

## SPORTS ENDOWMENT FUND: A PANACEA FOR PRESENT AND FUTURE DEVELOPMENT OF SPORTS IN NIGERIA

Sani Muktar Bichi (PhD)

Department of Physical and Health Education,  
Faculty of Education,  
Ahmadu Bello University, Zaria.  
Gsm No. +2348039651967, Email:- hajjisani@yahoo.com

### Abstract

This paper discussed the way and manner government at various levels in Nigeria handled sports generally for participation and development. Issues such as funding of sports, objectives of sports endowment fund, source of fund for sports, ways and strategies for fund raising for sports were discussed. Conclusion and recommendations were offered such as Government at all levels such as Federal, State and Local should exercise their responsibilities and functions as provided in the National Sports Development Policy.

### Introduction

Endowment funds or monies meant to support particular projects and programmes, or an investment fund in which the final returns are intended for particular purposes, for example, payment of school fees or sponsorship of a particular sport and its programmes (Microsoft Encarta 2009).

This strategy endowment fund has given great relief to budgetary spending on sport by governments in developed parts of the world like United State of America, Europe and in some Asian countries. Adoption of endowment funds as a revenue source for the financing of sports have paid up for these countries in the area of building standard sports facilities, payment of coaches, buying and transfer of players from one sport club to the other (Parkhouse,2005).

According to Ladani (2006), sports development entails adequate provision and standardization of sports facilities and equipment. It also encompasses the growth of elitism in sports, and greater participation by members of the public in sporting activities and programmes.

This paper is therefore interested in proffering solutions that will bring an improvement in the present state of available sporting facilities, equipment and the development of additional ones and encourage mass sports participation among Nigerians. In addition, to maintain a steady pathway in sport development programmes for future wellbeing of sports development in Nigeria.

### Funding of Sports

The importance of providing adequate funds for sports programme cannot be over emphasized. Bucher (1985) stated the services that are involved in sports funding such as; recruitment and training of personnel, purchase of equipment, construction of standard facilities, transportation and care of athletes all require large sum of money. Writing specifically about sports programmes, Zeiglar (1990), maintained that it is an area of higher expense and adequate funding if goals are to be achieved. Adequate funding is essential for effective sports development as enunciated by Levin (1992).

The National Sport Policy (1989) stated that, the Government of the Federation which are the Federal, State and Local Government, shall demonstrate their total commitment to sports

by providing adequate funds in their annual budgets. Other sources of funding sports shall include:

- i. Sports development fund.
- ii. Establishment of sports lottery scheme
- iii. Concerted efforts in attracting voluntary donations

Commercialization of sporting activities e.g. Television advertisements/rights etc. (Gambari, 2004).

Sports generally have become progressively capital intensive. Yet, history shows that government has almost single headedly shouldered the responsibility for sports development in Nigeria, especially when it comes to her participation in continental and global competitions. Our level of development dictates that only government is in position to fund sports (Yusuf, 1991). Because there is minimal private sector participation, government is forced to invest part of its scarce resources on sports development. In spite of the annual budget provided by the governments in Nigeria, sport is still not adequately funded. However, in recent times, sports have received support from business and corporate organizations (Laadani, 2006). Over the years, the bane of Nigeria sports has been the age-long tendency of over dependence on government for the provision of funds to run the affairs of sports. Since the federal government has derived a formula for getting these sports administrators to give proper accounts of their expenditure, they have developed a lukewarm attitude towards sourcing for funds independently to take sports to the top of world sports (Ladani, 2006).. The National Tennis Coach in Nigeria then pledged for improved funding of tennis in Nigeria with the view that, the government over the years has paid more attention to football to the detriment of others sports. It was with difficulty that a team of four players and two officials were sponsored to Euro/African Group III of the Davis Cup play offs in Senegal. He pointed out that, funds for tennis development ought to come from the organized private sector particularly these days when government attention is almost entirely confined to football (Ekong 2004). Funding of sports varies from one country to another. Most national governments provide direct financial subsidies or support for the sports programmes in one way or to other (Bennett, 1975).

In the United States of America, for example, sports is funded by both the government and business organizations. Universities in the United States of America own and operate huge stadium

for sports, like American football, baseball and basketball. The stadia are used for such competitions like the national basketball association and American football league series. Typical examples of such universities are the Michigan University and the University of Los Angeles. The University of Michigan sports stadium for example can seat about 105,000 spectators, while the basketball hall accommodated 18,000 fans (Simri, 1973; Yusuf, 1991). Another very important source of income for sports is the legalized betting pools. This is very popular and is used by most of the countries of Western Europe.

According to Schmits (1975) and Yusuf (1991) government's direct involvement in sports administration in the socialist world might be one of the reasons why they have been doing well in all international competitions like the Olympic games and others. For example, in the first three days of the Seoul 1988 Olympic games, the medal table showed the dominance of the then Soviet Union followed by the then East Germany, who were in run closely followed by the Bulgarians. In the socialist countries, sport is an integral part of everyday life. Chapter eleven sub-section 11.3 of the National Sports Policy (NSP) (1989) spells out the distribution of responsibilities in funding sports, amongst the three tiers of government, Federal, State and the Local levels (Vision, 2010). The Federal government through the Federal Ministry of Youths and Sports disburses fund to the twenty-three functioning national associations. This fund is mostly used to organize national and international competitions for these associations. The amount of fund allocated to each associations depends on the popularity, programmes and past performances of the associations. For example, football always get the lion share. This is because it is a team game and the most popular in Nigeria and some other countries of the World. Article 12 of the National Sports Commission Act No. 34 1979 as Amended in 1979 states that, the funds and resources of the commission shall consist of (a) such fund as may from time to time be provided by the federal government. In the 1989 National Policy on Sports, article 5.4.2.1 to 5.4.2.3. clearly states the role of the Federal Government on funding of sports as follows that, the Federal Government shall allocate adequate fund to the Federal Ministry of Youths and Sports. Both State and Local governments shall similarly ensure that they allocate special responsibility for ensuring adequate level of funding as far as certain programme areas are concerned. Such special programme areas include the sports for the disabled, mass participation in sports and reorganized international championships.

According to National Sports Policy (Vision, 2010) the Federal government shall encourage State government to pay special attention to these particular programme areas. To this end, the Federal Government shall fund jointly with State governments approved projects in these special areas and shall, in each case provide 60% (sixty percentage) of the total cost of such approved joint projects, while the State government concerned contributes 40% (forty percentage). The Federal Government through the Ministry of Sports and Social Development maintains the eight (8) Federal stadia in Bauchi, Kaduna, Kano, Ibadan, Port Harcourt, Enugu, Lagos and Abuja. All the thirty-six (36) States including Abuja have sports councils which play the same role as the Federal Ministry of Sports and Social Development. Though the State Sports Council are very independent of the Federal Ministry of Sports, but they have a good working relationship (National Sports Policy). Article 2.1 (b) of the National Sports Commission states that: "The commission shall consist of the commissioner of each State's Ministry of Sports". The State government funds the sports council through the Ministry of Sports. There are also local

sports committees in most of the States which are being funded by the State government.

According to Venkateswarlu (1985), funding of sports services in Nigeria has been on an adhoc basis. Whenever the government is in financial crisis, it goes out for contributions from the public to organize sports. While Tahir (1992) gave some examples for such sponsored competitions. They are:-

- i. NITEL Primary School National Championship for the under 13 boys being sponsored at the cost of two million naira (N2,000,000.00) annually by the Nigerian telecommunication (NITEL) PLC.
- ii. The Maltonic Cycling Championship: it is a competition involving National and International Cyclists, it covers Cycling through six States in the country. This championship costs the makers of Maltonic drinks over one Million Naira yearly.
- iii. The Abiola under 21 athletics national Championship.
- iv. The Asoju Oba National Table Tennis Championship.
- v. The Sani Abacha National Hockey Championship.
- vi. IBB International Boxing Championship.
- vii. Guinness Football Competition.
- viii. Coca Cola Football Competition.
- ix. Senate President Soccer Championship.
- x. Obasanjo-Atiku Cup Competition for all the 36 States.
- xi. Others Sponsored Sports Competitions.

#### **Objective of Sports Endowment Fund**

Sports Support Fund has been established to provide financial assistance towards participation in extra-curricular programs. These will encourage unity of the nation and healthful benefits to participation.

- To promote excellence in sports activities.
- To recognise and support general public excellence and sporting involvement
- To assist participation in extra-curricular programs.
- To support citizens who have achieved sporting excellence.
- To support Sports involvement in Local, State, National Levels.
- To provide appropriate financial assistance. (Gambari, 2004).

#### **Sources which Fund can be generated for Sports Development**

According to Parkhouse (2005), it is important for government to attract professional teams to their region or city. He cited the

situation in the United State where cities compete to attract and retain professional sports franchises. He added that, Federal, State and Local Governments subsidises the financing sports facilities. Financing arrangements are the key element to attract team and investors. Majority of professional and institutions sports facilities have traditionally been financed by revenue generated from government or tax collected from individuals. Revenue bond are special obligations in public financing that are payable solely from a particular source of revenue or funds which may include tax charge revenues from hotels, restaurant, sales, rental and others. This may not be common to Nigerian context, however, these businesses are practice in Nigeria, and so the government can borrow a leave from this method of financing sports facilities to ease government role in funding sports facilities and programmes (Parkhouse, 2005). The government at the Federal can initiate a similar fund reserve, as was the case with the defunct Petroleum Trust Fund (PTF) and the present Educational Trust Fund (ETF) in respect to sports development. Such fund can further be another opening for revenue source since facilities built with such fund will generate additional interest through rent, gate fees and many others. Other sources include; private and joint public / private funding, lottery tickets, registration of club members / fans, and appeal fund / dinner (Gambari 2004).

#### Strategies for Fund Raising for Sports

Zeigler, (1990), stated that Sports fundraising is so critical these days. Whether you are a basketball, football, soccer, or cheerleading organization, the costs of playing sports is getting higher than registration fees and budgets can handle. Most leagues require players to participate in some sort of sports fundraiser to offset costs. The difficult thing is choosing the best fundraising ideas for your particular team.

There are so many different types of sports and athletics that choosing a fundraiser can be overwhelming. We've been helping athletes raise money for more than 10 years and we believe the best place to start is by choosing your sport either at the top of this page or by scrolling down a little for a more detailed selection. We have created specialty pages for dozens and dozens of different sports where we offer some good resources and suggestions specific to your event, team or league. We offer some of the best fundraising product suggestions and we offer links to articles that discuss more in-depth topics relating to your choice. So we believe that is the best way to find the best idea for your needs.

#### The top 3 Sports fundraising ideas:

- ✓ Do I need to Be Part of a Team?
- ✓ Sports Specific Fundraisers.
- ✓ Sports Fundraising Ideas by Sport Type.

It makes no difference if you are a small group trying to raise a moderate amount of funds for your sports team, or if you belong to a much larger group that needs a large amount of money, the problem is still this: you have to find some sports fundraiser ideas that will help you get to those goals in the most direct way possible.

#### Conclusion

Endowment funds or monies meant to support particular projects and programmes, or an investment fund in which the final returns are intended for particular purposes, for example, payment of school fees or sponsorship of a particular sport and its programmes. Funding sports involved such as; recruitment and training of personnel, purchase of equipment, construction

of standard facilities, transportation and care of athletes all require large sum of money. Finally, Sports Support Fund has been established to provide financial assistance towards participation in extra-curricular programs. These will encourage unity of the nation and healthful benefits to participation.

#### Recommendations

- ✓ Government of all levels such as Federal, State and Local should exercise their responsibilities and functions as provided in the National Sports Development Policy (1989).
- ✓ Appeal fund and dinner should be encourage from time to time in order to generate fund for Sports.
- ✓ Extramural/Intramural Sports competitions should be organized regularly for development of skills and general participation in games/sporting activities.

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