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21 September 2024

His Excellency, Babajide Sanwoolu
Governor, Lagos State,
Secretariat,
Alausa, Lagos

Dear Mr. Governor,

OPEN LETTER RE: ANNOUNCEMENT OF MOU AGREEMENT ON GREEN LINE RAIL

The recent announcement by the Lagos State Government (LASG) regarding the signing of a Memorandum of Understanding (MOU) for the proposed Green Line Rail transit to serve the Lekki-Epe axis has drawn widespread attention. According to the official press release, the "historic Memorandum of Understanding" provides that the Ministry of Finance Incorporated (MOFI) and China Harbour Engineering Company (CHEC) will "source the funding to design, finance, operate, and maintain the project," a 68km rail line expected to carry over 500,000 passengers daily upon launch.

This release raises some questions:

1. **Is the MOU binding or exploratory?** The definitive language used in the press release and the elaborate signing ceremony with large delegations on both sides suggest a binding commitment. If the MOU is merely exploratory and non-binding, the public may be misled by such fanfare.
2. **If the agreement is binding, through what process was CHEC selected as the vendor?** Transparency is essential, especially for a project of this scale. Were any other vendors given the opportunity to bid competitively for this service?
3. **What is the role of MOFI?** A clearer understanding of MOFI's role is necessary.
4. **How is LASG managing long-term risks, particularly with Federal Government involvement?** Considering the deep embedding of the Federal Government in a project that is vital to Lagos State, how does LASG plan to mitigate any future risks, especially beyond the current administration?

These are critical questions, particularly in light of LASG's track record with mass transit rail projects.

For instance, the 27km Blue Line Rail, initiated 13 years ago, is still incomplete, with only a 13km section operational. According to LAMATA data, over the past year, the Blue Line has served only 2 million passenger rides—an average of 5,500 rides per

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day, or about 100 passengers per train trip with 54 trips per day. This is just 2% of the projected 250,000 daily passenger rides at the time of commissioning. To put this into perspective, the number of passenger rides served over the year could have been achieved by 10 buses, procured within weeks at a fraction of the capital and operating costs expended on the Blue Line.

Moreover, the Red Line Rail, which was "commissioned" in February this year, has still not commenced passenger operations, despite much anticipation.

Your Excellency, mass rail transit that operates effectively and at scale is critical for the future of Lagos State. We must learn from past missteps. Instead of making premature, grandiose announcements that raise expectations but deliver little, we should focus on well-planned projects with sound governance, accountability, and disciplined procurement processes. This will ensure that every naira spent delivers real value to Lagosians in a timely manner.

I trust that these considerations will be taken into account as we move forward with the Green Line Rail and other vital infrastructure projects.

Yours faithfully,



Funso Doherty