country, all in the effort to build capacity, skills, and manpower in the nation's ivory towers.

In all, the Fund has sponsored a total of 67,650 academic and non-academic staff of public tertiary institutions to local and overseas conferences between 2011 and year 2021.

> Library Development

The Fund's Library intervention programs also recorded tremendous impact, including the academic manuscript development to books. Between year 2011 and 2021, the Fund succeeded in procuring 2,080,041 books for use in libraries of public tertiary institutions across the nation, to equip students and lecturers of institutions with resources needed to impart the required knowledge in the 21st century. TETFund also between 2011 and 2020 procured 152,844 e-Resources and 380,778

equipment and furniture distributed to various public tertiary institutions across the country. In the area of academic manuscripts to books, the Fund supported and approved the conversion of a total of 1,362 manuscripts to books across 146 public tertiary institutions as part of efforts to stimulate research and publication across public tertiary institutions in Nigeria.

➤ Research and Development

Research has remained a special intervention line of the Fund since it was introduced in 2009. There is no doubt that research remains the most important aspect and instrument of advanced learning and innovation if society and humanity are to make any meaningful progress. In 2014, upon recommendation and the approval of the Board of Trustees, the Department of Research and Development/Centres of Excellence in T ET Fund was established. It was thought that research without development will not provide the needed growth that Nigeria as a nation direly needs. The National Research Fund was set up with N3 Billion as its take off grant in 2011, in 2015 another NI Billion was added. And in 2019 upon the recommendation of the BOT and the Honourable Minister of

Education, the president approved a 50% increase in allocation to the NRF, being N7.5 Billion for that year and N8.5 Billion in 2021. Between year 2012 and 2019, a total of about N9 Billion was committed to the NRF with about 457 research projects approved across the country. This is in addition to the Institution Based Research grants and support for Academic Research Journals across public tertiary institutions by TETFund. About 2,175 projects were approved under Institution Based Research between 2011 to 2021, while about 342 Academic Research Journal projects were undertaken within the period.

The Fund also provides support to Institutions for targeted needs under Special Intervention, as directed by the government. Some of areas of Special Intervention over the years include support for NUGA games, Special High Impact projects in selected institutions for each geo-political zone and the COVID-19 response Intervention on the research effort for producing a national vaccine, the 6 Academic Publishing Centers to mention a few.

CONCLUSION

With sustained education tax collection, diligent appropriation and prudent management by the Fund and its beneficiaries with support from the Federal Government, TETFund will continuously

strive to attain the status of a world class interventionist agency and become a committed partner for educational research efforts in Nigeria. It will try to make educational content development a strong complement to the infrastructural development that has been witnessed in the past decade. It will further make efforts to enlighten stakeholders and keep them enlightened of its intervention activities. The Fund will endeavor to accommodate national researches from both private and public tertiary institutions to achieve national economic growth and development. We further commit to enhance the administrative efficiency and effectiveness of our activities and provide additional Information and Communications Technology (ICT) facilities to further improve teaching and learning in the Beneficiary Institutions (Bis).

Perhaps I should add that it is the consensus of stakeholders that TETFund is making veritable impact in the tertiary education landscape of the country. Due to the impact of the intervention programme, other African nations have borrowed the concept and successfully used the model in their countries. These achievements have endeared TETFund to its stakeholders and created the required impetus for their continuous support. The Board, Management and staff of the Fund are grateful to Mr.

President who has been very supportive of the Fund in all its activities. The Fund continues to enjoy the support of the FIRS and by extension, the taxpayers in our efforts to achieve the sustained improvements in public tertiary education. The Fund under my watch shall remain alive to its mandate and is committed to improving the quality of tertiary education in Nigeria and the global competitiveness of our beneficiary institutions.

As we intensify efforts to increase education tax to 3% to boost revenue to the Fund, it is also pertinent to note that there is a strategic imperative to undertake a wholesome review of tertiary education financing on a sustainable basis. There is also the compelling need to broaden the sources of funding to include participation by parents and students, endowment, aggressive search and competition for research grants, linkages and partnerships with industry under the triple helix model and deepening innovation and entrepreneurship by the institutions themselves to generate additional revenue.

It will be also be helpful to enthrone a governance system that emphasizes autonomy with responsibility and accountability. I lay no claim to having all the answers but I am convinced more than

ever before that a change of focus and direction is necessary to navigate the Nigerian tertiary education system to fulfill its promise and attain its full potential for the benefit of our country and the larger society.

Thank you and God bless Nigeria

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