



2009

**3RD QUARTER  
BUDGET  
IMPLEMENTATION  
REPORT**

**Budget Office of the Federation  
Federal Ministry of Finance, Abuja**

## FOREWORD

I am delighted to present this 3<sup>rd</sup> Quarter Budget Implementation Report for 2009, which provides detailed information on the allocation of public resources among competing socio-economic needs through the Federal Budget. These Quarterly Budget Implementation Reports serve as instruments through which the Ministries, Departments and Agencies of Government can be held responsible for the expenditure and revenues they administer, and the achievement of the objectives of government as elucidated in the 7-Point Agenda.

Section 30 of the *Fiscal Responsibility Act 2007* mandates the preparation and publication of Quarterly Reports to monitor and evaluate the implementation of the Annual Budget. These Quarterly Reports are required to be presented to the Fiscal Responsibility Commission and the Joint Finance Committee of the National Assembly, and are to be widely disseminated to the general public and other stakeholders through electronic and other media. The 2009 1<sup>st</sup> and 2<sup>nd</sup> Quarters Budget Implementation Reports were duly published earlier in the year, and the 3<sup>rd</sup> Quarter Report continues this reporting tradition.

The 3<sup>rd</sup> Quarter Budget Implementation Report is the result of the diligent monitoring, evaluation and analytical work conducted by the Budget Office of the Federation and I commend the team for their hard work and effort. I also recognize the important role of both the Fiscal Responsibility Commission and the National Assembly's Joint Finance Committee in promoting best practice in public financial management, and I look forward to continuing our cooperative work in this regard. Finally, I commend the readers of our in-year budget implementation reports for taking the time to examine their contents and scrutinize the Government's performance in delivering on the promises inherent in the Budget. By so doing, we can all contribute towards ensuring value for money in the utilization of public resources for the benefit of all Nigerians.

**Dr. Mansur Muhtar, OFR**  
Honorable Minister of Finance

## PREFACE

In line with the *Fiscal Responsibility Act 2007*, the Budget Office of the Federation prepares several reports which monitor the implementation of the Federal Budget. These reports include the Quarterly, and Full-Year Budget Implementation Reports. This in-year reporting function is a part of our efforts, at the Federal Ministry of Finance, to promote budget openness, transparency and credibility as key components of our public financial management reforms.

The 2009 Budget places greater emphasis on measurable targets and outputs against which the performance of Federal Ministries, Departments and Agencies (or MDAs) may be assessed. This is in line with our move towards the adoption of results-oriented performance-based budgeting. Accordingly, our periodic reporting work aligns with Mr. President's directive that greater emphasis should be placed on monitoring and reporting on the actual deliverables to be achieved by the MDAs with the financial resources made available to them.

The 2009 fiscal year has been challenging on several fronts as revenue collections have been below expectation. In addition, average capital implementation, though improved from the 1<sup>st</sup> and 2<sup>nd</sup> quarters, remains below expectations. Several efforts have been made to ameliorate these constraints and the results of these efforts have continued to yield better capital expenditure execution rates as the year progressed. Revenue performance has also improved in the second and third quarters of 2009 due to higher oil prices and improvement in some components of non-oil revenue. However, there is still considerable scope for greater efficiency in both revenue collection and budget execution. We expect these indices to improve in the final quarter of the year.

The concerted efforts of various departments of the Budget Office of the Federation have led to the production of the 3<sup>rd</sup> Quarter Budget Implementation Report. Once again, I congratulate the members of the team whose industry and collective efforts resulted in the preparation of this Report, and wish them every success as they continue this important reporting work.

**Dr. Bright Okogu**

Director-General, Budget Office of the Federation

**TABLE OF CONTENTS**

<b>FOREWORD</b> .....	<b>II</b>
<b>PREFACE</b> .....	<b>III</b>
<b>TABLE OF CONTENTS</b> .....	<b>IV</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>v</b>
<b>1.0 INTRODUCTION</b> .....	<b>1</b>
<b>2.0 FINANCIAL ANALYSIS OF THE 2009 BUDGET IMPLEMENTATION</b> .....	<b>3</b>
2.1 KEY ASSUMPTIONS AND PROJECTIONS.....	3
2.2 ANALYSIS OF REVENUE PERFORMANCE.....	4
2.3 FGN BUDGET REVENUE SOURCES.....	10
2.4 EXCESS CRUDE ACCOUNT.....	13
2.5 EXPENDITURE DEVELOPMENTS.....	14
2.5.1 <i>Non-Debt Recurrent Expenditure</i> .....	14
2.5.2 <i>Debt Service</i> .....	17
2.5.3 <i>Statutory Transfers</i> .....	17
2.5.4 <i>Capital Expenditure Performance</i> .....	18
<b>3.0 MACROECONOMIC DEVELOPMENTS AND ANALYSIS</b> .....	<b>21</b>
<b>4.0 CAPITAL PROJECT IMPLEMENTATION REPORT</b> .....	<b>25</b>
4.1 INTRODUCTION.....	25
4.2 PHYSICAL MONITORING AND EVALUATION:.....	27
<b>5.0 CONCLUSION</b> .....	<b>81</b>
<b>APPENDIX A</b> .....	<b>84</b>

## EXECUTIVE SUMMARY

The macroeconomic environment for implementation of the 2009 Budget improved during the first three quarters of 2009. The improvement in macroeconomic stability resulted from various interventions by the Government and the gradually improving global economic environment. Economic growth has remained resilient, with provisional data from NBS projecting 7.58% real GDP growth for the third quarter, improving from the 4.50% and 7.22% recorded in the first and second quarters of the year respectively. Year-on-year headline inflation declined from 14% in January 2009 to 10.4% in September 2009, with core inflation reducing to 7.4% over the same period. The official and parallel market exchange rates have also demonstrated greater convergence as a result of the Central Bank's interventions to further liberalize the inter-bank market.

In spite of these improving macroeconomic indicators, the implementation of the 2009 Budget in the first three quarters encountered significant challenges. Specifically, revenue receipts from both oil and non-oil revenue sources underperformed within the period causing a financing gap that posed serious challenges to the execution of the budget as passed. Data from the Office of the Accountant-General of the Federation indicates a shortfall of about N666.07 billion (or 24.8%) in total revenue available to the three tiers of government. Similarly, the aggregate revenue available for implementation of the Federal Government Budget fell short of the projected level of N1,698.91 billion by N404.59 billion (or 23.8%). However, the shortfall was made up by drawings from the unspent balances from the 2008 fiscal year, accumulated savings in the Excess Crude Account, increased domestic borrowing and concessional loan facilities.

By the end of the third quarter, the Federal Government's actual non-debt recurrent expenditure amounted to N1,213.39 billion compared to the budgeted estimate of N1,190.23 billion. Consequent on this, the recurrent (non-debt) expenditure exceeded the budgeted estimate by N23.16 billion (or 1.95%). The practice of releasing funds in advance to some agencies of government accounted for this excess. Government spending to meet debt servicing obligations and transfers to statutory bodies of government were fully implemented while releases for the implementation of capital projects achieved 92.55% of the estimate of N796.92 billion within the period.

Capital budget implementation averaged 44.46% by the end of the third quarter of 2009 indicating a gross utilization of N327.94 billion of the N737.53 billion cash-

backed by the Office of the Accountant-General of the Federation (OAGF). Though marginally higher than the second quarter's performance, it falls below expectations. Of the 43 MDAs reported on by the OAGF as at the end of the third quarter, 25 (or 58%) of the MDAs (including Power, Education, Health, and Works) had utilization rates below the overall average of 44.46%. It is noteworthy that these MDAs which are critical to the achievement of this Administration's 7-Point Agenda have consistently performed below average over the period under review.

In an effort to have MDAs improve on the implementation of their budgets as passed by the National Assembly, the Government instituted a number of measures including: the monthly assessment at the Federal Executive Council of MDAs' implementation of their budgets, the simplification of the procurement processes with the introduction of higher executive approval thresholds and the decentralization of procurement procedures to the MDAs.

In order to monitor and evaluate MDAs' implementation of the 2009 capital budget, Budget Office's Monitoring and Evaluation Teams, in collaboration with officials from selected MDAs, conducted field visits to review specific capital projects. This review revealed that progress is being made in the implementation of capital projects, although the pace varies from one MDA to the other while in some cases, it revealed practices which may warrant further investigation.

Finally, while indicators portray continued improvement in the world economic situation, overall revenue is expected to improve in view of the improvement in oil revenues arising from increased oil production, and the anticipated improvement in non-oil revenues in the fourth quarter in line with the traditional trend. Furthermore, the continued review and publishing of this Report which fosters an environment of transparency, accountability, and openness is expected to challenge the MDAs to achieve the promised deliverables in line with Government policies.

## 1.0 INTRODUCTION

1. The 2009 Budget focuses on enhancing the efficiency of Government's expenditure with emphasis on completing ongoing capital projects in priority sectors particularly in line with the 7-Point Agenda. One approach adopted towards actualizing this was the linking of key projects and programmes in the budget to deliverables outlined during the budgeting process<sup>1</sup>. Investments in these sectors were aimed at improving the quality of life of Nigerians, engender and address infrastructural inadequacies, particularly in power and transportation, human capital development, food security and the development of the Niger Delta.

2. The total revenue accruable for distribution among the three tiers of government was projected at N2,687.55 billion for the first 3 quarters of the year. This revenue target was not met as the total revenue available for distribution among the tiers of government over the period was N2,021.48 billion. Aside from revenue from royalties, all other revenue categories fell below budgeted estimates. The aggregate oil revenue (net of costs and derivation) achieved 74.4% of the budgeted estimate of N1,498.56 billion while the aggregate non-oil revenues similarly achieved only 76.19% of the budgeted estimate of N1,188.99 billion for the period. The underperformance of both oil and non-oil revenue made financing budgeted expenditure in the Federal Budget a major challenge. In order to maintain essential expenditure, the Federal Government augmented revenue with funding from the unspent balances from the 2008 fiscal year, drawings from the Excess Crude Account, domestic borrowing and concessional loan facilities.

3. As at the third quarter, actual recurrent expenditure was N1,440.76 billion, representing 2.69% over the budgeted estimate of N1,402.97 billion. The practice of making personnel cost advances to some MDAs early in the year accounts for this. Actual capital expenditure and transfers were N737.53 billion and N127.94 billion respectively, bringing Government expenditure as at the end of the third quarter to N2,306.23 billion. This amounts to 99.14% of the budgeted estimate of N2,326.35 billion.

4. The rest of this report is organized as follows: Chapter 2 undertakes a concise analysis of revenue and expenditure in the first half of 2009; Chapter 3 presents a macroeconomic analysis of the economic environment for budget implementation

---

<sup>1</sup> Please see the First and Second Quarter Budget Implementation Reports for more details.

within the period; Chapter 4 provides a detailed account of capital budget implementation while Chapter 5 provides a brief conclusion to this report.



## 2.0 FINANCIAL ANALYSIS OF THE 2009 BUDGET IMPLEMENTATION

### 2.1 Key Assumptions and Projections

5. The 2009 Budget was based on the Medium-Term Fiscal Framework (MTFF). Table 1 summarizes some of this framework's key assumptions.

Table 1: 2009 Budget: Key assumptions and Targets for 2009 Budget

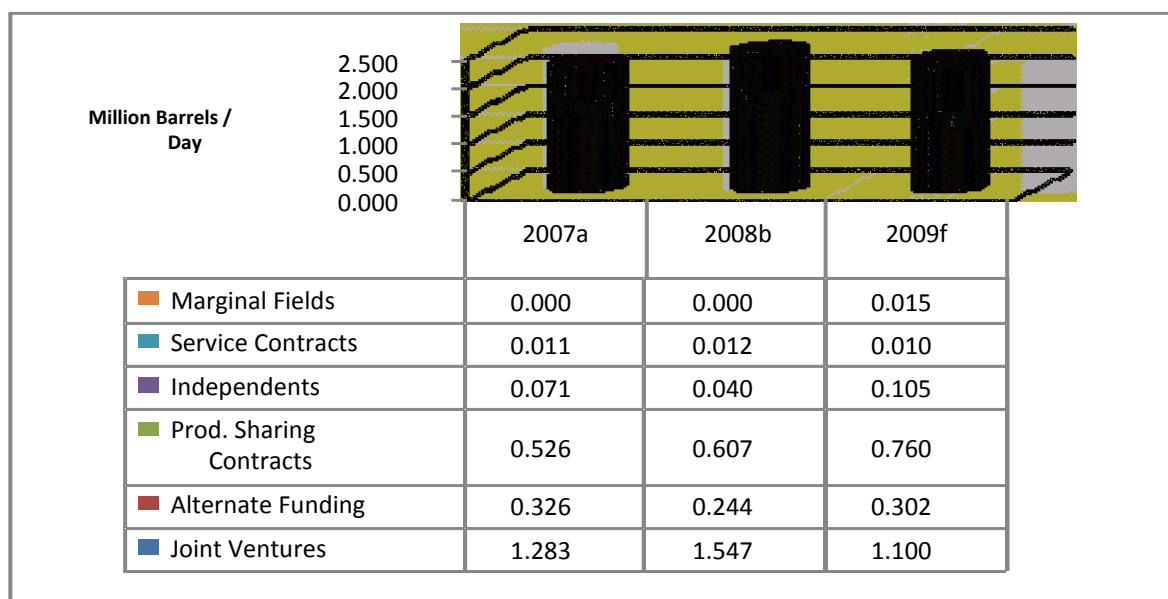
S/N	KEY ASSUMPTIONS & TARGETS	2009
1	Projected Production (in mbpd)	2.292
2	Production Quota (in mbpd)	1.88
3	Actual Production (Average [in mbpd] over first quarter)	2.05
4	Budget Benchmark Price (per barrel in US\$)	45
	<b>Technical cost of JV pbl to Oil Companies:</b>	
5	Operating expenses (T1) in US\$	6.38
6	Capital expenses (T2) in US\$	4.93
	<b>Technical cost of PSC/SC pbl to Oil Companies:</b>	
7	Operating expenses (T1) in US\$	7.46
8	Capital expenses (T2) in US\$	14.88
	<b>Technical cost of Gas:</b>	
9	Operating expenses (T1) in US\$	0.34
10	Weighted average rate of PPT - JV Oil	85%
11	Weighted average rate of PPT -PSC/SC Oil	50%
12	Weighted average rate of Royalties - JV Oil	19%
13	Weighted average rate of Royalties - PSC/SC Oil	1.75%
14	Average exchange rate (NGN/US\$)	125
15	VAT Rate	5%
16	CIT Rate	30%
17	Weighted average import duty rate	14%

**Source:** Budget Office of the Federation, and NNPC

6. The assumptions and targets were made after extensive consultations with revenue-collecting agencies whilst taking underlying economic conditions into consideration. Oil revenue assumptions were adjusted for the risk of disruption to oil production given the challenges in the Niger Delta and volatilities in the

international oil market. However, the amnesty and peace initiatives of Mr. President in the Niger Delta region are already yielding positive results. *Chart 1* and *Table 2* below give a picture of the shift of production among business arrangements.

Chart 1: Breakdown of Oil Production by Business Arrangement 2007 – 2009



**Source:** NAPIMS/NNPC

7. The 2009 Budget was based on a crude oil production assumption of 2.292 million barrels per day (mbpd) compared to the assumption of 2.45 mbpd projected for the 2008 Budget. A Budget Benchmark Price of US\$45 per barrel was adopted in view of the falling international price of oil and revised price expectations for the 2009 fiscal year at the budget planning stage. The weighted average rate for major oil taxes accruing to the Federal Government and other data are shown in *Table 2*.

## 2.2. Analysis of Revenue Performance

8. With the gradual recovery of the world economy from the economic crisis which resulted in a sharp fall in the demand for commodities including oil, the international price of oil has maintained an upward trend. Consequently, the international price of crude oil has remained consistently above the budget

benchmark price since the first quarter. Data from the Nigerian National Petroleum Corporation indicate average oil lifting of 2.085 mbpd in the quarter. This position is expected to improve considerably over the next quarter with the anticipated impact of the Presidential amnesty on oil production.

9. Based on the revenue framework derived from the assumptions in *Table 1* upon which the 2009 Budget was based, the gross federally collectible revenue for 2009 was projected at ₦5,305.3 billion. Of this sum, oil revenue was projected to contribute about ₦3,114.82 billion (or 58.71%) while the balance of ₦2,190.48 billion (or 41.29%) was expected from non-oil and other sources. ₦3,978.96 billion gross collectible revenue was expected for the first three quarters of 2009.

Table 2: Detailed Assumptions for Oil Production and Taxes

SHARE OF OIL PRODUCTION	PERCENTAGE
Joint Ventures	47.99%
Alternative Funding	13.18%
Production Sharing Contracts	33.16%
Independents	4.58%
Service Contracts	0.44%
Marginal	0.65%
<b>Total Production</b>	<b>100.00%</b>
<b>PPT Rates</b>	
Joint Ventures	85.00%
Alternative Funding	85.00%
Production Sharing Contracts	50.00%
Independents	85.00%
Service Contracts	30.00%
Weighted average – JV	85.00%
Weighted average - PSC/SC	49.70%
<b>Royalty Rates</b>	
Joint Ventures	18.50%
Alternative Funding	18.50%
Production Sharing Contracts	1.75%
Independents	18.50%
Service Contracts	1.75%
Weighted average – JV	18.50%
Weighted average - PSC/SC	1.75%

Source: Budget Office of the Federation and the Nigeria National Petroleum Corporation

### *Oil revenue performance*

10. With regards to oil revenue, crude oil sales underperformed against the budgeted estimate of N1,384.82 billion by N249.78 billion (or 18%) as at the end of the third quarter. Petroleum Profits Tax, and Gas sales similarly underperformed against the budgeted estimates of N479.09 billion, and N189.92 billion by N35.03 billion (or 7.3%), and N120.19 billion (or 63.3%) respectively. However, Royalties exceeded the budgeted estimate of N239.57 billion by N15.25 billion (or 6.4%) for the period. Indications from the Department of Petroleum Resources (DPR) suggest that improvement in receipts in the first and second quarters of 2009 from oil companies indebted to government, was largely responsible for this increase in royalties. (Please see *Table 3* below).

11. Net oil revenue, after allowing for costs and other deductions, consequently fell short of the projection for the third quarter of 2009 by N382.93 billion or 25.55%. This underperformance was attributed to the shortfall in oil production volume compared to the target of 2.292 mbpd.

### *Non-Oil revenue performance*

12. Revenue from non-oil taxes has been increasing considerably in recent years and this trend is expected to continue as reforms by the FIRS and NCS begin to yield results<sup>2</sup>. Non-oil tax revenues are premised on several assumptions regarding growth rates in the relevant GDP bases for the different taxes, the effective tax ratio of collection, and an efficiency factor to account for operational improvements in the various tax administration agencies. The underlying tax bases for CIT, VAT and Customs Duty are Nominal GDP liable for companies' annual profits, total consumption liable for value added taxation, and import cost insurance and freight respectively. However, a number of factors including efficiency issues, the ongoing global economic downturn with its impact on GDP and international trade have contributed to the under-achievement of the non-oil revenue projections as at the third quarter of 2009. In retrospect, the projected revenues for Customs and Excise, CIT and VAT revenues were also based on overly optimistic assumptions regarding increases in efficiency of the operations of the relevant tax collection agencies.

---

<sup>2</sup> Please see the Second Quarter Report

13. The gross non-oil revenue receipts by the end of the third quarter of 2009 amounted to N950.01 billion. This represents a 24% under-achievement of the budgeted estimate of N1,250.25 billion as at the third quarter of 2009. The Value Added Tax (VAT) receipts for the same period amounted to N349.3 billion representing a shortfall of N85.7 billion (or 19.7%) from the budgeted estimate of N435 billion. VAT receipts for the third quarter of the year amounted to N127.1 billion representing a shortfall of N17.9 billion (or 12.34%) compared to the budgeted quarterly estimate. Similarly, Customs and Excise Duties collections fell short of the budgeted quarterly estimate of N125 billion by N46.36 billion (or 37.1%). Cumulatively, the Customs and Excise Duties receipts underachieved against the budgeted estimate of N375 billion for 2009 as at the third quarter by N169.55 billion (or 45.2%). However, the Companies Income Tax (CIT) performed positively against the estimated quarterly estimate of N146.75 billion by N44.89 billion (or 30.6%) though it fell short of the target of N440.25 billion for the period ending in the third quarter by N44.99 billion (or 10.2%).

14. Trend analyses of non-oil receipts over the period indicate a drop from N277.19 billion in the first quarter to N275.45 billion in the second quarter. This however improved significantly by N121.92 billion (or 44.3%) in the third quarter. Furthermore, the aggregate underperformance of non-oil revenue receipts compared to overly ambitious targets notwithstanding, this category of revenue has witnessed a gradual growth over collections at similar points in time in the previous fiscal years.

15. *Chart 2* below gives a pictorial overview of revenue as at the end of the third quarter of 2009. The chart indicates that crude oil and gas sales fell short of the projected sales figure while oil taxes performed slightly below projected levels. Non-oil taxes also under-performed significantly against projections in the period.

# 3rd Quarter budget implementation report | 2009

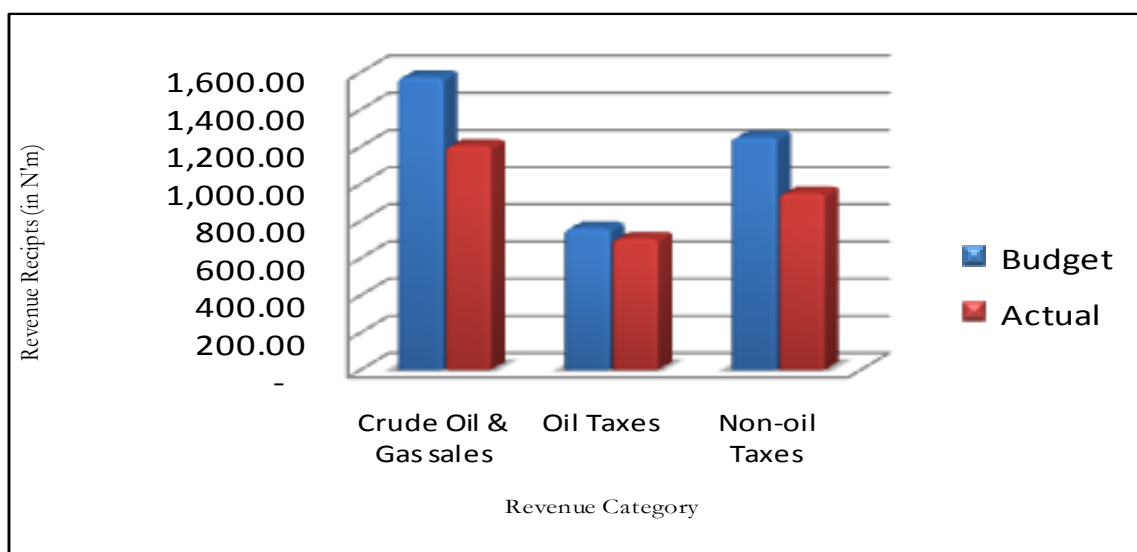
Table 3: Net Distributable Revenue as at September 2009

S/N	DESCRIPTION	BUDGET			ACTUAL				VARIANCE							
		2009	QTRLY	3 QTRS	1ST QTR	2ND QTR	3RD QTR	3 QTRS	3RD QTR Vs QTRLY EST.		3RD QTR Vs 1ST QTR EST.		3RD QTR Vs 2ND QTR EST.		ACT. Vs EST. (AS AT 3RD QTR)	
	OIL REVENUE	N bns	N bns	N bns	N bns	N bns	N bns	N bns	N bns	%	N bns	%	N bns	%	N bns	%
1	Crude Oil Sales	1,846.42	461.61	1,384.82	472.87	358.58	303.59	1,135.04	(158.02)	-34.2%	- 169.28	-35.8%	(54.99)	-15.3%	- 249.78	-18.0%
2	Petroleum Profit Tax (PPT)	638.78	159.70	479.09	149.30	126.43	168.33	444.06	8.63	5.4%	19.03	12.7%	41.90	33.1%	- 35.03	-7.3%
3	Royalties	319.42	79.86	239.57	98.87	82.98	72.96	254.81	(6.89)	-8.6%	- 25.91	-26.2%	(10.02)	-12.1%	15.25	6.4%
4	Gas Tax	47.80	11.95	35.85	-	-	-	-	(11.95)	-100.0%					- 35.85	-100.0%
5	Gas	253.23	63.31	189.92	26.18	18.29	25.30	69.77	(38.01)	-60.0%	- 0.88	-3.4%	7.01	38.3%	- 120.16	-63.3%
6	Others	9.16	2.29	6.87	0.76	1.44	5.30	7.50	3.01	131.4%	4.54	597.1%	3.86	267.9%	0.63	9.1%
7	<b>Sub-Total</b>	<b>3,114.82</b>	<b>778.70</b>	<b>2,336.11</b>	<b>747.98</b>	<b>587.72</b>	<b>575.47</b>	<b>1,911.17</b>	(203.23)	-26.1%	<b>- 172.50</b>	<b>-23.1%</b>	(12.25)	-2.1%	- 424.94	-18.2%
8	Joint Venture Cash Calls (JVCCs)	818.17	204.54	613.63	178.03	183.47	207.45	568.95	2.91	1.4%	29.41	16.5%	23.98	13.1%	- 44.67	-7.3%
9	<b>Sub-Total</b>	<b>2,296.65</b>	<b>574.16</b>	<b>1,722.49</b>	<b>569.94</b>	<b>404.25</b>	<b>368.02</b>	<b>1,342.22</b>	(206.14)	-35.9%	<b>- 201.92</b>	<b>-35.4%</b>	(36.23)	-9.0%	- 380.27	-22.1%
10	Derivation	298.56	74.64	223.92	67.71	52.38	46.48	166.57	(28.16)	-37.7%	- 21.23	-31.4%	(5.90)	-11.3%	- 57.35	-25.6%
11	Excess Crude, PPT, Royalty	-	-	-	49.04	0.48	10.49	60.01	10.49		- 38.55	-78.6%	10.01	2086.5%	60.01	
12	<b>TO FEDERATION ACCOUNT</b>	<b>1,998.09</b>	<b>499.52</b>	<b>1,498.56</b>	<b>453.19</b>	<b>351.39</b>	<b>311.05</b>	<b>1,115.63</b>	(188.47)	-37.7%	<b>- 142.13</b>	<b>-31.4%</b>	(40.34)	-11.5%	- 382.93	-25.6%
	<b>NON-OIL TAXES</b>															
13	Value Added Tax (VAT)	580.00	145.00	435.00	113.39	108.81	127.10	349.30	(17.90)	-12.3%	13.71	12.1%	18.29	16.8%	- 85.70	-19.7%
14	Companies Income Tax (CIT)	587.00	146.75	440.25	101.34	102.28	191.64	395.26	44.89	30.6%	90.29	89.1%	89.36	87.4%	- 44.99	-10.2%
15	Customs & Excise Duties (Customs)	500.00	125.00	375.00	62.45	64.36	78.64	205.45	(46.36)	-37.1%	16.18	25.9%	14.28	22.2%	- 169.55	-45.2%
16	<b>Sub-Total</b>	<b>1,667.00</b>	<b>416.75</b>	<b>1,250.25</b>	<b>277.19</b>	<b>275.45</b>	<b>397.37</b>	<b>950.01</b>	(19.38)	-4.6%	<b>120.18</b>	<b>43.4%</b>	121.92	44.3%	- 300.24	-24.0%
17	Cost of Collection – VAT	23.20	5.80	17.40	4.54	4.35	5.08	13.97	(0.72)	-12.3%	0.55	12.1%	0.73	16.8%	- 3.43	-19.7%
18	Cost of Collection – CIT	23.48	5.87	17.61	4.05	4.09	7.67	15.81	1.80	30.6%	3.61	89.1%	3.57	87.4%	- 1.80	-10.2%
19	Cost of Collection – Customs	35.00	8.75	26.25	4.37	4.51	5.50	14.38	(3.25)	-37.1%	1.13	25.9%	1.00	22.2%	- 11.87	-45.2%
20	<b>TO FEDERATION ACCT</b>	<b>1,028.52</b>	<b>257.13</b>	<b>771.39</b>	<b>155.37</b>	<b>158.04</b>	<b>257.10</b>	<b>570.51</b>	(0.03)	0.0%	<b>101.73</b>	<b>65.5%</b>	99.06	62.7%	- 200.88	-26.0%
21	<b>Total VAT Pool Account</b>	<b>556.80</b>	<b>139.20</b>	<b>417.60</b>	<b>108.86</b>	<b>104.46</b>	<b>122.01</b>	<b>335.33</b>	(17.19)	-12.3%	<b>13.16</b>	<b>12.1%</b>	17.55	16.8%	- 82.27	-19.7%
22	<b>TOTAL FEDERATION ACCOUNT</b>	<b>3,026.61</b>	<b>756.65</b>	<b>2,269.95</b>	<b>608.56</b>	<b>509.43</b>	<b>568.16</b>	<b>1,686.15</b>	(188.49)	-24.9%	<b>- 40.40</b>	<b>-6.6%</b>	58.73	11.5%	- 583.81	-25.7%
	<b>DISTRIBUTABLE REVENUE</b>															
1	Federation Account	3,026.61	756.65	2,269.95	608.56	509.43	568.16	1,686.15	(188.49)	-24.9%	- 40.40	-6.6%	58.73	11.5%	- 583.81	-25.7%
2	VAT Pool Account	556.80	139.20	417.60	108.86	104.46	122.01	335.33	(17.19)	-12.3%	13.16	12.1%	17.55	16.8%	- 82.27	-19.7%
	<b>Grand Total</b>	<b>3,583.41</b>	<b>895.85</b>	<b>2,687.55</b>	<b>717.42</b>	<b>613.89</b>	<b>690.17</b>	<b>2,021.48</b>	(205.68)	-23.0%	<b>- 27.24</b>	<b>-3.8%</b>	76.28	<b>12.4%</b>	<b>- 666.07</b>	<b>-24.8%</b>

Source: The OAGF and Budget Office of the Federation

16. While receipts from oil revenue sources fell below projections due principally to actual production shortfall, receipts from non-oil sources underperformed against projections for various reasons including the cyclical nature of the revenue sources, the impact of the global economic downturn, and the over-ambitious projections for non-oil revenues. However, a significantly positive position is expected in the fourth quarter when the implementation of the presidential amnesty programme would have impacted clearly on oil production volumes, and as is the trend, non-oil revenues peak.

Chart 2: Projected Vs Actual FAAC revenues receipts (as at September 2009)



**Source:** Budget Office of the Federation

### *Distributable Revenue*

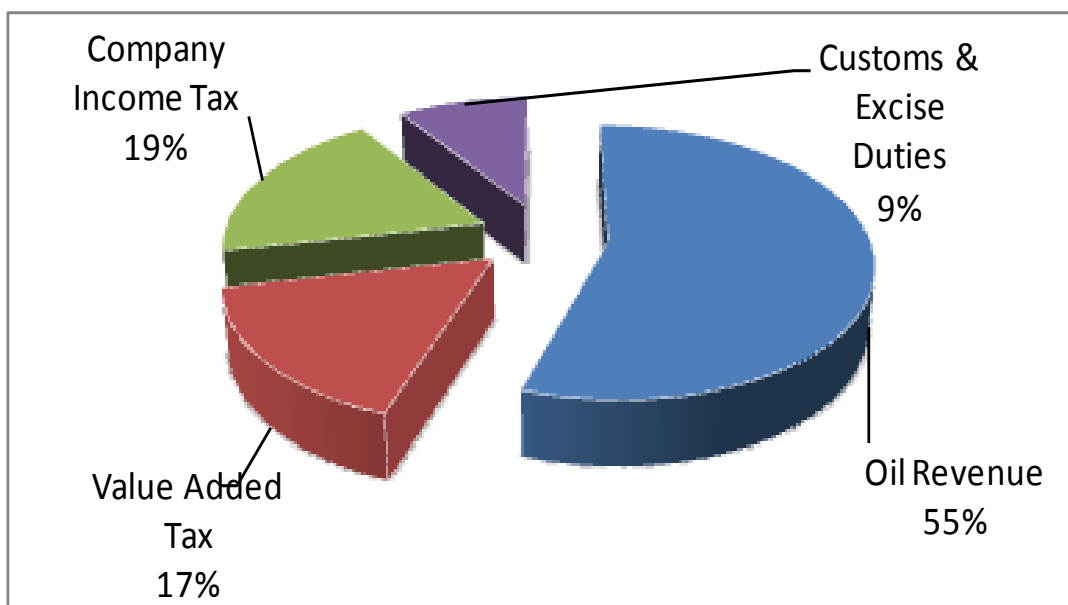
17. As a direct impact of the underachievement of the overall revenue receipts, the total distributable revenue available for distribution among the three tiers of government in the third quarter was N690.17 billion, which was lower than the budgeted quarterly estimate of N895.85 billion by 23%. The amount available for distribution in the third quarter however increased over the second quarter's by 12.4%. Consequently, the total actual amount distributable to the three tiers of government as at the end of the third quarter, was N2,021.48 billion. This represents a revenue shortfall of about N666.07 billion (or 24.8%). *Chart 3* below, shows the contribution of the revenue sources to this position. This position is expected to

further improve in view of the impact of the Presidential amnesty programme on oil production, and the trend in non-oil revenue growth by the fourth quarter of the year.

### 2.3 FGN Budget Revenue Sources

18. In line with the existing revenue sharing formula, the FGN's share of revenue from the Federation Account for 2009 is estimated at ₦1,516.47 billion with other non-FAAC revenues contributing to a projected aggregate revenue of ₦2,265.21 billion. As presented in *Table 4* below, an inflow of ₦1,698.91 billion was expected by end of September, 2009.

Chart 3: Breakdown of contribution to distributable revenue (net of costs as at 3<sup>rd</sup> Quarter)



**Source:** Budget Office of the Federation



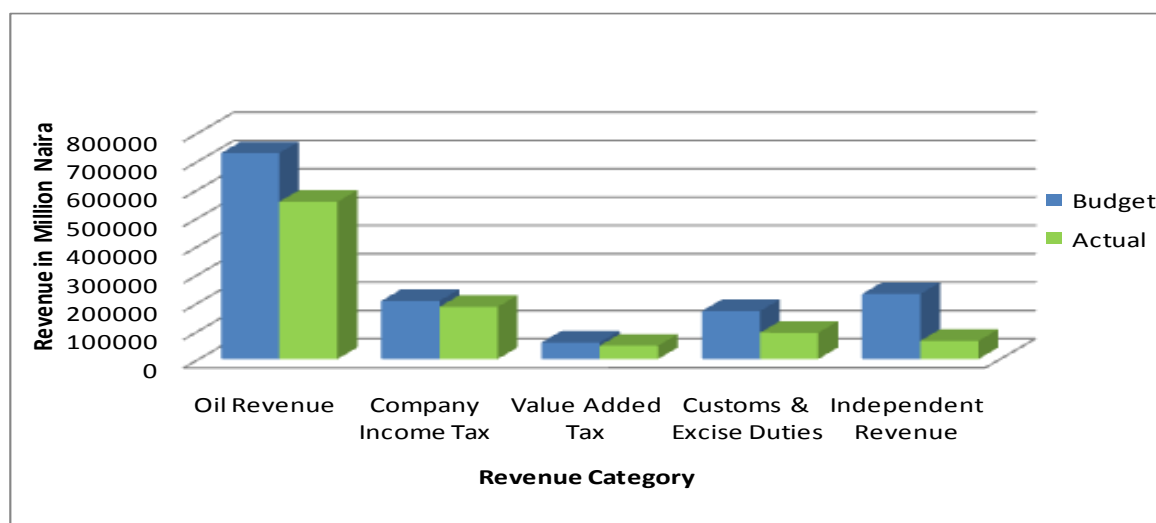
# 3rd Quarter Budget Implementation Report | 2009

Table 4: Projected Inflows to the 2009 Federal Budget (in N' millions)

DESCRIPTION		BUDGET		ACTUAL		VARIANCE (As at 3rd Quarter)	
		Annual	Estimate (Jan-Sept)	Third Quarter	As at 3rd Quarter Year (Jan-Sept)	Amount	%
Inflows for Federal Budget (CRF)							
a	Share of Oil Revenue	969,071.324	726,803.493	150,861.474	555,069.957	(171,733.536)	-23.6%
b	Share of Non-Oil	882,754.200	662,065.650	151,616.711	387,760.661	(274,304.989)	-41.4%
	Share of VAT	77,952.000	58,464.000	17,082.004	46,946.364	(11,517.636)	-19.7%
	Share of CIT	273,307.200	204,980.400	89,226.375	184,032.112	(20,948.288)	-10.2%
	Share of Customs	225,525.000	169,143.750	35,469.027	92,667.450	(76,476.300)	-45.2%
	Independent Revenue	305,970.000	229,477.500	9,839.304	64,114.734	(165,362.766)	-72.1%
c	FGN's Share of Actual Balances in Special Accts	48,565.757	36,424.318	0.000	0.000	(36,424.318)	-100.0%
d	FGN's Balances in Special Levies Accounts	64,818.272	48,613.704	47,313.700	47,313.700	(1,300.004)	-2.7%
e	FGN's Unspent Balances of previous Fiscal Year	300,000.000	225,000.000	128,424.940	304,168.888	79,168.888	35.2%
<b>Sub-Total (Excl. Unspent Bal. Of previous FY)</b>		<b>1,965,209.554</b>	<b>1,473,907.165</b>	<b>349,791.885</b>	<b>990,144.318</b>	<b>(483,762.848)</b>	<b>-32.8%</b>
<b>Grand -Total</b>		<b>2,265,209.554</b>	<b>1,698,907.165</b>	<b>478,216.824</b>	<b>1,294,313.205</b>	<b>(404,593.960)</b>	<b>-23.8%</b>

Sources: Budget Office of the Federation and the OAGF

Chart 4: FGN Budget revenue – Budget Vs Actual (as at September 2009)



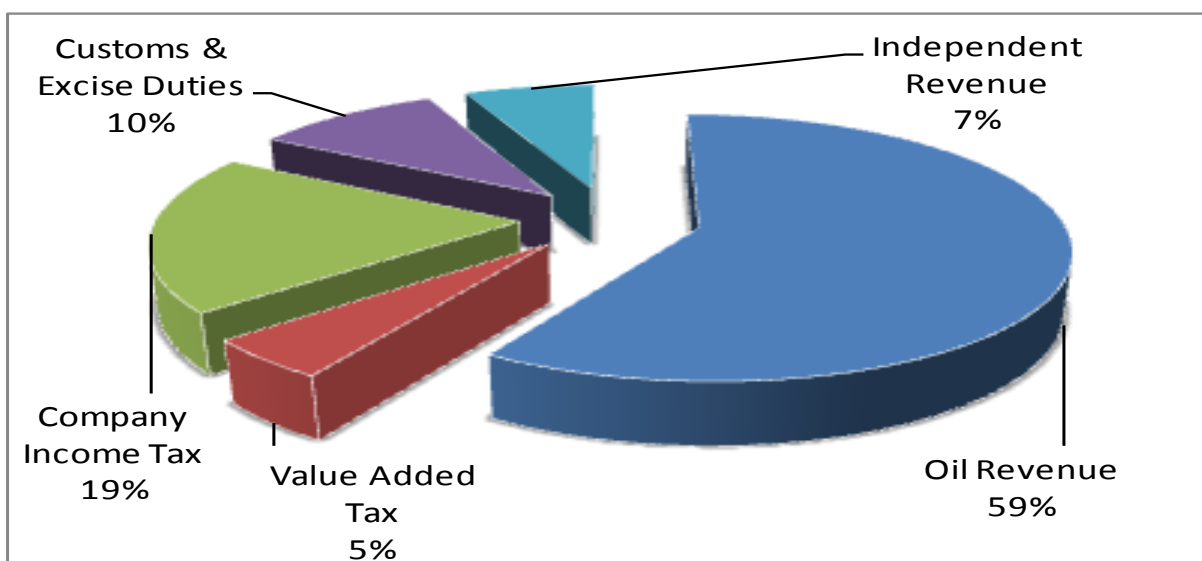
Source: The OAGF & Budget Office of the Federation

19. The FGN's share of oil revenue in the quarter was N150.86 billion (or 62.3% of N242.27 billion projected for the quarter) bringing the aggregate oil revenue accruing to the FGN budget to N555.07 billion as at the third quarter. This implies a shortfall of N171.73 billion (or 23.63%) when compared to the projection of N726.8 billion for the period.

20. The aggregate sum of N141.78 billion was realized as the FGN's share of VAT, CIT and Customs in the third quarter. Following the trend in revenue receipts in the quarter, this represents a shortfall of N2.4 billion (or 1.7%) compared to the estimate of N144.2 billion for the quarter. Cumulatively, the FGN's share of this category of revenue as at the third quarter was N323.65 billion compared to the budgeted estimate of N432.59 billion in the period. This represents an under-performance of this revenue group by N108.94 billion or 25.18%, though the third quarter receipts in this revenue category recorded an improvement of N50.51 billion over the N91.27 billion received as at the end of the second quarter. It is expected that a better performance would be recorded by the fourth quarter in this category as the historical trend has usually been for higher receipts during the latter part of the year. Federal Government Independent Revenue also recorded an under-performance of N165.36 billion (or 72.06%) as only N64.12 billion was realized against the expected sum of N229.48 billion in the period. (Please see *Table 4* and *Chart 4 above*).

21. An estimated sum of N1, 698.91 billion was projected to fund the FGN budget in the first three quarters of 2009. However, the actual FGN Budget revenue receipts realized for the period, excluding utilization of unspent balances recovered from the previous fiscal year, was N990.14 billion; thus resulting in a revenue shortfall of N483.76 billion or 32.82%. The 2009 Revenue Framework estimated an unspent balance of N300 billion from the 2008 Budget. However, as at the end of the third quarter, N304.17 of unspent balances from 2008 had been used to finance the 2009 Budget. *Chart 5* below shows the percentage distribution of inflows into the FGN budget as at September 2009.

Chart 5: Actual percentage contribution to the FGN Budget revenue (as at Sept 2009)



Source: The OAGF and Budget Office of the Federation

## 2.4 Excess Crude Account

22. The Excess Crude Account (ECA) was set up to smoothen government expenditure and so, mitigate against pro-cyclicality in government spending by saving revenues in excess of budgeted revenue based on the benchmark price for oil. Inflows into the Excess Crude Account (ECA) as at end September 2009 amounted to N72.74 billion. This is clearly reflective of the below-budget performance of oil revenues as a direct impact of low oil production volumes within the period. The performance of the Excess Crude Account in this period is presented in *Table 5*.

Table 5: 2008 Actual Vs Actual Inflow into the Excess Crude A/C (as at Sept 2009)

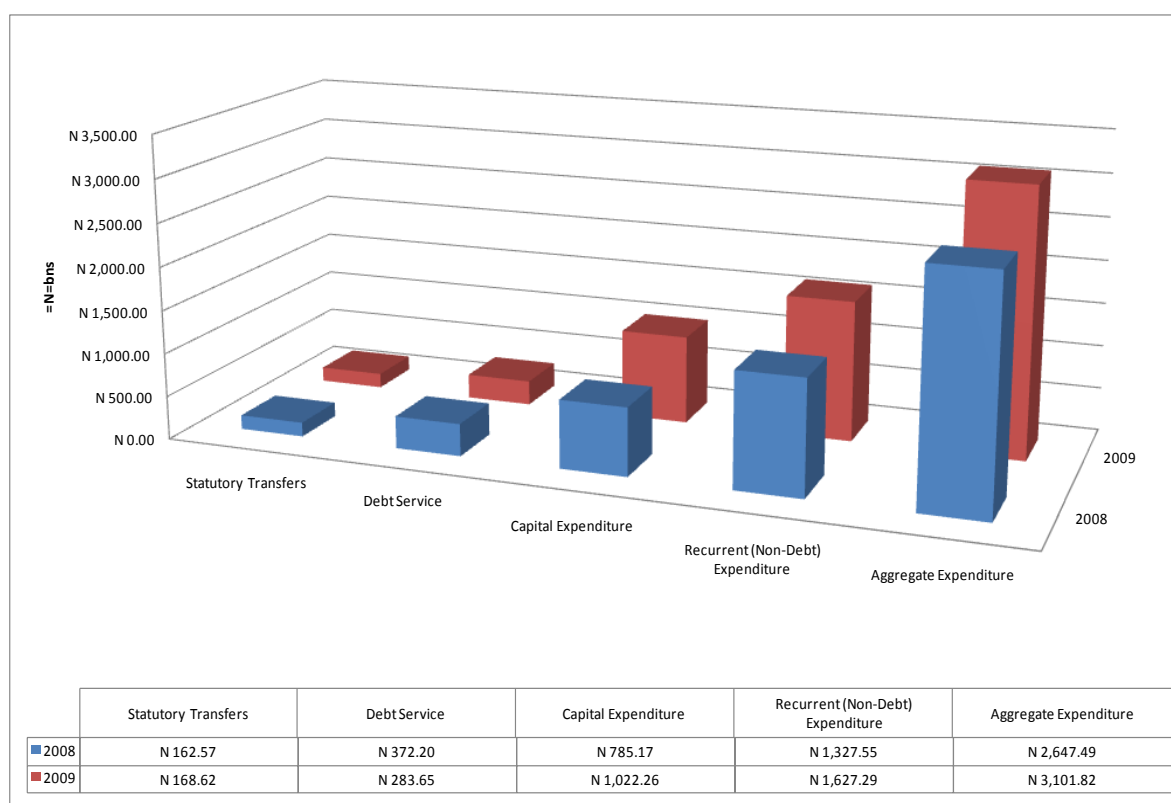
Description	Actual (N'Bns)		Actual (N'Bns)
	2008 Annual	Jan-Sept 2008	Jan-Sept 2009
Crude Oil Sales	1,728.45	1,296.34	60.39
Petroleum Profit Tax	706.03	529.52	-
Royalties	247.56	185.67	12.35
<b>Total</b>	<b>2,682.04</b>	<b>2,011.53</b>	<b>72.74</b>

Source: Office of the Accountant-General of the Federation

## 2.5 Expenditure Developments

23. In furtherance of the Government’s national economic development plans, the 2009 Budget invests in growth and development with emphasis on the need to complete ongoing projects. Consequently, of the N3.1018 trillion appropriated for the 2009 fiscal year, N1.0223 trillion (or 33%) was allocated to the implementation of capital programmes and projects. This was a marked improvement over the allocation of 23.52%, and 29.66% in 2007 and 2008 respectively<sup>3</sup>. *Chart 6* and *Chart 7* below further demonstrate the distribution of expenditure in 2007 – 2009.

Chart 6: 2008 Amended Budget vs. 2009 Budget Expenditure Profile



Source: Budget Office of the Federation

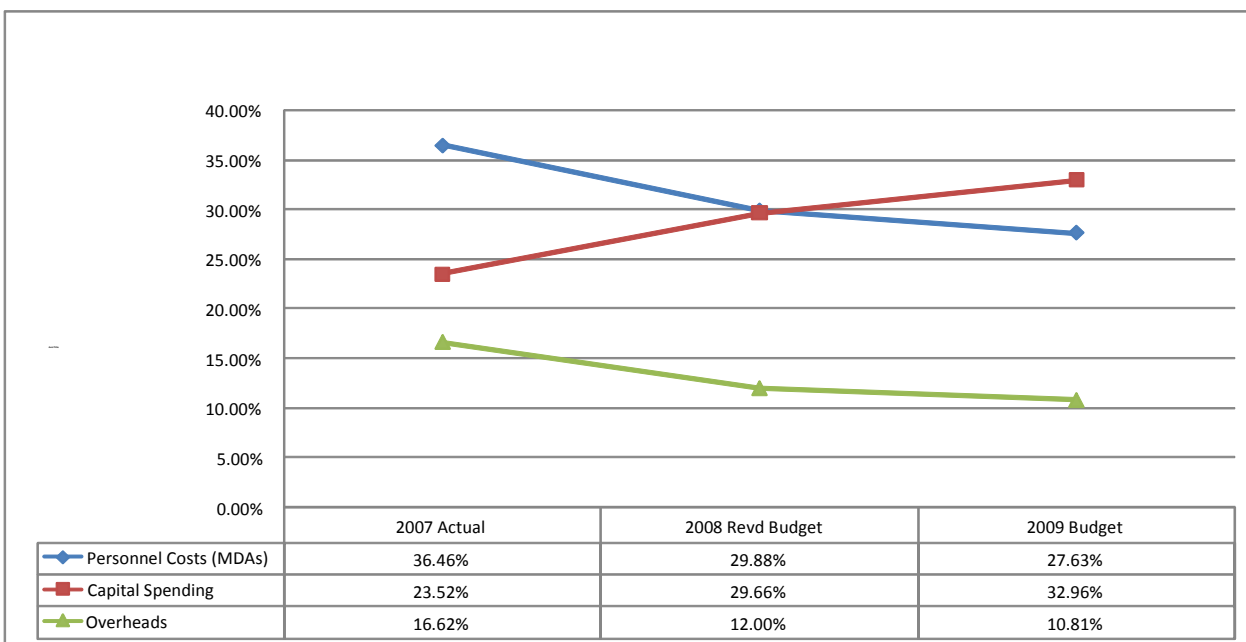
### 2.5.1 Non-Debt Recurrent Expenditure

24. In tandem with increasing levels of Government’s annual aggregate expenditure, recurrent expenditure has been rising in absolute terms over the medium term. Considering the recent revenue constraints, and the need to develop the

<sup>3</sup> This was discussed in more detail in the First and Second Quarter Reports

national economy through improvements in infrastructure, security, and the real sectors of the economy, Government has taken steps to increase efficiency in expenditure while curbing recurrent expenditure. As seen in *Chart 7* below, both Personnel and Overhead costs are falling as a percentage of Aggregate Expenditure.

Chart 7: Payroll, Overhead & Capital Expenditure Trends (2007 – 2009)



**Source:** Budget Office of the Federation

25. By the close of the third quarter of 2009, the Federal Government’s actual non-debt recurrent expenditure amounted to N1,213.39 billion compared to the budgeted estimate of N1,190.23 billion implying an excess over budget by N23.16 billion (or 1.95%). The operational system of personnel cost release was largely responsible for this variance. By this practice, bulk release of the projected personnel cost of some MDAs like the Department of Petroleum Resources, Petroleum Training Institute, and Nigeria’s overseas missions, Food and Agriculture Organization, Nigeria’s defence missions, and the UNESCO Paris are made to the MDAs at the beginning of the year. This position however normalizes by the fourth quarter. The actual expenditure on recurrent (debt) expenditure in the third quarter of 2009 exceeded the budgeted estimate of N212.74 billion by N14.62 billion (or 0.04%). Please see *Table 6* below. Total recurrent expenditure consequently achieved 102.69% of budget in the first half of 2009. Please see *Table 6* below.

# 3rd Quarter Budget Implementation Report | 2009

Table 6: FGN Budget Expenditure and Fiscal Account (in N'm)

	FGN EXPENDITURE	BUDGET		ACTUAL		Variance (as at 3rd Quarter)	
		Annual	Proportionate Jan- Sep	Third Quarter	Jan- Sept	N	%
9	<b>RECURRENT (Non-Debt)</b>						
	Personnel Cost	856,892	642,669	242,896.40	687,995.28	45,326.28	19.85%
	Pension	161,592	121,194	25,742.00	102,252.80	-18,941.20	-64.81%
	Pension Redemption Funds		-	8,837.50	26,512.33	26,512.33	293.77%
10	Overhead Cost	568,493	426,370	113,006.60	396,638.77	-29,730.98	-24.91%
	<b>Sub Total</b>	<b>1,586,977.00</b>	<b>1,190,232.75</b>	<b>390,482.50</b>	<b>1,213,399.18</b>	<b>23,166.43</b>	<b>1.95%</b>
	<b>RECURRENT (Debt)</b>						
	Domestic Debts			116,426.14	194,719.75	-18,017.75	263.79%
	Interest on Ways & Means	283,650	212,738	2,138.02	4,159.12	4,159.12	307.68%
	Foreign Debts			8,763.00	28,485.66	28,485.66	259.96%
	<b>Sub Total</b>	<b>283,650</b>	<b>212,738</b>	<b>127,327.16</b>	<b>227,364.53</b>	<b>14,627.03</b>	<b>6.88%</b>
11	<b>Total Recurrent</b>	<b>1,870,627</b>	<b>1,402,970</b>	<b>517,809.66</b>	<b>1,440,763.71</b>	<b>37,793.46</b>	<b>2.69%</b>
12	<b>CAPITAL EXPENDITURE</b>						
	Capital Releases	1,062,556	796,917	354,326.90	737,530.91	-59,386.09	-7.45%
	<b>Total Capital</b>	<b>1,062,556</b>	<b>796,917</b>	<b>354,326.90</b>	<b>737,530.91</b>	<b>-59,386.09</b>	<b>-7.45%</b>
13	<b>TRANSFER</b>						
	Transfer (15% NDDC)	51,310	38,483	25,658.80	38,488.20	5.70	0.01%
	National Judicial Council	78,000	58,500	-	58,500.00	0.00	0.00%
	Universal Basic Education	39,300	29,475	9,825.70	29,477.24	2.24	0.01%
	Refund of Signature Bonuses	-	-	-	-	0.00	
	FGN Derivation Ecology A/c Mandate wrongly Debited	-	-	1,007.90	-	0.00	
	Loan to Foreign Countries		-	1,474.60	1,474.60	1,474.60	
14	<b>Sub Total</b>	<b>168,610</b>	<b>126,458</b>	<b>35,951.20</b>	<b>127,940.04</b>	<b>1,482.54</b>	<b>1.17%</b>
15	<b>TOTAL EXPENDITURE</b>	<b>3,101,793</b>	<b>2,326,345</b>	<b>908,088</b>	<b>2,306,235</b>	<b>-20,110.09</b>	<b>-0.86%</b>
16	<b>Deficit / Surplus</b>	<b>-836,583</b>	<b>-627,438</b>	<b>- 429,870.96</b>	<b>- 1,011,921.45</b>	<b>-384,483.87</b>	<b>108.54%</b>

Source: The OAGF

### 2.5.2 Debt Service

26. By the end of the third quarter of 2009, the Federal Government's securitized domestic debt had increased from N2,320.31 billion as at end of 2008 and N2,812.79 billion as at half year to N3, 058.19 billion. This represents an increase of 31.8 percent over the 2008 position. The increased issuances of FGN Bonds and Nigeria Treasury Bills (NTBs) accounts for the growth over the period. The outstanding domestic debt figure is made up of FGN Bonds (62.52%), NTBs (24.64%), Treasury Bonds (12.82%), and Development Stocks (0.02%). The FGN expenditure<sup>4</sup> on Domestic Debt Service in the third quarter summed up to N194.34 billion.

27. Data from the Debt Management Office indicated that the Federal Government's stock of external debt increased from US\$3,720.36 million as at end of 2008 to US\$3,863.93 million, as at end of the third quarter of 2009. This represents an increase of 3.86 percent over the 2008 position as at 30<sup>th</sup> September, 2009 and an increase by US\$144.69 million (or 3.89%) over the second quarter position of US\$3,719.24 million<sup>5</sup>. The increase over this period is attributable to the additional disbursements on IDA, ADF and IFAD loans during the period under review. The breakdown of the external debt outstanding as at 30<sup>th</sup> September, 2009 shows that Multilateral Debt amounted to US\$3,400.23 million constituting 88 percent of the total external debt stock while the remaining balance, amounting to US\$463.70 million and representing 12 percent of total external debt stock were Non-Paris Club and Commercial Debt. The external debt service payments as at end of the third quarter of 2009 amounted to US\$143.23 million (or about N28.49 billion) compared to US\$91.15 million for the second quarter, reflecting an increase of US\$52.08 million (or 57.14%). Of the payments made during the third quarter of 2009, US\$69.45 million or 48 percent was paid to Multilateral Creditors, while US\$73.78 million or 52 percent was paid to Non-Paris Club Bilateral and Commercial Creditors.

### 2.5.3 Statutory Transfers

28. Statutory transfers are made to the Niger Delta Development Commission (NDDC), the National Judicial Council (NJC), and the Universal Basic Education Commission (UBEC). The transfer to the NDDC is geared towards the development

<sup>4</sup> See Table 6 (FGN Budget Expenditure and Fiscal Account) of this Report.

<sup>5</sup> This position was explained in the 2009 Second Quarter Budget Implementation Report.

of the oil producing Niger Delta region while that for the NJC is an independent revenue source for the judicial arm of government. The transfer to UBEC is aimed at funding the Government's programmes of attaining a minimum level of basic education in the country. As at the third quarter of 2009, statutory transfers have been fully implemented as planned for the period.

### **2.5.4 Capital Expenditure Performance**

29. In line with the spirit of performance-based-budgeting adopted by this Administration, and in order to ensure accountability, transparency and judicious utilization of funds allocated to MDAs, efforts were made to institute a feedback mechanism aimed at deriving value for every kobo expended by government on capital projects while ensuring prompt release of Capital Warrants<sup>6</sup> beginning from the first quarter. This required that measurable deliverables by which MDAs' performance will be measured be identified and attached to key projects and programmes of MDAs to afford government the opportunity to report on budget implementation.

30. The OAGF implemented a total capital budget release of N737.53 billion, representing capital warrant releases for the period in addition to the supplementary budget release, and payments through Authority to Incur Expenditure (AIE) as at the third quarter. Of the total capital warrant release, the OAGF cash-backed N737.53 billion. However, as at the end of the third quarter of 2009, only 44.46% of this sum had been utilized by the MDAs<sup>7</sup>.

31. A review of the 43 MDAs reported on (in *Appendix 1*), show a relatively low level of utilization of the capital warrants releases as at the third quarter of the year. For instance, 25 (or 58%) of the MDAs (including Power, Works, Housing & Urban Development, Police Affairs/Formation and Commands, Education, and Health) had a utilization rate below the overall average utilization rate of 44.46%. The average utilization of funds credited to these MDAs by the OAGF has consistently been below the overall average as at end of the third quarter. It is noteworthy that the ministry of Police Affairs and the Police Service Commission failed to utilize any portion of its capital funds in the quarter, according to the report.

---

<sup>6</sup> This was discussed in more detail in the 2009 First Quarter Implementation Report.

<sup>7</sup> Please see Appendix 1 of this Report



32. A further review of the utilization rates indicates that about 9% of the MDAs with an utilization rate above the overall average in the second quarter, dropped significantly in their utilization ratios as at end of the third quarter of the year. MDAs in this category include the Federal Ministry of Aviation (from 77.25% to 16.85%), and the Niger Delta Ministry (from 100% to 48.68%). This may however not be unconnected with the seasonal impact on the execution of the MDA's construction projects. The Federal Ministry of Agriculture and Water Resources achieved 72.65% capital utilization rate in the third quarter as against 59.01% utilization rate in the second quarter. *Chart 8* below further shows the performance of these sampled MDAs. The implementation report on these MDAs' capital projects/programmes as at the end of the third quarter of 2009 is presented in the fourth chapter of this Report.

33. Highlights of seven MDAs sampled in view of their relevance to the achievement of this Administration's 7-Point Agenda, and their performances are shown in *Table 7* below. This extraction from *Appendix 1* shows a significantly low level of utilization by the sampled MDAs. However, despite the slight increase in capital fund utilization rates in the third quarter, some MDAs recorded remarkable utilization of their capital funds in the third quarter over and above the second quarter performance while some others recorded a reverse in their utilization rates.

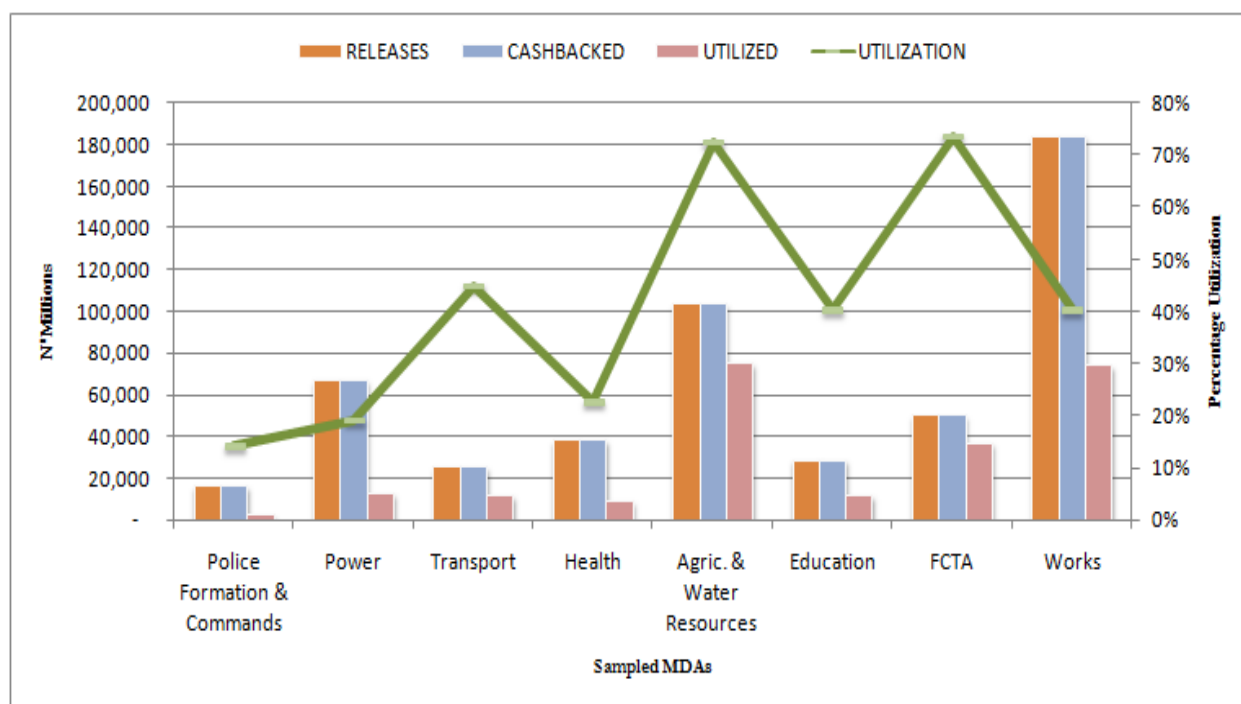
# 3rd Quarter Budget Implementation Report | 2009

Table 7: A Sample MDAs' Capital Budget Utilization Report as at Sept. 2009 (in N' millions)

MDA	CAPITAL WARRANT RELEASES				PAYMT. THROUGH AIE	TOTAL RELEASES	CASHBACKED	UTILIZED	% UTILIZATION
	1st QTR	2nd QTR	3rd QTR	1st & 2nd WARRANT SHORTFALL					
Police Formation & Commands	2,801.43	-	5,331.16	7,860.89	-	15,993.47	15,993.47	2,246.89	14.05%
Power	28,324.87	17,051.20	22,178.77	121.78	-	67,036.73	67,036.73	12,721.38	18.98%
Transport	1,526.27	5,643.22	4,429.75	-	13,805.28	25,404.52	25,404.52	11,393.97	44.85%
Health	13,322.95	4,010.04	12,091.85	5,704.39	3,261.73	38,177.96	38,183.21	8,632.35	22.61%
Agric. & Water Resources	20,006.74	19,757.29	34,469.56	23,407.69	-	103,641.29	103,566.29	75,042.76	72.46%
Education	10,799.24	2,871.91	8,390.24	4,945.23	1,999.73	28,693.64	28,675.13	11,544.46	40.26%
FCTA	3,178.63	29,046.37	16,662.50	1,100.00	-	49,987.50	49,987.50	36,820.14	73.66%
Works	28,906.90	101,355.19	52,121.24	1,750.71	-	184,114.04	184,114.04	73,976.99	40.18%
<b>Total average utilization (by all MDAs)</b>									<b>44.46%</b>

Source: The OAGF and BOF

Chart 8: Pictorial representation of selected MDAs utilization



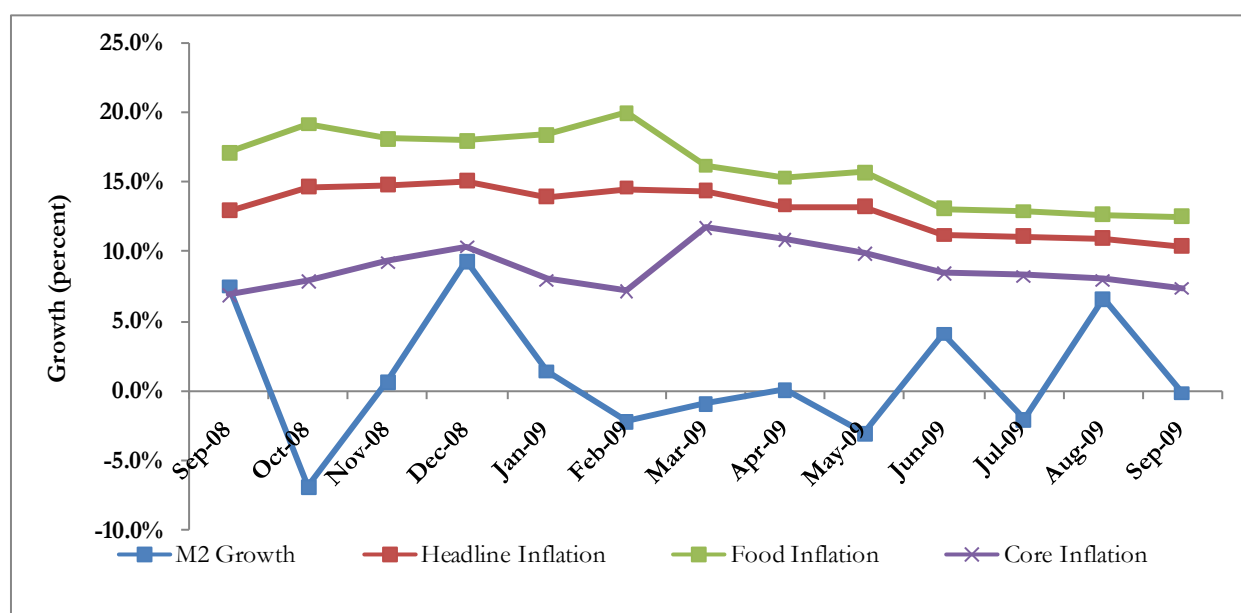
Source: BOF and OAGF

### 3.0 MACROECONOMIC DEVELOPMENTS AND ANALYSIS

34. As the global economy begins to show signs of recovery from the effects of the global recession, growth prospects for the economy continue to improve. The National Bureau of Statistics (NBS) has given a provisional estimate for real GDP growth in the third quarter of 2009 as 7.58 %. This is an improvement over the growth rates for the first and second quarter of the year given as 4.50 % and 7.22 %, respectively. Hence, all indicators point to growth remaining relatively robust in 2009, especially as the CBN moves to intervene in the banking sector and the amnesty efforts of this Administration continue to yield positive results in the oil sector.

35. Inflation figures for the third quarter continued the downward trend displayed over most of the first half of the year. The drop in headline inflation to 10.4% year-on-year was driven largely by core inflation which dropped to 7.4% while food inflation moderated slightly to 12.7% year-on-year. There are several indications that this moderation in inflation figures is a consequence of slackening demand due to the effects of the global recession on the Nigerian economy. Broad money grew by 5.6% year-on-year by the end of September 2009. Although credit to the private sector grew by 31% year-on-year, net foreign assets dropped by 19% which according to the CBN indicates a slowdown in aggregate demand and has led to the CBN continuing the utilisation of an accommodative monetary policy.

Chart 9: Inflation and M2 Growth Rate

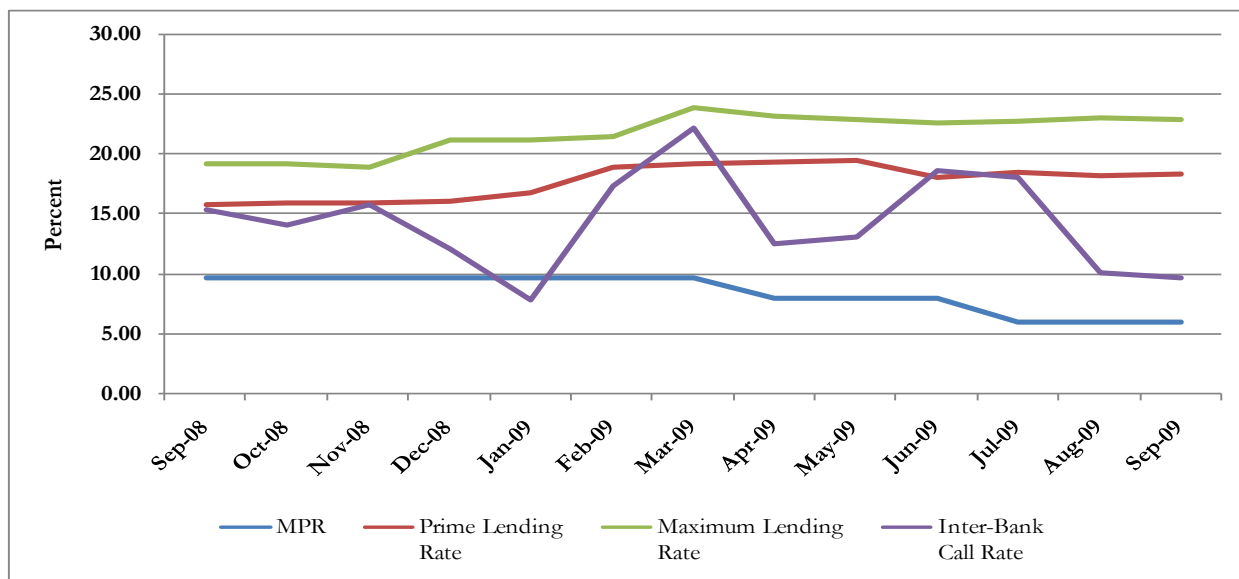


Source: Central Bank of Nigeria, 2009; National Bureau of Statistics, 2009.

36. The CBN maintained the Monetary Policy Rate at 6% throughout the third quarter in continuation of its efforts to achieve convergence between the MPR and inter-bank rates through the use of the Monetary Policy Framework. These efforts yielded some results in the money market as the inter-bank call rate dropped to 9.7%. However, the prime and maximum lending rates grew by 16% and 20% respectively year-on-year. The trend in interest rates between September 2008 and September 2009 is represented in *Chart 10*.

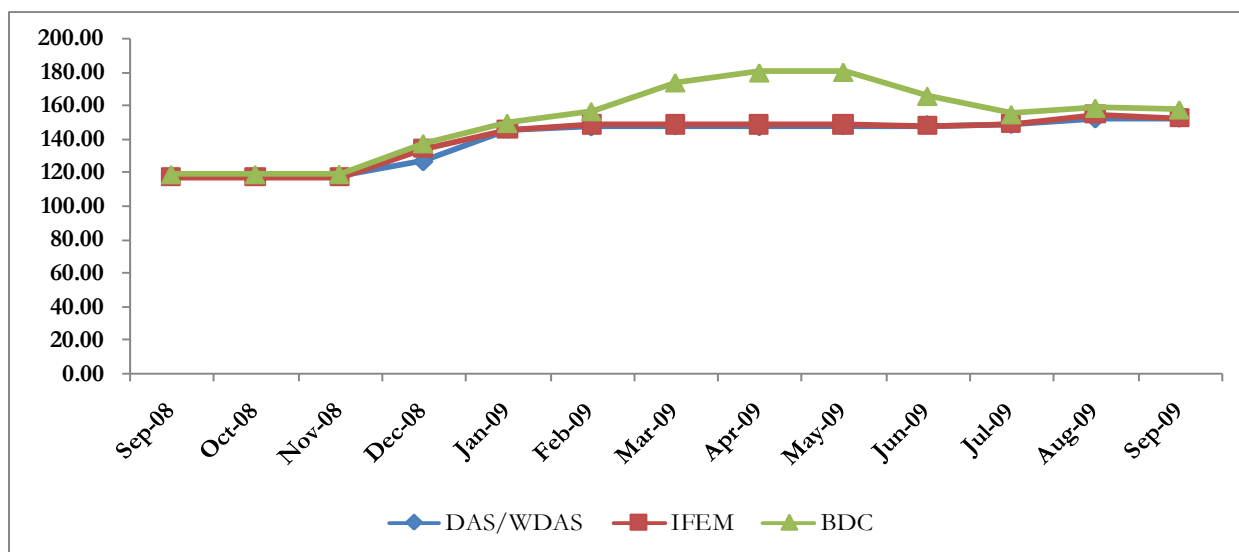
37. According to the CBN, the return to the Wholesale Dutch Auction System (WDAS) and the measures adopted in liberalising the interbank market have led to a reduction in exchange rate volatility. The US\$/N exchange rate on the WDAS stood at 152.30 at the end of the third quarter while the Bureau De Change (BDC) and Interbank Foreign Exchange Market (IFEM) rates stood at 158 and 153.25 respectively.

Chart 10: Interest Rates Trend



*Source: Central Bank of Nigeria, 2009*

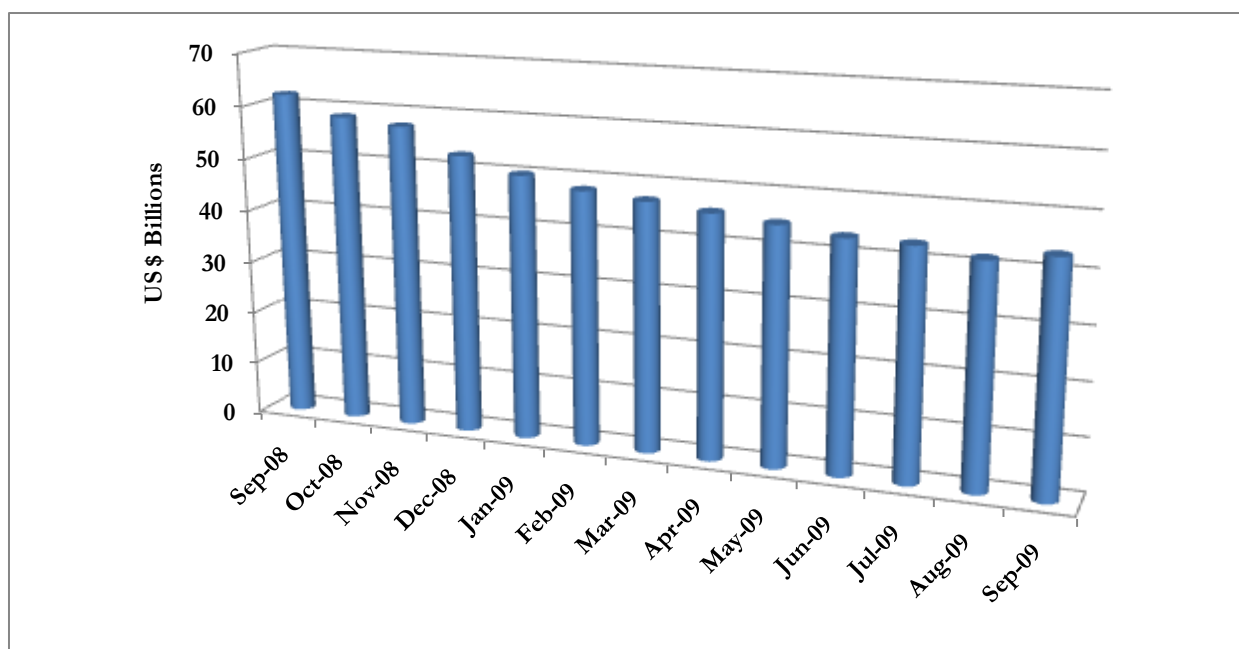
Chart 11: Naira/US\$ Exchange Rates Trend



*Source: Central Bank of Nigeria, 2009*

38. The country’s external reserves which have been on the decline since late 2008 (declined by 30.2% year-on-year) stood at US\$43.34 billion at the end of the third quarter of 2009. *Chart 12* below depicts this position.

Chart 12: Level of External Reserves



*Source: Central Bank of Nigeria, 2009*

39. Developments within the domestic economy continue to improve as shown by the indicators summarised above. Hence, we expect the upward trend in GDP growth to continue into the rest of the year as the recovery of the global economy gathers momentum.

## **4.0 CAPITAL PROJECT IMPLEMENTATION REPORT**

### **4.1 Introduction**

40. The 7-Point Agenda of this Administration served as a guide in the allocation of the capital vote for 2009 as certain sectors were given priority to ensure the actualisation of the goals set out in the 7-Point Agenda. The priority sectors, namely Critical Infrastructure; Security, Law and Order; Land Reform; Food Security; the Niger Delta and Human Capital Development received about 93.2% of the total capital vote for 2009. This chapter provides a detailed review of capital budget implementation within each of these sectors and details a number of deliverables by which the MDAs' performance in 2009 can be measured as outlined in *Table 8* below.

41. In the third quarter, shortfalls in the 1<sup>st</sup> and 2<sup>nd</sup> quarter capital releases were addressed through the release of additional capital warrants. In conjunction with the timely release of third quarter capital allocations as championed by the Cash Management Committee, particularly for projects with seasonal timelines, every effort was made to ensure an increase in the average rate of capital utilization across all MDAs. The spill over effects of the gains from the workshop on Budget Implementation, Monitoring and Evaluation held in March 2009 and the decentralization of the procurement process also led to increased capital utilization rates.

Table 8: Deliverables/Targets of Key Sectors in the 2009 Budget

S/No	MDAS	TARGET/DELIVERABLES TO NIGERIANS IN 2009 FISCAL YEAR
i.	Power	<ul style="list-style-type: none"> <li>▪ Attain 6,000 mw of electricity power generation and distribution by December 2009;</li> <li>▪ Acquire capacity to deliver 1.2bn scf of gas to the domestic market.</li> </ul>
ii.	Works, Housing & Urban Development	<ul style="list-style-type: none"> <li>▪ To complete the construction and rehabilitation of 3,293 km of roads;</li> <li>▪ Maintain over 10,000 km of federal roads annually over the next 3 years;</li> <li>▪ Zonal intervention road projects to cover about 2,400km of roads</li> </ul>
iii.	Health	<ul style="list-style-type: none"> <li>▪ To complete the upgrading and modernization of three Teaching Hospitals (Awka, Calabar and Ile-Ife);</li> <li>▪ To complete the upgrading and modernization of 7 Specialist Hospitals (Kaduna, Lagos, Kano, Calabar, Enugu, Maiduguri and Abeokuta)</li> </ul>
iv.	Internal Security	<ul style="list-style-type: none"> <li>▪ The police targeted to reduce crime by 40% in 7 cities of the Federation in 2009 (i.e., Abuja, Lagos, Kano, Ibadan, Port Harcourt, Maiduguri and Onitsha).</li> </ul>
v.	Agric and Water Resources(Food Security)	<ul style="list-style-type: none"> <li>▪ To increase land under cultivation by 5%;</li> <li>▪ Optimize 220,000 hectares of irrigation infrastructure;</li> <li>▪ Irrigate 12,000 hectares of arable land to increase crop yields by between 50% – 250%; and</li> <li>▪ Increase contribution of agriculture to GDP by 5%.</li> </ul>
Vi	Federal Capital Territory (FCT)	<ul style="list-style-type: none"> <li>▪ To complete the headquarters of:                             <ul style="list-style-type: none"> <li>○ Foreign Affairs Ministry;</li> <li>○ Federal Secretariat Building Phase II (Bullet House);</li> <li>○ Shehu Shagari Complex.</li> </ul> </li> </ul>
Vii	Niger Delta	<ul style="list-style-type: none"> <li>▪ Completion of the East-West Road</li> <li>▪ Completion of youth training/development centres in states in the Niger Delta</li> </ul>

Source: Budget Office of the Federation



## 4.2 Physical Monitoring and Evaluation:

42. The third quarter budget monitoring and evaluation exercise ran from 25<sup>th</sup> October to 3<sup>rd</sup> November, 2009 and covered the six geopolitical zones of the country. During this exercise, a detailed physical assessment of selected projects was carried out in order to monitor the progress made by MDAs in achieving the targets set at the beginning of the year. The sites of various projects in the Agriculture, Defence, Education, Health, Interior, Niger Delta, Office of Secretary to the Government of the Federation, Science and Technology, Transport, Works and Youth Development Sectors were visited, the reports of which are summarized below.

43. All the amounts referenced as released in this Report are as distributed by the respective MDAs' supervising Ministry.

### Federal Ministry of Agriculture and Water Resources:

44. The sum of N138.93 billion was appropriated for the Ministry in the 2009 Budget to drive the delivery of its deliverables which include: the increase in land under cultivation by 5%; optimisation of 220,000 hectares of irrigation infrastructure; irrigation of 12,000 hectares of arable land to increase crop yields by between 50% – 250%; and an increase in its contribution to GDP by 5%. As at the time of this report, the sums of N103.37 billion and N75.04 billion had been released and utilized respectively in the execution of the Ministry's capital projects/programmes. Some of the projects visited by the teams include the following:

#### 45. National Animal Product Research Institute, Zaria

The sum of N137.76 million was appropriated for this institute in the 2009 Budget for the execution of its capital projects and programmes. As at the time of this report, the sum of N121.09 million had been released while N67.54 million had been utilized in the execution of its projects which include the following:

##### *i. Construction of Artificial Insemination (A.I.) Laboratory*

The project is the extension and the rehabilitation of an existing artificial insemination animal pen. The contract was awarded to Ackod Productions Limited at the cost of

N18.65 million. It commenced on 15 June 2009 with a six-month completion date. In the 2009 Budget, the sum of N20.88 million was appropriated for the project. As at the time of our visit, the sum of N12.12 million had been released and utilized to achieve a cumulative 65% completion level.

*ii. Establishment of National Breeding Programme*

This is an animal production research project and the contract was awarded to Messrs Funtofik Marchant, Salmalik Enterprises Limited and Prime Livestock Services at the cost of N21.12 million on 14<sup>th</sup> July 2009 with a six-month completion period. The sum of N20.12 million was appropriated to the project in the 2009 Budget; same had been released and utilized to achieve 100% completion level.



Picture 1: Animal Pen at National Animal Product Research Institute, Zaria

46. National Food Reserve Agency

A total of N34.82 billion was appropriated to this agency in the 2009 Budget for the execution of its capital projects/programmes. As at the end of the period under review, the sums of N26.62 billion and N13.36 billion had been released and utilized respectively for the execution of its projects/programmes which included among others, the following:

*i. FGN Equity Participation in Public Private Partnership (PPP) Tractor Service Scheme:*

The project was initiated to provide a total of 2,760 units of tractors and equipments for the 36 states and the FCT through Public-Private Sector Participation. Under this arrangement, the Federal and State Governments are to provide 25% and 15% of the cost of acquiring the tractors respectively while the vendor or the contractor will provide the balance of 60%. After the procurement, the tractors and equipments are to be sold to the farmers on an instalment basis through their registered cooperative societies who will serve as guarantors for the payment.

The sum of N5 billion was appropriated for the project in the 2009 Budget. Contracts for the project had been awarded with the delivery date set at the 28<sup>th</sup> of November, 2009. As at the time of this report, the sum of N4.1 billion had been released to the MDA but no utilisation was recorded. The project had achieved a cumulative performance of 30% as at the time of monitoring though no work had been done in 2009. The team inspected the 55 units and 50 units of tractors supplied to Kaduna and Jigawa States respectively against the 2008 contract awards. Some of these tractors are shown in *Picture 2* below.



Picture 2: FGN Equity Participation in Public Private Partnership (PPP) Tractor Service Scheme in Kaduna

*ii. Agro Seeds Service Centres*

The project was conceived to make seeds available to farmers through the procurement of certified seeds and seed processing equipment, construction of 9Nos. seeds centres and seed multiplication for livestock and fisheries. The project is to be executed through Public, Private Partnership under the Build Operate and Own Scheme (BOO) in which the Federal Government will contribute 40% of the total project cost while private investors will contribute the balance of 60%. The sum of N1.5 billion was appropriated for the project in the 2009 Budget while the sums of N950.68 million and N285.49 million had been released and utilized respectively as at the time of this report. The team visited three seed centres: Premier Seeds Nigeria Limited, Zaria, Maslaha Seeds Limited, Funtua and Jigawa Agric Supply Company Limited, Birnin-Kudo. Each seed centre comprises of an administrative block, a store for unprocessed seeds, a production hall and a store for processed seeds. Construction work on each of these three centres were at various stages of completion, with the work being most advanced at the Premier and Maslaha centres which had both been roofed and were respectively at 60% and 70% level of completion. The Jigawa centre was being roofed and was at 55% level of completion as at the time of the visit as seen from *Picture 3* below. The second component of the project includes the installation of a 3 ton/hour digitalised seed processing plant, 300 KVA generator and 100 KVA transformer for each centre. The team was informed that the order for the importation of 9 units of seed processing plants will soon be placed.



Picture 3: Jigawa Agric Supply Company Limited Seed Centre, Birnin-Kudu, Jigawa State

47. Federal College of Animal Health and Production Technology, VOM

*i. Equipping and Upgrading of the College Training and Research Farm*

The objective of this project is to train and equip students on how to establish and manage their own farms. The project includes: construction of livestock housing at the college new site in Chaha (milking parlour, calf pen and isolation maternity unit), construction of animal crush/spray ray and insemination unit, Hay stores & feed mill, electrical transmission/ distribution. The project was awarded to various contractors (Jimmy Yeates Nigeria Ltd, Alfa Point Nig. Ltd, KG & T Ltd and Al-Basit Global Concepts Ltd.) at a cost of N92.5 million. In the 2009 Budget, the sum of N53.57 million was appropriated to the project, of which N39.09 million was released. However, as at the time of the visit, this was yet to be utilised as the contract was only awarded in August 2009.

48. National Veterinary Research Institute, Vom

*i. Construction and Equipping of an Independent Bacterial Vaccine Production Laboratory (BVPL) for GMP Compliance*

The project was awarded to Nigerian Laboratories Company Ltd and a consortium of companies at a cost of N419.7 million in June 2009 with a scheduled completion

target of December 2010. The sum of N426.67 million was appropriated in the 2009 budget, of which N311.1 million was released while N129.31 million was utilised to achieve a completion level of 30.81%.

*ii. Equipping of Quality Control Laboratory for Vaccine Production*

The project was conceived to supply and install 2 nos. Class II 4 feet Bio Safety Cabinet, 2nos. Eppendorf Bench Centrifuge, 2 nos. Portable Autoclave, Model Mount Autopsy Station, Portable PM Scale Stand, Supply of Reagents & Chemicals, Kits and Media, as well as Atomic Absorption Spectrophotometer to the Institute. The contract was awarded to Messrs Nigeria Laboratories Co Ltd at a cost of N53.03 million in June 2009, with a completion period which will end by December this year. In the 2009 Budget, the sum of N53.03 million was appropriated for the project. Of this amount, N40 million was released as at the third quarter while N34.64 million had been utilized on the project so far. As at the time of visit, the project had achieved 65.32% level of completion.

*iii. Procurement of Specialised Fittings for the New Bacteria Vaccine Production Laboratory (BVPL)*

The project is in five lots and consists of the supply of laboratory consumables (reagents, chemicals etc.) and the construction/fabrication and installation of laboratory furniture, fixtures and fittings for bacterial vaccine production. The contract was awarded to a consortium of contractors (Dorvins & Sons Ltd, Turner Wright Ltd, Tatonic Business Integrated) at a cost of N146.66 million in June 2009 with a completion period ending December 2009. The sum of N146.66 million was appropriated for the project in the 2009 Budget. Of this amount, N110 million was released as at the third quarter while N104.70 million had been utilized on the project to attain 71.39% level of completion.

*iv. Rehabilitation and Upgrading of Central Diagnostic Laboratory and Outstation*

The project which includes the rehabilitation of Shendam, Kaduna, and Ilorin NVRI Vom outstations was awarded to Sankey Ltd, Image Vibes Ltd and PZ Cussons Ltd respectively in June 2009 at a contract sum of N100 million with a completion target of December, 2009. It was designed to supply equipment for the Central Diagnostic and Outstation Laboratories which will increase the accessibility of the NVRI Services to a larger part of the populace. In the 2009 Budget, the sum of N100 million was

appropriated, of which N75 million was released while N50.10 million was utilised. At the time of monitoring, the project had attained only 15% level of completion due to delays arising from offshore procurement requirements.

*v. Replacement of obsolete equipment for Vaccine Production*

The project which was of 3 lots was awarded to three contractors (Kathey Co Ltd, Steiner Lab. Nig. Ltd, and PZ Cusson Ltd.), at a total cost of N98.72 million in June 2009 with a completion target of December 2009. The sum of N100 million was appropriated to the project, of which N75 million was released while N26.96 million had been utilized so far. As at the time of monitoring, the project had achieved 27.31% level of completion. Offshore procurement processing was attributed as accounting for this relatively low utilization level.

*vi. Special Research Programme: Animal Containment Facility: BSL 3 Laboratory*

The project was conceived for the supply and installation of equipment for African swine fever containment, training of staff on equipment usage and the rehabilitation of the pig containment facility. The contract was awarded to Messrs Jatco Netore International., Niger Lab. Co. Ltd., and Turner Wright Ltd. at the cost of N74.67 million in June 2009 with a completion period of three months while the sum of N9.76 million was to be used for the rehabilitation of the pig bio-containment facility. In the 2009 Budget, the sum of N74.67 million was appropriated for the project. Of this amount, N56 million had been released as at the third quarter while N39 million had been utilized to achieve 52.24% level of completion.

*vii. Procurement of Specialised Input for Vaccine Research and Development*

The project was awarded in two lots to Messrs Turner Wright and Messrs Sankey Ltd. at a cost of N93.52 million in June 2009 and was completed in September 2009. The sum of N96.67 million was appropriated for the project in the 2009 Budget out of which N72.5 million had been released while N16.61 million was utilised as at the third quarter. The project had achieved 36 % level of completion at this time. The major challenges facing the project, according to the MDA, are the difficulties associated with the procurement of offshore equipment (e.g. bureaucracy, tariffs and logistics).

49. Federal College of Horticulture, Dadin-Kowa, Gombe

The College has a mandate to conduct academic training for middle level manpower (technologists, extension agents, cooperatives groups, farmers and processors) at certificate, diploma and higher national diploma level, embark on the collection and multiplication of improved seed and seedlings for distribution to farmers, and conduct vocational training through organized workshops in various horticultural technologies. The sum of N63.08 million was appropriated to the College in the 2009 Budget out of which N44.44 million had been released to the MDA as at the third quarter. The projects include the following visited by the team:

*i. Procurement of Survey Equipment and Workshop Facilities*

The supplies were initiated to provide training facilities for students and equip the college workshop. Contracts for this were awarded to Jabtek Computer Solution for survey equipment at the sum of N13.46 million and Bulldozeways Nig. Ltd for workshop facilities at the sum of N8.25 million. The contracts were awarded in June, 2009 with a completion target of July 2009. In the 2009 Budget, N21.72 million was appropriated, fully released, and utilized to achieve 100% level of completion.

50. National Horticultural Research Institute, Ibadan (NHIR)

*i. Construction of Extension Centre at Badore and Sapele*

This project involves the transfer of new technology in the propagation of fish species such as tilapia, megalops etc. The project which commenced in January 2008 had an appropriation of N20.14 million in the 2009 Budget out of which N15.10 million had been released as at the third quarter. It is scheduled for completion in December 2009. A contract for the construction of a hostel was awarded to Theojab Nig. Ltd. at a cost of N53.88 million out of which N26.94 million had been paid. LHF Nig. Ltd. was contracted to handle the access road/ gate renovation at N27.39 million out of which only N13.69 million was paid to the company. The contract is ongoing at 25% completion level at the time of monitoring.



ii. *Construction of Fish Compaction Laboratory for Development of Fish Feed at Sapele, Badre, Buguma*

The project is focused on producing fish meal for shrimps, megalops atlanticus and tilapia species at different evolutionary stages. The program and projects are located at Badore, Sapele and Buguma and commenced in January 2008. The project cost was N52.41 million. The sum of N41.82 million was appropriated for the project in the 2009 Budget while N31.36 million was released to the MDA as at the third quarter. The financial commitment to this project since inception is N35 million. The project at Badore, Oyo State had attained 40% completion.

### **Federal Ministry of Education**

51. The sector is a priority sector under this Administration's 7-Point Agenda. Total capital releases made to the sector stood at N18.63 billion while the sum of N7.33 billion was utilised on implementation of its capital project/programmes. -The sector recorded a 39.36% capital utilization level by 30<sup>th</sup> September, 2009. Some projects monitored by the teams include the following:

52. FEDERAL POLYTECHNIC, EDE

i. *ICT Technical Training Centre and Computer for Federal Polytechnic*

This project is conceived to give students access to ICT training and research facilities. The sum of N200 million was appropriated to this project in the 2009 Budget, of which N150 million had been released to the MDA as at the third quarter. The project which is being executed by Salvage Engineers Ltd. commenced in March 2009 and is scheduled for completion in December 2009. It was at about 52% completion level as at the time of monitoring.

53. FEDERAL POLYTECHNIC KADUNA

The sum of N157.66 million was appropriated to the Institution for the execution of its capital projects/programmes in the 2009 budget. As at the end of the third quarter, the sum of N118.25 million was released and utilized for the execution of the following projects visited by the team:

*i. Rehabilitation of 2km of Road / Parking Space within campus and Staff Quarters*

This project was initiated to rehabilitate 2km of road/parking space within the campus and staff quarters with the aim of making the school environment safer and more accessible. The contracts were awarded to Messrs Concept Construction Engineering Limited and Steel Enterprises AK at a total cost of N25.32 million on 28 September, 2009 with a 4-week completion target. The sum of N25 million was appropriated for the project in the 2009 Budget, of which N7.5 million was utilized to achieve 45% completion level. Work done includes scarification of pot holes priming of wearied areas, and laying of asphaltic material in some areas.

*ii. Maintenance of Infrastructure of 2Nos. Block 3 Storey Hostel*

The project was conceived to check the continuous deterioration of student hostels. The contracts for the project were awarded to Messrs Xpliril Industries Nigeria Limited, Dankanjiba and Sons Limited, Concept Construction Engineering Limited, and Hand Well Integrated Consultants Nigeria Limited at a total cost of N30 million on 27 July, 2009 with a 5-week completion period. The sum of N30 million appropriated for the project in the 2009 Budget was fully released and utilized to achieve 100% completion.

*iii. Outstanding 2007 Capital Liabilities*

This project was initiated to take care of the payments of some contracts which were awarded in 2007 but were not completed or paid for before funds were mopped up. These projects include the construction of classrooms (N17.88 million), procurement of equipment for the Mass Communication department (N9.35 million) and consultancy fees (N6.55 million). The sum of N33.78 million was appropriated in the 2009 Budget while N29.31 million was released and utilized for this project. As at the time of the team's visit, the procurement of equipment for the Mass Communication department had been completed while the construction of classrooms was at 60% level of completion as shown below.



Picture 4: Ongoing Construction of Classroom at Federal Polytechnic, Kaduna (Permanent Site)

### Federal Ministry of Health

54. The Ministry's deliverables in respect of the 2009 Budget include: to complete the upgrading and modernization of at least three Teaching Hospitals in the country; and to complete the upgrading and modernization of 7 Specialist Hospitals (Kaduna, Lagos, Kano, Calabar, Enugu, Maiduguri and Abeokuta). It was also allocated the sum of N50.8 billion in the 2009 Budget for the execution of these projects/programmes. As at the end of the third quarter, the sums of N37.37 billion and N8.52 billion had been released and utilized respectively to execute among others the following projects/programmes visited by the team:

#### 55. NATIONAL ORTHOPAEDIC HOSPITAL, DALA-KANO

The sum of N98.95 million was appropriated to the institution for the execution of its capital projects/programmes in the 2009 fiscal year. As at the end of the third quarter, the sums of N74.21 million and N70.13 million had been released and utilized respectively to execute the following projects:

##### *i. Completion and Equipping of Auditorium Hall*

The project was designed for the construction and equipping of an auditorium hall which will include lecture halls, tutors' offices and demonstration rooms. The contract was awarded to Messrs Afdin Nigeria Limited at the cost of N72.77 million. It is an

ongoing project which commenced in 2008 and is expected to be completed in 2010. The sum of N25 million was appropriated for the project in the 2009 Budget while N24.76 million had been released and utilized. The sum of N39.76 million had been spent so far to complete the physical structure of the project while outstanding work was the landscaping. The team was informed that the equipping aspect of the project would be taken care of in the 2010 budget.

*ii. Procurement of Orthopaedic Instruments and Equipment (Arthroplasty Sets)*

The project is the supply of 2 sets of general orthopaedic instrument, radiology equipment, 2Nos. anaesthetics machines, total kneel replacement implants and workshop for T.K. arthroplasty. The contract was awarded to Messrs Ado Jones Limited at a total cost of N10 million which was fully appropriated in the 2009 Budget. Of this, the sum of N7.5 million had been released and utilized as at the end of the third quarter. However, as at the time of the team's visit, only two instruments had been supplied with the outstanding two still being expected from the contractor.



Picture 5: Completed Auditorium Hall at National Orthopaedic Hospital, Dala- Kano

56. FEDERAL MEDICAL CENTRE, BIRNIN KUDU, JIGAWA STATE

The centre was allocated the sum of N130.32 million in 2009 Budget to execute its capital projects/programmes. As at the end of the third quarter, the sum of N97.74

million had been released and utilized to execute the following projects visited by the team:

*i. Completion and Extension Block and Compounding*

The contract for this project was awarded to Messrs Bakabo Nigeria Limited at the cost of N30 million in August 2009 and is scheduled for completion by December 2009. The sum of N30 million was appropriated for the project in the 2009 Budget. This amount had been fully released while N10.92 million had been utilized as at the third quarter to achieve 51% level of completion. As at the time of the team's visit, block works had been completed and the roofing rafters were in place. Outstanding works includes plastering, roofing, flooring, painting, installing of windows, door frames, sanitary and electrical fittings.

*ii. Purchase and Installation of Medical Equipment*

The project is the supply of Therapeutic Laser, Haematology Analyzer and Chemistry Analyzer to the Centre. The contract for the project was awarded to Radap Medicals Nigeria Limited at the cost of N13.65 million which was appropriated for the project in the 2009 Budget. Of this amount, N9 million was released and fully utilized as at the third quarter. As at the time of this visit, only the R-Daytona (Randox) Water Distiller had been supplied, installed and put to use. The other equipments were being expected.

*iii. Renovation of Mortuary Roof and Procurement of Mortuary Refrigerator*

The contract for the project was awarded to Messrs Allinat and Associates Limited in November 2009 at the cost of N20 million which was appropriated in the 2009 Budget. Of this amount, N10.7 million had been released and utilized to achieve 65% level of completion. As at the time of the team's visit, work done included completion of block works, roofing, plastering, while outstanding works were the installation of electrical, plumbing, fittings, ceiling, painting and flooring. The team was also informed that the 2009 appropriation for the project could only take care of the construction works while the procurement of items such as the mortuary refrigerator would be provided for in the 2010 Budget.

### 57. FEDERAL PSYCHIATRIC HOSPITAL, ENUGU

The sum of N211.6 million was appropriated for execution of the hospital's capital projects in the 2009 Budget. This was with a view to meeting its accreditation requirements and the provision of quality service delivery. While the sum of N209.53 million representing 99.02% of the capital allocation had been released as at 30th September 2009, N125.54 million, representing 59.3% had been utilised. The projects include:

*i. Completion of Water Supply System for the Hospital*

The project was awarded to Messrs Orleans Global Nigeria Limited at the cost of N44.5 million. The project is aimed at completing water reticulation in the hospital. The sum of N30 million was appropriated for the project while N29.89 million was released as at the third quarter. Due to delays arising from petitions over the pre-qualification exercise, the project started at the end of September 2009. The sum of N14.5 million had been utilised at the time of visit.

*ii. Construction Of Access and Internal Roads*

The project was awarded to Messrs Comec International Limited at a contract sum of N57.95 million to provide the hospital with good asphalted access and internal road network to link all buildings and service areas. The sum of N45 million was appropriated for the project in the 2009 Budget while N44.89 million had been released as at the end of the third quarter. Of this amount, N12.95 million had been utilised to achieve 20% level of completion.

*iii. Procurement of 500KVA Transformer, Internal Reticulation and Armoured Cabling*

The project was awarded to Messrs Cordoquote Ltd at the cost of N64 million. The sum of N50 million was appropriated for the project in the fiscal year while N48.88 million had been released as at the third quarter. Of this amount, N14 million had been utilised to achieve 22% level of completion.

*iv. Completion of Multi-purpose Clinical Services and Training Complex (Extension Phase II)*

The project, aimed at constructing three floor wards and a clinical and support services complex, is being executed by Messrs M-Cee Ltd at a total cost of N209.74 million. The sum of N55 million was appropriated for the project in the 2009 Budget

while N52.49 million had been released to it as at the third quarter to achieve 55% level of completion.



Picture 6: Ongoing Renovation & Upgrading of an Existing Bungalow to a Storey Building, Federal Psychiatric Hospital, Enugu.

### 58. NATIONAL ORTHOPAEDIC HOSPITAL, ENUGU

The total capital appropriation of the hospital in the 2009 fiscal year amounted to N221 million out of which the sum of N166.11 million had been released as at 30th September 2009, representing 75.16% of the total capital appropriation for the following projects;

#### *i. Payment of 2007 Liabilities*

The programme entailed payment for 2007 projects and programmes for which funds were mopped up at the end of the 2007 fiscal year. The payments amounted to N17.48 million which was for contracts and retention fees to 17 contractors for goods and services already supplied and the same was appropriated in the year under review. As at the end of third quarter, N16.85 million had been released to achieve 96% implementation of the payments.

#### *ii. Completion and equipping of 20-Bedded Spinal Cord Injury Block*

The project components include the provision of a theatre room, mini gym, wards, nurses' offices, toilets and reception room as well as water reticulation. The project is being executed by Messrs Moffel Engineering Ltd at the cost of N45.8 million out of

which the sum of N38 million and N15.74 million were appropriated and released respectively. The project was awarded in January 2007 with a scheduled completion target of December 2010. Including the sum of N11.82 million utilized from the released amount, the sum of N19.6 million has so far been committed to the project to achieve 30% level of completion.



Picture 7: Ongoing Construction of 20-Bedded Spinal Cord Injury Block, National Orthopaedic Hospital, Enugu.

### *iii. Completion of the Renovation of Medical Wards and Offices*

The project was awarded to Messrs Onwudinjo Brothers Ltd in January 2007 with a completion date of January 2010. The project's total cost is N45 million out of which the sum of N15 million and N11.21 million were appropriated and released in the fiscal year respectively. The project had achieved 95% level of completion as at the third quarter of the year.

### *iv. Completion and Equipping of Auditorium*

The project, which comprises the construction of an auditorium, 2nos. lecture halls, and toilets, is being executed by Messrs Emayp & Sons Nigeria Ltd at a contract sum of N68.19 million. The project commenced on 1<sup>st</sup> January, 2007 with a scheduled completion date of 31<sup>st</sup> December, 2009. However, in the 2008 fiscal year, there was no appropriation for the project which led to a shift in completion date to 31<sup>st</sup> December, 2010. Of the N50 million released as at the third quarter, the sum of N25.46 million was utilized to achieve 52.29% level of completion. The total amount committed on the project since inception was N36.65 million.





Picture 8: Ongoing Construction of Auditorium, National Orthopaedic Hospital, Enugu.

#### 59. FEDERAL NEURO-PSYCHIATRIC HOSPITAL, MAIDUGURI

The Federal Neuro-Psychiatric Hospital, Maiduguri was established in 1995 to render tertiary mental health services to the North Eastern part of the country. The hospital is located within the Maiduguri Metropolis at Bolori Layout, Baga Road occupying the former Urban Comprehensive Health Centre of the University of Maiduguri Teaching Hospital (UMTH), Maiduguri. The hospital focuses on the provision of clinical services, training and research.

##### *i. Construction of 2 Male Wards*

The construction of 2 nos. male wards with a 48-bed capacity was awarded in March, 2007 to Dalori Construction Nig Ltd at the cost of N49.72 million. The appropriation for the project in the 2009 Budget was N34.55 million while N10.15 million was released and fully utilized. As at the time of visit, work had been completed on the project in September, 2009. Further information from the Chief Medical Director as a result of enquiry by the team on the ratio of financial commitment to work done, revealed that the contractor committed their own funds to complete the project in view of existing relationships.

*ii. Purchase of 250KVA Generator*

The purchase of a 250KVA Generator was to ensure adequate supply of electricity to complement the supply from the National Grid. The contract was awarded to Thabag Consult Nig. Ltd in March 2009 at the cost of N10.06 million as appropriated for the project in the 2009 Budget. This amount had been fully released and utilized to achieve 100% level of completion.

60. FEDERAL MEDICAL CENTRE, NGURU

The Federal Medical Centre, Nguru started operation from the former General Hospital, Nguru in 1999. The hospital has no physical structures to house most of the hospital facilities and equipment as specified by the various regulatory bodies.

*i. Construction of Ante-Natal Ward*

The Ante-Natal ward was constructed in its new site so as to meet up with the ever increasing demand for additional beds to cater for patients. The project has 36 admission rooms with completion date of November, 2009. The contract for construction was awarded to Shame Petro Nig. Ltd in July, 2009 at a cost of N80 million which was fully appropriated in the 2009 Budget. Of this amount, N20.79 million had been utilised as at the third quarter. The only outstanding job is the installation of electrical fillings. The project has attained 97% level of completion.

*ii. Procurement of 6 Number of Bedded ICU equipment*

The contract for the supply was awarded to M/S B.G.B. Nig Ltd. at a cost of N60 million in July, 2009 with completion date scheduled for September 2009. This amount was fully appropriated in the 2009 Budget, released and utilized to achieve 100% level of completion.

*iii. Construction and Equipping of Dialysis Unit*

The contract for the construction and equipping of the Dialysis Unit was awarded to Farm Survival Nig. Ltd in July, 2009 at a cost of N97.85 million as appropriated in the 2009 Budget. Of this amount which was fully released as at the third quarter, only N14.67 million had been utilized to achieve 20% level of completion. The completion target is November, 2009.

*iv. Construction of Accident and Emergency Complex (A&E)*

The Accident and Emergency Complex is designed to allow the hospital to respond to medical emergencies such as: domestic accidents, road traffic accidents and other natural calamities. The contract was awarded to M/S Glocordial Investment Ltd in July, 2009 at a cost of N47 million as appropriated in the 2009 Budget. The sum of N29 million had been released and fully utilised as at the third quarter to achieve a cumulative 50% level of completion. It is scheduled for completion in November 2009. The outstanding jobs include the completion of ongoing block works, flooring, electrical fittings and painting.

*v. Drilling of Borehole, Provision of Over Head Tank*

The scope of work includes the drilling of a borehole, provision of overhead tank, water reticulation and upgrading of an existing borehole for water supply to the Federal Medical Centre, Nguru. The contract was awarded to Jamdua Nig. Ltd in July, 2009 at a cost of N25 million which was fully appropriated in the 2009 Budget. N15 million had been released and utilized on the project as at the third quarter to achieve a cumulative 45% level of completion. The project is scheduled for completion in November, 2009.

### 61. NATIONAL ORTHOPAEDIC HOSPITAL, IGBOBI

*i. Completion and Equipping of Modular Theater*

This project, which was awarded to Marot Constructions in 2008, is estimated to cost N358 million. It had an appropriation of N20.8 million in the 2009 Budget. This project was expected to have been completed by June 2009 but failed because of short fall in releases from the MDA which necessitated a proposal being made for the completion date to be shifted to the fourth quarter of 2010. Out of this amount N10.8 million had been released by the MDA and utilized to bring aggregate work-to-completion to only 3% as at the time of visit. The amount of N10.8 million released in 2009 is the only commitment to the project since inception.

*ii. Rehabilitation of Orthodontics Building*

The project was awarded to I. B. Maye at a total cost of N220 million. In the 2009 Budget, the sum of N150 million was appropriated for the project, out of which N104 million was released and utilized to achieve 70% level of completion. The project commenced in July 2009 and is scheduled to be completed in December, 2009.

### 62. FEDERAL MEDICAL CENTER OWO

#### *i. Construction and rehabilitation of FMC Owo Circular Internal Road*

This contract was awarded in 2009 with the aim of making movement easier within the centre. It was awarded to Cleverbatch Eng. at the cost of N179.8 million. The sum of N98.9 million appropriated for the project in the 2009 Budget had been fully released as at the third quarter while N39.5 million had been paid to the contractor. As at the time of this visit, 80% of the work had been completed. Enquiries from the team revealed that the contractor is committed to financing the project while awaiting payment from the MDA so as to meet the December 2009 completion target.

#### *ii. Re-roofing and Renovation of Dilapidated Medical, Surgical, and Child wards*

These projects were awarded in 2009 to three different contractors (*viz.*: the medical wards - awarded to Daram Nig Ltd at the cost of N20 million; the surgical ward - awarded to T-Bag Nig Ltd at the cost N20 million; and the child paediatric ward - awarded to Nemmacol Nig Ltd at the cost of N21 million). All the projects are at about 50% completion as at time of monitoring. The projects are scheduled for completion in December 2009.

### 63. FEDERAL MEDICAL CENTRE, MAKURDI

#### *i. Completion of Permanent Site*

The project which involves the renovation and furnishing of an Obstetrics & Gynaecology Complex (at a cost of N15 million in April 2008), reticulation of water to service points (at a cost of N4.52 million in April 2009), purchase of project vehicles (at a cost of N16.51 million in May 2009), and the completion of 2nos. of 30-bed surgical wards (at a cost of N15 million in June 2009) was awarded to Kee Ventures Ltd. Archtik and Chris Uloko Architects were engaged as the programme/project consultants at a cost of N15.15 million in Feb 2009. As at the time of visit, four of the projects had reached 100% completion level, while the Programme/Project Consultant had recorded a 70% completion level. The project is expected to improve service delivery capacity, provide sufficient water, effective monitoring & evaluation, adequate bed space for patients as well as ensure value for money spent through technical support.

### *ii. Procurement of Electro-Cardiograph (ECG) Machine & Haematology Analyser*

The contracts for the procurement of ECG Machine & Haematology Analyser were awarded to Morrison Schillers Healthcare Ltd and Coscharis Medical and Foods Ltd at a cost of N31.1 million. The sum of N39 million was appropriated for the projects in the 2009 Budget. N27 million out of this amount had been released by the Ministry and fully utilized as at the time of monitoring. The equipment was awaiting installation at the time of visit.

### *iii. Anaesthetic Machine, Suction Machine, Wall Screen, Patient Monitor and Sphygmomanometer*

The sum of N25 million was appropriated for the purchase of an Anaesthetic Machine, Suction Machine, Wall Screen, Patient Monitor and Sphygmomanometer in the 2009 Budget. Of this amount N22.85 million had been released and utilized as at the third quarter. The contract for this project was awarded to Coscharis Medical & Foods Ltd. at a cost of N22.85 million in September 2009. As at the time of visit, the project was still ongoing and had attained about 40% completion level.

### *iv. Supply of Medical and Sundry Equipment*

The contract was awarded to Hopeq Nig Ltd at a cost of N31 million in July 2009 with an expected completion date of December 2009. The sum of N31 million was appropriated for the project in the 2009 Budget. Of this amount, N27 million had been released and utilised as at the third quarter to achieve 100% implementation.

## **Ministry of Interior**

64. The sum of N11.54 billion was appropriated to the Ministry in the 2009 Budget for the execution of its capital projects/programmes. As at the third quarter, the sum of N8.67 billion and N3.11 billion had been released and utilised respectively for the execution of its projects/programmes which included the following sites visited by the teams:

### 65. Nigeria Prisons Service

A total of N7.29 billion was appropriated to the Nigerian Prison Service for the execution of its capital projects/programmes in the 2009 Budget. As at the third quarter the sum of N5.47 billion had been released while N3.18 billion had been utilized by the MDA which included among others the following visited by the team:

*i. Rehabilitation of Prisons and Staff Barracks Nationwide*

This is an ongoing project which was conceived to improve facilities for inmates and staff of the Service. It commenced in 2007 and includes the rehabilitation of prisons in 47 locations and staff quarters in 10 locations nationwide. The contracts for this project were awarded at the cost of N21 billion to various contractors and the sum of N1.31 billion appropriated towards these projects in the 2009 Budget. As at the time of this report, the sum of N978.97 million and N280.26 million had been released and utilized while a total of N915 million had been spent so far in the execution of the projects which were at various stages of implementation. The team visited two projects viz: the Construction of Condemned Criminals Cells (CCC) in Kaduna which was at about 55% completion level (see *Picture 9* below), and CCC in Kano which was at its foundation level. It also visited the staff quarters in Katsina which was at 70% completion level, and the State Controller's residence in Kaduna which was at about 55% completion.

*ii. Rehabilitation of Prisons Training Institutions*

This is an ongoing project which was initiated to enhance capacity building of staff. It commenced in 2007 and includes the improvement of physical structures/infrastructure in the training institutions in Enugu, Kaduna, Lagos and Owerri. The contracts for these projects were awarded at the cost of N420 million to various contractors and had the sum of N86 million appropriated to it in the 2009 Budget. As at the time of this report, the sum of N37.25 million and N13.02 million had been released and utilized respectively while a total of N123 million had been spent so far for the execution of the projects which were at various stages of implementation.



Picture 9: Ongoing Construction of Storey Cell Block for CCC in Kaduna

*iii. Completion of Prison Headquarters, Abuja*

The project is located along Airport Road, Abuja. The contract was awarded to Eagle Construction Ltd in 2005 at the cost of N4.5 billion. The sum of N1 billion was appropriated for the project in the 2009 Budget out of which N750 million had been released as at the third quarter. N471.53 million out of this amount had been applied to bring the project to a cumulative 93% level of completion. The expected completion target is December, 2009.

66. NIGERIA IMMIGRATION SERVICE, HEADQUARTERS, ABUJA

*i. Purchase of Border Patrol and other Utility Vehicles*

This project was expected to curb illegal migration, reduce human trafficking and enhance national security among others. Aimed at providing border patrol vehicles of different kinds, it was awarded at a total contract sum of N198.65 million. The sum of N200 million was appropriated for this project in the 2009 Budget while the sum of N198.65 million had been released and utilized to achieve 100% level of implementation. Procurement included the purchase of 17 nos. Ford Rangers at the cost of N99.87 million by Messrs Coscharis Motor Ltd, 10nos. Peugeot 406 at N35.95 million by Messrs Peugeot Automobile of Nigeria Ltd, 4 nos. Toyota Coaster Bus at the contract sum of N41.37 million by Messrs Globe Motors, and 3nos. Peugeot Expert Ambulance at the cost of N22.45 million by Messrs A.C Okocha Motors Ltd. Most of these vehicles were said to have been distributed to various border posts in

the country, apart from 17 nos. Ford Rangers which are awaiting the installation of communication equipment before distribution.



Picture 10: Purchased Border Patrol Vehicles, Nigeria Immigration Service, Headquarters, Abuja.

### 67. FEDERAL FIRE SERVICE (FFS)

The FFS has the total capital project sum of N484.95 million in the 2009 Budget. Out of this amount, N268.19 million had been released as at the third quarter while N193.26 million had been utilized to achieve 72% level of implementation.

#### *a. Development of National Fire Academy, Sheda, Abuja*

The sum of N393.22 million was appropriated for the project in the 2009 Budget. Of this amount, N92.59 million was released in the third quarter bringing the total amount released in the first three quarters of 2009 to N190.12 million. Of this amount, N116.61 million had been utilized to achieve the following levels of implementation: construction of perimeter fencing (65%), hostel block (35%), staff quarters (65%), access road (35%), parade ground (55%), and drill tower (35%).

The team however observed that the construction of the Administrative Block is being executed with sub-standard materials as attested to by the institution's authorities. For instance, it was observed that mud was being used to fill the foundation; hence cracks were discovered in the foundation. The MDA officials informed the team that this issue is presently awaiting Bureau of Public Procurement review. The team recommends a quick review of this project. See *Picture 11* below.





Picture 11: Administrative Block foundation being filled



Picture 12: Staff Quarters under Construction National Fire Service Academy, Sheda, Abuja

68. NATIONAL SECURITY AND CIVIL DEFENCE CORPS (NSCDC)

The sum of N1.52 billion was appropriated to the NSCDC in the 2009 Budget for capital projects nationwide. N1.15 billion, representing 76% of the total sum had been released to implement the following projects/programmes amongst others:

*i. Completion of National Headquarters and Senior Staff Quarters*

The project was awarded to 13 contractors at a cost of N1.65 billion. The sum of N380.54 million was appropriated in the 2009 Budget while N260.54 million was

released to achieve 82% level of completion. The breakdown of works done are shown below:

*a. Construction of Senior Officers' Mess*

The project was awarded to Messrs Heriprom Nigeria Ltd at the cost of N31.39 million. It commenced in December 2008 and is scheduled for completion in December 2009. The sum of N30.3 million had been spent on the project to achieve 85% completion level.

*b. Construction of 6-Unit of 2 Bedroom Flat of 2 Storey*

The project which commenced in December 2008, was awarded to Messrs Nnamife & Sons Nigeria Ltd at the cost of N42.95 million. The sum of N38.76 million had been utilised to achieve 100% level of completion.



Picture 13: Completed 6-Unit of 2 Bedroom Flat of 2 Storey, NSCDC Academy, Abuja.

*c. Construction of 6-Unit of 3 Bedrooms Flat of 2 Storey*

The project was awarded to Messrs Lowel Industries Ltd at the cost of N44.98 million and commenced in December 2008. The sum of N23.5 million had been utilised for the project to achieve 90% level of completion.



Picture 14: Completed 6-Unit of 3 Bedrooms Flat of 2 Storeys, NSCDC Academy, Abuja.

*d. Construction of Parade Ground*

The project was awarded to Messrs Bob Karffax Nigeria Ltd at the cost of N34.17 million. The project commenced in December 2008 and is scheduled for completion in December 2009. The sum of N25.97 million had been utilised as at the third quarter to achieve 96% level of completion.



Picture 15: Ongoing Construction of Parade Ground, NSCDC Academy, Abuja.

*e. Construction of Auditorium*

The project was awarded to Messrs Renam Nigeria Ltd at the cost of N42.53 million. The sum of N32.32 million was spent on the 1,000-seater auditorium to achieve 70% level of completion. The project commenced in December 2008 and is to be completed by December 2009.



Picture 16: Ongoing Construction of Auditorium, NSCDC Academy, Abuja.

*f. Construction of Male Hostel Block*

The project was awarded to Messrs Rain Integrated Services Ltd at the cost of N32.45 million. The sum of N28.98 million was spent on the project to attain 95% level of completion. The project commenced in December 2008 and is to be completed in December 2009.



Picture 17: Completed Male Hostel Block, NSCDC Academy, Abuja

*g. Construction of Main Administrative Block*

The 2-storey building was awarded to Messrs Emab Associates Ltd at the cost of N96.79 million. The sum of N14.51 million had been utilised to achieve 75% level of completion. Construction of the sixty-room office building complex commenced in October 2009 with a completion date of March 2010.



Picture 18: Ongoing Construction of Main Administrative Block, NSCDC Academy, Abuja.

**69. Ministry of Niger Delta Affairs:**

A total of N48 billion was appropriated to the Ministry in the 2009 Budget for the execution of its capital projects/programmes. As at the third quarter, the sum of N36 billion had been released to the MDA while N17.52 billion was utilized for the execution of its projects/programmes which included among others those visited by the team:

*i. Dualization of East – West Road Section IV Eket- Oron in Akwa Ibom, State*

The contract involves increasing the existing single carriage road pavement, 2.75m outer shoulders and median. It was awarded to Messrs Gitto Construzioni Generali (Nig.) Ltd at the contract cost of N26 billion on 28th September, 2006 with a completion date of 11<sup>th</sup> April, 2010. The sum of N7 billion was appropriated for the project in the 2009 Budget out of which N1.75 billion had been released for the Quarter bringing total releases in the year to N5.25 billion. Of this amount, the sum

of N1.3 billion had been utilized as at the third quarter to achieve 5.5% level of completion. Completed work as at the time of visit included sand filling in some of the most difficult sections of this Road, construction of three bridges and ten culverts. The team however noted the effect of persistence rainfalls, inadequate equipment, insufficient personnel mobilization and payment of compensation by the company as some of the impediments responsible for the slow pace of work at the site.

*ii. Dualisation of East – West Road Section 1 Warri – Kiama, Delta State*

The contract was awarded to Messrs SETRACO Nigeria Ltd. on 18<sup>th</sup> July, 2006 at the cost of N64.13 billion and was expected to be completed by 2<sup>nd</sup> August, 2010. The sum of N8 billion was appropriated in the 2009 Budget which was fully released and utilized to achieve 12.8% completion of work so far in the year. The total sum of N29.57 billion has been committed to the project from inception to achieve a cumulative completion of 34% as at the end of the quarter. The work done includes completion of 13 bridges and 20 culverts, as well as sand filling in some areas along the road which is 87 kilometers long. The team learnt however, that rainfall, payment of compensation and lack of security are some of the problems that hampered the progress of work on this project.

### **70. Office Of The Secretary To The Government Of The Federation**

*i. Completion of Shehu Shagari Complex, Abuja*

The purpose of the construction of the Shehu Shagari Complex was to make more office accommodation available for civil servants. The contract for the completion of Shehu Shagari Complex was awarded to Messrs Gitto Construzioni Generali Nig. Ltd in 1981 and revised in March, 2006 at the cost of N3.22 billion. The amount appropriated for the project in the 2009 Budget was N568 million. This amount has been fully released while only N145.4 million had been utilized as at the third quarter. The completion date for the project was 52 weeks from the date of contract revision. The sum of N2.96 billion had been committed on the project to achieve 75% level of completion.

*ii. Purchase & Installation of 3Nos. Generators for Shehu Shagari Complex, Abuja*

The contract for the purchase was awarded to GIT Engineering Ltd in December, 2008 at the cost of N187 million with completion scheduled for four weeks after the award date. The scope of work was the supply and installation of 3 nos. 1000 KVA High Tension Electricity Generators. The Generators were procured to increase the level of power supply to the complex. The project had an appropriation of N75 million in the 2009 Budget which has been fully released and utilized to bring the total commitment as at the third quarter to N112 million. The outstanding work on the project is the installation of the generators as the execution had achieved 80% level of completion as at the end of the quarter.

*iii. Furnishing of Shehu Shagari Complex, Abuja*

Furnishing of the Shehu Shagari Complex, Abuja will mark the completion of work on the complex and it will enable staff move in and occupy the office accommodation available. The contract for the furnishing was awarded to Universal Furniture Ltd at the cost of N600 million in December 2008 with expected delivery target of three months. The appropriation for 2009 was N600 million with the sum of N421.26 million released as at the third quarter. The furnishing had achieved 40% level of completion.

### 71. NATIONAL HOSPITAL ABUJA

The sum of N1.73 billion was appropriated for the execution of its capital projects/programmes in the 2009 Budget. During the quarter, the sum of N1.3 billion was released to the MDA while N647.8 million was utilized to execute the following projects among others visited by the team:

*i. Construction of Wards*

This project consisted of consultancy services and construction of male surgical, female surgical and paediatric wards. The contracts for the projects were awarded to Messrs Zubik Integrated Ventures Limited, Nice Associates Nigeria Limited, Dumaco Best Properties Limited, Bayon and Associate and Nemmanco Nigerian Limited at the total cost of N370.82 million. It commenced on 25 June 2009 and was expected to

be completed in December 2009. In the 2009 Budget, the sum of N370.82 million was appropriated while N278.12 million and N107.93 million were released and utilized respectively to achieve 30% completion level. The structures are at various levels of completion between decking and roofing.

*ii. Establishment of Kidney and Cardiothoracic Unit Wards*

The contract for this project which consisted of the construction of hospital wards for kidney and cardiothoracic units were awarded to Messrs Kasram Engineering Limited and Bayom and Associates at a total cost of N150 million. It commenced 25th June, 2009 and was expected to be completed in December 2009. The sum of N150 million was appropriated for the project in 2009 Budget while the sums of N112.5 million and N31.89 million were released and utilized respectively to achieve 21% level of completion.

*iii. Establishment of Bone Transplant and Stem Cell Unit Wards*

The project is the construction of hospital wards for the bone transplant and stem cell unit. The contracts for the project were awarded to Messrs Nemmaco Nigeria Limited, Cymarc International Limited and Bayom & Associates at a total cost of N100 million. It commenced on 25 June, 2009 and is expected to be completed in December 2009. The sum of N100 million was appropriated for the project in 2009 Budget while N75 million and N22.77 million were released and utilized respectively to achieve 23% level of completion.

*iv. Completion of House Officers Quarters*

The contract for the completion of house officers' quarters, which includes the construction of 2 blocks of 24 studio rooms each was awarded to Messrs Calipak Nigeria Limited at the cost of N98.29 million. It commenced on 25 June, 2009 and is expected to be completed in December, 2009. The sum of N98.29 million was appropriated for the project in the 2009 Budget while the sum of N73.72 million and N34.85 million were released and utilized respectively to achieve 35% level of completion.





Picture 19: Ongoing Construction of House Officers Quarters at National Hospital, Abuja

## 72. National Identity Management Commission

### *i. Upgrade & Update of National Identity Database & Facilities*

This project commenced in March 2008 with the objective to fully automate and centralize national ID card issuance to Nigerians. The project is being executed by National Database and Registration Authority (NADRA) at a cost of N1.65 billion with N566 million committed to the project since inception. The project had an appropriation of N143 million in the 2009 Budget which had been fully released and utilised. The project had achieved execution level of about 35% as at end of the third quarter. It is expected to be completed by first quarter of 2010.

### *ii. Development of Direct Access to National ID Database*

This project is to provide the FCT and the 36 states with direct access to the National ID Card database. The project was awarded to Galaxy Backbone in December 2008 at the cost of N695 million. It had an appropriation of N150 million in the 2009 Budget which was fully released and utilized. The programme was at about 85% completion as at the third quarter. Works done include: installation of VSAT at the HQ and 36 State offices, also installation of fibre optic cables for network connectivity with termination in 14 stakeholders' agencies in readiness for provision of access to the

National Identity Card database. This project is expected to be completed in November 2009.

## **Ministry of Petroleum Resources**

73. The sum of N19.75 billion was appropriated to the Ministry in the 2009 Budget for the execution of its capital projects/programmes. During the quarter, the sum of N9.87 billion was released while the sum of N460.58 million was utilized by the MDA. Projects executed during the year included among others, the following visited by the team:

*i. Ajaokuta-Abuja-Kano Gas Pipeline*

This project is the provision of consultancy services on the preliminary studies, environmental impact assessment, project conceptualization studies, and front end detail engineering design of the gas pipeline system of Ajaokuta-Abuja-Kano Gas pipeline. The contract for the project was awarded to Messrs Atlas International Engineering Services Nigeria Limited on 2 November, 2009 at the cost of N8.01 billion with a six-month completion period. The sum of N9.25 billion was appropriated for the project in the 2009 Budget. As at the time of this report, the sum of N4.4 billion had been released while the team was informed that the contract agreement for the project had just been signed and the 15% mobilization fee was being processed.

## **Federal Ministry of Science and Technology**

**74. NATIONAL SPACE RESEARCH AND DEVELOPMENT AGENCY  
(NASRDA)**

*i. Development and Launch of High Resolution Satellite NigeriaSat-2*

The project was awarded to Survey Satellite Technology Ltd UK in 2008 at a cost of N12.73 billion. The project was conceived to develop and deploy system space for applications and space environmental management which would carry 2.5m Panchromatic (Very high resolution payload), 5m multispectral, NIR, Red, Green, and Blue (High Resolution payload) and 32m Multispectral, NIR, Red, Green and Blue (Low Resolution) NigeriaSat-1/DMC Continuation. The sum of N700 million was appropriated for the project in the 2009 Budget, out of which the sum of N400

million had been released for the quarter under review. The cumulative releases and utilization so far in the year is N700 million representing a 100% level of utilization. On the whole, the total sum of N9.02 billion had been committed since inception accounting for 71% level of performance. As at the time of monitoring, the following had been completed: Payment for Milestone 6 Test Readiness Review for NigeriaSat-2 and NigeriaSat-X Space Craft, Building of the NigeriaSat-2 and NigeriaSat-X, Know-How Technology Transfer for 27 Engineers and Scientists, Installation of Ground Station Equipment.

*ii. Space Library and Data Bank Building and Metadata Development*

The National Geo-Spatial Data Infrastructure Facility (NGDI) project was awarded to Footmark Engineering and Construction Ltd at a cost of N314 million in August, 2008 with a completion period of 62 weeks. In the 2009 budget, a sum of N40 million was appropriated, out of which N10 million was released and utilized. The objective of the project is to provide state of the art R & D infrastructure and facilities. As at the time of monitoring, plastering and roofing was ongoing while block work had been completed. Work had reached 64% level of completion.

*iii. Completion of Obasanjo Space Centre (Conference Centre, Planetarium, Access Roads, Administrative and Ground Station)*

This project was awarded to Messrs Solid Base Ltd, Messrs Abioloye Ltd and a consortium of four (4) others at a total cost of N350.78 million in March 2007 and was expected to be completed by December, 2009. The appropriation for the project in the 2009 Budget was N200 million while the financial commitment since inception amounted to N388 million. The amount released in the 3<sup>rd</sup> quarter was N129 million out of which N107 million has so far been accessed and utilized. The cumulative releases so far in the year amounted to N142 million or 71% level of performance. At the time of monitoring, the completion of block works at the multi-purpose centre, plastering work at the Planetarium building and wiring at the site were still on-going. Meanwhile, the main challenge faced by this project is inadequate funding.

*iv. Acquisition of High Resolution Satellite Imagery for the Niger Delta Region and States along the Coastal Area and development of techniques for data fusion and filtering to remove cloud cover*

This project was conceived to acquire high resolution satellite imagery for the Niger Delta Region and other states along the coastal area. The project was awarded to NASRDA and Infiteria GMB Germany at a cost of N120 million in 2008. In the 2009 budget, the sum of N120 million was appropriated out of which N33 million was released and N29 million utilized representing 88.9% level of performance. As at the time of monitoring, the development of thematic digital ortho-photo maps of the Niger Delta Region and the acquisition of Synthetic Aperture Radar (SAR) Technology were ongoing.

*v. Telemedicine*

This project was conceived to develop space based high technologies for infrastructure and effective healthcare delivery by the use of network connection systems to extend clinical works to remote locations. It was handled by NASRDA at a cost of N942 million and commenced in 2008. The total financial commitment of the project stood at N620million. In the 2009 budget, the sum of N5 million was appropriated, of which N4 million was released with zero utilization.

*vi. Advanced computation and Expert System Equipment*

The project is designed to develop and deploy space system for application and communication, earth observation, observatory and space transport. The project was awarded to Boneggi Integrated Solution Ltd, Coxon Nig Ltd, and New Zarinni Nig Ltd at the cost of N300 million in 2009. In the 2009 Budget, the sum of N100 million was appropriated, out of which N60 million was released and N43 million utilised. As at the time of monitoring, the acquisition of relevant software, hardware and other high tech facilities had been completed. In addition, ten engineers had been sent on short courses while eleven engineers were currently on training in Russia. These comprise ten M.Sc Students and one PhD. Student. There are also 11 M.Sc students being trained at FUT Minna while 5 M.Sc and 2 PhD students are studying in the United States.

*vii. Completion of perimeter fence at permanent site*

The project was awarded to Elums Ltd, Folus Nig Ltd and Ristond Nig Ltd at a cost of N100 million in 2007. The sum of N37.5 million was appropriated, out of which N47 million had been released and N46 million utilised. As at the time of visit, the fencing work was still on-going.

75. SHEDA SCIENCE AND TECHNOLOGY COMPLEX

SHEDA Science and Technology Complex is a parastatal in the Federal Ministry of Science and Technology, established by Act No. 43 of 1991 as amended by Act No. 95 of 1993 as a multi-disciplinary research and development organisation. The vision of the complex is to provide opportunities for utilising high technology to contribute to the upliftment of the standard of living of the Nigerian citizenry as well as to guarantee a wholesome environment. Projects executed during the year include the following visited by the team:

*i. Development and Equipping of the National Physics Advance Lab at Sheda, FCT*

The Physics Advance Laboratory (PAL) is concerned with matter and energy-related studies, particularly their properties, inter-conversion and transformations. PAL is equipped for research and development work for postgraduate students who intend to carry out research work. The contract for the project was awarded to IT & C Networks Ltd in 1994 at the cost of N526.68 million. The appropriation for 2009 was N65 million and the amount released for 2009 was N48.75 million while N9.4 million was utilized. The completion date for the project is 2012. The work has achieved 80% level of completion.

*ii. Developing and Equipping of the National Chemistry Advanced Laboratory at Sheda, FCT*

The Chemistry Advance Laboratory (CAL) is one of the National Advanced Laboratories established to contribute to the development of a procedure for the production of pharmaceutical grade talc maize cob, and Urea based fertilizer with slow nitrogen releases, etc. The contract for the project was awarded to Techmax Technologies Ltd in 1999 at the cost of N305.28 million. The appropriation for 2009 was N65 million and the amount released in 2009 was N48.75 million while the

amount utilized was N17.37 million. The completion date for the project is 2012 while the project has attained 73% level of completion.

*iii. Development and Equipping the National Biotechnology Advance Laboratory at Sheda FCT*

The biotechnology laboratory is equipped with many functional and state of the art infrastructure for in-vitro regulation. The contract for the project was awarded to Katchy Compay Ltd in 2001 at the cost of N662.82 million. The appropriation for 2009 was N60 million and the amount released for 2009 was N45 million while the amount utilized was N32.03 million. The completion date for the project is 2010. The project has achieved 78% level of completion.

*ii. Development and Equipping the National Applied Mathematics Centre*

Laboratory workshop tools have been delivered and the training of undergraduates, postgraduates and lecturers from universities and tertiary institutions has commenced. The contract for the project was awarded to IT & C Networks Ltd in 2008 at the cost of N280 million. The appropriation for 2009 was N50 million and N37.5 million was released in 2009 while N21.72 million was utilized. The completion date for the project is 2012 while the project had achieved 55% level of completion.

*i. Development and Furnishing of the Permanent Head Office Complex at Sheda, FCT*

The construction work at Sheda Head Office is continuous and in progress. The contract for the work was awarded to Gadab Nig Ltd and Almog Engineering Ltd in 2008 at the cost of N677.16 million. The appropriation for 2009 was N300 million of which N225 million has been released as at the third quarter of 2009 while N222.26 million had been utilized. The completion date for the project is 2011 while the project has achieved 60% level of completion.

*ii. Renewal of Technical Services Agreement/Maintenance Provision of Electronic Security for the Nuclear Technology Centre*

The project involves the supply of a functional gamma irradiation facility central workshop, power supply station and auxilliary infrastructure. The contract for the project was awarded to Rosidi Tech & Logistic Services Ltd in 2006 at the cost of N1.03 billion. The appropriation for 2009 was N150 million, N125.05 million had

been released as at the third quarter of 2009 while N94.91 million was utilized. The completion date for the project is 2010 while the project had achieved 82% level of completion.

*iii. Provision of Electronic Security for the Nuclear Technology Centre*

The purpose of electronic security for the nuclear technology centre is to provide a functional security system for the centre. The contract for the project was awarded to Rosuli Tech and Logistics Services Ltd in 1988 at the cost of N350 million. The amount appropriated for 2009 was N30 million while N9.95 million had been released for the project as at the third quarter of 2009. Of this amount, no funds have been utilized in 2009. The completion date for the project is 2009 while the project had achieved a 54% level of completion.

### **76. NATIONAL BIOTECHNOLOGY DEVELOPMENT AGENCY**

The sum of N879 million was appropriated to the agency in the 2009 Budget to execute its projects/programmes as contained in the 2009 Appropriation Act. As at the third quarter of the year the sum of N659.24 million had been released and utilized in the execution of the following projects/programmes:

*i. Development of Bio-Engineered (Genetically Improved) Products*

This project was conceived to develop improved varieties of cowpea, cassava, cotton, soya bean fish etc. It is an ongoing project which started in 2004 and is being executed in the six geo-political zones of the country. The contract was awarded to Messrs DDK Agric Biotech Consult at the cost of N1.06 billion. The sum of N100 million was appropriated to this project in the 2009 Budget but as at the time of the team's visit the sum of N63.25 million had been released and utilized. The sum of N120.02 million had been spent so far on the project to achieve 21% level of completion.

*ii. Plant Tissue Culture Development*

This project was initiated for the establishment of three standard tissue culture laboratories in Jos, Sokoto and Abuja. It is an ongoing project which started in 2005 and the contract was awarded to Messrs Princess Alliance at the cost of N1.13 billion. In the 2009 Budget, the sum of N110 million was appropriated to the project but as at the time of this report, the sum of N95.76 million had been released and utilized. The

sum of N165.51 million had been spent so far on the project to achieve 24% completion level.

### *iii. Development of Headquarters Building*

The project consists of the construction of an administrative block, access road, electrification, drainages, boreholes and water reticulation in Abuja. It started in 2004 and the contract was awarded to Messrs Zubik Integrated Venture Limited at the cost of N1.24 billion. The sum of N100 million was appropriated in the 2009 Budget and the same amount had been released and utilized. A total of N266.82 million had been spent so far to achieve 30% completion level.

### *ii. Genetic Resource Conservation & Maintenance of Seed Field Gene Banks*

This is an ongoing project which started in 2006 and is being executed in all the six geo-political zones of the country. The contract was awarded to Messrs NACGRAB Ventures at the sum of N788.51 million. The sum of N95 million was appropriated to the project in the 2009 Budget while the sum of N63.83 million had been released and utilized as at the period of this report. The sum of N79.98 million had been spent on the project so far to achieve 22% level of completion.

### *i. Provision of Research Facilities for & Equipment for 7 Zonal Centres of Excellence*

This is an ongoing project which was conceived in 2007 to provide the laboratories being executed in the six geo-political zones of the country with equipment. The contract was awarded to Messrs Good Success Global Services Nigeria Limited at the cost of N1.64 billion. The sum of N176 million was appropriated in the 2009 Budget while the sums of N147.81 million and N142.75 million were released and utilized as at the time of this report. The sum of N284 million had been spent so far to achieve 28% level of completion.

### *ii. Research and Development on Hepatitis-B Vaccine Development & Other Similar Infectious Diseases*

The project is ongoing and was initiated in 2004 to provide a state of the art animal house and bio-vaccine factory, conduct a feasibility study and carry out a survey on prevalence of infectious diseases. The contract was awarded to Messrs Samtech and Associates at the cost of N755.33 million and the sum of N110 million was appropriated in the 2009 Budget. As at the time of this report, the sums of N75



million while the total of N56.7 million had been spent to achieve 22% level of completion.

*iii. Biopharmaceuticals in Collaboration with ICGEB of African Centre of Excellence in Biopharmaceuticals*

This project started in 2008 and was initiated for capacity building to train technicians and scientists and provide product development molecular biology laboratory. The contract was awarded to Messrs Samtech and Associate at the cost of N752.27 million. The sum of N71 million was appropriated to the project in the 2009 Budget while the sums of N49.6 million and N43.4 million were released and utilized. A total of N20.1 million had been spent on the project to achieve 12% level of completion.

*iiii. Development of Bio-resources Centres in 2 Geo-Ecological Zones*

This is an ongoing project which was initiated in 2007 to develop hatcheries, recirculatory and earthen ponds, snaileries, mushroom farms and training facilities in Katsina and Isanlu. The contract was awarded to Messrs Abafat Resources at the cost of N937.2 million. The sum of N30 million was appropriated in the 2009 Budget. As at the time of this report, the sum of N30 million had been released and utilized while the total of N52.11 million had been spent so far to achieve 9% completion.

*ii. Development of Zonal Biotechnology Centres*

This is an ongoing project which was initiated in 2007 to develop hatcheries, recirculatory and earthen ponds, snaileries, mushroom farms and training facilities in Abia, Oyo and Taraba. The contract was awarded to Messrs Abafat Resources at the cost of N1.86 billion. The sum of N87 million was appropriated for the project in the 2009 budget. As at the time of this report, the sum of N33.99 million had been released and utilized to achieve 5% level of completion.

**77. NATIONAL BOARD FOR TECHNOLOGY INCUBATION (NBTI), ABUJA**

The NBTI has the mandate of nurturing the development and commercialization of low technologies (manufacturing of simple equipment and machineries etc), medium technologies (manufacturing of scientific equipment etc), high technologies (biotechnology processes and products etc.) and emerging technologies (advanced materials etc). The sum of N527.8 million was appropriated for the project in the

2009 Budget. The sum of N456.55 million, representing 86.5% of the appropriation had been released and utilized for the following projects:

*i. Provision of Library Facilities in 21 Centres*

The project was awarded to Messrs Sababco Integrated Services and Messrs Digital Automation Nigeria Ltd at the cost of N120 million. The project aimed at providing and furnishing mini libraries in 21 centres across the country. The sum of N22.1 million had been committed to the project since inception. The amount appropriated in 2009 was N12.1 million which had been utilized for the mini libraries at Minna, Bauchi and the headquarters. The project was at 100% level of completion and put to use at the time of visit.

*ii. Provision of Quality Control Laboratory in six Centres*

The project was awarded to Messrs Confluence Contractors Nigeria Ltd at the cost of N420 million to procure Muffle finance digital equipment, Kyeldah Apparatus, Distillation Unit among others. The sum of N110 million was appropriated, released and utilized. The project covered Bauchi, Minna, Nnewi, Benin, Calabar and Lagos Centres. The project is at a 100% level of completion.

*iii. Provision of Standby Generating Set in Six Centres*

This project was awarded to Messrs Mikins Technical Nigeria Ltd at the contract sum of N105 million with an appropriation of N52.5 million which had been released and utilized to provide 125KVA generators for Gusau, Jos, Minna, Bauchi, Akure and Nnewi Centres with 100% level of completion.

*iv. Provision of Fire Fighting Equipment for Centres*

The project was executed by Messrs Sakasa Nigeria Ltd at the cost of N66 million. The sum of N22 million was appropriated, released and utilized to provide fire extinguishers (powder), hand gloves, boots etc. with a 100% completion level.

*v. Provision of Demonstration Equipment*

The project was awarded to Messrs Gawuna Integrated Nigeria Ltd at the cost of N75 million. The project covers both the Board's headquarters and the centres and was designed to provide skill acquisition centres for staff. The project commenced in April

2008 with a completion target of December 2009. The sum of N34.2 million was appropriated, released and utilized over the period. The sum of N54.2 million had been committed to the project since inception to achieve a 100% level of implementation. The equipment supplied includes overhead projectors, computers, whiteboards, exhibition stands and multi-media projectors.

*vi. Establishment of New Centres*

The project's scope was to provide furniture and office equipment, partitioning and renovation of incubating units, while State Governments were to provide land for office space at the various centres. The total project cost was N588 million to cover Kaduna, Katsina, Taraba and Kwara States and the projects were executed by Jafnat Nigeria Ltd, Double H. Global Systems, Gutai Services Ltd and Mikins Technical Nigeria Ltd respectively. The sum of N147 million was appropriated, released and utilized to achieve 100% level of implementation.

*vii. Provision of Furniture and Equipment For the Existing 21 Incubation Centres*

The project was awarded to Messrs Siksop Enterprise, Kutlenaam Enterprises, Jafnat Integrated Enterprises at the total cost of N840 million. The sum of N105 million was appropriated for the project in 2009. The sum of N78.75 million was released and utilized as at end of the quarter. The sum of N210 million had been committed since inception to achieve 25 % level of completion. However, the management of the Board informed the Budget Office monitoring team that their major constraint was inadequate release of funds which hampered the board to settle contractors' outstanding debts.

*viii. Development of Permanent Site*

It was observed that the development of the permanent site of the Board which had an appropriation of N150 million in the 2009 Budget was halted and the appropriation was being proposed for virement to enable the Board concentrate on its four priority projects. The project is located on 1.08 hectares of land and commenced in 2007 with a release of N50 million. In 2008, the project had a release of N100 million while the sum of N150 million was released in 2009. The project had attained an overall 20% level of completion at the time of monitoring. The following components at the project site had attained 100% level of completion, viz; fencing, gate house construction, architectural, electrical and mechanical works as well as

plumbing designs. The foundation drawing had been done by Consultest Ltd. while the access road to the project site had been constructed.



Picture 20: Completed Fencing and Gate House, NBTI Headquarters, Abuja

## 78. NIGERIAN COMMUNICATIONS SATELLITE LTD

### *i. Deployment of Multimedia Network*

The project consists of the provision of multimedia communication infrastructure and value-added services to enhance the performance of the police in tracking down hoodlums and kidnappers in the FCT. However, this is a pilot project which would be extended to other police formations nationwide. The sum of N616.49 million was appropriated in 2009 and the sum of N155.1 million released in the quarter, bringing the total release on the project since inception to N626.48 million. The project had achieved 60% completion as at the time of monitoring. Work done at six centers namely, Asokoro, Kubwa, Gwagwalada, Kuje, Force Headquarters and Nigcomsat Head Office includes civil works, installation of towers, provision of two (2) Base Transceivers Stations (BTS) and other components and training of engineers.

### *ii. Appointments of Technical Consultants*

This involves the provision of consultancy services (technical) to manage and facilitate the execution of the NigComsat IR schedule. The sum of N100 million was appropriated in 2009 with the sum of N24.5 million being released in the quarter, and the total sum utilized so far to N51.9 million.

*iii. NigComsat-IR Project Office Management*

The sum of N100 million was appropriated in 2009 for the above project while the sum of N24,5 million was released for the quarter, bringing the total sum released and utilized for the year to N51.9 million to bring the project to 60% completion. The main objective of this project is the execution of NigComsat –IR agreement on schedule. The project is to provide a replacement satellite for the de-orbited NigComsat-IR Satellite. The replacement satellite shall be a replica of the first NigComsat–IR Satellite, with some modifications on the payload to address market needs. The main contractor is the China, Great Wall Industrial Corporation. The engineers had produced a replica of the satellite in their yard ready to be installed.

79. NATIONAL AGENCY FOR SCIENCE AND ENGINEERING INFRASTRUCTURE

The sum of N525 million was released to NASENI as at the end of the 3rd Quarter for their seven projects/programs included in the 2009 Capital budget. The projects are;

*i. Establishment of a Central Engineering Design and Simulation Facility*

The facility is located at NASENI headquarters in Abuja and Ilesha and was awarded in 2004 to Maconleo Nig Ltd and 6 others at the cost of N466 million. The project had an appropriation of N170 million in the 2009 Budget with about N203 million utilised on the project since inception. While all the equipment has been fully purchased, the project is at different levels of completion.

*ii. Development of nano materials and solar panels*

This project is located at NASENI HQ and its Akure offices. The project was awarded in 2005 to Stochs Nig Ltd and three others at the cost of N575.6 million. N120 million was appropriated in this year's budget and N146.48 million was the amount committed to the project since inception. The solar panels are already working and providing power to some parts of the Building and nano materials are being constructed at different shapes and sizes. It is still ongoing.

*iii. Engineering in Agriculture and mineral processing sector*

This project commenced in 2005 at NASENI HQ at the cost of N420 million. Rets Nig Ltd and five other companies are handling this project, which is scheduled to be completed by end of 2009. N233.88 million has been spent on the project since inception, while the sum of N100 million was appropriated for it in this year's budget. This project is at about 60% completion as 90% of the supplies have been made.

### **FEDERAL MINISTRY OF TRANSPORT**

#### **80. NIGERIAN RAILWAYS CORPORATION**

*i. Rehabilitation, Modernization/ Supply of 20 Locomotives.*

This project is aimed at the procurement of 25 new Locomotives at the total cost of N14.84 billion. It was awarded in March 2009 to GETSA- GE Transportes SA of Brazil. The sum of N2.34 billion appropriated for the project in the 2009 Budget had been fully released as at the third quarter. In addition to this financial provision in the 2009 Budget, an additional N12.5 billion loan secured by the Debt Management Office was utilised to bring the total commitment on the project to N14.84 billion. It had achieved about 60% completion at the time of visit.

*ii. Rehabilitation of 120 Coaches & Wagons*

This project covers the rehabilitation and complete periodic overhaul (POH) of wagons and coaches, including conversion from a vacuum brake system to an air brake system. The project was awarded to CHEQQEERS Int. Ltd in September 2009 at the total cost of N660 million which was appropriated in the 2009 Budget. Of this amount, N330 million was released while N30 million had been utilized. The project is scheduled for completion in 20 weeks from September 2009. In view of the spread and coverage of this project, the team could not monitor all the sites. However, the MDA official informed the team that the projects have achieved about 30% execution.

### *iii. Minor Rehabilitation Rail Tracks, bridges and Culverts*

The contract involves the rehabilitation of rail tracks, bridges, culverts, signal equipment and consultancy for Environmental Impact Assessment (EIA) and Bill of Quantities (BOQ). The total project cost is N12.80 billion and it was awarded to Chinese Construction Engineering Company of China (CCECC) in October 2009. The sum of N2.07 billion was appropriated in the 2009 Budget and N1.03 billion was released as at the 3<sup>rd</sup> quarter. Only 124.56 million was utilized while N12.80 million has been committed to the project thus far. It is expected that the project will be completed in August 2010. As stated above, the team could not monitor the entire project in view of its spread across the country. However, the MDA official informed the team that the projects have achieved about 15% execution.

### *iv. Rehabilitation of Marshalling Yard, Stations, Signal etc*

This project involves the renovation of 22 Nos. principal stations, procurement of rail road inspection vehicles with spare parts, provision of station signaling equipment, power grid extension, solar panel installation and protection as well as the modification of MW communication infrastructure. The total project cost is N1.45 billion, and it was awarded to NERA Microwave Nigeria Ltd in March 2009. N1.55 billion was appropriated and N779 million was released but only N17.55 million had been utilized as at the time of monitoring. The sum of N1.48 billion has already been committed to the project which is expected to end 30 weeks from March 2009. This project is reported to be at about 15% implementation level.

### *v. Procure Workshop Tools and Railment Equipment*

The project involves the procurement of 32 mechanical tool boxes, 16 electrical tool boxes, torque wrenches, 7 of 4 sets each of 50 ton hydraulic jackals Parawasj machines, drilling machines, handy grinding machines, two sets of telescopic reraiment jacks amongst others. The project commenced in March 2009 and was awarded to Polamp Nig Ltd at the total cost of N400 million. N400 million was appropriated and N200 million was released but only N19.72 million was utilized. The financial commitment till date is N400 million. The project is expected to be completed in 30 weeks from March, 2009. This project is reported to be at about 15% implementation level.

### 81. MARITIME ACADEMY OF NIGERIA, ORON

#### *i. Completion of Abandoned Survival Training Pool/ Sporting Facilities*

The project consists of the construction of a football field with tracks, landscaping of the sports complex, reactivation of borehole feeding survival pool, and the provision of an overhead tank as well as grading, and filling of the quadrangle. The sum of N58 million was appropriated for the project while the sum of N29 million was released and utilized. The amount outstanding is N29 million. The contracts were awarded to four companies, as indicated in (a) through (d) below, for effectiveness and efficiency in the execution of the project.

#### *a. Construction of Football Pitch*

The project was re-awarded to Denbange Global Resources Limited at a contract sum of N9.9 million in June 2009 with completion scheduled for December, 2009. The sum of N5.94 million was released and utilized on the project as at the third quarter. Work done as at the time of monitoring includes scrapping, levelling of the land, and lining of the tracks. The sum of N2.47 million was released in the quarter to achieve 60% completion.

#### *b. Landscaping*

The sum of N9.55 million was appropriated in 2009 for landscaping of the sports complex which was awarded in June 2009 to DNL Nigeria Limited. The total cost of the project is N9.55 million and the sum of N2.38 million was released and utilized for the quarter to achieve 60% completion. It is noteworthy that non-completion of the projects had been attributed to the longer rainy season this year, but it is expected that the project will be completed by December 2009. Work done includes laying of inter-locking stones, piling and spreading of garden black earth, and planting of Bahamas grass.

#### *c. Reactivation of Borehole-feeding survival pool*

The sum of N8.44 million was appropriated in 2009 for the project which was awarded to Imege Services in June 2009 with a completion target of December 2009. The borehole had already been constructed and the pillars for the overhead tank had been erected. The sum of N2.11 million was released in the 3rd quarter bringing the total commitment to the project to N6.33 million to achieve



a 70% completion level. Outstanding work on this project is the provision of an over-head water tank.

*d. Grading / Sand Filling of Quadrangle*

This project was awarded in June 2009 to Petrus Limited with an appropriation of N5.47 million in 2009. Of this amount, the sum of N4.1 million had been released as at the end of the third quarter and fully utilized to achieve full execution of the project.

*ii. Construction of Library Resource Centre*

The project was re-awarded in June, 2009 to Wisititom Ventures Nigeria and is expected to be completed by April 2011 at a contract sum of N262.94 million. The sum of N50 million was appropriated for the project in 2009. Of this amount, the first release on the project (i.e., N15 million) was made and utilized to achieve 20% completion in the quarter. The structure is presently at the lintel level.

*iii. Construction of 1,000 Seats Auditorium*

The contract was re-awarded to PRE-FAB Overseas & Road Construction Limited in June 2009 at a cost of N158.52 million with a targeted completion date of April 2011. The sum of N60 million was appropriated for the project in the 2009 Budget out of which N15 million was released and utilized to achieve 20% completion. The project is presently at the roofing level.

*iv. Construction of 200 Capacity Male Cadet Hostel*

The contract was re-awarded to Mariansons Nigeria Limited in June 2009 at a contract sum of N194.86 million with a scheduled completion date of April 2011. The sum of N80 million was appropriated for the project in the 2009 Budget out of which the sum of N20 million was released and utilized for the quarter. The sum of N60 million has so far been released on this project to achieve 35% completion. The main structure of the project had reached the roofing level.

*v. Construction of New Marine Engineering Workshop*

The project was awarded to BOB–Charlie & Co Ltd in June 2009 at a contract sum of N43.79 million and is slated to be completed by December, 2009. The sum of N40 million was appropriated for the project in the 2009 Budget of which N30 million (including N10 million released in the quarter), has been released while N21 million

has been utilized to achieve 50% completion. Work done included the foundation and block work to lintel level.

### 82. NATIONAL INLAND WATERWAY AUTHORITY

#### *i. Geo-informatics Laboratory Equipment*

The project was awarded to Messrs Firmware Technologies Ltd at a cost of N19.98 million in March 2009 for the supply of geo-informatics laboratory equipment. In 2009 Budget, the sum of N20 million was appropriated, released and utilised. As at the time of monitoring, supply of geo-informatics laboratory equipment (Nicon AX-2S Automatic Level with Tripod, Global Positioning System (Geo Explorer 2008 series, Plumb Bob) and 2 packs of AutoCAD software) had been completed.

#### *ii. Construction of River Port –Lokoja*

This long-standing project is at the heart of this Administration's intention to open up the transportation sector to ensure free movement of goods and persons by road, sea, and air. It is one of the prime projects of the Administration. The construction of a river port at Lokoja is one of the networks of six river ports to be constructed to ensure the optimal utilisation of the potentials of the dredging of the Lower River Niger. It includes the construction of a 2km road, land reclamation and construction of a quay. The contract was awarded to Messrs Foby Engineering Company Ltd at a cost of N2.32 billion in 2007 with an expected completion date of 2010. The sum of N896.71 million had been expended on the project as at end of 2008. The sum of N550 million was appropriated for the project in the 2009 Budget, out of which no payment was made to the contractor<sup>8</sup>.

Despite the huge financial commitment made, the project only attained about 20% level of completion as at the time of the visit. As at the time of this monitoring, the team discovered that the dredger had sunk and wrecked in sand and the contractor de-mobilised from site. The company is presently under receivership with most of their equipment being auctioned off by their banker.

#### *iii. Dredging of Lower River Niger-Feasibility Studies*

The feasibility studies for the dredging of the Lower River Niger were awarded to Messrs Haskoning Engineering Consultants (to cover Lot 1-Bifurcation to Warri), Messrs Jayuda Int. Ltd (to cover Lot 2 – Onitsha to Bifurcation), and Messrs

---

<sup>8</sup> This had been discussed in detail in the First Quarter Budget Implementation Report

Dredging & Marine Consultants Ltd (to cover Lot 3 – Idah to Onitsha) in December 2009. Lots 4 and 5 were awarded in 2008 to Messrs Emplan Group Ltd (to cover Lokoja to Idah) while Messrs Aim Consultants Ltd is to cover Baro to Lokoja. The sum of N600 million was appropriated for the project in the 2009 Budget. As at the time of monitoring, the team was informed that the contract was still in the tendering process and the contractors have just been pre-qualified.

*iv. Acquisition of Aquatic Weeds Clearing Equipments*

The sum of N699.5 million was appropriated for the project in the 2009 Budget. As at the time of monitoring, the team was informed that the project was still at the tendering stage for eventual award.

## **MINISTRY OF WORKS, HOUSING AND URBAN DEVELOPMENT**

83. The sum of N208.62 billion was appropriated to the Federal Ministry of Works, Housing and Urban Development in the 2009 Budget for the execution of its capital projects/programmes. The Ministry's deliverables for the 2009 year include the construction and rehabilitation of 3,293 km of roads; maintenance of over 10,000 km of federal roads annually over the next 3 years; and zonal intervention road projects to cover about 2,400km of roads in 2009. As at the third quarter of 2009 the sum of N184.11 billion had been released while only N73.98 billion was utilized to execute its projects/programmes which include:

*i. Construction of Kano Western Bypass C. No. 5960*

This ongoing project started on 20 May 2007. It entails the construction of a 26.6km dual carriage terminating at Dawanau village on the Kano – Katsina Road, an interchange at Km 10 on Kano – Kaduna Road, 3Nos. River bridges, 1No. over-pass bridge over a railway line and other ancillary works. It will form part of the Trans-Saharan route when completed. The contract for the project was awarded to Messrs Dantata & Sawoe Construction Company Nigeria Limited at the cost of N13.23 billion with a 36-month completion period. The sum of N3.14 billion was appropriated to the project in the 2009 Budget and the full sum was released as at the end of the third quarter. Of this amount, the sum of N1.94 billion had been utilized as at the time of this report. The sum of N3.94 billion had been committed to the project since inception to achieve 27% level of completion.

The team was informed that the contractor for the project has made a proposal for augmentation of project cost. This is sequel to a change in project design from 3Nos. box culverts to 2Nos. bridges, provision for compensation for main alignment and interchange and variation of price of materials.



Picture 21: Ongoing Construction of Bridges at Kano Western Bypass Road Project

*ii. Rehabilitation of Funtua-Dayi-Yashe-Kano State Border – Katsina Road Project in Katsina State C.No. 5264*

This road is 210km long and links Zaria – Sokoto road with Gwarzo – Kano and Katsina – Kano roads, making it a connector of the major commercial cities in the North-West axis of the country. The project is a major rehabilitation work on the road after the previous exercise over twenty years ago. The contract for this project was awarded to Messrs MotherCat Limited at the cost of N5.62 billion in May 2003. Work commenced on 22nd July, 2003 with an initial completion date of 21st July, 2007 which has been extended to 24th December 2010. The sum of N1 billion was appropriated for the project in the 2009 Budget, same had been released while the sum of N932.45 million had been utilized. The sum of N3.33 billion had been spent so far on the project to achieve 42.38% level of completion.

As at the time of visit, the team was informed that the contractor had suspended work at site since June, 2009 claiming insufficient balance quantities to execute outstanding

work. The team however observed that contradictory claims were being made by both parties as the Ministry's officials insisted that the contractor's claim was false since all his certified certificates had been paid and implied that the contractor was deliberately suspending work to retard the progress of the project. The team recommends that the management of both parties should meet to address issues so as to complete the project by the new scheduled date of completion.

*iii. Construction of Langtang-Lalin-Tunkus- Shendam Road (C/No. 5334)*

The Langtang-Lalin-Tunkus-Shendam road under construction is 43.23 km in length with a trafficked way-width of 7.3m and 2.7m wide shoulders on both sides. The road traverses three local government areas namely: Langtang North, Mikang and Shendam. Other aspects of work consist of the construction of 6 Nos. bridges, overlaying of the trafficked way with asphaltic concrete measuring 50mm in thickness while the shoulders are to be surface-dressed. The contract for the project was awarded to Messrs Mothercat Limited at an initial cost of N3 billion and later revised to N4.7 billion. Construction work commenced on 24<sup>th</sup> November, 2002 with an initial completion date of November 2004 which was later extended to February 2010. The sum of N1.42 billion was appropriated for the project in the 2009 Budget. A total of N3.36 billion has so far been committed to the project.

As at the time of monitoring, detailed components seen at various stages of completion include: site clearance, earthworks, laying of asphaltic concrete wearing course and provision of a drainage system. All six bridges in the project had been completed as at the time of our visit. Work had reached 60% level of completion. On completion, the project would help in reducing travelling time, cost of transportation, reduction in the rate of accidents and open up the agriculturally rich localities of the state. The constraints faced by this project are the interruptions as a result of the rainy season and delays in payments of funds arising from project revisions.

*iv. Dualisation and Rehabilitation of 8.8km Gombe-Biu Road*

The project is a Federal Road which was transferred to Gombe State Government for execution through an arrangement whereby reimbursement is made to the State Government. The contract was awarded to Messrs Triacta Nigeria Ltd at a cost of N3.45 billion in March 2006 and is to be completed by December 2009. In the 2009 Budget, the sum of N820 million was appropriated but was not released to the State

Government as at time of visit. The total amount committed to this project by the FGN since inception is N1.8 billion. The project had attained 100% level of completion while the State Government awaits reimbursement from the FGN.

*v. Rehabilitation of Okija-Oguta Imo State Border Road with a Spur to Anambra University of Technology Road*

The project, which would cover 19km of the stretch, was still at the design stage at the time of visit. The project had an appropriation of N600 million in the 2009 Budget, which had been fully released as at the end of the third quarter. However, the project was at 0% level of implementation as at end of the quarter. The team observed the current deplorable state of the road which requires urgent attention, to prevent continuous erosion along the portion that links Onitsha-Owerri road.

*vi. Completion of the Construction of Mararaba Bali Road*

The road contract was initially awarded to Messrs Stirling Civil Engineering Nigeria Ltd in 1999. However, due to the inability of the contractor to perform his contractual obligation, the contract was terminated in 2004. In December 2005, the contract was re-awarded to Messrs Moulds Nigeria Ltd at the cost of N5.16 million with an initial completion date of 14<sup>th</sup> May 2008 which was later extended to 14<sup>th</sup> May 2009. The length of the road is about 102 km with a standard width of 7.3m and 2.75m of paved shoulders on both sides.

The sum of N3 billion was appropriated for the project in the 2009 Budget, while N1.14 billion was released and utilized. As at the time of this visit, 67km of the carriageway had been completed in addition to site clearance, and earthwork. The construction of culverts and drainages, pavement and surfacing as well as construction of 620m length of bridge in 12 (twelve) bridge locations were at 70%, 69.61% and 64% respectively. The total amount certified to date is N3.5 billion. Overall, the project had achieved a 73.86% level of completion.

## 5.0 CONCLUSION

84. The domestic macroeconomic environment improved over the year to September and macroeconomic stability was progressively achieved as a result of various interventions by the Government and the gradually improving global economic environment. Economic growth has remained resilient, with provisional data from NBS indicating 7.58% real GDP growth for the third quarter, an improvement from the 4.50% and 7.22% recorded in the first and second quarters of the year. Year-on-year headline inflation declined from 14% in January 2009 to 10.4% in September, with core inflation reducing to 7.4% over the same period. The Central Bank's MPR was maintained at 6% during the third quarter to reduce the spread between the MPR and the interbank rate which dropped to 9.7% despite the rise in prime and maximum lending rates. The official and parallel market exchange rates have also demonstrated greater convergence as a result of the Central Bank's interventions to further liberalize the inter-bank market.

85. However, notwithstanding this improving macroeconomic environment, 2009 has so far presented significant challenges for budget implementation. Specifically, regarding revenue, there was an underperformance of receipts from both oil and non-oil revenue which caused a financing gap that posed a serious challenge to the execution of the budget as passed. Data from the OAGF indicates a shortfall of about N666.07 billion (or 24.8%) in total revenue available to the three tiers of government. Similarly, the aggregate revenue available for implementation of the 2009 Budget fell short of the projected level of N1,698.91 billion by N404.59 billion (or 23.81%). However, the shortfall was made up by drawings from the unspent balances of the 2008 fiscal year, accumulated savings in the Excess Crude Account, increased domestic borrowing, and concessional loan facilities.

86. Going forward, it is expected that oil revenue performance will increase following increased oil output as a result of the amnesty peace initiative in the Niger Delta Region and the expectation that oil prices will remain at the current relatively high levels compared to the budget benchmark price. It is also anticipated that non-oil revenue such as Customs, VAT and CIT would increase towards the end of the year, given the cyclical behavior of some of the underlying non-oil revenue drivers such as increased imports and consumption during the festive season.

87. On the spending side, while budgetary allocations have been promptly released to the MDAs, actual utilization of the capital vote has been below expectation. Capital expenditure utilization during this period was higher than in the second quarter but

was still lower than expected. In spite of MDAs' acknowledgement of the benefits of early releases and full cash-backing of capital warrants, the data indicates a relatively low utilization rate of 44.46%. However, there were variances in performance among the MDAs. About 10 (or 23%) of the MDAs (e.g. Defence, FCTA and Agric and Water Resources) had utilization rates of over 70% of their releases while Power, Transport, and Works, Housing and Urban Development performed below the overall average during the period. Furthermore, the utilization rates of some MDAs such as Health, Police Affairs/Formation and Education achieved in the third quarter was lower than in the second quarter of 2009.

88. To address these challenges, the Government has taken certain steps to ensure that MDAs diligently implement the budget as passed by the National Assembly. Every month, the Administration devotes a cabinet meeting to assessing budget execution by MDAs. The procurement process has been greatly simplified with higher ministerial approval thresholds and the decentralization of procurement procedures to the MDAs. Furthermore, measures have been taken to strengthen the implementation and executive capacity of the MDAs following a review of the procurement and capital implementation activities of key MDAs conducted by a committee led by the Honorable Minister of Finance, the Chief Economic Advisor to the President and the Director-General of the Bureau for Public Procurement.

89. The Budget Office of the Federation continues to produce and publish quarterly budget implementation reports to track the progress of key projects. This effort, in line with its mandate under the Fiscal Responsibility Act 2007, has contributed to improving the MDAs' performance by providing the Fiscal Responsibility Commission, the Joint Finance Committee of the National Assembly, the general public and other stakeholders with periodic information and analysis on the implementation of the Federal Budget. This fosters an environment within which budget openness, transparency and accountability is enhanced, increasing incentives for the MDAs to achieve the promised deliverables in line with government policies.

90. As seen in this report, the Budget Office's Monitoring and Evaluation teams, in collaboration with relevant officers from MDAs, visited selected projects to assess their level of implementation. This assessment<sup>9</sup> indicates that progress is being made in the implementation of capital projects, although the pace varies from sector to sector. Specifically, the teams made some notable observations which include disagreement between some MDAs and contractors on the cost of actual work done;

---

<sup>9</sup> Most of the outcomes captured in the Second Quarter Implementation Report also apply here.



delay in the payment of compensation to displaced communities/persons which in most cases, leads to further delays in the execution of some projects; and the use of preliminary designs in the award of project contracts by some MDAs which contributes to additional cost or contract cost variation in project execution (e.g. Construction of Kano Western Bypass Road in Kano). The attention of the respective MDA personnel in these cases had been drawn to provide evidence to support the observations. In view of the limited time available for this report, it is recommended that these observations be further investigated and appropriate measures taken.

91. Finally, personnel of most of the MDAs selected for the monitoring exercise suggested that an extension of the implementation of capital projects/programmes to 31<sup>st</sup> March, 2010 would enable them complete most of their ongoing projects/programmes. In any event, it is anticipated that with the increase in the pace of capital budget implementation and the improving prospects for realizing higher oil and non-oil revenue in the fourth quarter, the final outturn of the 2009 Budget will be positive, laying a firm foundation for enhanced budget execution in the 2010 fiscal year.

# 3rd Quarter Budget Implementation Report | 2009

## APPENDIX A

FEDERAL MINISTRY OF FINANCE FUNDS DEPARTMENT, GARKI - ABUJA													
2009 CAPITAL PERFORMANCE FOR MDAs AS AT 30th September, 2009													
MINISTRY	CAPITAL WARRANTS (as at third Quarter)	SUPPL. WARRANT =N=	PAYMENT THRO. AIEs =N=	TOTAL RELEASES = N=	AMOUNT CASHBACKED =N=	AMOUNT TO REFUND =N=	ACTUAL AMOUNT REFUNDED =N=	TOTAL RELEASES AS AMENDED = N=	AMOUNT CASHBACKED AS AMENDED =N=	BALANCE =N=	CBN BALANCE @ 30th September 2009 =N=	UTILISATION =N=	PERF. %
PRESIDENCY	8,389,538,394.34		-	8,389,538,394.34	8,389,538,394.34	39,000,000.00	39,000,000.00	8,350,538,394.34	8,350,538,394.34	-	6,548,592,993.94	1,801,945,400.40	21.58
GOVT. OF THE FEDERATION (SGF)	5,944,383,275.75		402,209,101.00	6,346,592,376.75	6,346,592,376.75	319,943,750.00	319,943,750.00	6,026,648,626.75	6,026,648,626.75	-	4,444,966,712.03	1,581,681,914.72	26.24
YOUTH DEVELOPMENT	4,549,625,003.00		-	4,549,625,003.00	4,549,625,003.00			4,549,625,003.00	4,549,625,003.00	-	3,496,453,316.93	1,053,171,686.07	23.15
POLICE FORMATION	15,993,472,500.00		-	15,993,472,500.00	15,993,472,500.00			15,993,472,500.00	15,993,472,500.00	-	13,746,587,144.98	2,246,885,355.02	14.05
WOMEN AFFAIRS	1,873,650,000.00		-	1,873,650,000.00	1,873,650,000.00			1,873,650,000.00	1,873,650,000.00	-	903,684,975.72	969,965,024.28	51.77
AGRICULTURE & WATER RESOURCES	103,641,285,693.51		-	103,641,285,693.51	103,641,285,693.51	-	-	103,641,285,693.51	103,641,285,693.51	75,000,000.00	28,523,521,715.72	75,042,763,977.79	72.46
AUDITOR-GEN.	1,306,505,566.00		-	1,306,505,566.00	1,306,505,566.00			1,306,505,566.00	1,306,505,566.00	-	1,225,344,116.00	81,161,450.00	6.21
ICPC	372,084,541.00		-	372,084,541.00	372,084,541.00			372,084,541.00	372,084,541.00	-	356,845,691.00	15,238,850.00	4.10
DEFENCE	37,516,924,235.15		687,500,000.00	38,204,424,235.15	38,204,424,235.15	12,512,800.00	12,512,800.00	38,191,911,435.15	38,191,911,435.15	-	9,471,983,093.61	28,719,928,341.54	75.20
EDUCATION	27,006,617,847.26		1,999,726,917.00	29,006,344,764.26	28,987,936,391.92	327,055,906.00	312,805,906.00	28,693,538,858.26	28,675,130,485.92	18,408,372.35	17,130,669,716.60	11,544,460,769.32	40.26
CAPITAL TERRITORY ADMINISTRATIO	49,987,499,999.00		-	49,987,499,999.00	49,987,499,999.00			49,987,499,999.00	49,987,499,999.00	-	13,167,360,678.88	36,820,139,320.12	73.66
INTER GOVT. AFFAIRS	2,043,671,250.00		16,506,067,938.00	18,549,739,188.00	18,549,739,188.00	293,381,301.00	293,381,301.00	18,256,357,887.00	18,256,357,887.00	-	9,536,578,857.76	8,719,779,029.24	47.76
FINANCE	3,563,206,837.08		-	3,563,206,837.08	3,563,206,837.08			3,563,206,837.08	3,563,206,837.08	-	1,992,879,621.23	1,570,327,215.85	44.07
HEALTH	35,129,229,789.61		3,261,727,500.00	38,381,957,289.61	38,390,957,289.61	207,750,000.00	207,750,000.00	38,177,957,289.61	38,183,207,289.61	-	29,550,860,660.60	8,632,346,629.01	22.61
INFORMATION & COMMUNICATIO N	1,717,000,000.00		-	1,717,000,000.00	1,717,000,000.00	271,250,000.00	271,250,000.00	1,445,750,000.00	1,445,750,000.00	-	473,243,988.16	972,506,011.84	67.27

# 3rd Quarter Budget Implementation Report | 2009

OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION.

FEDERAL MINISTRY OF FINANCE

FUNDS DEPARTMENT, GARKI - ABUJA

## 2009 CAPITAL PERFORMANCE FOR MDAs AS AT 30th September, 2009

MINISTRY	CAPITAL WARRANTS (as at third Quarter)	SUPPL. WARRANT =N=	PAYMENT THRO. AIEs =N=	TOTAL RELEASES = N=	AMOUNT CASHBACKED =N=	AMOUNT TO REFUND =N=	ACTUAL AMOUNT REFUNDED =N=	TOTAL RELEASES AS AMENDED = N=	AMOUNT CASHBACKED AS AMENDED =N=	BALANCE =N=	CBN BALANCE @ 30th September 2009 =N=	UTILISATION =N=	PERF. %
INTERIOR	8,825,645,731.75		-	8,825,645,731.75	8,825,645,731.75	156,250,000.00	156,250,000.00	8,669,395,731.75	8,669,395,731.75	-	5,557,507,274.41	3,111,888,457.34	35.90
HEAD OF SERVICE	3,644,191,349.00		-	3,644,191,349.00	3,644,191,349.00			3,644,191,349.00	3,644,191,349.00	-	2,216,621,471.26	1,427,569,877.74	39.17
JUSTICE	637,233,244.50		-	637,233,244.50	637,233,244.50			637,233,244.50	637,233,244.50	-	487,117,172.02	150,116,072.48	23.56
LABOUR & PRODUCTIVITY	640,136,324.00		-	640,136,324.00	640,136,324.00	72,992,052.00	72,992,052.00	567,144,272.00	567,144,272.00	-	303,106,672.31	264,037,599.69	46.56
SCIENCE AND TECH.	8,053,187,054.75		-	8,053,187,054.75	8,053,187,054.75	9,250,000.00	9,250,000.00	8,043,937,054.75	8,043,937,054.75	-	3,141,994,155.19	4,899,639,121.37	60.91
WORKS	184,134,039,768.19		-	184,134,039,768.19	184,134,039,768.19			184,114,039,768.19	184,114,039,768.19	-	110,137,052,256.96	73,976,987,511.23	40.18
AVIATION	20,631,344,939.55		509,595,000.00	22,505,052,023.05	22,505,052,023.05			22,505,052,023.05	22,505,052,023.05	-	18,938,430,011.32	3,566,622,011.73	15.85
TRANSPORT	11,599,243,207.77		13,805,280,350.25	25,404,523,558.02	25,404,523,558.02			25,404,523,558.02	25,404,523,558.02	-	14,010,548,733.71	11,393,974,824.31	44.85
POWER	67,676,620,081.77		-	67,676,620,081.77	67,676,620,081.77			67,036,727,614.27	67,036,727,614.27	-	54,315,344,357.74	12,721,383,256.53	18.98
PETROLEUM	20,155,673,342.81		-	20,155,673,342.81	20,155,673,342.81	17,798,671.00	17,798,671.00	20,137,874,671.81	20,137,874,671.81	-	17,896,558,324.47	2,241,316,347.34	11.13
MINES & STEEL	4,405,292,015.75		-	4,405,292,015.75	4,405,292,015.75			4,405,292,015.75	4,405,292,015.75	-	4,122,222,091.75	283,069,924.00	6.43
WAGES & SALARIES	173,250,000.00		-	173,250,000.00	173,250,000.00			173,250,000.00	173,250,000.00	-	39,732,563.02	133,517,436.98	77.07
ENVIRONMENT,	5,482,507,228.56		-	5,482,507,228.56	5,482,507,228.56	23,681,223.00	2,411,473.00	5,480,095,755.56	5,480,095,755.56	-	4,005,080,917.87	1,475,014,837.69	26.92
TOURISM, CULTURE & NATIONAL ORIENTATION	3,658,415,999.29		-	3,658,415,999.29	3,658,415,999.29			3,658,415,999.29	3,658,415,999.29	-	1,967,829,244.19	1,690,586,755.10	46.21

# 3rd Quarter Budget Implementation Report | 2009

OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION.

FEDERAL MINISTRY OF FINANCE

FUNDS DEPARTMENT, GARKI - ABUJA

**2009 CAPITAL PERFORMANCE FOR MDAs AS AT 30th September, 2009**

MINISTRY	CAPITAL WARRANTS (as at third Quarter)	SUPL. WARRANT =N=	PAYMENT THRO. AIEs =N=	PAYMENT THRO. AIEs =N=	AMOUNT CASHBACKED =N=	AMOUNT TO REFUND =N=	ACTUAL AMOUNT REFUNDED =N=	TOTAL RELEASES AS AMENDED =N=	AMOUNT CASHBACKED AS AMENDED =N=	BALANCE =N=	CBN BALANCE @ 30th September 2009 =N=	UTILISATION =N=	PERF.
NAT. PLANNING	844,365,462.00		1,205,541,441.00	2,049,906,903.00	2,049,906,903.00			2,049,906,903.00	2,049,906,903.00	-	595,571,886.16	1,454,335,016.84	70.95
SPORTS COMMISSION	693,045,322.75		2,000,000,000.00	2,693,045,322.75	2,693,045,322.75			2,693,045,322.75	2,693,045,322.75	-	460,489,420.70	2,232,555,902.05	82.90
OFFICE OF NATIONAL SECURITY	3,600,000,000.00		3,600,000,000.00	7,200,000,000.00	7,200,000,000.00			7,200,000,000.00	7,200,000,000.00	-	3,604,800,000.00	3,595,200,000.00	49.93
NIGER DELTA	12,000,000,000.00		24,000,000,000.00	36,000,000,000.00	36,000,000,000.00			36,000,000,000.00	36,000,000,000.00	-	18,475,867,400.44	17,524,132,599.56	48.68
NAT. POPULATION	579,862,356.00		-	579,862,356.00	579,862,356.00			579,862,356.00	579,862,356.00	-	330,231,767.48	249,630,588.52	43.05
CODE OF CONDUCT BUREAU	63,863,044.00		-	63,863,044.00	63,863,044.00	3,963,044.00	3,963,044.00	59,900,000.00	59,900,000.00	-	2,476,740.00	57,423,260.00	95.87
CODE OF CONDUCT TRIBUNAL	168,412,637.00		-	168,412,637.00	168,412,637.00			168,412,637.00	168,412,637.00	-	488,825.35	167,923,811.65	99.71
REV. MOB. ALL.	600,000,000.00		-	600,000,000.00	600,000,000.00			600,000,000.00	600,000,000.00	-	405,236,524.49	194,763,475.51	32.46
FCSC	225,000,000.00		-	225,000,000.00	225,000,000.00			225,000,000.00	225,000,000.00	-	220,825,225.00	4,174,775.00	1.86
SERVICE COMMISSION	22,665,000.00		-	22,665,000.00	22,665,000.00	22,665,000.00	22,665,000.00	-	-	-	-	-	-
INEC	3,811,035,000.00		-	3,811,035,000.00	3,811,035,000.00			3,811,035,000.00	3,811,035,000.00	-	3,471,296,077.50	339,738,922.50	8.91
National Assembly	5,187,499,999.75	1,500,000,000.00	-	6,687,499,999.75	6,687,499,999.75	500,000,000.00	500,000,000.00	6,187,499,999.75	6,187,499,999.75	-	390,638,404.40	3,908,342,211.31	63.17
<b>TOTAL</b>	<b>671,053,534,799.63</b>	<b>1,500,000,000.00</b>	<b>67,977,648,247.25</b>	<b>740,531,183,046.88</b>	<b>740,437,774,674.53</b>	<b>2,942,386,214.50</b>	<b>2,906,866,464.50</b>	<b>737,624,316,582.38</b>	<b>737,530,908,210.03</b>	<b>93,408,372.35</b>	<b>409,606,614,624.59</b>	<b>327,937,228,657.25</b>	<b>44.46</b>