



2015 FOURTH QUARTER AND CONSOLIDATED BUDGET IMPLEMENTATION REPORT



BUDGET OFFICE OF THE FEDERATION
Federal Ministry of Budget and National Planning, Abuja

FOREWORD

It is with pleasure that I present to you this Report which is the fourth in the series being the Consolidated Report of the 2015 Budget Implementation. It is also in line with government's resolve to guarantee transparency and accountability in the management of public resources. It therefore provides information by which Government's performance in the management of national resources can be measured.

The preparation and dissemination of this Report is in accordance with Sections 30 and 50 of the *Fiscal Responsibility Act, 2007* which requires the Honourable Minister of Finance to submit to the Joint Finance Committee of the National Assembly and the Fiscal Responsibility Commission, quarterly and consolidated budget implementation reports. These reports are also disseminated to the general public through electronic and print media. The 2015 First, Second and Third Quarters Budget Implementation Reports were earlier published. The Fourth Quarter and Consolidated Report continue this reporting tradition.

This Budget Implementation Report is the product of meticulous planning, monitoring, evaluation and analytical work carried out by the Budget Office of the Federation in conjunction with Ministries, Departments and Agencies (MDAs), Civil Society Organizations and the Media. I commend the team's hard work and also wish to acknowledge the active roles of the National Assembly's Joint Finance Committee and the Fiscal Responsibility Commission in promoting best practices in public financial management through their collaborative efforts. I look forward to more of this cooperative work in future.

Lastly, I encourage all readers of this Report to continue to show active interest in government's ability to live up to its promises. This will serve as the necessary impetus for the proficient management of government finances.

Kemi Adeosun (Mrs)
Honourable Minister of Finance

PREFACE

Pursuant to Section 30 of the *Fiscal responsibility Act, 2007*, the Honourable Minister of Finance through the Budget Office of the Federation is mandated to produce quarterly budget and consolidated yearly budget implementation reports. This Report fulfills this obligation and also presents the means of proving the Government's commitment to the transparent and judicious management of public finances.

The 2015 Budget was prepared with a theme "Transition Budget & Hope". In order to achieve this objective, the Budget, among other concerns, focused more on attaining macroeconomic stability and spending in priority sectors of the economy. The Budget was also aligned with the Government's objectives of guaranteeing prudent management of limited fiscal resources so as to lay the foundation for rapid and sustainable growth, as well as generate more jobs.

The implementation of the 2015 Budget in the fourth quarter of the year was challenging in several respects. Apart from the late passage of the budget by the National Assembly in the year, the government had to seek supplementary budget in December 2015 to take care of unforeseen and immediate expenditures. The collapse in the price and demand of oil in the international market were also impediments to the execution of the budget since the government was faced with lower than projected incomes from both oil and non-oil revenues. These shortfalls in revenue were serious obstacles to the full implementation of the budget during the period.

This Report is the product of combined effort of the various departments of Budget Office of the Federation, particularly the Fiscal Policy and Budget Monitoring & Evaluation Department, relevant financial/statistical agencies of the Federal Government which provided key macro-economic/financial data, Civil Society Organisations and the media. I thank them all for their efforts and wish them every success as they continue to perform this important function of producing a concise report which monitors Government's progress in implementing the Annual Budget.

Ben Akabueze
Director General
Budget Office of the Federation

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EXECUTIVE SUMMARY

The 2015 Budget was tagged “Transition Budget & Hope” and was put together in the midst of concerns in the international economy due to the continuous fall and unstable price of crude oil in the world market. In view of this development, policies were put in place to guide and direct the domestic economy to its optimum level, diversify the economy and also to create wealth. Available data from the National Bureau of Statistics (NBS) showed that the domestic economy still remained resilient despite the falling oil prices. In the fourth quarter of 2015, the nation’s Gross Domestic Product (GDP) grew by 2.11% (year-on-year) in real terms. This was 0.73% and 3.83% lower than the figures reported in the preceding quarter and the corresponding quarter of 2014 respectively.

Inflationary pressure remained modest across the three measures of inflation. With the exception of food inflation, other inflationary pressure remained within the single digit range during the quarter under review. There was a slight increase in year-on-year headline inflation to 9.6% in December, from 9.4% in November, 9.3% in October and 9.4% in September 2015 respectively. But Core inflation declined from 8.9% in September and remained stable at 8.7% in October, November and December 2015 while food inflation edged up to 10.6% in December from 10.3% in November, 10.1% in October and 10.2% in September 2015. Figures from the CBN showed that Nigeria’s gross official (external) reserve decreased slightly to US\$28.28 billion at the end of the fourth quarter of 2015.

Data from the Office of the Accountant General of the Federation (OAGF) revealed that a net sum of N1,087.40 billion was shared among the three tiers of government in the fourth quarter of 2015, denoting a shortfall of N609.86 billion in the budgeted amount for the quarter. A total of N477.48 billion, excluding revenue from other funding sources was received to fund the Federal Budget in the fourth quarter of 2015 representing a shortfall of N385.61 billion (or 44.68%). This revenue shortfall affected the implementation of the 2015 Budget in the quarter.

The data also indicated that as at 31st December, a total of N2,550.07 billion out of the N3,171.05 billion projected for recurrent (non-debt) expenditure was expended while N387.39 billion out of the N557.0 billion projected for capital budget implementation for the year was released. In addition to the regular budget, a total of N21.03 billion (or 100%) of the amount appropriated for SURE-P in the 2015 budget was also released as at 31st December, 2015 while N20.69billion (or 98.38%) of the released amount was utilized for capital and social programmes. This assisted in the area of infrastructural development.

An analysis of forty-eight (48) MDAs reported upon by the Office of the Accountant-General of the Federation (OAGF) indicated different levels of utilization among the MDAs. Twenty-Seven (or 56.25%) of the MDAs including: Youth Development, Police Affairs, Agriculture, Water Resources, Education, Federal Capital Territory Administration, Trade & Investment, Communication Technology, Interior, Transport, Works, Mines & Steel, Aviation, Environment, Niger-Delta, Labour & Productivity and National Sports Commission had utilized more than the overall average utilization rate of 92.47% of the amount cash-backed. Seven out of these, including Federal Capital Territory Administration, Auditor-General, ICPC, National Wages & Salaries, Office of the National Security Adviser, Code of Conduct Tribunal and Police Service Commission had 100% of their respective cash-backed funds utilized.

1.0 INTRODUCTION

The 2015 Budget was tagged “Transition Budget & Hope” and was prepared in the midst of anxiety in the international economy following the persistent decline and volatility in the price of crude oil in the world market. As a result, policies were put in place to guide and direct the domestic economy to its optimum level. Adequate measures were also introduced to widen the scope of the diversification of the economy. This was expected to be achieved by transiting the economy not only in its developmental focus but also in its financing sources, spending priorities, as well as in wealth creation. With all these in mind, the 2015 Budget focused more on a number of issues that will guide the economy through a tough year (2015) and move the country to its developmental potentials of becoming a non-oil economy as well as tackle income inequality in the society.

2. Like in the past budgets, the 2015 – 2017 Medium Term Fiscal Framework formed the groundwork of the 2015 Budget. The framework was put in place after due considerations of all the activities at both international and local markets which were major determinants on the amount of revenues required to fund the budget. At the global level, the interplay of industrial and economic actions determines the demand and supply of commodities like oil, our major revenue earner. While at the domestic front, factors such as the disruptions in oil production and security challenges affect planned production volumes and subsequently, define the ability of government to generate expected revenues.

3. In the 2015 Budget, emphasis was placed on the completion of critical and ongoing capital projects (infrastructure, education and healthcare) that will stimulate growth and development. The provision of physical and food security were also given special priority. Other areas of focus in the 2015 Budget included the encouragement of private sector participation in the key sectors of the economy, creation of jobs and the attainment of comprehensive growth.

4. The presentation of the 2015 Appropriation Bill to the National Assembly was delayed due to the instability in the price of oil at the international market. The 2015-2017 Medium-Term Expenditure Framework was prepared and transmitted to the National Assembly early in September 2014. But shortly after, oil prices began to fall uncontrollably thereby threatening the proposed oil benchmark price for the budget. This unexpected development contributed to the postponement due to the re-engagement of stakeholders and re-adjustment of some of the proposed budget parameters.

5. This Report provides detailed information of 2015 fourth quarter and consolidated budget implementation for the full year. The rest of the Report is arranged as follows: a brief analysis of the macroeconomic background against which the budget was executed, followed by a careful examination of government's revenue receipts and expenditure in the quarter. Finally, we present a brief conclusion to this Report. A chapter on the outcomes of the physical monitoring and evaluation of capital projects and programmes has been included in this final report for the full year 2015.

2.0 MACROECONOMIC DEVELOPMENTS AND ANALYSIS

Global Economic Developments:

There was a significant variance in global output recovery in 2015. While growth picked-up in most of the advanced countries, there was slowdown in majority of emerging and developing economies. In view of this, the IMF in its World Economic Outlook (WEO) revised its global growth estimate from 3.4 to 3.1% and 3.4% in 2015 and 2016, respectively. In the United States, growth has remained reasonably firm with 2015 third quarter growth rate reviewed from an earlier estimate of 1.5% to 2.1%. The country's overall growth in 2015 is estimated to be the strongest since the post crisis recovery began in 2010. Likewise, its 2016 growth rate has been projected at 2.6%. Japan's recovery in 2015 remained fragile despite the continuous policy inducement by the Bank of Japan. The Bank's asset purchase program injects ¥6.7 trillion (\$56.71 billion) monthly into the economy, with the likelihood of expansion. However, this has done little to restart growth which is projected at 0.8% in 2015. Japan's outlook for 2016 remains inhibited by the fragile response of the economy to monetary and fiscal stimuli.

7. In the Euro area, declining fiscal consolidation and improving labour market conditions created 1.5% growth in 2015 with prospects for achieving 1.7% in 2016. The European Central Bank (ECB) further eased its monetary policy posture in December 2015, despite the Bank's continuous monthly asset purchase of €60 billion (\$64.8 billion), as both inflation and wage growth remained unresponsive. Growth in the Emerging Markets and Developing Economies (EMDEs) declined to 4.0% in 2015, the lowest since 2009, as both external and domestic challenges continued; owing to low commodity prices, financial market volatility, slowing productivity, policy uncertainty and eroding policy buffers as well as weak global trade. The slowdown in the majority of EMDEs has also been ascribed to spill over

from weaknesses in major emerging economies, falling capital inflows, rising borrowing costs and other geopolitical factors. The stance of monetary policy in the advanced economies is expected to remain largely accommodative in 2016, except for the United States where monetary policy stabilization has commenced. Against the background of suppressed commodity prices and slow recovery, global inflation is expected to remain modest through 2016.

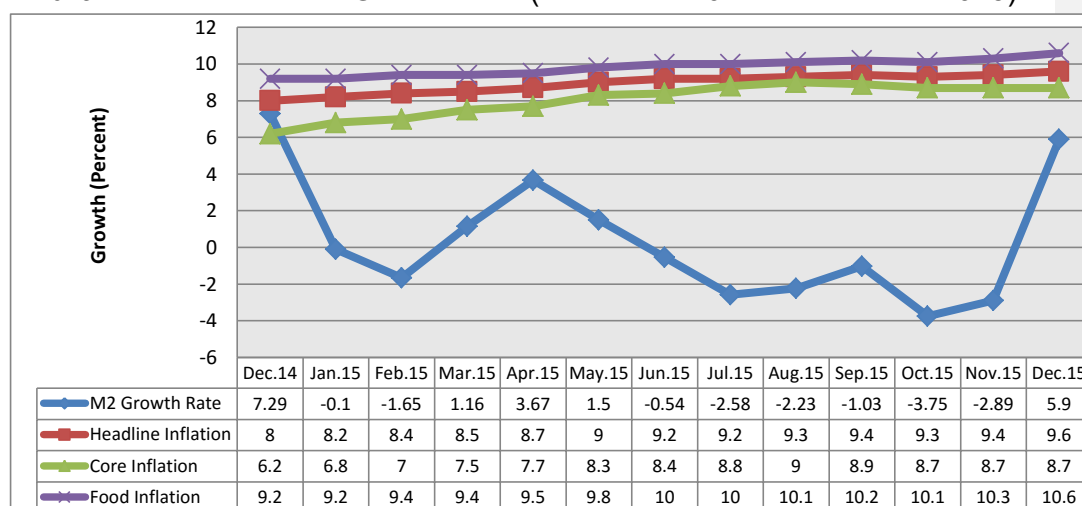
Domestic Economy:

8. Available data from the National Bureau of Statistics (NBS) revealed that in the fourth quarter of 2015, the nation's Gross Domestic Product (GDP) grew by 2.11% (year-on-year) in real terms. This was 0.73% and 3.83% lower than the figures recorded in the preceding quarter and the corresponding quarter of 2014 respectively. Quarter on quarter, real GDP increased by 3.1%. Real growth of the oil sector slowed by 8.28% (year-on-year) while the non-oil sector grew by 3.14% in real terms in Q4 of 2015. Growth in the Non-oil sector was largely driven by the activities of Trade, Crop Production, and Information and Communication, Other Services and Real Estate. Economic growth is expected to slow down considerably in the first quarter of 2016. This anticipation is based on the current low global oil price trend which is likely to hold low over the medium to long term, and with its associated consequences for government revenue and foreign exchange earnings. Other expected downside risks to growth in 2016 include: capital flow problem, high lending rates, sluggish credit to private sector and bearish trends in the equities market. However, there are chances of a gradual recovery in economic activity due to expected improvements in power and supply of refined petroleum products, improved policy environment aimed at improving the flow of financial resources to the real sector and defeat of internal insurgencies, which will boost general agricultural activity.

9. With the exception of food inflation, other inflationary pressures remained within the single digit range during the quarter under review. There was a slight uptick in year-on-year headline inflation to 9.6% in December, from 9.4% in November, 9.3% in October and 9.4% in September 2015. The increase in headline inflation in December 2015 reflected an increase in the food component since core inflation remained constant. Core inflation

declined from 8.9% in September and remained stable at 8.7% in October, November and December 2015 while food inflation edged up to 10.6% in December from 10.3% in November, 10.1% in October and 10.2% in September 2015. It is expected that these developments in the consumer price index will continue to be monitored with a view to formulating appropriate policies that will keep inflation in check.

Chart1: Inflation and M2 Growth Rate (December 2014 – December 2015)



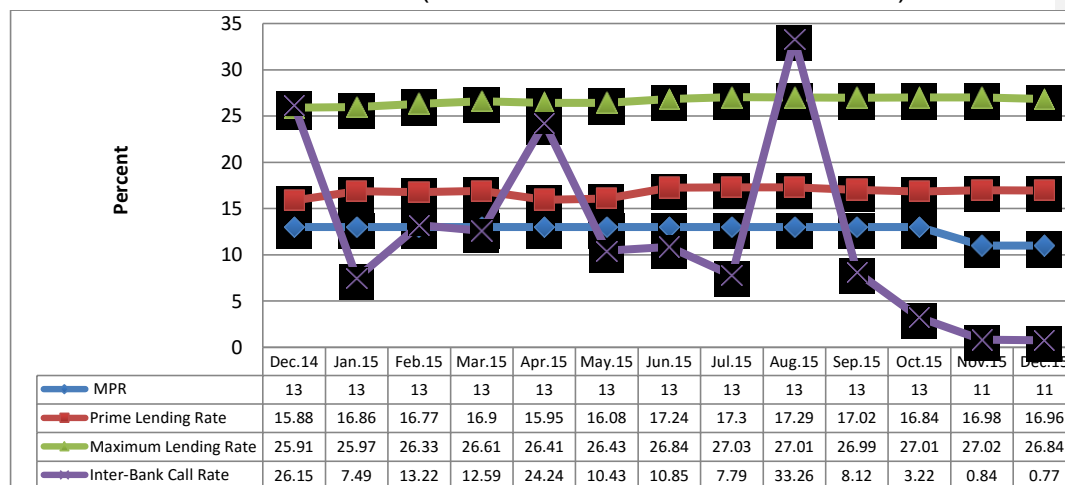
Source: Central Bank of Nigeria & National Bureau of Statistics, 2015

10. Data from the Central Bank of Nigeria (CBN) reveals that broad money supply (M2) grew by N1,311.83 billion (or 7%) in December 2015 above the level in September 2015, that is, from N18,718.0 billion in September 2015 to N20,029.83 billion in December 2015. Similarly, credit to government sector increased by N105.57 billion (or 3.79%) within the same period, from N2,787.62 billion in September 2015 to N2,893.19 billion in December 2015. The net aggregate domestic credit followed the same trend and also increased by N92.66 billion (or 0.43%) from N21,519.79 billion in September 2015 to N21,612.45 billion in December 2015. On the other hand, Credit to the private sector declined by N12.91 billion (or 0.07%) from N18,732.17 billion in September 2015 to N18,719.26 billion in December 2015. The average prime lending rate declined from 17.02% in September 2015 to 16.84%, 16.98% and 16.96% in October, November and December 2015 respectively. On the other

hand, the average maximum lending rate increased from 26.99% in September 2015 to 27.01% and 27.02% in October and November 2015 respectively before falling to 26.84% in December 2015.

11. In its pursuit of price stability the Central Bank of Nigeria (CBN) like in September 2015 retained the same Monetary Policy Rate (MPR) at 13% in October 2015 but later reduced it to 11% in November and December 2015. The easing of the monetary policy rate was with a view to increase the liquidity of the banking system. This was aimed at moderating domestic interest rates so as to encourage businesses to borrow. The interest rates in the interbank money market also measured up with the level of liquidity conditions in the banking system. Thus the average interbank call rate fell from 8.12% in September 2015 to 3.22%, 0.84% and 0.77% in October, November and December 2015 respectively. The trends in interest rates in the fourth quarter of 2015 are presented in *Chart 2* below.

Chart 2: Interest Rates Trend (December 2014 – December 2015)

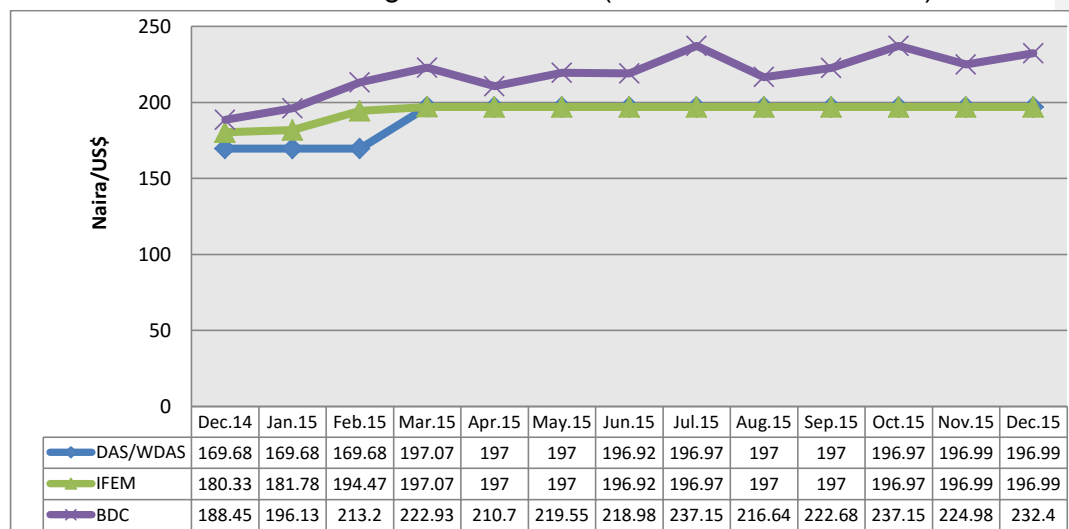


Source: Central Bank of Nigeria, 2015

12. The period witnessed troubling activities in the informal segment of the foreign exchange market, which led to the stoppage of dollar sales to Bureau-de-Change (BDC) segment of the market, even as the average Naira exchange rate remained relatively stable at the inter-bank segment during the review period. The end-period official Wholesale Dutch Auction System (WDAS) and the Inter-Bank Naira/Dollar exchange rate appreciated

marginally from N197.00/\$ in September 2015 to N196.97/\$ in October and remained stable at N196.99/\$ in both November and December 2015. This underscored the necessity of improving the supply of foreign exchange to the market, especially from autonomous sources. It also reiterated CBN's commitment to maintaining stability in the Naira exchange rate. The BDC exchange rates depreciated from N222.68/\$ in September 2015 to N237.15/\$, N224.98/\$ and N232.40/\$ in October, November and December 2015 respectively. The wide difference between the Official Wholesale Dutch Auction System, Inter-Bank and the Bureau-de-Change exchange rates offered an avenue for manipulative activities in the market, thereby suggesting the continuing need for measures aimed at discouraging speculative activities in the foreign exchange market.

Chart 3: Naira/US\$ Exchange Rates Trend (Dec. 2014 – Dec. 2015)



Source: Central Bank of Nigeria, 2015

13. Figures from the CBN showed that Nigeria's gross official (external) reserve decreased slightly at the end of the fourth quarter of 2015. It fell from US\$29.88 billion in September 2015 to US\$28.28 billion as at the end of December 2015 representing a decrease of US\$1.6 billion (or 5.35%) below the figure recorded at the end of September 2015. Relative to the end of fourth quarter of 2014 level of US\$34.25 billion, the external reserves at the end of fourth quarter of 2015 fell by US\$5.97 billion (or 17.43%). The decreasing level of external reserves can be attributed to the factors of demand and supply. On the supply side, the falling oil price had

considerably reduced the accretion to external reserves. On the demand side, the pressures in the foreign exchange market were supported mostly by the excess liquidity conditions in the banking system and speculative activities. These elements resulted to an increased funding of the foreign exchange market by the CBN to stabilize the Naira. Based on the CBN report, the foreign reserves level as at the end of December 2015 could finance over six (6) months of imports which is well above the internationally recommended minimum threshold of 3-months import cover.

Chart 4: Level of External Reserves in Billion Dollars (Dec. 2014 – Dec. 2015)



Source: Central Bank of Nigeria, 2015

3.0 FINANCIAL ANALYSIS OF THE 2015 BUDGET IMPLEMENTATION

3.1 Key Assumptions and Projections:

The 2015 Budget is a product of 2015-2017 Medium Term Fiscal Framework (MTFF) which was prepared after series of discussions with relevant stakeholders. The activities in the world market were also taken into consideration before arriving at some of the important assumptions in the framework.

Table 1: Key Assumptions and Targets for the 2015 Budget

| KEY ASSUMPTION & TARGETS | 2015 |
|--|-------------|
| Projected Production (in mbpd) | 2.28 |
| Budget Benchmark Price (per barrel in US) | 53 |
| <i>Technical Cost of JVC Pbl to Oil Companies</i> | |
| Operating Expenses (T1) in US \$ | 10.19 |
| Capital Expenses (T2) in US \$ | 11.57 |
| <i>Technical Cost of PSC Pbl to Oil Companies</i> | |
| Operating Expenses (T1) in US \$ | 9.2 |
| Capital Expenses (T2) in US \$ | 18.46 |
| Investment Tax Credit | 5.8 |
| <i>Technical Costs of SC pbl to Oil Company</i> | |
| Operating Expenses (T1) in US \$ | 22.09 |
| Capital Expenses (T2) in US \$ | 3.04 |
| Investment Allowances | 1.18 |
| <i>Weighted Average Contribution Rates</i> | |
| Weighted Average Rate of PPT - JV Oil | 85% |
| Weighted Average Rate of PPT - PSC Oil | 50.2% |
| Weighted Average Rate of PPT - SC Oil | 85% |
| Weighted Average Rate of PPT - Independent (Indigenous) | 85% |
| Weighted Average Rate of PPT - Marginal | 51.64% |
| <i>Royalty Rates</i> | |
| Weighted Average Rate of Royalties - JV Oil | 18.67% |
| Weighted Average Rate of Royalties - PSC | 2.62% |
| Weighted Average Rate of Royalties - SC Oil | 18.5% |
| Weighted Average Rate of Royalties -Independent | 18.5% |
| Weighted Average Rate of Royalties - Marginal | 2.5% |
| Average Exchange Rate (NGN/US\$) | 190 |
| VAT Rate | 5% |
| CIT Rate | 30% |

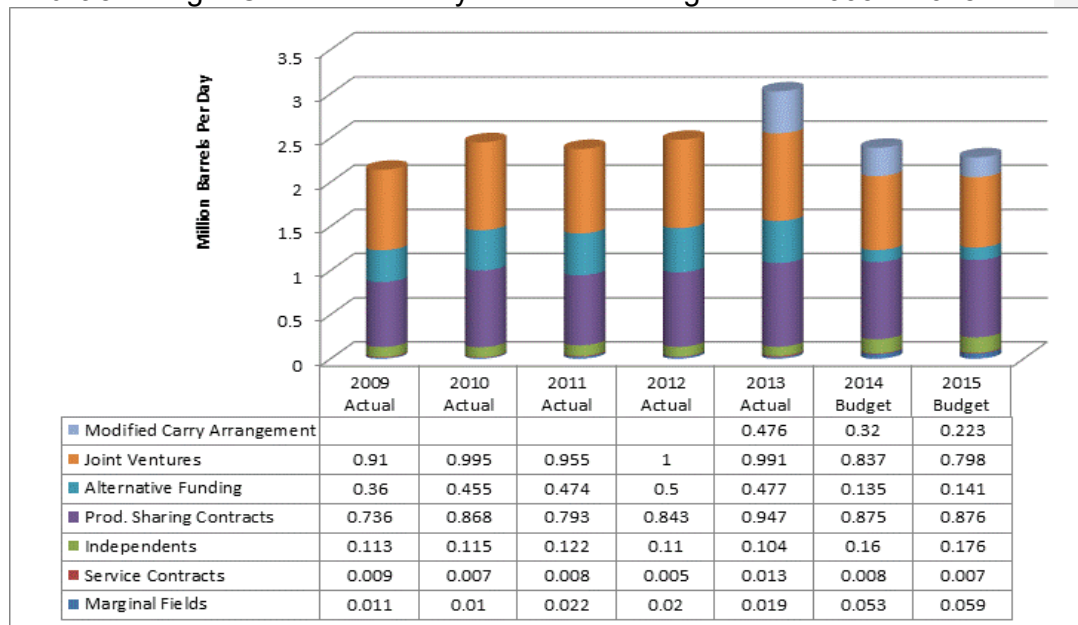
Source: BOF, NNPC, FIRS and NCS, 2015

Budget Benchmark Oil Price and Production:

15. Owing to the unstable nature of oil prices in the international market, Government in the past few years had articulated a rational technique of fashioning out the benchmark price of oil for its annual budgets. In view of this, budget expenditures were insulated from the uncertainties in the prices of oil in the world market. With this in mind, the budget benchmark price of oil for the 2015 Budget was pegged at US\$53.00/barrel while oil production was fixed at 2.28 million barrels per day (mbpd). The expected oil production for 2015 budget represents a decrease of 0.11mbpd (or 4.6%) below the 2.39mbpd projected for the 2014 Budget.

16. Details of expected contributions of oil production by business arrangements are presented in *Chart 5* below while the breakdown of contributions and duties for key oil taxes that were anticipated to accrue to the Federal Government are also represented in *Table 2* below.

Chart 5: Budget Oil Production by Business Arrangements 2009 – 2015



Source: NAPIMS/NNPC, 2015

Table 2: Detailed Assumptions for Oil Production and Taxes (2015)

| <i>Share of Oil Production</i> | <i>Percentage</i> |
|---|-------------------|
| Joint Ventures | 35% |
| Alternative Funding | 6.18% |
| Modified Carry Arrangement | 9.8% |
| Production Sharing Contracts | 38.43% |
| Independents | 7.72% |
| Service Contracts | 0.29% |
| Marginal | 2.57% |
| Total Production | 100% |
| <i>PPT Rates</i> | |
| Weighed Average -JV/AF/Independent/Marginal | 85% |
| Weighed Average -PSC | 50.2% |
| Weighed Average -SC | 85% |
| <i>Royalties Rates</i> | |
| Weighted Average-JV/AF/Independent/Marginal | 18.7% |
| Weighted Average-PSC | 2.6% |
| Weighted Average-SC Oil | 18.5% |

Source: NNPC and BOF, 2015

3.2 Analysis of Revenue Performance:

Overview of Oil Revenue Parameters:

17. The price of crude oil in the international market averaged US\$43.69 per barrel in the fourth quarter of 2015, representing a decrease of 13.07% and 42.72% below the US\$50.26 and US\$76.28 recorded in the third quarter of 2015 and fourth quarter of 2014 respectively. The fall in crude oil prices during the period could be attributed to the decrease in demand for oil in the world market and the discovery of oil and other alternatives to oil by more countries of the world.

18. Provisional data from the Nigerian National Petroleum Corporation (NNPC) shows that the average oil lifting (including Condensates) in the fourth quarter of 2015 was 2.19mbpd portraying a shortfall of 0.09mbpd (or 3.95%) below the 2.28mbpd projected for the 2015 Budget. The volume of oil lifted in the period was also 0.06mbpd and 0.07mbpd above the 2.13mbpd and 2.12mbpd reported in the third quarter of 2015 and fourth quarter of 2014 respectively. The fall in the quantity of oil lifted during the quarter as against the anticipated budget figure could be attributed to the uncertainties in the demand and supply of oil in the world market as well as other factors like crude oil theft, illegal bunkering and pipeline vandalism that transpired during the period.

19. The 2015 Fiscal Framework presented a gross Federally collectible revenue estimate of N9,778.38 billion, comprising of N5,431.20 billion (or 55.54%) oil revenue and N4,347.18 billion (or 44.46%) non-oil revenue. Below is an analysis of the real performance of the oil and non-oil revenues in the fourth quarter of 2015.

Oil Revenue Performance:

20. A scrutiny of the oil revenue performance in the fourth quarter of 2015 shows that all the oil revenue items fell short of their respective quarterly projections. Crude Oil Sales of N415.82 billion, Gas Sales of N6.31 billion, Royalties (Oil & Gas) of N112.24 billion, Rent of N0.04 billion, Gas Flared Penalty of N0.42 billion, Petroleum Profit & Gas Taxes of N276.43 billion and Other Oil and Gas Revenue of N0.55 billion fell below their quarterly projections of N645.79 billion, N153.03 billion, N161.86 billion, N0.26 billion, N0.74 billion, N395.21 billion and N0.91 billion by N229.97 billion (or 35.61%), N146.71 billion (or 95.88%), N49.63 billion (or 30.66%), N0.22 billion (or 82.89%), N0.31 billion (or 42.75%), N118.79 billion (or 30.06%) and N0.36 billion (or 39.37%) respectively. Please see *Table 3.1*.

Net Oil Revenue:

21. In the fourth quarter of 2015, the actual Net Oil Revenue that accrued into the Federation Account was N517.03 billion, indicating a decrease of N327.24 billion (or 38.76%) below the projected quarterly estimate of N844.26 billion. Similarly, the net oil revenue in the fourth quarter of 2015 was also lower than the N603.53 billion net oil revenue recorded in the third quarter of 2015 by N86.50 billion (or 14.33%). The poor oil revenue performance in the fourth quarter of 2015 as against the quarterly projection can be ascribed to the fall in oil prices in the international market as well as other supply and demand challenges like crude oil theft, illegal bunkering and destruction of pipelines that transpired during the period. These data are presented in *Table 3.1*.

Year-to-Date:

22. As at end of December 2015, only Other Oil and Gas Revenue of N19.45 billion surpassed its annual estimate of N3.65 billion by N15.80 billion (or 433.15%). All other oil revenue items fell short of their respective annual projections. Crude Oil Sales of N1,859.36 billion, Gas Sales of N89.93 billion, Royalties (Oil & Gas) of N536.51 billion, Rent of N0.20 billion, Gas Flared Penalty of N2.23 billion and Petroleum Profit & Gas Taxes of N1,245.87 billion fell below their annual estimates of N2,583.16 billion, N612.11 billion, N647.45 billion, N1.05 billion, N2.95 billion and N1,580.85 billion by N723.80 billion (or 28.02%), N522.17 billion (or 85.31%), N110.94 billion (or 17.14%), N0.85 billion (or 81.22%), N0.72 billion (or 24.32%) and N334.98 billion (or 21.19%) respectively. These poor performances were due to decreases in prices and demand for Nigerian oil at the international market in the year under review.

Non-Oil Revenue Performance:

23. In recent times, the Government, through the Budget Office of the Federation and the Federal Ministry of Finance had formulated a number of measures meant to improve the non-oil revenue collections and outflows to the treasury. The effects of these policies as well as the Budget Office's regular

consultations with all relevant revenue collecting agencies had given rise to the continued rise in targets and actual revenues collected from the non-oil sector. This trend, as presented in *Table 3.2* and *Table 3.3*, is expected to continue beyond 2016 period.

24. In the fourth quarter of 2015, the actual gross non-oil revenue of N598.58 billion was received. This implies a shortfall of N294.95 billion (or 33.01%) below the quarterly estimate of N893.53 billion. An examination of the non-oil revenue items shows that all the non-oil revenue items fell below their quarterly projections. Value Added Tax of N177.78 billion, Company Income Tax of N279.13 billion, Customs & Excise Duties of N130.69 billion and Special Levies of N10.99 billion were below their quarterly estimates of N320.93 billion, N355.90 billion, N179.57 billion and N37.14 billion by N143.15 billion (or 44.6%), N76.77 billion (or 21.57%), N48.88 billion (or 27.22%) and N26.15 billion (or 70.42%) respectively. Solid Minerals Revenue which had a quarterly projected estimate of N3.92 billion generated nothing in the quarter. When compared with their corresponding third quarter performances, Customs & Excise Duties grew by N4.09 billion (or 3.23%) while Value Added Tax, Company Income Tax and Special Levies fell by N24.34 billion (or 12.04%), N136.54 billion (or 32.85%) and N1.01 billion (or 8.38%) respectively. The low performances of the non-oil revenue items in the fourth quarter of 2015 can be attributed to the sluggish pace of economic activities during the period, the plunge in the value of the Naira in the parallel market as against other foreign currencies and the failure of both the revenue generating and collecting agencies to collect and remit the revenues on time.

Year-to-Date:

25. The gross non-oil revenues for the year amounted to N2,353.75 billion signifying a deficit of N1,220.36 billion (or 34.14%) below the annual projected estimate of N3,574.11 billion. The outcome also shows that earnings from all the non-oil revenue items were below their corresponding estimates. Value Added Tax of N778.72 billion, Company Income Tax of N1,029.10 billion, Customs & Excise Duties of N514.35 billion and Special Levies of

N31.58billion respectively fell short by N504.98billion (or 39.34%), N394.51 billion (or 27.71%), N203.92 billion (or 28.39%) and N116.96 billion (or 78.74%) when compared with their respective annual projections. Solid Mineral Revenue yielded nothing in the year.

Table 3.1: Net Distributable Revenue as at December, 2015 (Oil Revenue at Benchmark Assumptions)

| S/NC | DESCRIPTION | 2015 BUDGET | | 2015 ACTUAL | | | | 2014 | | VARIANCE | | | | | | | |
|------|---|-------------|-----------|---------------|----------------|---------------|----------------|----------|---------------|--|-------------------------------------|---------------------------|----------|-----------------------|----------|------------|----------|
| | | Annual | Quarterly | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual | Annual Actual | 4th Quarter Actual Vs Quarterly Budget | 4th Quarter Vs 3rd Quarter (Actual) | Actual Vs Budget (Annual) | | 2015 Vs 2014 (Actual) | | | |
| A | OIL REVENUE | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | % | N'bn | % | N'bn | % | N'bn | % |
| 1 | Crude Oil Sales Export | | | | | | | | | | | | | | | | |
| 2 | Crude Oil Sales Domestic | 2,583.16 | 645.79 | 557.50 | 459.89 | 426.15 | 415.82 | 1,859.36 | 2,973.31 | (229.97) | (35.61) | (10.33) | (2.42) | (723.80) | (28.02) | (1,113.95) | (37.46) |
| 3 | Gas Sales (NLNG Feedstock Sales & Upstream Liquid Gas) | 612.11 | 153.03 | 55.63 | 23.68 | 4.31 | 6.31 | 89.93 | 309.03 | (146.71) | (95.88) | 2.00 | 46.31 | (522.17) | (85.31) | (219.10) | (70.90) |
| 4 | Oil Royalties & Gas Royalties | 647.45 | 161.86 | 158.13 | 110.53 | 155.61 | 112.24 | 536.51 | 1,006.73 | (49.63) | (30.66) | (43.37) | (27.87) | (110.94) | (17.14) | (470.22) | (46.71) |
| 5 | Rent | 1.05 | 0.26 | 0.10 | 0.02 | 0.03 | 0.04 | 0.20 | 0.41 | (0.22) | (82.89) | 0.01 | 42.22 | (0.85) | (81.22) | (0.21) | (52.14) |
| 6 | Gas Flared Penalty | 2.95 | 0.74 | 0.67 | 0.79 | 0.35 | 0.42 | 2.23 | 2.96 | (0.31) | (42.75) | 0.07 | 19.75 | (0.72) | (24.32) | (0.73) | (24.70) |
| 7 | PPT & Gas Income @ 30% CITA | 1,580.85 | 395.21 | 415.17 | 214.49 | 339.78 | 276.43 | 1,245.87 | 2,432.34 | (118.79) | (30.06) | (63.36) | (18.65) | (334.98) | (21.19) | (1,186.47) | (48.78) |
| 8 | Other Oil and Gas Revenue | 3.65 | 0.91 | 4.57 | 10.10 | 4.23 | 0.55 | 19.45 | 9.00 | (0.36) | (39.37) | (3.67) | (86.91) | 15.80 | 433.15 | 10.45 | 116.10 |
| 9 | Sub-Total | 5,431.20 | 1,357.80 | 1,191.77 | 819.50 | 930.46 | 811.82 | 3,753.55 | 6,733.77 | (545.98) | (40.21) | (118.64) | (12.75) | (1,677.66) | (30.89) | (2,980.22) | (44.26) |
| 10 | DPR Cost of Collection | | - | 7.20 | 6.32 | 6.51 | 4.67 | 24.70 | - | 4.67 | | (1.84) | (28.26) | 24.70 | | 24.70 | |
| 11 | Joint Venture Cash Calls | 1,404.02 | 351.00 | 197.85 | 185.81 | 196.29 | 212.86 | 792.81 | 1,223.73 | (138.14) | (39.36) | 16.58 | 8.45 | (611.21) | (43.53) | (430.92) | (35.21) |
| 12 | Domestic Fuel Subsidy (NNPC) and Marketers (PMS) | 100.00 | 25.00 | - | - | - | - | - | - | (25.00) | (100.00) | - | - | (100.00) | (100.00) | - | - |
| 13 | Subsidy Payment (Kerosine) | 45.52 | 11.38 | - | - | - | - | - | - | (11.38) | (100.00) | - | - | (45.52) | (100.00) | - | - |
| 14 | Under Remittance of Funds by NNPC | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 15 | Oil Excess Revenue | | - | - | - | - | - | - | 20.00 | - | - | - | - | - | - | (20.00) | (100.00) |
| 16 | Sub-Total | 3,881.67 | 970.42 | 986.72 | 627.37 | 727.66 | 594.28 | 2,936.04 | 5,490.04 | (376.14) | (38.76) | (133.38) | (18.33) | (945.63) | (24.36) | (2,554.00) | (46.52) |
| 17 | Transfer to Excess Crude Account | | - | 14.98 | - | 33.96 | - | 48.93 | 796.69 | - | - | (33.96) | (100.00) | 48.93 | | (747.76) | (93.86) |
| 18 | Balance of Oil Revenue | 3,881.67 | 970.42 | 971.75 | 627.37 | 693.71 | 594.28 | 2,887.11 | 4,693.35 | (376.14) | (38.76) | (99.43) | (14.33) | (994.56) | (25.62) | (1,806.24) | (38.49) |
| 19 | 13% Derivation of Net Oil Revenue | 504.62 | 126.15 | 126.33 | 81.56 | 90.18 | 77.26 | 375.32 | 610.14 | (48.90) | (38.76) | (12.93) | (14.33) | (129.29) | (25.62) | (234.82) | (38.49) |
| 20 | TO FEDERATION ACCOUNT (OIL) | 3,377.05 | 844.26 | 845.42 | 545.81 | 603.53 | 517.03 | 2,511.79 | 4,083.22 | (327.24) | (38.76) | (86.50) | (14.33) | (865.27) | (25.62) | (1,571.43) | (38.49) |
| B | Solid Mineral Revenue | 15.68 | 3.92 | - | - | - | - | - | - | (3.92) | (100.00) | - | - | (15.68) | (100.00) | - | - |
| 21 | 13% Derivation of Solid Minerals Revenue | 2.04 | 0.51 | - | - | - | - | - | - | (0.51) | (100.00) | - | - | (2.04) | (100.00) | - | - |
| 22 | TO FEDERATION ACCOUNT (SOLID MINERALS) | 13.64 | 3.41 | - | - | - | - | - | - | (3.41) | (100.00) | - | - | (13.64) | (100.00) | - | - |
| C | NON-OIL REVENUE | | | | | | | | | | | | | | | | |
| 23 | Value Added Tax (VAT) | 1,283.70 | 320.93 | 195.66 | 203.18 | 202.11 | 177.78 | 778.72 | 794.22 | (143.15) | (44.60) | (24.34) | (12.04) | (504.98) | (39.34) | (15.50) | (1.95) |
| 24 | Corporate Tax (CIT, Stamp Duties & CGT) | 1,423.60 | 355.90 | 174.94 | 159.36 | 415.67 | 279.13 | 1,029.10 | 1,207.28 | (76.77) | (21.57) | (136.54) | (32.85) | (394.51) | (27.71) | (178.19) | (14.76) |
| 25 | Customs: Import, Excise & Fees | 718.26 | 179.57 | 133.18 | 123.88 | 126.60 | 130.69 | 514.35 | 566.24 | (48.88) | (27.22) | 4.09 | 3.23 | (203.92) | (28.39) | (51.89) | (9.16) |
| 26 | Special Levies (Federation Account) | 148.54 | 37.14 | 4.89 | 3.72 | 11.99 | 10.99 | 31.58 | - | (26.15) | (70.42) | (1.01) | (8.38) | (116.96) | (78.74) | 31.58 | |
| 27 | Sub-Total | 3,574.11 | 893.53 | 508.67 | 490.13 | 756.37 | 598.58 | 2,353.75 | 2,567.74 | (294.95) | (33.01) | (157.80) | (20.86) | (1,220.36) | (34.14) | (213.99) | (8.33) |
| 28 | Cost of Collection and Other Deductions | 192.97 | 48.24 | 24.49 | 23.43 | 46.42 | 28.20 | 122.53 | 419.07 | (20.04) | (41.55) | (18.22) | (39.25) | (70.44) | (36.50) | (296.54) | (70.76) |
| 29 | Cost of Collection (VAT) | 51.35 | 12.84 | 7.83 | 8.13 | 8.09 | 7.11 | 31.15 | 31.77 | (5.73) | (44.61) | (0.97) | (12.05) | (20.20) | (39.34) | (0.62) | (1.96) |
| 30 | 4% Cost of Collection (CIT) | 55.94 | 13.99 | 7.00 | 6.37 | 16.13 | 11.17 | 40.67 | 47.89 | (2.82) | (20.13) | (4.96) | (30.75) | (15.27) | (27.30) | (7.22) | (15.08) |
| 31 | 7% Cost of Collection (Customs and Special Levies) | 60.68 | 15.17 | 9.67 | 8.93 | 9.70 | 9.92 | 38.21 | 39.64 | (5.25) | (34.62) | 0.22 | 2.24 | (22.46) | (37.02) | (1.43) | (3.60) |
| 32 | FIRS Tax Refunds | 25.00 | 6.25 | - | - | 12.50 | - | 12.50 | 10.07 | (6.25) | (100.00) | (12.50) | (100.00) | (12.50) | (50.00) | 2.43 | 24.13 |
| 33 | Excess Non-Oil Transferred to Federation Account (FIRS) | | | | | | | 289.71 | - | | | | | | | (289.71) | (100.00) |
| 34 | TO FEDERATION ACCOUNT (NON-OIL) | 2,148.79 | 537.20 | 296.35 | 271.65 | 515.93 | 399.71 | 1,483.64 | 1,386.22 | (137.48) | (25.59) | (116.22) | (22.53) | (665.15) | (30.95) | 97.42 | 7.03 |
| 35 | Total VAT Pool | 1,232.35 | 308.09 | 187.83 | 195.05 | 194.03 | 170.67 | 747.58 | 762.45 | (137.42) | (44.60) | (23.36) | (12.04) | (484.78) | (39.34) | (14.87) | (1.95) |
| 36 | Net Non-Oil Revenue | 3,381.14 | 845.28 | 484.18 | 466.70 | 709.96 | 570.38 | 2,231.22 | 2,148.67 | (274.91) | (32.52) | (139.58) | (19.66) | (1,149.92) | (34.01) | 82.55 | 3.84 |
| 37 | Sub-Total: FEDERATION ACCOUNT | 5,539.48 | 1,384.87 | 1,141.77 | 817.46 | 1,119.46 | 916.74 | 3,995.43 | 5,469.44 | (468.13) | (33.80) | (202.72) | (18.11) | (1,544.05) | (27.87) | (1,474.01) | (26.95) |
| 38 | Actual Balances in Special Accounts End of Previous Year 2014 | 17.24 | 4.31 | - | - | - | - | - | - | (4.31) | (100.00) | - | - | (17.24) | (100.00) | - | - |
| 39 | TOTAL FEDERATION ACCOUNT | 5,556.72 | 1,389.18 | 1,141.77 | 817.46 | 1,119.46 | 916.74 | 3,995.43 | 5,469.44 | (472.44) | (34.01) | (202.72) | (18.11) | (1,561.29) | (28.10) | (1,474.01) | (26.95) |
| D | TOTAL DISTRIBUTION | | | | | | | | | | | | | | | | |
| 1 | Federation Account | 5,556.72 | 1,389.18 | 1,141.77 | 817.46 | 1,119.46 | 916.74 | 3,995.43 | 5,469.44 | (472.44) | (34.01) | (202.72) | (18.11) | (1,561.29) | (28.10) | (1,474.01) | (26.95) |
| 2 | VAT Pool Account | 1,232.35 | 308.09 | 187.83 | 195.05 | 194.03 | 170.67 | 747.58 | 762.45 | (137.42) | (44.60) | (23.36) | (12.04) | (484.78) | (39.34) | (14.87) | (1.95) |
| 3 | GRAND TOTAL | 6,789.07 | 1,697.27 | 1,329.60 | 1,012.51 | 1,313.48 | 1,087.40 | 4,743.00 | 6,231.89 | (609.86) | (35.93) | (226.08) | (17.21) | (2,046.07) | (30.14) | (1,488.89) | (23.89) |

Source: OAGF and Budget Office of the Federation, 2015

Table 3.2: Actual Performance of Non-Oil Revenue Category (2006-2014)

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 9 - Year Average |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|------------------|
| | N'm | N'm | N'm | N'm | N'm | N'm | N'm | N'm | N'm | N'm |
| Customs Duties & Excise | 176,297.90 | 248,941.30 | 274,407.60 | 278,940.00 | 309,193.00 | 422,090.00 | 474,917.60 | 432,368.00 | 566,241.00 | 353,710.71 |
| Company Income Tax | 244,807.80 | 327,040.20 | 416,825.50 | 564,950.00 | 657,278.00 | 716,920.00 | 848,566.00 | 985,520.00 | 1,207,283.00 | 663,243.39 |
| Value Added Tax | 230,370.30 | 301,709.60 | 404,527.80 | 468,388.90 | 562,857.00 | 649,500.00 | 710,146.00 | 795,598.00 | 794,220.00 | 546,368.62 |
| Education Tax | 23,950.00 | 50,650.00 | 59,387.00 | 61,058.20 | . | . | . | . | . | 21,671.69 |
| FGN Independent Revenue | 106,600.00 | 152,290.00 | 198,234.20 | 64,114.70 | 153,551.90 | 182,490.00 | 206,766.00 | 274,368.00 | 295,326.00 | 181,526.76 |

Source: OAGF and BOF, 2015

Table 3.3: Percentage Growth in Non-Oil Revenues (2007-2014)

| Description | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 8-Year Average |
|-------------------------|--------|--------|---------|---------|--------|--------|--------|--------|----------------|
| Customs Duties & Excise | 41.20% | 10.23% | 1.65% | 10.85% | 36.51% | 12.52% | -8.96% | 30.96% | 16.87% |
| Company Income Tax | 33.59% | 27.45% | 35.54% | 16.34% | 9.07% | 18.36% | 16.14% | 22.50% | 22.37% |
| Value Added Tax | 30.97% | 34.08% | 15.79% | 20.17% | 15.39% | 9.34% | 12.03% | -0.17% | 17.20% |
| FGN Independent Revenue | 42.86% | 30.17% | -67.66% | 139.50% | 18.85% | 13.30% | 32.69% | 7.64% | 22.17% |

Source: OAGF and BOF, 2015

Comparative Revenue Performance Analysis:

26. A comparative analysis of the data further shows that the aggregate gross oil revenues in the fourth quarter of 2015 were not only lower than their respective estimates for the period, but were also short of the corresponding levels in the same period of 2014. The low performance can be ascribed to the fall in the price of oil in the international market and the reduction in oil lifting figures due to cut in demand, continuous crude oil theft and vandalism of

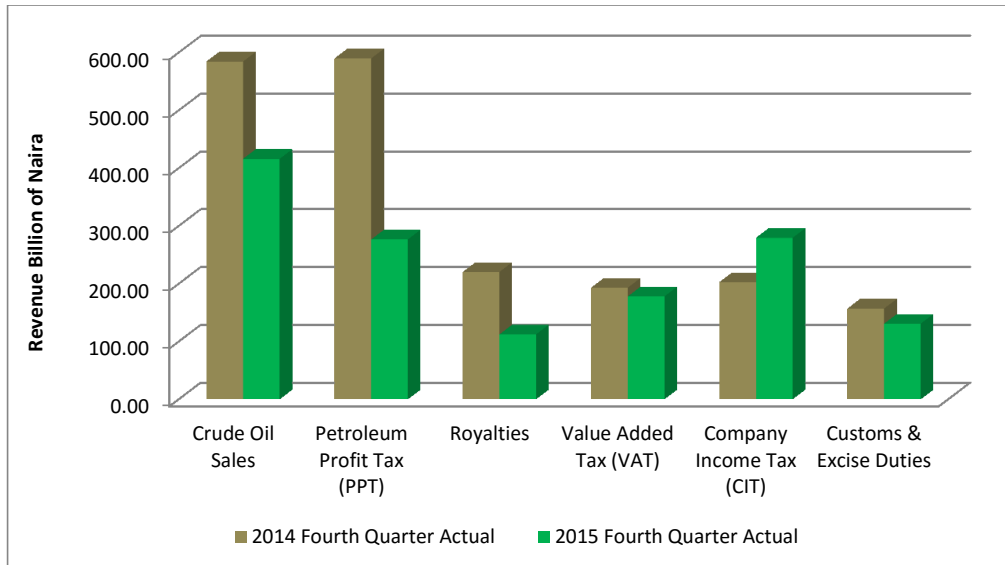
pipelines in the Niger Delta region during the said period. On the other hand, the aggregate gross non-oil revenues for the same period revealed an increase of N46.53billion (or 8.43%) above the corresponding figures reported in 2014. Please see data below in *Table 3.4*.

Table 3.4: Performance of Revenue in the Fourth Quarter of 2015 Vs 2014

| Revenue Items | 2014 | 2015 | Variance | |
|----------------------------|--------------------|--------------------|--------------------------------------|--------|
| | 4th Quarter Actual | 4th Quarter Actual | 4th Quarter 2015 Vs 4th Quarter 2014 | |
| Oil Revenue | N'bns | N'bns | N'bns | % |
| Crude Oil Sales | 584.08 | 415.82 | -168.26 | -28.81 |
| Petroleum Profit Tax (PPT) | 589.66 | 276.43 | -313.23 | -53.12 |
| Royalties | 220.23 | 112.24 | -107.99 | -49.04 |
| Gross Oil Revenue | 1,447.23 | 811.82 | -635.41 | -43.91 |
| Net Oil Receipts | 884.42 | 517.03 | -367.39 | -41.54 |
| Non-Oil Revenue | - | - | | |
| Value Added Tax (VAT) | 192.88 | 177.78 | -15.1 | -7.83 |
| Company Income Tax (CIT) | 202.37 | 279.13 | 76.76 | 37.93 |
| Customs & Excise Duties | 156.8 | 130.69 | -26.11 | -16.65 |
| Gross Non-Oil Revenue | 552.05 | 598.58 | 46.53 | 8.43 |
| Net Non-Oil Receipts | 520.46 | 570.38 | 49.92 | 9.59 |

Source: OAGF and Budget Office of the Federation, 2015

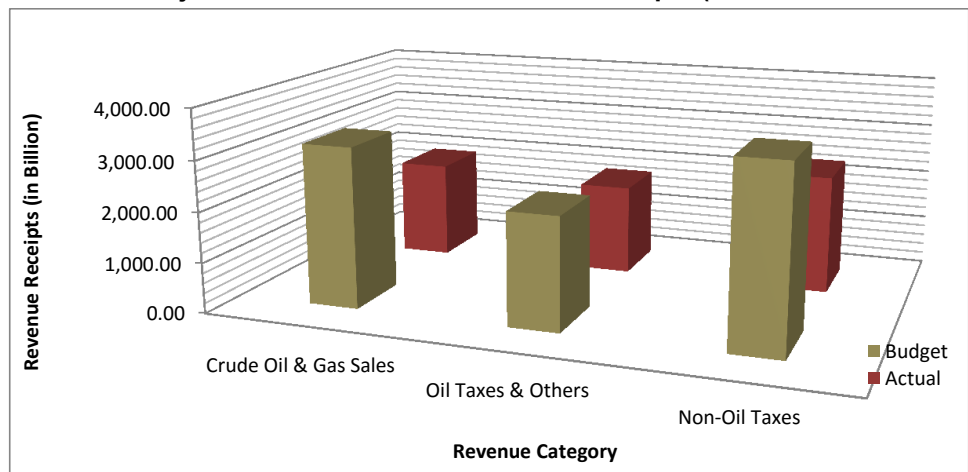
Chart 3.1: 2014 Vs 2015 Revenue Performance (Fourth Quarter)



Source: OAGF and Budget Office of the Federation, 2015

27. *Chart 3.2* below is a graphical illustration of the actual performance of revenue categories compared with their budgeted estimates as at December 2015.

Chart 3.2: Projected Vs Actual FAAC Revenue Receipts (as at December 2015)



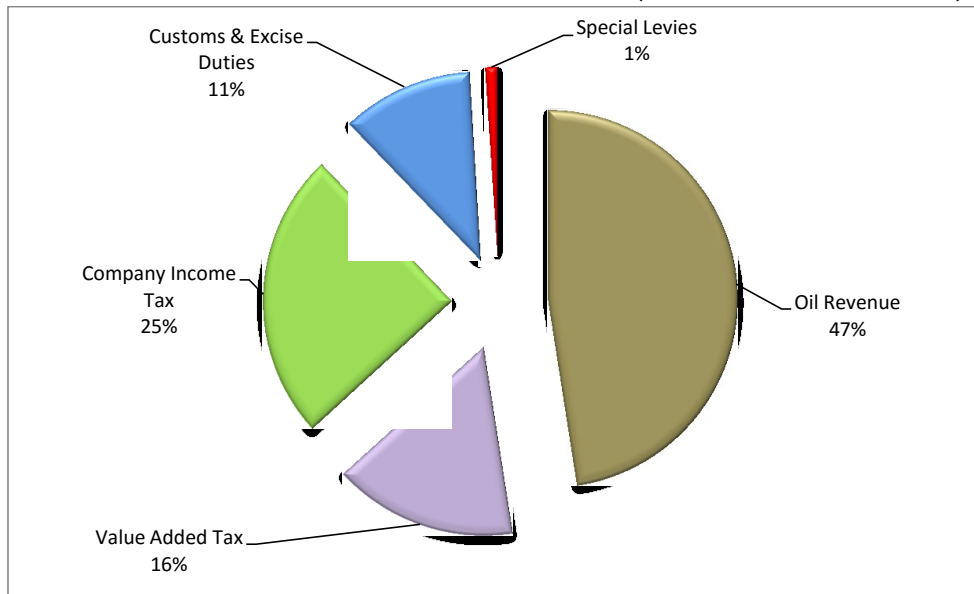
Source: Budget Office of the Federation, 2015

Distributable Revenue:

28. The net distributable revenue is the balance of funds in the Federation Account available for sharing among the three tiers of government after the deduction of all costs. A net sum of N1,087.40 billion was available for distribution in the fourth quarter of 2015. This represents a shortfall of N609.86billion (or 35.93%).

29. Chart 3.3 below gives the percentage contribution of the various revenue categories to distributable revenue in the fourth quarter of 2015.

Chart 3.3: Contributions to Distributable Revenue (in the 4th Quarter of 2015)



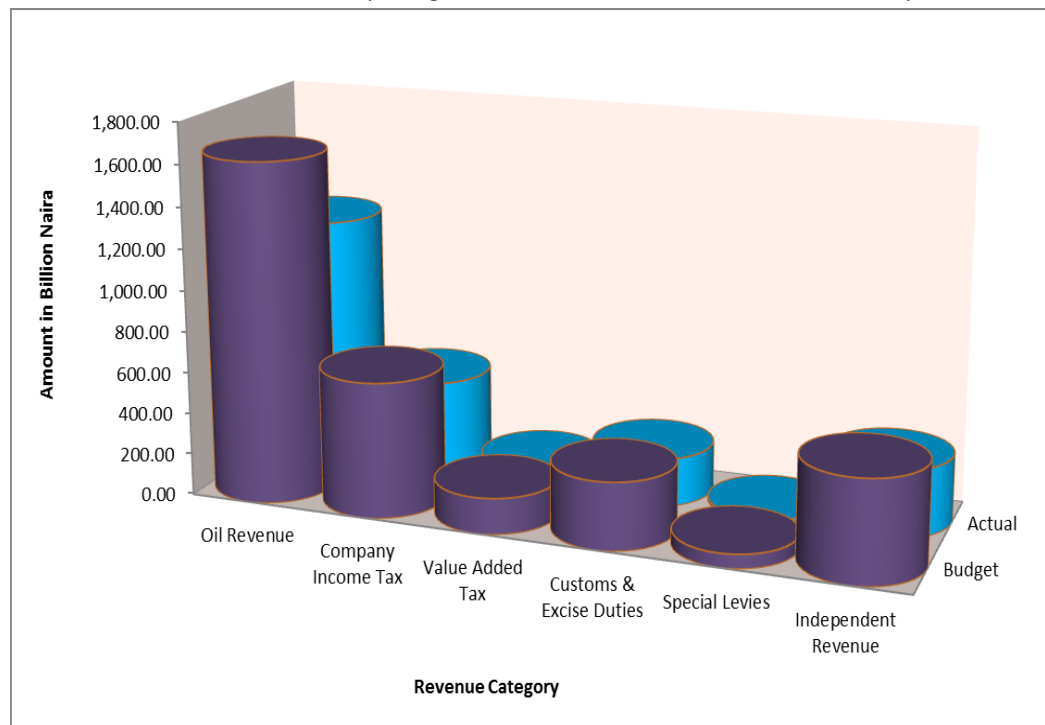
Source: Budget Office of the Federation, 2015

3.3 FGN Budget Revenue:

30. In line with the approved 2015 Budget framework, the sum of N3,452.36 billion was proposed to fund the Federal Budget, signifying a quarterly share of N863.09 billion. In the fourth quarter of 2015, the sum of N250.76 billion

received from oil sources was lower than the quarterly estimate of N409.47 billion by N158.71 billion (or 38.76%). Similarly, all non-oil revenue items fell below their quarterly budget estimates. FGN Share of VAT of N23.89 billion, Customs & Excise Duties of N58.95 billion, Special Levies of N4.95 billion and Company Income Tax of N129.96 billion were below their corresponding quarterly budget projections of N43.13 billion, N80.99 billion, N16.75 billion and N162.80 billion by N19.24 billion (or 44.6%), N22.05 billion (or 27.22%), N11.80 billion (or 70.42%) and N32.84 billion (or 20.17%). The above mentioned followed the similar pattern of their respective performances at the Federation Account level. The data are presented below in *Table 3.5*.

Chart 3.4: FGN Revenue (Budget Vs Actual as at December 2015)



Source: The OAGF and Budget Office of the Federation, 2015

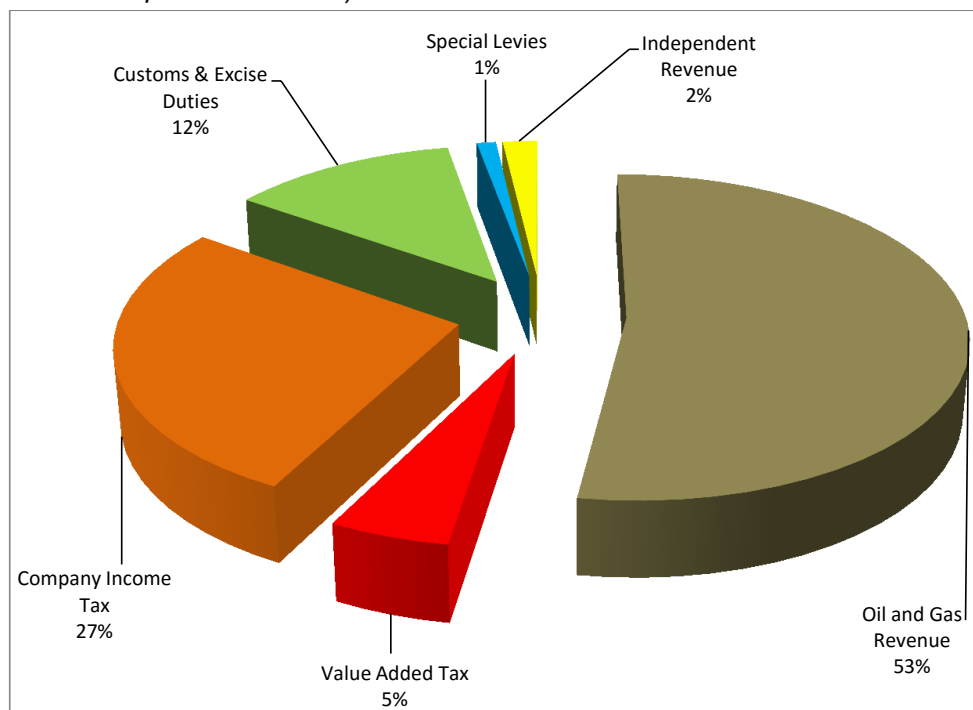
Table 3.5: Inflows to the 2015 Federal Budget as at December 2015

| S/NC | ITEMS | 2015 BUDGET | | 2015 ACTUAL | | | | 2014 | | VARIANCE | | | | | | | |
|------|--|-----------------|---------------|---------------|----------------|-----------------|----------------|-----------------|-----------------|--|-------------------------------------|---------------------------|----------------|-----------------------|----------------|-----------------|----------------|
| | | Annual | Quarterly | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual | Annual Actual | 4th Quarter Actual Vs Quarterly Budget | 4th Quarter Vs 3rd Quarter (Actual) | Actual Vs Budget (Annual) | | 2015 Vs 2014 (Actual) | | | |
| 1 | Inflow for the Federal Budget | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | % | N'bn | % | N'bn | % | N'bn | % |
| 2 | FGN Share of Oil Revenue | 1,637.87 | 409.47 | 410.03 | 264.72 | 292.71 | 250.76 | 1,218.22 | 1,980.36 | (158.71) | (38.76) | (41.95) | (14.33) | (419.65) | (25.62) | (762.14) | (38.49) |
| 3 | FGN Share of Solid Minerals Revenue | 6.61 | 1.65 | - | - | - | - | - | - | (1.65) | (100.00) | - | - | (6.61) | (100.00) | - | - |
| 4 | FGN Share of Non-Oil Revenue | 1,223.05 | 305.76 | 170.02 | 159.06 | 277.39 | 217.75 | 824.22 | 779.06 | (88.01) | (28.78) | (59.63) | (21.50) | (398.83) | (32.61) | 45.16 | 5.80 |
| 5 | FGN Share of Value Added Tax (VAT) | 172.53 | 43.13 | 26.30 | 27.31 | 27.16 | 23.89 | 104.66 | 106.74 | (19.24) | (44.60) | (3.27) | (12.04) | (67.87) | (39.34) | (2.08) | (1.95) |
| 6 | FGN Share of Customs: Import, Excise & Fees | 323.97 | 80.99 | 60.07 | 55.87 | 57.10 | 58.95 | 232.00 | 255.40 | (22.05) | (27.22) | 1.84 | 3.23 | (91.98) | (28.39) | (23.40) | (9.16) |
| 7 | FGN Share of Special Levies (Federation Account) | 67.00 | 16.75 | 2.21 | 1.68 | 5.41 | 4.95 | 14.25 | - | (11.80) | (70.42) | (0.45) | (8.38) | (52.75) | (78.74) | 14.25 | - |
| 8 | FGN Share of Corporate Tax (CIT, Stamp Duties & CGT) | 651.19 | 162.80 | 81.45 | 74.20 | 187.71 | 129.96 | 473.32 | 416.91 | (32.84) | (20.17) | (57.75) | (30.77) | (177.87) | (27.31) | 56.41 | 13.53 |
| 9 | FGN Share of Actual Balances in Special Accounts End of Previous Year 2014 | 8.36 | 2.09 | - | - | - | - | - | - | (2.09) | (100.00) | - | - | (8.36) | (100.00) | - | - |
| 10 | FGN Independent Revenue | 489.29 | 122.32 | 280.63 | 10.31 | 23.47 | 8.97 | 323.37 | 295.33 | (113.36) | (92.67) | (14.50) | (61.79) | (165.93) | (33.91) | 28.04 | 9.49 |
| 11 | FGN Balances of Special Accounts as End of Previous Year | 8.20 | 2.05 | 21.68 | - | - | - | 21.68 | - | (2.05) | (100.00) | - | - | 13.48 | 164.33 | 21.68 | - |
| 12 | Unspent Balance from Previous Fiscal Year | 50.00 | 12.50 | - | - | - | - | - | 7.56 | (12.50) | (100.00) | - | - | (50.00) | (100.00) | (7.56) | (100.00) |
| 13 | FGN's Share of Kerosine Subsidy Remittance by NNPC | 37.32 | 9.33 | - | - | - | - | - | - | (9.33) | (100.00) | - | - | (37.32) | (100.00) | - | - |
| 14 | Sub-Total | 3,452.36 | 863.09 | 882.36 | 434.08 | 593.56 | 477.48 | 2,387.49 | 3,062.30 | (385.61) | (44.68) | (116.08) | (19.56) | (1,064.87) | (30.84) | (674.81) | (22.04) |
| 15 | Other Financing Sources | - | - | 80.09 | 62.85 | 209.82 | 36.22 | 388.97 | 180.00 | 36.22 | - | (173.60) | (82.74) | 388.97 | - | 208.97 | 116.10 |
| 16 | Tranfers to CRF | - | - | 11.23 | 4.24 | - | (5.98) | 9.50 | - | (5.98) | - | (5.98) | - | 9.50 | - | 9.50 | - |
| 17 | Payment to FGN & Other Statutory Benefits | - | - | 19.68 | 17.48 | 17.48 | 17.48 | 72.13 | - | 17.48 | - | - | - | 72.13 | - | 72.13 | - |
| 18 | Receipts from LNG | - | - | - | - | 167.32 | - | 167.32 | - | - | - | (167.32) | (100.00) | 167.32 | - | 167.32 | - |
| 19 | Refund by NNPC | - | - | 17.48 | 17.48 | 17.48 | 17.48 | 69.93 | - | 17.48 | - | - | - | 69.93 | - | 69.93 | - |
| 20 | Exchange Difference | - | - | 31.70 | 23.64 | 7.53 | 7.23 | 70.09 | - | 7.23 | - | (0.30) | (3.96) | 70.09 | - | 70.09 | - |
| 21 | Foreign Excess Crude Savings Account (SURE-P) | - | - | - | - | - | - | - | 180.00 | - | - | - | - | - | - | (180.00) | (100.00) |
| 22 | TOTAL RETAINED REVENUE | 3,452.36 | 863.09 | 962.45 | 496.93 | 803.38 | 513.70 | 2,776.46 | 3,242.30 | (349.39) | (40.48) | (289.68) | (36.06) | (675.89) | (19.58) | (465.84) | (14.37) |
| 23 | TSA/E-Collection Pool A/C | - | - | - | - | 208.05 | 255.83 | 463.88 | - | 255.83 | - | 47.78 | 22.97 | 463.88 | - | 463.88 | - |
| 24 | Total Revenue Available for Implementation | 3,452.36 | 863.09 | 962.45 | 496.93 | 1,011.43 | 769.53 | 3,240.34 | 3,242.30 | (93.56) | (10.84) | (241.90) | (23.92) | (212.01) | (6.14) | (1.96) | (0.06) |

Source: Budget Office of the Federation and the OAGF, 2015

31. A total of N477.48 billion, excluding other funding sources, was received in the fourth quarter of 2015. This amount was N385.61 billion (or 44.68%) and N116.08 billion (or 19.56%) lower than the quarterly projection of N863.09 billion and N593.56 billion actual receipt recorded in the third quarter of 2015 respectively. The aggregate revenue in the fourth quarter of 2015 was also N202.45 billion (or 29.78%) below the N679.93 billion recorded in the fourth quarter of 2014.

Chart 3.5: Contributions to the FGN Budget Revenue in the Fourth Quarter of 2015 (Excluding FGN's Unspent Balances and FGN's Balances in Special Accounts)



Source: The OAGF and Budget Office of the Federation, 2015

3.4 Excess Crude Account

32. The Excess Crude Account (ECA) was set up to serve as a stabilization and savings account. Due to the fall in the price of oil in the international market which resulted to a shortfall in oil revenue, nothing was transferred into the ECA in the fourth quarter of 2015. This contrasted with the third quarter of 2015 and corresponding quarter of 2014 when N33.96 billion and N161.35 billion were transferred into the ECA respectively. Similarly nothing was withdrawn from the ECA in the fourth quarter of 2015. These data are presented in Table 3.6.

Comment [MSOffice1]: At the end of December 2010, the inflow to the ECA showed a huge difference when compared with what happened in 2009. In this 2010 Full year report, the ECA is more comprehensive compared to the 2009 Full year report. Though the auditing that is FRC recommended is not mentioned on this report

Table 3.6: Net Excess Crude Account

| Description | 2014 Actual (N'bn) | | | | | 2015 Actual (N'bn) | | | | |
|---|--------------------|----------------|---------------|----------------|----------------|--------------------|----------------|---------------|----------------|----------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Jan - Dec | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Jan - Dec |
| Inflows | | | | | | | | | | |
| Transfer to Excess Crude Oil Account | 158.45 | 231.27 | 245.63 | 161.35 | 796.70 | 14.98 | 0.00 | 33.96 | 0.00 | 48.94 |
| Outflows | | | | | | | | | | |
| Payment for Petroleum Product Subsidy | 48.23 | 44.97 | 123.00 | 184.03 | 400.23 | 197.05 | 162.34 | 0.00 | 0.00 | 359.39 |
| Augmentation: Distribution among tiers of Govt. | 106.65 | 106.65 | 36.39 | 53.87 | 303.56 | 15.63 | 0.00 | 82.56 | 0.00 | 98.19 |
| Transfer for Special Intervention Fund | 0.00 | 3.55 | 106.65 | 113.34 | 223.54 | 0.56 | 0.00 | 0.00 | 0.00 | 0.56 |
| Transfers Int. trf - SWF | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Outflow | 154.88 | 155.17 | 266.04 | 351.24 | 927.33 | 213.25 | 162.34 | 82.56 | 0.00 | 458.15 |
| Net Excess Crude Account | 3.57 | 76.10 | -20.41 | -189.89 | -130.63 | -198.27 | -162.34 | -48.60 | 0.00 | -409.21 |

Source: Office of the Accountant General of the Federation, 2015

3.5 Expenditure Developments

33. A total of N4,514.40 billion was appropriated for expenditure in the 2015 Budget. Of this amount, N4,493.36 billion was for the regular budget for 2015 while N21.03 billion was for the implementation of social safety net and specific infrastructure projects and programmes under the Subsidy

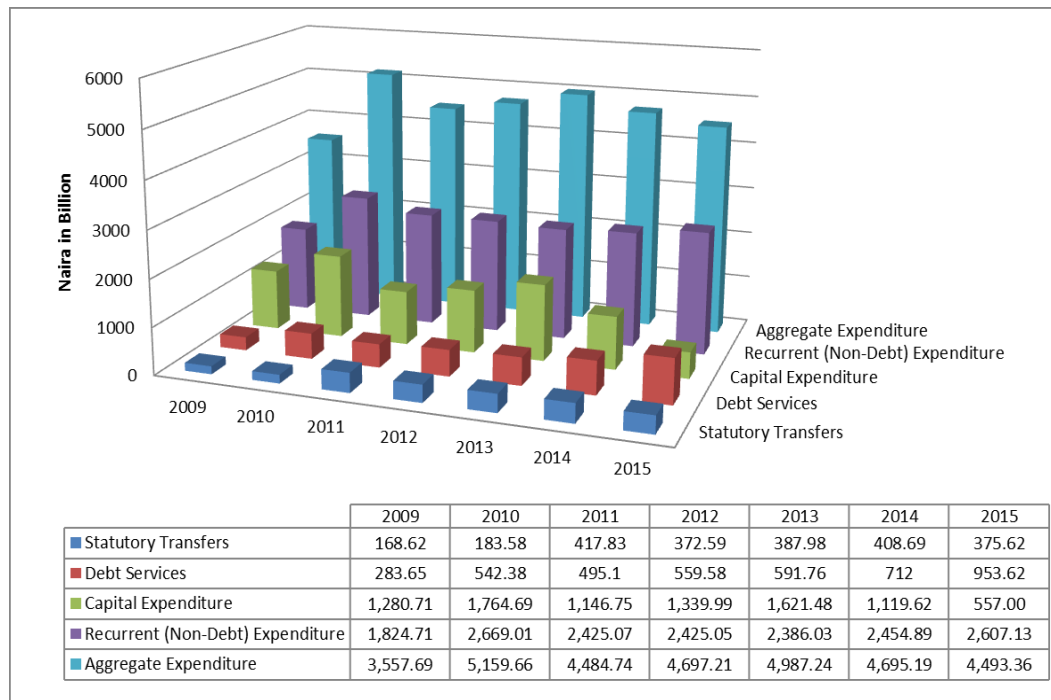
Reinvestment and Empowerment Programme (SURE-P). A Supplementary Appropriation Act of N574.53 billion as additional Recurrent (Non-Debt) Expenditure was also passed in December 2015 to bring the regular budget for 2015 to a total of N5,067.89 billion. The initial budget for 2015 was made up of N2,607.13 billion (or 58.02%) for Recurrent (Non-Debt) Expenditure, N953.62 billion (or 21.22%) for Debt Services, N375.62 billion (or 8.36%) for Statutory Transfers and N557.0 billion (or 12.4%) for Capital Expenditure. The passage of the 2015 Supplementary Budget of N574.53 billion gave a new regular budget breakdown of N3,181.66 billion (or 62.78%) for Recurrent (Non-Debt) Expenditure, N953.62 billion (or 18.82%) for Debt Services, N375.62 billion (or 7.41%) for Statutory Transfers and N557.0 billion (or 10.99%) for Capital Expenditure.

3.5.1 Non-Debt Recurrent Expenditure

34. In preparing the 2015 Budget, Government was definite on its plan to determinedly cut down the growth of recurrent expenditures as stated in the 2015-2017 Fiscal Framework and Fiscal Strategy Paper. However, there is a limit to how far these efforts can go because of the persistent demands for wage increases by various labour unions. Moreover, government does not want to embark on rationalization of workers which would have reduced the huge wage bill. Since the government was resolute in cutting down the cost of governance it had initiated other measures such as reduction in overhead cost and to continue the roll-out of the Integrated Payroll and Personnel Information System (IPPIS) across MDAs which will ultimately result to savings in personnel costs.

Comment [MSOffice2]: Personal cost and overheads have also gone lower than 2009. Though the ratio relative to capital expenditure of 52.86% still exceeds the international accepted benchmark of 40%.

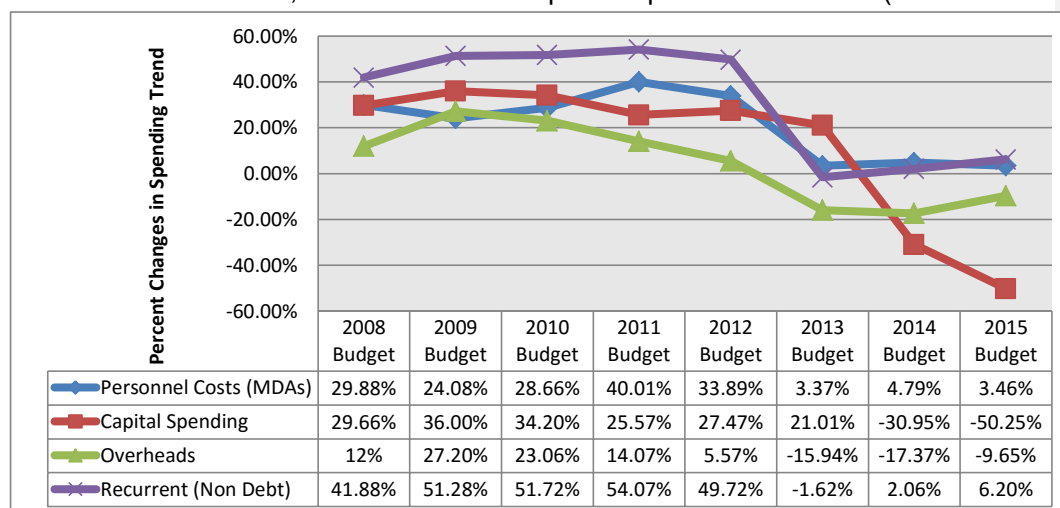
Chart 3.6: 2009 – 2015 Budget Expenditure Profile



Source: Budget Office of the Federation, 2015

35. Data from the OAGF indicates that a total of N670.31 billion was expended on non-debt recurrent expenditure in the fourth quarter of 2015. This amount signifies a decrease of N122.45 billion (or 15.45%) below the quarterly estimate of N792.76 billion.

Chart 3.7: Personnel, Overhead and Capital Expenditure Trends (2008 – 2015)



Source: BOF and OAGF, 2015

3.5.2 Debt Service:

36. Provisional data from the Debt Management Office (DMO) indicates that as at 31st December, 2015 the Federal Government domestic debt stock stood at N8,837.00 billion representing an increase of N224.77 billion (or 2.61%) above the N8,612.23 billion stated in the third quarter of 2015. The 2015 fourth quarter debt figure was also N932.97 billion (or 11.8%) above the N7,904.03 billion reported in the same period of 2014. A breakdown of the domestic debt stock as at 31st December, 2015 reveals that N5,808.14 billion (or 65.73%) is for FGN Bonds, N2,772.87 billion (or 31.38%) is for Nigerian Treasury Bills (NTBs) and N255.99 billion (or 2.9%) is for Treasury Bonds. The rise in domestic debt in the fourth quarter of 2015 was by way of issuance of FGN Bonds which are expected to mature on a later date. During the quarter, a total of N202.70 billion was released for domestic debt servicing while the actual domestic debt payment was N202.16 billion. The sum of N21.49 billion (or 9.61%) difference between the quarterly budgeted estimate of N223.65 billion for domestic debt services and the actual domestic debt services was mainly due to additional issues of FGN Bonds above the amount projected to be

issued as a result of changes in the issuance calendar and the rising cost of rolling over NTBs.

37. Nigeria's external debt stock (mostly low interest funds from multilateral financial institutions) as at 31st December, 2015, stood at US\$10,718.43 million representing an increase of US\$101.08 million (or 0.95%) and US\$1,006.98 million (or 10.37%) over the US\$10,617.35 million and US\$9,711.45 million documented in the third quarter of 2015 and fourth quarter of 2014 respectively. The increase in the external debt stock in the fourth quarter of 2015 was due mainly to the rise in Multilateral Debts and Non-Paris Club Bilateral Debts drawdown. A breakdown of the external debt stock as at 31st December, 2015 indicates that Multilateral Debts amounted to US\$7,560.43 million (or 70.54%), Non-Paris Club Bilateral Debts amounted to US\$1,658.00 million (or 15.47%) while Commercial (Euro-Bond) accounted for the balance of US\$1,500.0 million (or 13.99%).

38. The actual external debt service payment in the fourth quarter of the year amounted to US\$331.06 million. A breakdown of the disbursements reveals that US\$138.65 million (or 41.88%) was to Multilateral Creditors, US\$59.42 million (or 17.95%) was to Non-Paris Bilateral Creditors, US\$91.26 million (or 27.57%) was to Commercial (Eurobonds) and US\$41.73 million (or 12.6%) was to Others.

39. The total public debt stock as at 31st December, 2015 stood at US\$65.43 billion (or N12,603.71 billion). The breakdown comprises of US\$10.72 billion (or N2,111.53 billion or 16.75%) external debt while the balance of US\$54.71 billion (or N10,492.18 billion or 83.25%) was domestic debt stock. The total Debt/GDP (external and domestic) ratio of 13.61% (using the rebased GDP figure of 2014) as at the end of December 2015 was significantly below the global threshold of 40%.

Table 3.7: FGN Budget Expenditure and Fiscal Account (in N' Billion) as at December 2015

| S/NC | ITEMS | 2015 BUDGET | | 2015 ACTUAL | | | | 2014 | | VARIANCE | | | | | | | |
|------|---|-------------|-----------|---------------|----------------|---------------|----------------|------------|---------------|--|-------------------------------------|---------------------------|------------|-----------------------|----------|----------|---------|
| | | Annual | Quarterly | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual | Annual Actual | 4th Quarter Actual Vs Quarterly Budget | 4th Quarter Vs 3rd Quarter (Actual) | Actual Vs Budget (Annual) | | 2015 Vs 2014 (Actual) | | | |
| | | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | N'bn | % | N'bn | % | N'bn | % | N'bn | % |
| A | TOTAL RETAINED REVENUE | 3,452.36 | 863.09 | 962.45 | 496.93 | 803.38 | 513.60 | 2,776.36 | 3,242.30 | (349.49) | (40.49) | (289.78) | (36.07) | (676.00) | (19.58) | (465.94) | (14.37) |
| B | TSA/E-Collection Pool A/C | - | - | - | - | 208.05 | 255.83 | 463.88 | - | 255.83 | 47.78 | 22.97 | 463.88 | - | - | - | - |
| C | TOTAL INFLOW | 3,452.36 | 863.09 | 962.45 | 496.93 | 1,011.43 | 769.43 | 3,240.24 | 3,242.30 | (93.66) | (10.85) | (242.00) | (23.93) | (212.11) | (6.14) | (2.06) | (0.06) |
| D | EXPENDITURE: | | | | | | | | | | | | | | | | |
| | RECURRENT (NON-DEBT) | | | | | | | | | | | | | | | | |
| 1 | Personnel Cost | 1,834.92 | 458.73 | 489.41 | 395.05 | 513.90 | 470.98 | 1,869.34 | 1,656.18 | 12.25 | 2.67 | (42.92) | (8.35) | 34.42 | 1.88 | 213.16 | 12.87 |
| 2 | Pension & Gratuities | 291.05 | 72.76 | 55.98 | 48.49 | 56.64 | 47.00 | 208.11 | 182.81 | (25.77) | (35.41) | (9.64) | (17.02) | (82.95) | (28.50) | 25.30 | 13.84 |
| 3 | Overhead Cost and Service Wide Vote | 981.80 | 245.45 | 112.59 | 75.05 | 85.25 | 141.91 | 414.81 | 377.79 | (103.54) | (42.18) | 56.66 | 66.47 | (566.99) | (57.75) | 37.02 | 9.80 |
| 4 | Presidential Amnesty Programme | 63.28 | 15.82 | 15.63 | 15.80 | 15.96 | 10.42 | 57.81 | - | (5.40) | (34.13) | (5.54) | (34.72) | (5.47) | (8.64) | 57.81 | |
| 5 | Sub-Total (Non-Debt) | 3,171.05 | 792.76 | 673.62 | 534.39 | 671.75 | 670.31 | 2,550.07 | 2,216.78 | (122.45) | (15.45) | (1.44) | (0.21) | (620.98) | (19.58) | 333.29 | 15.03 |
| 6 | Domestic Debts & Int. on Ways & Means | 894.61 | 223.65 | 287.51 | 218.49 | 288.10 | 202.70 | 996.80 | 880.39 | (20.95) | (9.37) | (85.40) | (29.64) | 102.19 | 11.42 | 116.41 | 13.22 |
| 7 | Foreign Debts | 59.01 | 14.75 | 14.61 | 21.21 | 17.23 | 10.54 | 63.59 | 61.28 | (4.21) | (28.54) | (6.69) | (38.81) | 4.58 | 7.75 | 2.31 | 3.76 |
| 8 | Sub-Total (Debt) | 953.62 | 238.41 | 302.12 | 239.70 | 305.33 | 213.24 | 1,060.38 | 941.67 | (25.16) | (10.55) | (92.08) | (30.16) | 106.76 | 11.20 | 118.71 | 12.61 |
| 9 | PAYMENTS TO VARIOUS SPECIAL ACCOUNTS: | | | | | | | | | | | | | | | | |
| 10 | Loan to .5% Statutory Stabilization Account | - | - | 30.00 | - | - | - | 30.00 | - | - | - | - | - | 30.00 | - | 30.00 | - |
| 11 | Loan to Ex Dom Naira Account IRO Ind. Oil Marketers | - | - | 31.00 | 156.10 | - | - | 187.10 | - | - | - | - | - | 187.10 | - | 187.10 | - |
| 12 | Sub-Total (Payment to Special Accounts) | - | - | 61.00 | 156.10 | - | - | 217.10 | - | - | - | - | - | 217.10 | - | 217.10 | - |
| 13 | CAPITAL EXPENDITURE: | | | | | | | | | | | | | | | | |
| 14 | Capital Releases 2014 | - | - | 21.68 | - | - | - | 21.68 | 587.61 | - | - | - | - | 21.68 | - | (565.93) | (96.31) |
| 15 | Capital Releases 2015 | 557.00 | 139.25 | 37.90 | 6.19 | 72.31 | 245.99 | 362.39 | - | 106.74 | 76.66 | 173.68 | 240.20 | (194.60) | (34.94) | 362.39 | - |
| 16 | Refund to MDAs from TSA | - | - | - | - | - | - | 217.19 | - | 217.19 | - | 217.19 | - | 217.19 | - | 217.19 | - |
| 17 | Sub-Total (Capital) | 557.00 | 139.25 | 59.58 | 6.19 | 72.31 | 463.18 | 601.27 | 587.61 | 323.94 | 232.63 | 390.88 | 540.57 | 44.27 | 7.95 | 13.66 | 2.32 |
| 18 | TRANSFER: | | | | | | | | | | | | | | | | |
| 19 | Niger Delta Development Commission (NDDC) | 46.72 | 11.68 | - | 7.71 | 19.39 | 10.82 | 37.91 | 25.81 | (0.87) | (7.41) | (8.57) | (44.22) | (8.81) | (18.85) | 12.10 | 46.88 |
| 20 | National Judicial Council (NJC) | 73.00 | 18.25 | 19.25 | 12.17 | 18.25 | 24.33 | 74.00 | 68.00 | 6.08 | 33.33 | 6.08 | 33.33 | 1.00 | 1.36 | 6.00 | 8.82 |
| 21 | Universal Basic Education Commission (UBEC) | 68.38 | 17.10 | 2.00 | 16.59 | - | 38.19 | 56.79 | 64.60 | 21.10 | 123.42 | 38.19 | - | (11.59) | (16.95) | (7.81) | (12.09) |
| 22 | Independent National Electoral Commission (INEC) | 62.00 | 15.50 | 5.17 | 5.17 | 20.67 | 21.21 | 52.21 | 46.50 | 5.71 | 36.81 | 0.54 | 2.61 | (9.79) | (15.80) | 5.71 | 12.27 |
| 23 | National Assembly | 130.62 | 32.65 | 37.50 | 6.25 | 30.91 | 40.00 | 114.66 | 166.00 | 7.35 | 22.49 | 9.09 | 29.42 | (15.96) | (12.22) | (51.34) | (30.93) |
| 24 | Public Complaint Commission (PCC) | 4.00 | 1.00 | - | - | 0.81 | 0.94 | 1.75 | 5.10 | (0.06) | (5.60) | 0.14 | 16.83 | (2.25) | (56.20) | (3.35) | (65.65) |
| 25 | National Human Right Commission (NHRC) | 1.52 | 0.38 | 0.30 | 0.23 | 0.13 | 0.58 | 1.24 | 1.36 | 0.21 | 54.09 | 0.46 | 363.49 | (0.28) | (18.47) | (0.12) | (9.12) |
| 26 | Sub-Total (Transfers) | 386.24 | 96.56 | 64.22 | 48.11 | 90.15 | 136.08 | 338.55 | 377.37 | 39.52 | 40.92 | 45.93 | 50.95 | (47.69) | (12.35) | (38.82) | (10.29) |
| 27 | TOTAL EXPENDITURE | 5,067.90 | 1,266.97 | 1,160.53 | 984.49 | 1,139.53 | 1,482.81 | 4,767.36 | 4,123.42 | 215.84 | 17.04 | 343.29 | 30.13 | (300.53) | (5.93) | 643.94 | 15.62 |
| 28 | Fiscal Deficit | (1,615.54) | (403.89) | (198.08) | (487.56) | (128.10) | (713.38) | (1,527.12) | (881.11) | (309.50) | 76.63 | (585.28) | 456.90 | 88.42 | (5.47) | (646.01) | 73.32 |
| E | FINANCING ITEMS | | | | | | | | | | | | | | | | |
| 1 | Privatization Proceeds | 10.00 | 2.50 | - | - | - | - | - | - | (2.50) | (100.00) | - | - | (10.00) | (100.00) | - | - |
| 2 | Signature Bonus | 58.89 | 14.72 | - | - | - | - | - | - | (14.72) | (100.00) | - | - | (58.89) | (100.00) | - | - |
| 3 | FGN Share from Stabilisation Fund Account | 80.00 | 20.00 | 6.60 | - | - | - | 6.60 | - | (20.00) | (100.00) | - | - | (73.40) | (91.76) | 6.60 | - |
| 4 | Borrowing from Special Accounts | - | - | 12.50 | 4.91 | - | - | 17.41 | - | - | - | - | - | 17.41 | - | 17.41 | - |
| 5 | Credit Advance by CBN | - | - | 231.00 | 190.20 | 194.76 | - | 615.96 | - | - | - | (194.76) | (100.00) | 615.96 | - | 615.96 | - |
| 6 | Foreign Borrowing | 380.00 | 95.00 | - | - | - | - | - | - | (95.00) | (100.00) | - | - | (380.00) | (100.00) | - | - |
| 7 | Domestic Borrowing (FGN Bond) | 802.12 | 200.53 | 210.00 | 120.00 | - | - | 330.00 | 624.22 | (200.53) | (100.00) | - | - | (472.12) | (58.86) | (294.22) | (47.13) |
| 8 | Transfer of Funds from Special Account (Monetization) | - | - | - | 72.60 | 0.92 | - | 73.51 | - | - | - | (0.92) | (100.00) | 73.51 | - | 73.51 | - |
| 9 | Proceed of Sale of Government Properties | 10.00 | 2.50 | - | - | - | - | - | - | (2.50) | (100.00) | - | - | (10.00) | (100.00) | - | - |
| 10 | Sub-Total | 1,341.01 | 335.25 | 460.10 | 387.71 | 195.67 | - | 1,043.47 | 624.22 | (335.25) | (100.00) | (195.67) | (100.00) | (297.54) | (22.19) | 419.25 | 67.16 |
| 11 | Net Deficit/Surplus | (274.53) | (68.63) | 262.01 | (99.85) | 67.57 | (713.38) | (483.65) | (256.89) | (644.75) | 939.42 | (780.95) | (1,155.75) | (209.12) | 76.17 | (226.76) | 88.27 |

Source: OAGF and Budget Office of the Federation, 2015

Note: 1. The FGN has arrangement to raise short term credit from the CBN through the mechanism of Ways and Means subject to a ceiling of 12.5% of FGN's revenue. This amount will be retired and therefore not considered as new borrowing outside the borrowing approved to finance the budget deficit.

2. However, due to current fiscal challenges, the CBN had agreed to increase the Ways and Means advances threshold hence the FGN's ability to raise N615.96 billion from this source.

5.3 Statutory Transfers:

40. In the fourth quarter of 2015, a total of N136.08 billion was released as statutory transfers. A breakdown of the actual transfers in the fourth quarter shows that N10.82 billion was to Niger Delta Development Commission (NDDC), N24.33 billion was to National Judicial Council (NJC), N38.19 billion was to Universal Basic Education Commission (UBEC), N21.21 billion was to Independent Electoral Commission (INEC), N40.0 billion was to National Assembly (NASS), N0.94 billion was to Public Complaints Commission (PCC) and N0.58 billion was to the National Human Rights Commission (NHRC). It is worthy to note that quarterly releases under this subhead are made on demand by the beneficiaries subject to budgetary provisions.

3.5.4 Capital Expenditure Performance:

41. Government, like in the previous budgets was unable in 2015 to direct the greater part of its finances to the provision of critical infrastructure in the power, health, education, roads, rail and aviation sectors as well as the delivery of physical and food security. A total of N557.0 billion was allocated to capital expenditure in the 2015 Budget.

MDAs' Capital Vote Utilization:

42. Data from the OAGF reveals that as at 31st December 2015, a total of N387.39 billion had been released through the First Quarter Development Capital Warrant of N112.04 billion, Second Quarter Development Capital Warrant of N88.79 billion, Third Quarter Development Capital Warrant of N100.14 billion and Authority to Incur Expenditure (AIEs) of N86.42 billion for the implementation of

MDAs capital projects/programmes as contained in the 2015 Appropriation Act. Hundred percent of the total releases was cash-backed.

Performance as at 31st December, 2015:

43. The data also showed that N358.21 billion (or 92.47%) of the total amount cash-backed had been utilized by MDAs as at 31st December 2015. *Appendix 1* to this Report shows the funds released to and utilized by MDAs in the period. An analysis of forty-eight (48) MDAs reported upon by the Office of the Accountant-General of the Federation (OAGF) indicated different levels of utilization among the MDAs. Twenty-Seven (or 56.25%) of the MDAs including: Youth Development, Police Affairs, Agriculture, Water Resources, Education, Federal Capital Territory Administration, Trade & Investment, Communication Technology, Interior, Transport, Works, Mines & Steel, Aviation, Environment, Niger-Delta, Labour & Productivity and National Sports Commission had utilized more than the overall average utilization rate of 92.47% of the amount cash-backed. Seven out of these, including Federal Capital Territory Administration, Auditor-General, ICPC, National Wages & Salaries, Office of the National Security Adviser, Code of Conduct Tribunal and Police Service Commission had 100% of their respective cash-backed funds utilized.

44. The utilization report also showed that 42 MDAs (or 87.5%), which included: Presidency, Secretary to Government of the Federation, Police Affairs, Defence, Education, Finance, Justice, Power, Science & Technology, Petroleum, National Planning Commission, National Population Commission and Federal Civil Service Commission had utilized above 75% of their cash-backed funds. Six (or 12.5%) of MDAs including Women Affairs, Health, Housing, Tourism, Culture & National Orientation, Code of Conduct Bureau, and Police Formation had a utilization rate of less than 75%. It is worthy to note that the capital budget implementation was extended to 31st March, 2016 to give MDAs more opportunity to increase the level of their utilization and project execution. *Table 3.8* below is an extract from *Appendix 1* highlighting the utilization rates of ten MDAs considered to be key to the actualization of the Federal Government's objectives.

45. In addition to the regular budget, an extra provision of N21.03 billion was made for major capital and social programmes under the SURE-P window, and this assisted in the area of infrastructure development in the fourth quarter of 2015. A

total of N21.03 billion (or 100%) of the appropriated sum was released while N20.69 billion (or 98.38%) of the released amount was utilized as at 31st December, 2015.

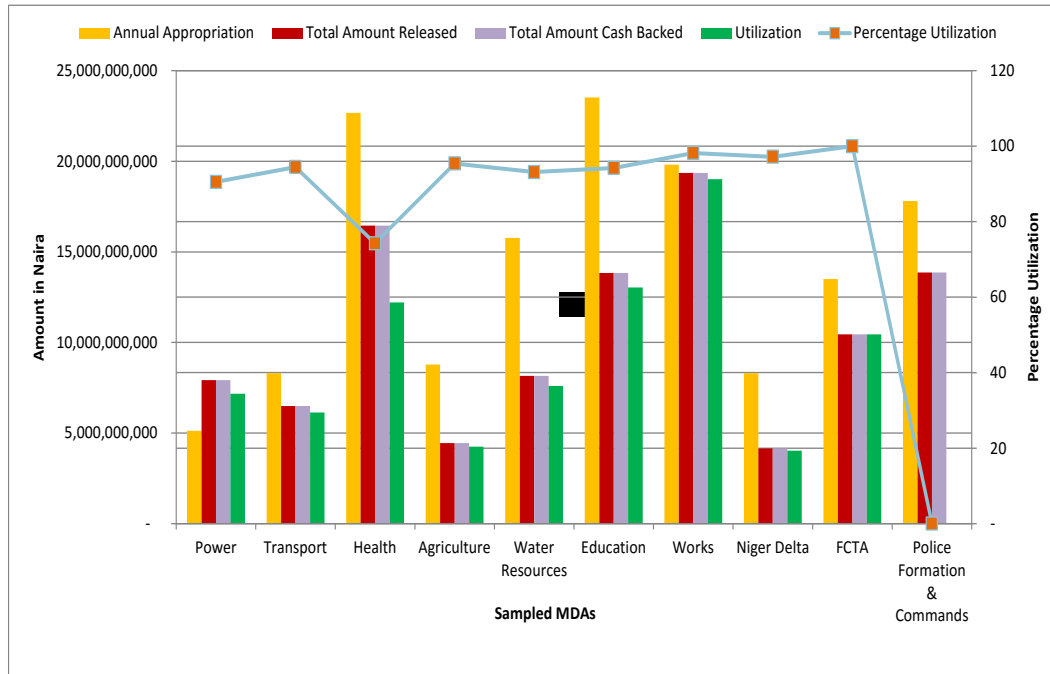
Table 3.8: A Sample of MDAs' Capital Budget Utilization (as at 31st December, 2015)

| MDA | Annual Appropriation | Total Amount Released | Total Amount Cash Backed | Utilization | | | |
|---|----------------------|-----------------------|--------------------------|----------------|--------------------------------------|---------------------------|----------------------------|
| | N | N | N | N | As % of Annual Capital Appropriation | As % of Cash Backed Funds | As % of Budgetary Releases |
| Power | 5,130,000,000 | 7,923,000,001 | 7,923,000,001 | 7,174,439,405 | 139.85 | 90.55 | 90.55 |
| Transport | 8,300,000,000 | 6,490,740,671 | 6,490,740,671 | 6,131,870,209 | 73.88 | 94.47 | 94.47 |
| Health | 22,676,000,000 | 16,445,053,729 | 16,445,053,729 | 12,214,243,167 | 53.86 | 74.27 | 74.27 |
| Agriculture | 8,790,000,000 | 4,452,715,215 | 4,452,715,215 | 4,248,345,651 | 48.33 | 95.41 | 95.41 |
| Water Resources | 15,778,000,000 | 8,161,028,608 | 8,161,028,608 | 7,602,049,824 | 48.18 | 93.15 | 93.15 |
| Education | 23,520,000,000 | 13,832,123,999 | 13,832,123,999 | 13,035,149,943 | 55.42 | 94.24 | 94.24 |
| Works | 19,812,000,000 | 19,362,000,000 | 19,362,000,000 | 19,012,795,588 | 95.97 | 98.20 | 98.20 |
| Niger Delta | 8,300,000,000 | 4,150,000,000 | 4,150,000,000 | 4,034,190,765 | 48.60 | 97.21 | 97.21 |
| FCTA | 13,500,000,000 | 10,450,000,000 | 10,450,000,000 | 10,450,000,000 | 77.41 | 100.00 | 100.00 |
| Police Formation & Commands | 17,800,000,000 | 13,861,530,166 | 13,861,530,166 | - | - | 0.00 | 0.00 |
| Total Average Utilization (by all MDAs) | | | | | 64.27 | 92.47 | 92.47 |

Source: OAGF and BOF, 2015

- Please note additional AIEs of N2,793,000,001 was approved and released to Federal Ministry of Power in 2015 from the Service Wide Vote to augment their capital appropriation.

Chart 3.8: Pictorial Representation of Selected MDAs Utilization



Source: BOF and OAGF, 2015

3.5.5 Performance of the Financing Items:

46. The 2015 Fiscal Framework plus the supplementary budget reveals a quarterly deficit of N403.89 billion to be financed through Proceeds of Sale of Government Properties of N2.5 billion, Privatization Proceeds of N2.5 billion, FGN's Share of Signature Bonus of N14.72 billion, Sharing from Stabilization Fund Account (ECA) of N20.0 billion, Domestic Borrowing (FGN Bond) of N200.53 billion and Foreign Borrowing of N95.0 billion.

47. In the fourth quarter, nothing was realized from all the financing items. Items such as Privatization Proceeds, Signature Bonus, FGN Share from Stabilization Fund Account, Proceeds of Sale of Government Properties, Domestic Borrowing (FGN Bond) and Foreign Borrowing did not materialize in the quarter.

4.0 CAPITAL IMPLEMENTATION REPORT

48. The full year 2015 capital budget monitoring exercise was held between Monday 22nd February and Friday 4th March, 2016 across the six (6) geo-political zones of the country. In continuation of the practice aimed at accommodating divergent views and strengthening the objectivity of the assessments, the BOF collaborated with the Civil Society Organisations (CSOs), Mass Media and Representatives of Supervising Ministries (MDAs) to undertake the exercise.

49. The inspection covered sampled projects and programmes executed in large spending and critical sectors of the economy namely: FCTA, Health, Education, Water Resources, Science & Technology, Defence, Niger Delta, Transport, Works and Agriculture. For this edition, emphasis was placed on assessing the financial commitment of the selected projects and programmes, their status of implementation, the socio-economic impact on the immediate communities and challenges hindering the prompt delivery of the projects as reported below:

4.1 FEDERAL MINISTRY OF TRANSPORT

50. The core objective of this Ministry was to ensure an efficient, safe and affordable transport system that will contribute to the reduction in cost of production and improve competitiveness in the economy. To achieve this, a total of N8.30 billion was allocated in the 2015 budget. Of this amount, N6.49 billion was released and cash backed while, N6.13 billion (or 94.47%) was utilized for the implementation of its capital projects/programmes.

4.1.1 NATIONAL INLAND WATERS AUTHORITY (NIWA), LOKOJA

51. The Authority was allocated a total of N4.68billion to execute its projects and programmes in the 2015 Budget. Of this amount, N4.07billion was released, cash backed and utilized in the year to execute amongst others the following:

i. **Construction of River Port at Lokoja and Cargo Handling Equipment**

52. The Project is located at Jamata, Lokoja in Kogi state. It comprises the construction of Port quay wall, transit shed/warehouse, administrative building, staff quarters, security and a police post, access road and power house, etc. It was awarded to Messrs Inter-Bau Construction Limited in March 2012 at the cost of N4.11billion and was expected to have been completed by December 2013. This was not achieved due to funding and relocation issues. Moreover, sand reclamation at the new Akpanya site which is 5-6m depth with thick underlying layer of clay materials was a further challenge. In the 2015 Budget, the sum of N568.72million was appropriated while; N494.89million was released and utilized as at the end of the fiscal year. This brings total commitment to N2.54billion since inception to achieve 58% level of completion.

Findings:

53. At the time of this report, the contractor was not on site. However, the steel piles materials had been fully supplied to site while installation for the quay wall, which is the major component of the project, had attained 75% completion. Also, reclamation at the port sites, construction of staff quarters, administrative and security/police buildings, and access road were at various stages of completion.

54. The team was informed by the Director (Engineering) that the contractor had submitted a proposal for Revised Estimated Total Cost (RETC) of N2.21billion for the project and awaiting approval by the Honourable Minister of

Transport. This would raise the total project cost to N6.32billion with a new completion date to be determined. The variation was necessitated by changes in the Bill of Engineering Measurement and Estimate (BEME.)



Picture 1: Part of Steel Sheet Pile Quay Wall & Staff Quarters / Police Station at River Port Lokoja

Socio-economic Impact:

55. The construction works had created employment for more than 100 semi-skilled and unskilled people of Lokoja and its environs. On completion, it will help decongest the Lagos port and minimize the pressure on the Nigerian roads. Besides, commercial activities will be enhanced in and around Lokoja thereby boosting the economic wellbeing of the people.

4.1.2 MARITIME ACADEMY ORON

56. The institution had an allocation of N8.3 billion in the 2015 Budget for the implementation of its capital projects/programmes. Of this amount N6.131 billion was released and utilized during the fiscal year for the execution of the following project:

i. Development of the Boat/Ship Building Yard

57. The project involves the construction of a workshop (boat building and maintenance). It comprises; training of cadets and students on boat building and maintenance, provision of fire station, shipway for boat yard, shore protection/sand filling, supply of gantry crane and external lighting at the boat

building yard. Others include: the construction of a windlass, storage tanks for fuel and lubricants, overhead /underground water tanks and a borehole.

58. The contract was awarded to Messrs Freenet Global Resources and Messrs Baye- Ebi Nigeria Enterprises in December, 2011 at a cost of N1.32 billion, with a completion date scheduled for December, 2015. In the 2014 Budget, N350 million was appropriated while N100.738 million was released and utilized, bringing total commitment since inception to N1.001 billion to achieve 65% level of completion. The sum of N476.9 million was appropriated in the 2015 Budget, of which, N223.7 million was released and utilized. A total of N1.22billion had so far been committed to the project from inception to achieve 92.42% cumulative performance. This shows an improvement of 27.42% over the recorded achievement of 2014 Budget.

Findings:

59. At the time of inspection, the boat building and maintenance workshop, lighting and furniture refectory, slipway, generator house, overhead water tanks, two bore holes and the supply of gantry crane, storage tanks for fuel and lubricants had been completed, while pipes for the protection of erosion were still ongoing.



Picture 2: Completed Shipway and Storage Tanks for Fuel and Lubricants at Maritime Academy, Oron

Socio- economic Impact:

60. On completion, the project will reduce capital flight and upgrade indigenous man power in the maritime sub-sector. It will also provide a minimum of two thousand (2000) boat building professionals within ten years for the maritime industry. This implies an increase in indigenous Boat building capacity for the maritime allied industry.

4.1.3 NIGERIA RAILWAY

i. Track Rehabilitation (Kuru to Maiduguri)

61. The project involves the rehabilitation of the existing rail track and other associated works from Kuru in Plateau State, passing through Bauchi and Gombe States and terminates at Maiduguri, Borno State. It includes the repair of bridges and culverts, rebuilding of eroded earthworks, rehabilitation of drainage channels and re-construction of collapsed bridges. Others are: rehabilitation of mechanical signals, provision of station to station communication, and installation of colour light signals etc.

62. The contract for the project was awarded to Messrs Lingo Nigeria Limited at a cost of N23.72 billion in October 2011 and was expected to have been completed by August 2012. The sum of N58.04 million was appropriated to the project in the 2015 budget while N26.10 million of this amount was released and utilized to achieve additional 15% level of completion in 2015. A total of N11.51 billion had so far been committed to the project to achieve a cumulative performance level of 47%.

Findings:

63. At the time of monitoring, work done included the completion of the rehabilitation of the entire track works from Kuru to Gombe, which ushered in the resumption of train services between Gombe and Port Harcourt. Other works

included reconstruction of one out of the 2nos collapsed bridges between Gombe and Bajoga (which has 74km distance); relaying of tracks between Gombe and Bajoga, repairs of concrete works, stone-pitching & erosion control and other related works. Outstanding works were mostly on the Gombe to Maiduguri axis of the project which was been threatened by insecurity in the area.



Picture 3 : Ongoing Ballast Retainace and Erosion Control along Gombe-Bajoga Axis of Track Rehabilitation (Kuru- Maiduguri)

Socio – economic Impact:

64. Although the project is yet to be completed, it has facilitated the smooth flow of goods and passengers between Gombe and Port Harcourt thus bringing enormous economic and social benefits to the Nation. It has also created job opportunities for both skilled and unskilled workers within and outside the project axis. Upon completion it is expected to boost commercial activities between the North-East and South-South/South-Eastern parts of the country by way of easing the flow of goods and passengers within the route.

Challenges:

65. Issues militating against the success of this project were mostly insecurity arising from activities of Boko Haram and inadequate budgetary provision by the supervising agency.

4.1.4 NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY (NITT), ZARIA

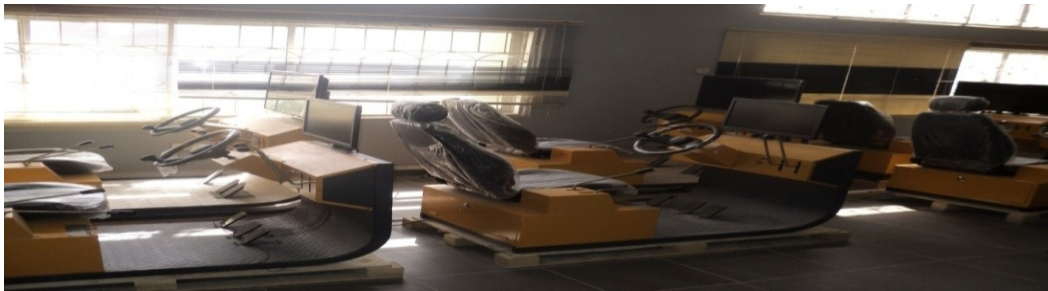
66. The Institute as a professional training centre was established to provide international training and research in transportation in Nigeria and Africa at large. The sum of N1.12billion was appropriated in the 2015 Budget to execute its capital projects and programmes which include amongst others: the equipping of Transport Technology Centre, construction of DG/COE's Office and Board room, and rehabilitation and repairs of residential building. Out of this amount, N605.8million was released and utilized as at end of the fiscal year. The following projects were monitored:

i. Equipping of Transport Technology Centre

67. The project was designed to provide workshops equipment and various transport mode stimulators used for safety measures on cars and trucks, surface forklift, grinder and craft shift. The contract was awarded to Messrs Beenat International Co. and 3 others at a cost of N1.66billion in November 2009 and is expected to be completed in November 2017. The sum of N335.46 million was appropriated in the 2015 Budget, out of which N179.03 million was released and utilized. This brings total commitment to the project to N754.40million to achieve 70% level of completion.

Findings:

68. At the time of this report, the team noted that the following equipment had been supplied and installed: four (4) crane stimulators, 10 car stimulators, 5 forklift stimulators and 3000 UPS.



Picture 4: Newly Supplied Stimulators at (NITT), Zaria.

Socio-economic Impact:

69. Although, the project is yet to be completed, the availability of some of these equipment and stimulators has exposed indigenous professionals to the process of driving high tech motor cars, cranes, forklifts etc. On completion, the project will increase the number of expertise in the use of cutting edge technology. It will also conserve the scarce foreign exchange hitherto used in training officers abroad.

4.2 FEDERAL MINISTRY OF DEFENCE

70. The sector was allocated a total of N36.7billion in the 2015 Budget to execute its projects and programmes. Of this amount, N26.09billion was released while N23.71billion was utilized as at the end of the year. The following projects were monitored:

4.2.1 DEFENCE INTELLIGENCE AGENCY (DIA), ABUJA

71. The Agency had an allocation of N3.9 billion in the 2015 Budget. Of this amount, N1.9 billion was released, cash-backed and utilized for the implementation of its capital projects/programmes which includes:

i. Construction of 2 Storey Building Students Hostel Accommodation

72. The project involves the construction of a 2-storey building of students' hostel at Karu. It comprises of 36 self-contained apartments. The contract was awarded to Messrs Onyeke Ventures Ltd in March, 2014 at a cost of N249.5 million with a planned completion date of March, 2016. The sum of N249.5million was appropriated in the 2016 Budget, of which same amount was released and utilized to achieve 80% level of completion.

Findings:

73. At the time of inspection, the super structure, electrical piping and the roofing had been completed. Work in progress includes; plastering, ceiling, fixing of window frames, doors and water closets while, electrical fittings were outstanding. However, all materials are on ground for the completion of the job. The team was informed that the project will be commissioned in March, 2016.



Picture 5: Ongoing Construction of 2 Storeys Building for Students Hostel at Defence Intelligence Agency (DIA), Karu

Socio- economic Impact:

74. Prior to the contract, there were insufficient accommodations for course participants. Although the project is yet to be completed, it has created employment opportunities to indigenous artisans and engineers. On completion,

it will ameliorate accommodation shortages for course participants and enhance their productivity.

4.2.2 THE ARMED FORCES HOSPITAL AND RESEARCH CENTRE, MOGADISHU BARRACK, ABUJA

75. The project was conceived in 2005 to serve mainly as a Medical Referral Centre for Armed Forces of Nigeria and top echelon of the Federal Government. It involves the construction of a hospital block, mortuary, gate house, water and distribution, medical gas plant and external piping. Others include: installation and standby Generator with panel and transformer, drive ways, kitchen, store, laundry, drainages and landscaping, etc.

76. The contract was awarded to a consortium of contractors (Messrs MRC Engineering Ltd and nine others) in March 2009 at a total cost of N4.50 billion. Actual work commenced in 2011 due to changes in site location from Defence Guest House area in Asokoro to Mogadishu Cantonment, and is expected to be completed in March 2016. The sum of N307 million was appropriated in the 2015 Budget but there was no release to the project in the year by the Defence Headquarters. However, a total of N1.01 billion had so far been committed to the project since inception to achieve cumulative performance of 22.5%.

Findings:

77. At the time of monitoring, there was no on-going activity at the site as the contractors had since moved out of site due to funding challenges and non-approval of requests for variations. However, works at the drive ways, parking lodge and super structure were at various stages of completion.



Picture 6: Construction of Armed Forces Hospital and Research Centre Mogadishu Cantonment, Abuja

Socio-economic Impact:

78. When completed, the hospital is expected to serve as a referral centre for the Armed Forces and other top ranking officials of the Federal Government of Nigeria. This will tremendously reduce the cases and cost of referrals for medical treatment abroad.

Challenges:

79. The timely completion of the project is constrained by funding issues and non-approval of contractor's request for variation occasioned by modification in the original design as well as change in monetary exchange rate. This has led to the contractor disengaging from the site since 2012.

4.2.3 NATIONAL DEFENCE COLLEGE (NDC), ABUJA

80. The college is charged with the responsibility of providing military training to senior military and civilian officers on national security with a view to prepare them for higher responsibilities, both at operational and strategic levels. To achieve this, the sum of N3.36billion was allocated to the college in the 2015 Budget to execute twenty-two (22) capital projects and programmes. Out of this amount, N1.68billion was released and fully utilized in the fiscal year to execute amongst others the following projects:

i. Construction of Participants Quarters 1, Piwoyi-Abuja

81. The project involves the construction and furnishing of residential apartments for senior military officers (Colonels and their equivalents) and civilians on training in the college. It is a 7-storey building comprising 56 flats (8 flats each and 4 BQs), laundries, rest rooms, conveniences, a Gym, a supermarket and control rooms for decoders, etc.

82. It was awarded to Messrs Stabili Visinoni Nig. Ltd July 2007 at the cost of N1.65billion and scheduled to be completed in November, 2014. This was however not achieved due to lean budgetary provisions over the years. In the 2015 Budget, the sum of N400 million was appropriated for the furnishing of the building. Same amount was released and fully utilized on the project to achieve 100% completion.

Findings:

83. At the time of this report, the project had been completed, furnished and occupied by the college participants.



Picture 6: Completed Participants' Quarters 1 & Part of the Furniture Provided for the Project

Socio-economic Impact:

84. The building has provided a conducive accommodation for fifty-six (56) colonels and their equivalents (Air force, Navy, Army, Police and foreigners, etc)

thereby reducing the housing problem being experienced by the College. This has also boosted learning and morale of the participants and consequently, enhances their commitment towards forestalling national security.

ii. **Purchase of Coaster Buses & Vehicles at the College Headquarters**

85. The project involves the procurement of ninety-eight (98) Peugeot cars and three (3) Coaster buses for mobility and lifting of Commandants, Directing staff and participants. The contract was awarded to Messrs Ziam Integrated Engrs. Ltd at a cost of N503.40.million in May 2011 and was expected to be completed in May 2015.

86. In the 2015 Budget, the sum of N101.12million was appropriated, released and utilized in the year to procure additional 7nos. Peugeot 301, a Toyota Land Cruiser Jeep, 2nos. Toyota Prado and a Hiace Bus for the college. A total of N408.02million had so far been committed to the project since inception to achieve a cumulative performance of 81%.

Findings:

87. As at the time of inspection, the number of vehicles planned for the year had been fully supplied and in use by the beneficiaries namely: The Rear Admiral, Major General, Air Vice Marshals, Air Commodores and Brigadier Generals.



Picture 7: Some of the Purchased Vehicles/Buses at NDC, Abuja

Socio-economic Impact:

88. Prior to the contract award, most of the Commandants and Directing staff of the college had no official vehicles which made movement difficult for the performance of their duties. The availability of these vehicles/buses had greatly eased the mobility of the affected beneficiaries and consequently boosted their morale, security and productivity.

4.2.4 NIGERIAN NAVY

89. The Nigeria Navy had an appropriation of N8.07 billion in the 2015 Budget for the acquisition of 2x Offshore Patrol Vessel (tagged NNS Centenary and NNS Unity). Of this amount, N6.35 billion was released and utilised as at the end of the fiscal year.

i. Acquisition of 2X Offshore Patrol Vessels

90. The project involves the procurement of 2 X Offshore Patrol Vessels for search and rescue operation by the Nigerian Navy. Each of the vessels has a length of 95.5 meters, 12.2m breadth and 3.3 draughts. The contract was awarded to Messrs China Ship Building & offshore International Limited (CSOCIL) in April, 2012 at a cost of \$157.8 million (N24.59 billion) and was expected to have been completed in April, 2015. The delay was due to paucity of funds. The sum of N1.2 billion was appropriated in the 2015 Budget. Same amount was released and utilized, bringing total commitment since inception to \$157.8million (N24.59 billion) to achieve 95% level of completion.

Findings:

91. At the time of monitoring, one of the vessel tagged NNS centenary had been supplied and commissioned in February, 2015 by Mr. President. It has been deployed to Portharcourt to check the activities of militancy in the vandalism of oil pipelines. In addition, all necessary tests and trials on the second vessel

tagged NNS Unity had been completed by the Nigerian Navy personnel and is currently on transit to the country.



Picture 8: The Newly Acquired of NNS Centenary.

Socio-economic Impact:

92. The newly acquired vessel had been deployed to the Niger Delta region to check the militants on the vandalism of oil pipelines. On completion it will minimize piracy, eradicate oil bunkering and enhance the surveillance on the high sea.

4.3 MINISTRY OF NIGER DELTA AFFAIRS

93. The Ministry was allocated a total of N8.30billion in the 2015 Budget. Of this amount, N4.15billion was released and cash backed while N4.034billion (or 92.21%) was utilized for the implementation of its capital projects/programmes. The following projects were monitored:

i. Dualization of East West Road Section III (Port Harcourt- Eket) in Rivers & Akwalbom States

94. The project involves the dualisation of the existing 84km single carriageway from Eleme junction to Eket. The scope of work includes; rehabilitation and improvement of the existing embankment, pavement layers, construction of an additional lane running parallel to the existing alignment and

4-no bridges including the 840m long bridge over the Imo-River. Others include; provision of compacted natural occurring or borrowed late-rite material, sub-base, crushed stone base, binder and wearing courses.

95. The contract was awarded to Messrs Reynolds Construction Company (Nig.) Limited in August 2006 at a cost of N66.46billion. Actual work commenced in October 2006 and was expected to have been completed by December 2014. This was not achieved. However, an RETC (revised estimated total cost) is currently being processed in the Ministry for the upgrading of Km 0+000 – Km 15+000 and the proposed deck on pile following the soil subsidence experienced between Km 59 & 61.

96. The sum of N800million (National Budget) and N3.52billion (ADB) were appropriated in the 2015 Budget. Of this amounts, N515.11million (National Budget) and N3.52million (ADB) were released and utilized at the end of the fiscal year. A total of N64.9billion (N18.57billion- SURE-P) and (N7.080billion- ADB) had so far been committed to the project from inception to date to achieve 99.80% level of completion.

Findings:

97. At the time of this report, the road has been substantially completed except for the area experiencing soil subsidence (Km 59 & 56) of the new alignment. Outstanding works include; construction of 1,035m & 5,275m of wearing course on the new and old alignment, 32m length of binder course on the new alignment, 1,635m length of surface dressing on the new alignment and 2,950m length on old alignment. The monitoring team observed that the contractor was not on site even though the Engineer's representative informed the team that the project workers were on break.



Picture 9: Ongoing Dualization of East West Road Section III (Port Harcourt-Eket)

Socio-economic Impact

98. The project has created employment opportunities for the skilled and unskilled labour in the immediate communities within the right of way. It had also opened up the Ogoni oil producing communities and boosted economic activities between Rivers and Akwa-Ibom States respectively.

Challenges:

99. The major challenges affecting the timely completion of the project were; delay in the approval for the reconstruction/upgrading of Km 0+000 – Km 15+000 and short construction period.

ii. Dualization of East-West Road Section IV (Onna/Eket-Oron) in Akwalbom State Contract No. 5883

100. The project involves rehabilitation and improvement of 50.3km existing single carriageway to a dual carriageway. It comprises: strengthening of the existing embankment, pavement layers, provision of asphaltic concrete courses and construction of an additional lane running parallel to the existing alignment. Others include: provision of compacted and excavated late-rite material as sub-grade, sub-base, crushed stone base, binder and wearing courses and the construction of 6-no bridges (including the major Eket Bridge over Qua Iboe River).

101. The contract was awarded to Messrs Gitto Costruzioni Generali Nigeria Limited in October 2006 at a cost of N37.51billion with an expected completion date of December 2014 which was later extended to February 2016 due to paucity of funds. The sum of N500million (National Budget) and N1.62billion (ADB) were appropriated in the 2015 Budget. Of this amounts, N100million (National Budget) and N1.62billion (ADB) were released and utilized. A total of N32.47billion (N8.25billion – SURE-P) and (N1.62billion) had so far been committed to the project from inception to date to achieve 92.8% level of completion.

Findings:

102. At the time of this report, substantial portion of the road had been completed, while the bridge work was in progress. Other works included; earthwork, sub-base 84.47%, crushed stone base 94.46%, binder and tack coat 91.97% and asphaltic wearing course 87.76%.



Picture 10: Ongoing Bridge Construction and Completed Round About at Section IV (Eket-Oron)

Socio-economic Impact:

103. The project had linked up the oil communities of Rivers and Akwa-Ibom states as well as boosted economic activities among the agricultural communities therein. On completion, it will ensure a seamless flow of goods and services and promote the transportation of oil across the border.

Challenges:

104. The major challenges affecting the timely completion of the project were; short construction period occasioned by the perennial rainfall and incessant community interruption of construction activities.

4.4 MINISTRY OF POWER, WORKS AND HOUSING

105. The Ministry was allocated a total of N19.81billion in the 2015 appropriation to implement its capital projects/programmes. Of this amount, the sum of N19.36billion was released and cash backed while, N19.01billion (or 98.20%) was utilized to implement amongst others the following projects:

i. Dualisation of Lokoja - Benin Road - Section 1 (Phase I & II): Obajana Junction – Okene Road in Kogi State: Contract No: 6135.

106. This major Artery of Trunk A road links all parts of the country. It starts from Obajana Junction (Zariagi) and terminates at Ajaokuta check point junction along Okene-Auchi-Benin road on the outskirts of Okene Township. The project involves reconstruction of existing carriageway from Okene to Ajaokuta road and construction of a new alignment between Ch: 39+500 and Ch: 52+634.

107. The contract was awarded to Messrs CGC Nigeria Limited in December, 2012 at an initial cost of N11.6 billion but this was later revised to N30.57 billion as a result of increase in the scope of works (Phase 11: Obajana to Okene) and expected to be completed in October 2017. In the 2015 Budget the sum of N350 million was appropriated for the project. Of this amount, N200 million was released, cash backed and utilized in the year under review bringing total financial commitment since inception to N4.09 billion to achieve 10.92% level of completion.

Findings:

108. As at the time of visit, the contractor was not on site due to non-payment of outstanding certified work amounting to N4.3 billion. However, the following work was achieved: site clearance (7km), earthwork, culverts & drains, base course and binder course had covered 4km length (i.e. from Ch:41+000 to Ch.45+000). In addition, wearing course has covered 1.26km, etc.



Picture 11: Part of the Sectional Failures & Wearing Course of the Obajana-Okene Road Project

Socio economic Impact:

109. Currently, the existing road pavement is characterized by isolated deep potholes and sectional failures. On completion, there will be free vehicular movement, reduce vehicle maintenance cost by the commuters and as well facilitate free flow of traffic and other hitches being experienced currently within Okene town.

Challenges:

110. The team was informed by the Engineer's representative of three key challenges: insecurity which led to the kidnap of Chinese nationals at the site; delay of payment of certified work (N4.3billion), and payment of compensation.

ii. Dualization of Obajana Junction to Benin Road (Auchi-Ehor), Section III

111. The project involves the dualization of the existing 54.22km road and construction of an additional carriageway from Agbede to Ehor. The scope of works includes site clearance, earthworks, lateral sub-base, binder and wearing courses. Others are: culverts, drainages, Interchange Bridge at Ewu junction, stone pitching and street lighting. The contract was awarded to Messrs Dantata and Sawoe Nigeria Limited in December 2012 at an initial cost of N11.66billion with completion period scheduled for April 2016.

112. However, there was an upward review of the contract sum to N34.81billion owing to the increase in the scope of works from 17.80km to 54.22km. Actual work commenced in November 2014 and is expected to be completed in November 2017. The sum of N350million was appropriated in the 2015 Budget but there was no allocation to the project from the supervising ministry. A total of N7.59billion had so far been committed to the project from inception to date to achieve a cumulative performance of 7.64%.

Findings:

113. At the time of monitoring, the contractor was not on site due to funding issues. However, the following works had been achieved: site clearance (6km), earthworks (3.98km) laying of stone base (2.5km), and asphaltic binder course (2.5km). Others include; construction of culverts and kerbs, concrete drains and piling works at Ewu Junction, etc.



Picture 12: On-going Binder Course at Auchi-Ehor Junction, Section III

Socio-economic Impact:

114. Prior to the construction works, vehicle accidents were a recurrent decimal on the road. Motorists usually spend hours trying to find their way. Although the construction is still in progress, the realignment had reduced the steepness and slope on the road pavements.

iii. Rehabilitation and Reconstruction of Enugu-Port-Harcourt Dual Carriage Way Section II: Umuahia Tower– Aba Townshi, Contract No. 6209

115. The project involves the rehabilitation of 56.1km dual carriage way linking five states in the region viz: Enugu, Abia, Imo, Ebonyi and Rivers states. It starts at Umuahia tower in Abia state capital and terminates at Aba Rail/Road Bridge crossing within Aba Township. The scope of the works include: site clearance, scarification of existing bituminous surface, excavation for culverts and drains, asphaltic binder and wearing course, and provision of kerbs and chutes. Others are: construction of 2nos. pedestrian bridges, provision of under pass including access road close to Rail/Road interchange and trailer parks, etc.

116. The contract was awarded to Messrs Arab contactors Limited in September 2013 at a cost of N50.89billion with an expected completion date of March 2017. However, work commenced in January 2014 on Port-Harcourt Bound carriage way and the Enugu Bound carriage way in October, 2014. The

sum of N350million was appropriated in the 2015 Budget, out of which N200million was released and utilized in the year to achieve an additional 16.24% performance. However, a total of N5.88billion had so far been committed since inception to achieve 19.74% level of completion.

Findings:

117. At the time of monitoring, the following works had been achieved: site clearance (37.35km), scarification (36.35km), stabilization and sand cement (34.63km) and stone base (31.85km). Others are: binder and wearing course had covered 28.45km and 27.03km respectively, etc.



Picture 13: Completed Portion and Ongoing Works at Enugu-Port-Harcourt Dual Carriage Way, Section II

Socio-economic Impact:

118. Prior to the award of the contract, the road had suffered various deformations and distresses including potholes, shoulder drop, edge cracks and fatigue, etc. Presently, the completed portions have helped to eased movement; reduce accident rates and cost of vehicular maintenances. On completion, it will reduce amongst others, the high volume of traffic being experienced on the road.

Challenges:

119. The team was informed that lack of structural drawings hinders the commencement of work on the under-pass and pedestrian bridges at Aba Township. Also, delay in the acquisition of land for the trailer parks slowed down the progress of work.

iv. Dualisation of Kano – Maiduguri Road Section 1 (Kano – Wudil – Shuarin) Contract No. 5878

120. The project involves the provision of a new standard carriageway from Kano (km 0+000) through Wudil and Gaya to Shuarin with a total dual distance of about 202.73km. It also includes the reconstruction of the existing carriageway, construction of 3nos river-bridge and 2nos interchange, and other concrete works. Others are: relocation of public utilities, acquiring of Right of Way of the new carriageway. The two carriage-ways are to be separated by median kerbs in built u areas (Kano-Gaya), etc.

121. The contract was awarded to Messrs Dantata & Sawoe Construction Co Nig Ltd at the cost of N37.04billion in September 2006 and was expected be to completed in 40 months. This timeline could not be realized due to funding challenges which results to inflationary trends. This necessitated the revision of the contract sum to N55.12billion and extension of completion date to December 2015. The sum of N300 million was appropriated in the 2015 Budget but no release was made to the project. However, a total of N28.93billion had been committed to the project to achieve 48.17% level of completion.

Findings:

122. At the time of monitoring, skeletal works were being carried out by the contractor. However, site clearance, relocation of PHCN, NITEL, Water Board facilities and compensation to claimants had been completed. Others are: earth

works (118.06km), scarification of existing road (27.57km), sub-base of the main carriageway (115km), and stone base at 111.84km, binder (115km) and wearing (58.16km). Construction works at the 3nos. bridges were at various stages of completion, etc.



Picture 14: On-going Construction of Kano – Wudil – Shuarin Section of Kano-Maiduguri Road, Section I

Socio-economic Impact:

123. Although, the road is not yet completed, it is partially in use. The project has given employment opportunities to 250 skilled and unskilled youths of the areas and stimulated the local economy. When completed, the project will reduce travel time, open up the area for further socio economic development and reduce vehicle operating costs. It will also improve security around the road corridor.

v. Reconstruction, Rehabilitation and Expansion of Lagos – Ibadan Expressway, Section 1 (Lagos – Shagamu) Contract No. 6204

124. The road commences at old toll gate in Oregun/Ikosi – Ketu, Lagos State and terminates at Shagamu interchange in Ogun state. It has a total length of about 43.6km and is made up of 3 – lane dual carriageways. The scope of work includes: construction of an interchange at Redemption Camp, 5no pedestrian bridges and maintenance of 10no.existing bridges. Others are: construction of

concrete pipe culverts and drains, stone pitching and concrete median barrier, etc.

125. The contract was awarded to Messrs Julius Berger Nigeria Plc in July, 2013 at a cost of N70.8 billion with the completion date of July, 2017. In the 2015 Budget, the sum of N400 million was appropriated, while nothing was released in the year. However, a total of N21.5 billion had so far been committed to the project since inception to achieve 24% level of completion.

Findings:

126. At the time of monitoring, work done included: installation of pipe culverts and catch pit, construction of trap zooidal drain, rectangular drain of about 119.63m stretch, repair works, asphaltic base and macadam laid. Approximately 12.5km stretch of binder works with underlying crushed rock sub-base and base material had been completed. The contractor had however moved out of site due to funding issues.



Picture 15: Completed Portion of Binder Work at the *Rehabilitation and Expansion of Lagos – Ibadan Expressway, Section 1 (Lagos – Shagamu)*

Socio-economic Impact:

127. Although, the project is yet to be completed, it had facilitated the smooth movement of vehicles and provided job opportunities for more than 500 skilled and unskilled labour. On completion, it will reduce travel time and cost of vehicle maintenance.

vi. Dualization of Abuja –Lokoja Road: Section IV (Kotonkarfe-Lokoja)

128. The project involves the construction of an additional 2-lane carriageway and rehabilitation of the existing carriageway from Katon-karfe to Lokoja (Obajana Junction). It has an approximate length of 50.10km and 7.30m wide carriageway with 1.5m inner and 2.75m outer shoulders. The two carriageways are to be separated by 8.0m wide median at rural areas and concrete median barriers at built up areas. Others included: the construction of 7nos river bridges, lined drains, box and pipe culverts, rehabilitation of existing bridges, and other hydraulic structures along the road alignment.

129. The contract was awarded to Messrs Gitto Costruzioni Generali Nigeria Limited in October 2006 at an initial cost of N11.99 billion, with a completion date of October 2008 which was later revised to April 2014. The contract sum was reviewed upward to N31.09 billion due to increase in the scope of work. The sum of N400 million was appropriated in the 2015 Budget, out of which N250 million was released and utilized. A total of N13.14 billion had so far been committed to the project since inception to achieve a cumulative performance of 59.27%.

Findings:

130. At the time of monitoring, the team gathered that the contractor was forced out of site due to serious insecurity in the area. However, the project had achieved, 38.88km asphalt binder course, 22.66km asphalt wearing course, 40.18km stone base, 5no bridges and 49.275 km new carriageway. Outstanding works included completion of 2nos bridges at Gada-hudu, et al, 4no box culverts, line drains and kerbs at various locations, road markings and road signs, among others.

Socio-economic Impact:

131. The project though not completed, had reduced travel time, minimized road accidents, opened up new communities, increased the value of land and

properties along the road corridor and had enhanced free vehicular movements, thus bringing enormous economic and social benefits to the immediate communities.

Challenges:

132. Major factors militating against the timely delivery of the project were issues of insecurity and inadequate budgetary provisions.

4.5 FEDERAL CAPITAL TERRITORY ADMINISTRATION (FCTA)

133. The mandate of the Federal Capital Territory Administration is to provide adequate infrastructural facilities, set up satellite towns and development areas so as to curb the influx of people to the metropolis and maintain the Master plan of the city centre. To achieve this, a total of N13.50 billion was allocated in the 2015 Budget. Of this amount, N10.45 billion was released and same utilized (100%) for the implementation of its capital projects/programmes. The following projects were monitored.

i. Dualisation of Lower Usuma Dam, Gurara Road

134. The project was awarded as a second phase development of the reconstruction of the Lower Usuma Dam (LUD)-Gurara road. It entails the dualisation of a 42km road from Lower Usuma Dam to Jere junction involving site clearance, earthworks, road works (41.9km), 5nos. bridges and concrete crash barrier. Other are: the construction of 60no. boxes, pipe culverts, roundabout at critical junctions and improvement of existing ones. It was awarded to Messrs. SCC Nigeria Ltd. in October 2013 at a cost of N28.09billion. Actual work commenced in November 2013 and is expected to be completed in November 2015.

135. In the 2015 Budget, the sum of N1.5billion (National Budget) and N2.0billion (Statutory Allocation) was appropriated while N1.5billion (National budget) and N1.9 billion (Statutory Allocation) totaling N3.4billion was released and utilized in the year. A total of N7.39billion had so far been committed to the project since inception to achieve a cumulative performance of 30% to date. This indicates only 3% additional performance compared to 27% performance recorded in December 2014.

Findings:

136. At the time of this report, works completed include; columns(piers) for Layi bridge, site clearance (30km), earthworks 25km, sub-base 16km, concrete crash barrier 19km, and 50nos. box culverts, etc. Work in progress was clearing of mud, abutment and construction of piers for retaining wall at Kau 13 No. bridges.

137. The team was informed by the Assistant Chief Resident Engineer that the sum of N9.99billion reported as total financial commitment as at end of December 2014 was in error as the said amount was for total certified works done by the contractor. Thus, the actual total financial commitment was N4.89billion.



Picture 16: Construction of Piers in Progress at Usuma Dam Gurara Road

Socio-economic Impact:

138. The project though not yet completed, has facilitated free vehicular movement from the city capital to Kaduna and other adjoining states of the

Northern part of the country. Also, it has attracted development of settlements, markets, and boosted economic activities along the road corridor. A primary school building, 4nos. boreholes and access road, etc were also provided to Dope community by the contractor as part of corporate social responsibility. On completion, the project will reduce accident rates, save travelling time as well, reduce cost of vehicle maintenance.

ii. Completion of Road B6, B12 and Circle Road, Abuja Central Area

139. The project involves the construction of 26km road comprising, the completion of works on roads B6 (Constitution Avenue), B12 (Independent Avenue) and circle road, full scope development of Arterial Roads 16 and 19, construction of 34 no bridges, 108 units of retaining walls, an interchange structure at the city Gate and dualization of Road Z, B6 and B12. Others include; channelization of river parapet, relocation of the existing city Gate and construction of access road to the indoor sport complex.

140. The contract was awarded to Messrs Julius Berger Nig. Plc in May, 2007 at an initial cost of N48.5billion with a completion date of May, 2011. This was however reviewed to N66.8 billion in 2009 with a new completion date of January, 2016. The upward review was due to rise in the price of diesel, reinforcement materials and fluctuation in naira value as the contract involves 55% foreign content. The sum of N1 billion was appropriated in the 2015 Budget, of which same amount was released and utilized. A total of N42.45 Billion had so far been committed to the project from inception to date to achieved 58.12% level of completion.

Findings:

141. At the time of monitoring, works completed include; 600m road works, 459m waste water network, an interchange structure at city Gate, 94nos.

retaining walls, 35nos. bridges. Others are: street lighting on circle road from Arterial Road NS13 to Road N14 and dual carriageway. Work on 2nos. bridges at Arterial Road 14(AR14), rock blasting and earthworks at the Link road Arterial Road 14/16(AR14/160) were all in progress at various stages of completion.



Picture 17: Completed Underpass and Retaining Walls on Roads B6, B12 and Circle Road

Socio-economic Impact:

142. Prior to the award of this project, vehicular traffic into the city was difficult. The project has enhanced free flow of traffic connecting the Central Area with other parts of the city thereby increasing political, economic and social activities in the city centre. The project has generated employment opportunities to about three hundred (300) skilled and unskilled indigenous labour.

Challenges:

143. The slow pace of work is largely attributable to the relocation of existing structures on the right of way and the challenges associated with traffic diversion and control especially along the presidential routes to and fro the Airport.

iii. Provision of Engineering Infrastructure to Kyami District

144. The project is located after Lugbe along Umaru Yar' Adua Expressway, Abuja. It is sub-divided into zones A, B and C with a total land area of about 2,737 hectares. The scope includes: site clearance, earthworks, road-works,

storm water drainage system, culverts, 6nos. river bridges, 2nos. Interchanges, waste water drainage system and water distribution network. Others include: 2nos 15MVA electric injection substation, street lighting, conduits for telecommunication and 3nos packaged sewage treatment plant.

145. The contract for Zone C was awarded to Messrs Kakatar CE Ltd. in February 2015 at a cost of N60.88billion and is expected to be completed within 60 Months (January 2020). In the 2015 budget, the sum of N2billion was appropriated, while N1.33billion was released and committed to achieve 1.5% level of completion.

Findings:

146. At the time of monitoring, work completed includes: enumeration of economic trees, valuation of farmlands and properties encumbering on the Right-Of-Way. However, work in progress includes: general site clearance, excavation and laying of storm water concrete pipe, installation of stand (riser), gulley connection pipes and back filling of completed segments. Others are: excavation of double cell diameter 900 mm culverts, laying of pipes and reinforcement works, etc.



Picture 18: Laying of Storm Water Concrete Pipes & Stone Base at Kyami District, Abuja

Socio-economic Impact:

147. The Project has generated employment opportunities to more than 87 skilled and unskilled labours. On completion, it is expected to provide accommodation and basic infrastructure for the dwelling of workers at Kyami district and to decongest the city in line with Abuja Master Plan.

iv. Provision of Engineering Infrastructure to Guzape District Lot II, Phase II

148. The project involves the construction of roads and associated works, underground storm and foul water drainages, portable water supply, reinforced concrete box culverts and ring culverts of various sizes. Others are; telecommunication ducts, 33/11KVA electrical power substation, various sizes of electrical cable network, including street light, fully equipped mini sewage treatment plant, water tank of 2000m³ capacity, and break pressure tank of 50m³.

149. The contract was awarded to Messrs Gilmore Engineering Nigeria Limited in August 2013 at a cost of N22.61billion and is expected to be completed in March 2016. The sum of N600 million was appropriated to the project in 2015 Budget. Of which same amount was released and utilized to bring total financial commitment since inception to N1.67 billion to achieve cumulative performance of 16.42%.

Findings:

150. At the time of this report, road works, street lighting and power supply were completed. Site clearance, culverts and waste water drainage etc were at various stages of completion. An additional performance of 7.42% was added in the year under review thus resulting to 16.42% cumulative performance since inception.



Picture 19: Part of Surface Water Drainage and Earth Works at Sub-Section 105 of the Project

Socio – economic Impact:

151. Although the project was yet to be completed, it had provided employment opportunities for more than 280 local inhabitants. The partial execution of site clearings and earth works had enhanced easy access by the people of the area. Upon completion; the project would enhance several social and economic activities within the area.

v. Extension of Inner Southern Express (ISEX) from Southern Parkway (58/58) to Ring Road II (RR2) in FCT

152. The project covers a distance of 11km. The scope of work includes; Site clearance, earthworks, storm water drainage system, road works, development of 6no. Interchange structures and 8no. river bridges. Others are confirmatory site test, retaining walls, culverts, power supply, street lighting, conduit for telecommunication and provision of service duct at crossings.

153. The contract was awarded to Messrs (CGC) Nig. Limited in June, 2015 at a cost of N43.5billion and is expected to be completed in December, 2017. The sum of N2.3 Billion was appropriated in the 2015 Budget, out of which N1.5 billion was released and utilized to achieve 3.45% level of completion.

Findings:

154. At the time of monitoring, 300m Site clearance had been achieved. The relocation of Bill boards, Electrical installations and CCT cameras along the road corridor were ongoing. The monitoring team was informed that a total of N6.5

billion (interim certificate No 1) mobilization advance payment had been raised in favour of the contractor but no payment was made due to paucity of fund.



Picture 20: On-going Construction for the Extension of Inner Southern Express (ISEX), Abuja

Socio-economic Impact:

155. Although the project is yet to be completed, over 200 job opportunities had been created for skilled and unskilled labour. On completion, the project will ensure free flow of traffic from the Southern Parkway of the city to the Airport expressway thereby reducing traffic congestion. It will also reduce travel time, increase economic activities along the road corridor and ensure seamless drive to ISEX.

vi. Construction of Nigerian Cultural Centre and Millennium Tower

156. The project entails the provision of a National Monument Cultural Centre with 4 Museums. Others are; a 64 Room Hotel Apartment, Office Accommodation, 1,200capacity Auditorium, Recreational Centre, and Conference Room etc. The contract was awarded to Messrs Salini Nigeria Limited in November 2005 at an initial cost of N53.12billion with a completion date of April 2009. However, this was later revised to N69.34billion with completion date extended to October 2014. The upward review was due to increase in provision for parking spaces from 600 to 1,200 and expansion in the tower base and erection. A new completion date is being worked out for approval by the Authority of the Federal Capital Territory Administration

157. In the 2015 Budget, the sum of N600 million was appropriated, of which same amount was released and utilized. A total of N35.75billion had so far been committed to the project to attain a cumulative performance of 40%.

Findings:

158. At the time of visit, no activity was in progress as the contractor had suspended works due to funding issues. However, Tower, Restaurant structural works, National Square and the Underground Car Park (two levels) for 1,200 car spaces were substantially completed. Others were: steel structure for the auditorium, roofing, concrete structure of the tower, steel frame work of the restaurant and escape lifts. Outstanding works include; completion of the hotel complex, museum, swimming pool and parts of the revolving restaurant.

Socio- economic Impact:

159. The project had provided job opportunities to 335 skilled and unskilled labour thereby improving their standard of living. On completion, the 1,200 capacity parking space will reduce the congestion and road side parking within the central business area of the capital city. In addition, the multi-functional edifice will provide facilities for cultural exposition, tourism, socialization, recreation, hospitality, and commercial activities.



Picture 21: Ongoing Construction of Millennium Tower & Underground Car Parking Space at the Cultural Centre

4.6 FEDERAL MINISTRY OF WATER RESOURCES

160. The provision of potable water and preservation of fresh water ecosystem forms one of the fundamental objectives of Government Transformation Agenda. In order to provide food security, transform the irrigation system and create productive employment, the sector was allocated a total of N15.78 billion in the 2015 Budget. Of this amount, N8.16billion was released and cashed backed while N7.60billion was utilized to implement its capital projects/programmes. The following project was monitored:

*i. **Gurara Water Transfer Project: Lot A***

161. The project was initially designed to construct a dam of 880mcm storage capacity to supply raw water to Lower Usuma Dam in FCT. It was later expanded to generate 30MW hydro power, develop 6,000 hectares of irrigable land, construct 100km roads, and promote fisheries and tourism.

162. The contract was awarded to Messrs Salini (Nig.) Ltd. in January 2001 at an initial cost of N15.12billion and was expected to be completed by December 2003. This was revised to N38.5billion and was further reviewed to N54.34billion with a completion date scheduled for March 2015. The upward review of the cost was due to changes in the Bill of Engineering Measurement. In the 2015 Budget, the sum of N1.5billion was appropriated, out of which N480million was released and utilized, bringing total commitment to N52.04billion to achieve 98% level of completion.

Findings:

163. At the time of monitoring, completed works included: Dam and associated works, 132KV transmission line, Left bank access road from Gurara Dam-Kuker-Kenyi, 5-no bridges, 230 hectares irrigable land and the construction of booster station. However, the contractor was not on site due to funding issues. The

outstanding works is the final testing of the installed Power Plant Units and evacuation of the 30MW hydro power to Kaduna (Kudenda Sub-Station). However, team gathered that the sum of N2.77 billion was still outstanding payment to the contractor.



Picture 22: Completed Dam and Switchyard Substation Hydropower at Gurara Dam

Socio-economic Impact:

164. The project has provided direct employment to over 2000 skilled and unskilled labour from the adjoining communities in the FCT. The dam has improved the problem of acute water supply to Abuja residents. In addition, hundreds of hectares of irrigable land has been developed and leased out to 11 commercial farmers while, resettled communities such as Mage, Atara, Doka, Kada, Kushinda, Akwana, Nturu, Amfani, Ariko, Kuratum, Kadum, AnguwanToka were provided with blocks of classrooms, boreholes, market stalls, site clinic and access road. On completion, the power component will provide uninterrupted power supply to the industrial layout, military establishments and residents in Kaduna as well as the resettled communities in Gurara area.

Recommendation:

165. The Supervising Ministry is hereby urged to speedily give approval for the concession of the dam based on Build, Operate and Transfer in order to maintain the completed but dormant facility to avoid deterioration. In addition, the Federal Ministry of Power should be directed to complete the construction of

Kudenda sub-station for the hydro power to be evacuated; Fishery/tourism component should also be introduced to maximally utilize the multi-billion naira facility.

ii. Construction of Kashimbilla Multipurpose Buffer Dam and Associated Structures

166. The project is located between Kashimbilla and Gamovo, on River Katsina-Ala in Takun Local Government, Area of Taraba State. The Dam was designed principally to mitigate threat of flood from the imminent break of structurally weak volcanic Lake Nyos in Cameroun. It involves the construction of water supply (60,000m³/day for 400,000 people) and Hydropower generation of 40MW which will be added to the national grid. Other components are: 25km access road between Jato-Aka (Benue State) and Kasmbilla (Taraba State), 11 km access road from Takum Junction to Kashimbilla Dam Site, and an Airstrip (for emergency evacuation), as well as a 40km road to resettlement camp.

167. The contract was awarded to Messrs SCC (Nigeria) Limited in May 2007 at an initial cost of N42.94 billion with a completion date of April 2010. This was however, revised to N60.63 billion in September 2011 arising from a review of the initial scope of work and later revised upward to N106.38 billion (N38.53 billion plus €412.61 million) following the approval of the Federal Executive Council in November 2013 with a new completion date of May 2015.

168. In the 2015 budget, the sum of N58.82 million was appropriated to the project. However, additional N1.07 billion from other sources like ecological fund, natural resources and Federal Ministry of power were also allocated to the project in 2015 to bring total allocation to N1.66 billion, out of which N900 million was released and utilized. A total of (N35.51 billion plus €412.10 million) had so far been committed to the project since inception to achieve 89.38% cumulative level of completion. This implies an improvement of 5.61% over the performance

recorded in 2014. However, the sum of N13.03 billion plus £121.48 million was still outstanding for payment.

Findings:

169. At the time of this report, works completed included: embankment; spillway and diversion channel; flow directing structures; intake and outlet works; construction of engineers' quarters and life camp; stream bridge, airstrip and access road (from Jato-Aka to Kashimbilla). Others are: draft tubes; 4nos turbines, 4nos generators, control valves, installation gates, hydraulic pumps, instrumentation and switch yard substation; control cables and electrical installations. The only works in progress was the construction of 40km access road to the resettlement camp which had reached 12km completion. The constructions of the water treatment plant, and irrigation scheme as well as the impounding of the dam were still outstanding.



Picture 23: On-going Construction of Access Road and Completed Cofferdam Embankment at the Project Site

Socio- economic Impact:

170. The project had created employment opportunities for over 1,000 skilled and unskilled indigenes of Benue and Taraba States-as well as other Nigerians. The access road had opened up a lot of communities and boosted commercial activities around Kasimbilla, Jato–Aka and other neighbouring communities. In addition, the contractor had constructed a customary court, police station and an

Airtel must for the communities out of his corporate social responsibility. On completion, it will create over 39,000 jobs for the immediate communities, provide irrigation scheme for 2000 hectare farmland, aid fishery development, and boost tourism.

Challenges:

171. The management of the large number of trees at the dam site, the communal clash and resettlement of the local communities living in/around the dam reservoir area amongst others militated against the speedy completion of the project.

iii. Construction of Ivo Dam

172. The project located at Mpu village of Aninri L.G.A. of Enugu State involves the construction of a main dam of 15m high, 250m long with a reservoir capacity of 20 million cubic metres (mcm³), a saddle dam 5m high and 2,500m long, 150m long concrete spillway and an inlet/outlet structure.

173. The contract was awarded to Messrs D. A. Construction Limited in 2009 at a cost of N2.14 billion. Work commenced in February 2010 and was expected to be completed by February 2012. However, the contractor was considered to be incapacitated in delivering the project. Thus a memorandum of understanding was reached with Messrs Anbeez Services Limited (through the Federal Ministry of Water Resources) to take up the execution /completion of the contract at the same cost. The new expected completion date was December 2014 which could not still been achieved.

174. In the 2015 Budget, the sum of N205.88 million was appropriated but there was no release to the project by the supervising ministry. However, a total of N2.129 billion had been committed to the project since inception to achieve a cumulative performance of 90%.

Findings:

175. At the time of visit, works completed include: excavation of 3m deep & 3m width key trench, filling of the key trench with compacted clay core material, 4 nos. pen stocks of 1200mm diameter for hydropower inlet/out structure and 4 nos. valves of the filter drains. However, embankment works and broad crested concrete spillway structure (of 135m) were in progress. Outstanding works include: construction of the spillway, laying of irrigation pipes and development of hydro-power component.



Picture 24: Penstocks Pipe for Hydropower Inlet/Outlet Structure and Broad Crested Concrete Spillway

4.6.1 LOWER BENUE RIVER BASIN DEVELOPMENT AUTHORITY (LBRBDA), MAKURDI

176. In 2015 Budget, the sum of N455.54million was allocated to the River Basin Authority to implement its capital projects and programmes. Of this amount, N227.77million and N225.66million were released and utilized respectively at the end of the fiscal year to execute amongst others the following projects:

i. Completion of Electricity Project at Awajir-Ikumbur-Mbayem in Gboko LGA, Benue State

177. The project involves the purchase and installation of 2nos. 500KVA 33 transformers with 100nos concrete poles to provide electricity to three (3)

communities namely: Awajir, Ikumbur and Mbayem in Gboko LGA of Benue State.

178. The contract was awarded to Messrs Midag Nig. Limited in November 2013 at an initial cost of N50million with a completion date of December 2015. However, the contract sum was revised by N22million thereby raising the project total cost to N72million due to the procurement of an additional transformer and reticulation works for the two (2) communities. In the 2015 Budget, the sum of N50million was appropriated, of which N25million was released and utilized while, a total of N56.42million had so far been committed to the project to achieve 90% level of completion.

Findings:

179. At the time of visit, works completed include; the supply of 2nos. transformers, installation of 100-no. poles and the installation of transformer for Ikumbu village which had been energized and commissioned in December 2015. However, installation of the second transformer was in progress at Mbayem community of Gboko LGA. The team was informed by the contractor's representative that there was need for an additional transformer to enhance the supply of electricity to the affected communities.



Picture 25: One of the Transformers Installed at Ikumbu Community

Socio-economic Impact:

180. Though the project had not been fully completed, it is currently impacting on the lives of the people of Ikumbu village as small businesses (such as barbing saloons, viewing centres, pure water and mini-electronics shops) have developed in the area. This has improved the social wellbeing and income generation of the local community.

ii. Construction of Beraqbum Earth Dam

181. The scope of the project includes: construction of a 105mcm capacity dam, 450m embankment length with a spillway of 3.8m high, an intake structure and a steel basin. Others are: construction of 7.5km access road (in and around the existing state government farm), a 5ha of irrigation farmlands, etc.

182. It was awarded to Messrs Joachim & Stephanie Industries Ltd. in January 2014 at an initial cost of N120.92million and expected to be completed in December 2015. However, the contract sum is being reviewed to N170.92million following an increase in the width of the embankment (from 3.4m to 5.9m), height (from 3.8m to 4.3m) and additional excavation works at the reservoir. The completion date has been rescheduled for December 2016.

183. The sum of N40million was appropriated in the 2015 Budget while N16million was released and utilized to achieve an additional 14% performance in the year. A total of N108.82 million had so far been committed since inception to achieve 90% level of completion.

Findings:

184. At the time of visit, the construction of access road and clearing of 5 hectares of land for irrigation had been completed. Also, embankment and concrete works on the spillway were almost concluded based on the initial design. Materials for construction of primary canal for irrigation had been stock

piled at the site. Outstanding works include: completion of embankment (15%) and toe drain, final construction of primary canal.



Picture 26: Construction Works in Progress at the Berugbum Dam Project

Socio-economic Impact:

185. The impounded water at the dam has served as a source of water to Beragbum and other neighbouring communities. On completion, it will provide water all year round for irrigation, fishing activities and other domestic purposes. This will consequently enhance income generation, thereby reducing the rate of poverty in the community.

iii. Construction of Water Treatment Plant and Reticulation at Oko Township, Surulere LGA Ogun State

186. The project involves the construction of sedimentation tank, concrete sump, 200 nos. of HDPE pipes on sites, water treatment plant and reticulation at Oko Township. Others are: purchase of pipes, hydro flow pumps and 400,000 litres field reservoir etc. The contract was awarded to Messrs Hankok Global Service Ltd. in September, 2014 at a cost of N243.7 million with a completion date of June 2015. However, the deadline could not be achieved due to delay in the release of fund in 2015 budget. In the 2015 budget, the sum of N50 million was appropriated and same was released and utilized. A total of N95.7 million has so

far been committed to the project since inception to achieve 85% level of completion.

Findings:

187. At the time of monitoring, construction of chemical building office, pump house, dosing room, procurement of pipes, a sedimentation distribution tank and treatment plant in Oko town have been completed. The outstanding works included; laying of pipes & connection and distribution of water to Oko Township and its environs.



Picture 27: Ongoing Construction of Water Treatment Plant at Oko Town, Surulere LGA Ogun State

Socio-economic Impact:

188. The project though not yet completed, has provided job opportunities to more than 150 youths. When completed, it will provide portable water to the people of the area as well as provide irrigation opportunities for farmers of Oko town and adjoining communities.

4.7 FEDERAL MINISTRY OF AGRICULTURE

189. The main focus of this sector is to make farming profitable, tackle hunger and boost food security in the country. To achieve this, a total of N8.79 billion was allocated in the 2015 Budget. Of this amount, N4.45 billion was released and cash backed while, N4.25 billion (or 95.41%) was utilized for the implementation of its capital projects/programmes.

4.7.1 AGRICULTURAL AND RURAL MANAGEMENT TRAINING INSTITUTE (ARMTI), ILORIN

190. The Institute was established in 1980 as a Parastatal under the then Federal Ministry of Agriculture and Natural Resources (FMANR) to provide management training on agriculture, conduct applied management research, disseminate management information and provide consultancy and advisory services on agricultural related matters.

191. The sum of N169.72million was appropriated to the Institute in the 2015 Budget to implement its capital projects/programmes. Out of this amount, N84.86million was released while N78.96million was utilized as at the end of the fiscal year. The following projects were monitored.

i. Training of Youth and Women/Procurement of Cassava Processing Machines

192. This project is designed to advance Village Alive Development Initiative (VADI) scheme in the area of cassava for improvement in income generation and employment for the rural communities around ARMTI. It involves the purchase and installation of cassava processing equipment into Village Alive Development Initiative (VADI) communities for utilization by actors in cassava Value Chain Development (VCD).

193. The contract was awarded to Messrs Goal Multi-Global Ltd. /ARMTI in November 2015 at a cost of N21.32 million with a scheduled completion date of December 2018. The sum of N21.32million was appropriated in the 2015 Budget, out of which N8.10million was released and utilized to achieve 37.9% level of completion.

Findings:

194. At the time of visit, two (2) sets of the cassava processing machines (comprising grating, chipping, sieving, pressing and a frying stool) had been

procured / installed and in used at Jimba-Oja and Fufu communities; while, the training of operators & users had been concluded. The project manager of ARMTI informed the team that more machines will soon be procured for the expansion of the project.



Picture 28: A Set of Cassava Processing Machines at Jimba-Oja Community near ARMTI, Ilorin

Socio-economic Impact:

195. The installed machines in the two (2) communities has started yielding results as nearly 40 tones of cassava (20tonnes in each of the villages) were being processed on daily basis with 33 people each being engaged at a stretch. This has created employment opportunities as well as improved income generation for the rural communities. In addition, a good image and enhanced positive relationship has been forged between the benefiting communities and the Institute.

ii. Upgrading of Abuja Regional Centre

196. The project involves upgrade of the existing Abuja Regional Office by the construction of additional 30no. rooms for participants' hostel, 2no. syndicate rooms, offices and a training hall, etc. It was awarded to Messrs Marimich Nig. Ltd/Ayo Bello Consultants in November 2012 at a cost of N315million and is expected to be completed in December 2017.

197. In the 2015 Budget, the sum of N48.10million was appropriated while; N19.83million was released and utilized as at the end of the year. A total of N142.50million had so far been committed to the project since inception to achieve 45.24% level of completion.

Findings:

198. At the time of this report, the first phase of the project which was the construction of 30nos. rooms for participants hostel, and a training hall had been completed and awaiting commissioning. Other components of the project such as office building, etc were ongoing at various levels of completion.



Picture 29: Completed Participants' Hostel and On-going Office Building at ARMTI Regional Training Centre, Abuja

Socio-economic Impact:

199. On completion, the centre is expected to provide conducive training offices and an accommodation for the participants. It will also generate income for the institute as well as promote close interaction between the trainers and participants at the centre for better service delivery/performance.

4.7.2 FEDERAL COLLEGE OF HORTICULTURE, DADIN – KOWA, GOMBE STATE

200. The sum of ₦79.8 million was allocated to the college in the 2015 Budget, out of which ₦39.7million was released and utilized to execute among others the following project/programme:

i. **Construction of Phase II Perimeter Fencing of the College Premises**

201. This involves the construction of concrete column and beam for enforcement covering a total length of 1500 meters. The Contract was awarded to Messrs QS and GS Nigeria Limited on 9th February, 2014 at a cost of ₦50.08 million with a completion date of 31st December, 2015. The sum of ₦50.11 million was appropriated to the project in the 2015 Budget, of which ₦10.01million was released and utilized to achieve 20% level of completion.

Findings:

202. At the time of monitoring, the contractor was out of site. However, 300meters block work had been achieved. It was gathered that work had stopped due to the tensed security situation around Dadin-Kowa which was once a gateway for the Boko Haram insurgents.

Socio-economic Impact:

203. Prior to the start of the project, the college had witnessed unprecedented encroachments by persons and animals. On completion, the project will help in preventing unauthorized entries and secure lives and properties within the college.

4.7.3 NATIONAL ROOT CROP RESEARCH INSTITUTE (NRCRI), UMUDIKE

204. The institute was allocated a total of N184.17 million in the 2015 Budget, to implement its capital projects and programmes. Of this amount, N92.08million (50%) was released and utilized in the year to execute the following:

i. Development of New Cassava Variety and Multiplication of Breeders Seed of Varieties Suitable for Processing and Export (ATA)

205. The project entails the development of new cassava varieties and multiplication of breeders' seed of varieties suitable for processing and export (ATA). The seeds so developed are to be distributed to farmers in the communities around Umudike, South-East Region of the country.

206. The contract was being handled by the Institute in April, 2015 at the cost of N70 million and is scheduled for completion in December, 2015. The entire contract sum was appropriated in the 2015 Budget, of which same amount was released and utilized in the year to achieve 100% level of completion.

Findings:

207. At the time of this report, four (4) new white fleshed and three (3) high beta carotene cassava varieties suitable for processing and export had been developed and released to farmers. In addition, a number of cassava hectares were substantially multiplied and the bundles distributed to farmers.



Picture 30: A Cross Section of the New Cassava Varieties Developed for Farmers at NRCRI, Umudike

Socio-economic Impact:

208. The development of the four (4) new white fleshed and three (3) high beta carotene cassava has helped to boost cassava production and income generation for the cassava farmers in the south-eastern region of the country. The resultant effect of this research initiative is a major improvement in cassava production, processing and export thereby enhancing the national GDP and as well facilitates the achievement of food security objective of the Federal government.

4.8 FEDERAL MINISTRY OF HEALTH

209. The Ministry was allocated a total of N22.68billion in the 2015 Budget. Of this amount, N16.45billion was released and cash backed while, N12.21billion (or 74.27%) was utilized as at 31st December, 2015. The following hospitals (or projects) were monitored:

4.8.1 UNIVERSITY OF UYO TEACHING HOSPITAL

210. The institution had an appropriation of N77.12million in the 2015 Budget, for the implementation of its capital projects/programmes. Of this amount, N38.430million was released and utilized for the execution of the following project:

i. General Out Patient Department

211. The project involves the construction of a 2-storey general outpatient block (Phase1) comprising internal medicine department, pharmacy, surgical outpatient, medical and health records, 26 consultant offices and conveniences. The contract was awarded to Messrs Donarson Services Ltd. in September 2010 at the cost of N283.7 million with an expected completion date of July 2013. However, a new completion date is being processed by the contractor.

212. The sum of N77.12 million was appropriated in the 2015 Budget. Of this amount, N38.4 million was released and utilized while, a total of N302.8 million has so far been committed to the project since inception to achieve 70% level of completion.

Findings:

213. At the time of visit, the super structure had been completed roofed and plastered. Works in progress includes; tiling, piping, and plastering. Outstanding works includes: electrical works/fittings, walk ways, landscaping, painting and decoration.



Picture 31: Ongoing Construction of the General Out Patient Department at University of Uyo Teaching Hospital

Socio- economic Impact:

214. The present GOPD is insufficient to cater for patients on ground. Upon completion, the project would provide more space for the admission of patients, increase the number of consulting rooms and improve service delivery to the patients.

4.8.2 UNIVERSITY OF ILORIN TEACHING HOSPITAL, ILORIN

215. This institute was allocated N63.59 million in 2015 Budget to implement amongst others the following capital projects/programmes: equipment for

medical emergency & furnishing of medical wards, completion of catering department block at the permanent site. Others are: completion of psychiatric wards (Behavioural sciences department, phase 4). Of this amount, N31.79million was released, fully cash backed and utilized. The following projects were covered:

i. Equipment for Medical Emergency & Furnishing of Medical Wards

216. The project involves the supply and installation of medical equipment with complete accessories at the hematology department, the theatres, and Medical Emergency wards, etc for the management of patients in the hospital. Some of these equipments are: Viking Quest EMG machine (Neurology equipment), Automatic tissue processor, Laparotomy box, Diathermy machine and accessories, etc.

217. Contract for the supply of these equipments were awarded to a consortium of contractors namely Messrs Texan Medical Ltd., & others at a total cost of N520million. The project commenced in October 2011 and completion date scheduled for December 2015. In 2015 Budget, the sum of N25million was appropriated out of which N12.25million was released and utilized in the year to procure additional equipment. This brought to N252.68million the total financial commitment to achieved 49% level of achievement.

Findings:

218. At the time of visit, substantial component of the equipment such as Viking Quest EMG machine (Neurology equipment), Automatic tissue processor, Laparotomy box, Diathermy machine and accessories, etc had been supplied and already in use at the hospital.



Picture 32: Laparotomy Machine at the University of Ilorin Teaching Hospital

Socio-economic Impact:

219. Prior to the supply of these instruments, patients had to wait for so long on queue for surgery service. However, the availability of the diathermy and other surgery equipment has helped in reducing loss of blood during operations and the influx of patients for surgeries. In addition, the equipment had provided for faster and neater surgery at the theatre thereby saving more lives of patients which ordinarily could be lost during surgeries. On the overall, the project has enhanced better medical service delivery, and as well boosted staff morale in the discharge of their duties.

4.8.3 UNIVERSITY OF MAIDUGURI TEACHING HOSPITAL

220. The institution was allocated a total of N74.79 million in the 2015 Budget out of which N37.39 million was released and cash backed while, N19.30 million (representing 51.61%) was utilized to implement its capital projects/programmes. The following projects were monitored:

i. ***Procurement of 12Nos. Dialysis Machines and Upgrading of the Kidney Centre***

221. The project involves the procurement of 12nos. dialysis machines and the upgrading of the kidney centre. The contract was awarded to a consortium of contractors (Messrs Adeem Nigeria Limited, Messrs. Regimed Nigeria Limited

and Messrs. RVICS Nigeria Limited) in 2013 at a total cost of N103.60 million with a completion date of December 2016.

222. The sum of N21.79million was appropriated in the 2015 Budget, out of which N19.30 million was released and utilized. A total of N39.29million had so far been committed to the project to achieve 38% level of completion.

Findings:

223. At the time of this report, eight (8) dialysis machines had been procured and were in use.



Picture 33: One of the Newly Purchased Dialysis Machine at University of Maiduguri Teaching Hospital

Socio-economic Impact:

224. The equipment procured had enhanced the teaching of specialist and management of patients with kidney problems. It had also improved service delivery and conserved foreign exchange from overseas medical trips. In addition, it had afforded the hospital the opportunity to dedicate one or two of their dialysis machines to patients with special cases like HIV and Hepatitis.

4.8.4 FEDERAL MEDICAL CENTRE (FMC), GUSAU

225. The sum of N213.04million was appropriated in the 2015 Budget to execute ten (10) capital projects and programmes in the year. Out of this

amount, N106.52million was released and utilized to implement amongst others the below project monitored by the team.

i. Completion, Furnishing and Equipping of Accident and Emergency Ward

226. The project is executed in two (2) phases. Phase 1 which is the construction of the building complex had been completed. Phase 2 involves: supply of furniture and equipment such as diathermy machine, suction machine, and paediatric devilbis. Others are components: matron's autoclave cut down sets, standard anesthesia machine, wheel chairs, refrigerators, and dressing trolleys, etc. The contract was awarded to Messrs Pekamel Ventures Ltd at a cost of N24.27million in September 2014 to be completed in December 2016. The sum of N18.27 million was appropriated in the 2015 Budget out of which N13.64million was released and utilized to the project. This brings total commitment to the project to N18.64million to achieve 77% level of completion.

Findings:

227. As at the time of monitoring, substantial components of the furniture and equipment have been supplied and in use by the relevant sections at the centre. The team gathered that some of the furnished items such as diagnostic sol, sphygmomanometer, stethoscopes, and sterilizing drums, etc which were earlier supplied were rejected. Hence, effort was being made to replace them to complete the project.

Socio-economic Impact:

228. The project has empowered indigenous business men and equipped the centre with the latest furniture and gadgets required to save the lives of Nigerians. It also strengthens referral system from the neighbouring medical outlets to the Centre. When completed, the project will help in boosting the

morale of the health professionals and as well increase the number of trained personnel in the use of sophisticated medical facilities.

4.8.5 LAGOS UNIVERSITY TEACHING HOSPITAL, IDI ARABA, LAGOS

229. The institution had an appropriation of N60.99 million in the 2015 budget for the execution of its capital projects/programmes which includes children emergency centre, Interns quarters and equipping assisted reproductive/IVF Centre. Of this amount, the sum of N30.49 million was released and utilized as at the end of the fiscal year.

i. Construction of Children Emergency Centre

230. The project involves the construction of a three (3) storey building comprising: 2nos theatre rooms, an intensive care unit and x-ray room, stern transplanting centre with isolated room, Laboratory, 6no. Consultants' rooms, 12nos. staff offices and conveniences, lift and 3nos. self-contained offices for principal officers, etc.

231. The contract was awarded to Messrs Akin John Nigeria Limited in March 2011 at a cost of N249 million with completion date of December, 2016. In the 2015 Budget, the sum of N34.10 million was appropriated, out of which N15.5 million was released and utilized. A total of N198.3 million had so far been committed to the project since inception to achieve 70% level of completion.

Findings:

232. At the time of this report, work done included: sub-structure, super structures, block works, electrical installation, internal and external plastering, plumbing, windows, doors, roofing and burglaries. While, piping and lift components (materials) were on ground. Outstanding work included: fixing of the lift, painting and finishing.



Picture 34: Ongoing Construction of Children Emergency Centre at LUTH, Lagos

Socio-economic Impact:

233. On completion, the project will improve on children's medical services and solve the problem of office accommodation.

4.8.6 FEDERAL MEDICAL CENTRE (FMC), UMUAHIA

234. The hospital was allocated the sum of N62.81million in the 2015 Budget. Of this amount, N31.40million was released, cash-backed while N29.16 million was utilised for the implementation of the following capital projects: procurement of CT scan machine, construction of 250 bedded ward and furniture/external work of consulting.

i. **Procurement of CT Scan Machine**

235. The project involves the procurement of CT Scan machine use by Radiological Doctors to show brain images. The contract was awarded to Messrs Swiss Biostdt Ltd at a cost of N126million in September, 2012 with an expected completion date of November, 2012. This could not be achieved due to inadequate budgetary provisions. The completion date was however rescheduled for November, 2015.

236. The sum of N29.45million was appropriated in the 2015 Budget, while N23.18million was released and utilized in the year thus bringing total commitment to N126million since inception to attain 100% completion.

Findings:

237. As at the time of visit, the CT scan machine had been procured and installed and fully operational at the centre.



Picture 35: The Operational CT Scan Machine at FMC, Umuahia

Socio-economic Impact:

238. The project has helped to improve radiological images (brain images) that will assist Neon surgeons in taking an informed decision on patients. This has saved lives as well facilitate better health services to the people.

ii. Construction of Consulting Complex

239. The project involves the construction of three (3) storeys building in three (3) dimension wings. It consists of eleven (11) consulting suits, 28nos. of staff offices, conveniences. The contract was awarded to Messrs Finmac Nig. Ltd. in September 2011, at a cost of N240 million and was expected to have been completed November, 2013. This was later revised to December, 2015 due to funds constraints.

240. The sum of N33.36 million was appropriated in the 2015 Budget, out of which N8.13 million was released and utilized in the year. However, a total of N234.07 million had so far been committed to the project since inception to achieve 95% level of completion.

Findings:

241. At the time of monitoring, the superstructure, fixing of doors/windows and interior plastering and painting, electrical fittings, laying of tiles and installation of fans had been completed. Outstanding works were external painting and landscaping. The team observed that one of the wings had also been completed and in use.



Picture 36: Ongoing Construction of Consulting Complex at FMC Umuahia

Socio-economic Impact:

242. The project when completed will accommodate more principal officers and supporting staff. It will also enhance better working condition of the consultants at the centre.

4.9 FEDERAL MINISTRY OF EDUCATION

243. This Ministry is saddled with the responsibility of human capital development. In order to build a productive, competitive and human resource base for the economic growth and social advancement of the country, a total of N23.52 billion was allocated in the 2015 Budget. Of this amount, N13.83 billion was released and cash backed while, N13.04 billion (or 94.24%) was utilized for the implementation of its capital projects/programmes as at December, 2015.

4.9.1 FEDERAL UNIVERSITY OF TECHNOLOGY (FUT), MINNA

244. The university was allocated the sum of N53.83million to execute its capital projects which is the completion of Computer Engineering Department. Of this amount, N26.84million was released and cash backed at the end of the fiscal year while N13.42million was utilized to execute the single project in the year as follows:

i. Completion of Computer Engineering Department

245. The project is a 2-storey building designed to accommodate the school of Communication and Information Technology comprising six departments. They are: Computer Engineering, Computer Science and Telecommunication Engineering departments. Others are: departments of Library Information, Server security and Media Information Technology. Contract for the project was awarded to Messrs. MCESTA Ventures in November 2010 at a cost of N706.44million and was expected to have been completed in December 2011. This could not be achieved until April 2012 due to funds constraint.

246. In 2015 Budget, the sum of N53.69million was appropriated to the project out of which N26.84million was released while N13.42million was utilized (payment of outstanding) to bring total commitment on the project since inception to N659.28million to achieve 100% completion.

Findings:

247. At the time of this report, the project had been completed since April 2012 and put to use. However, the team gathered that N47.16million was still outstanding for payment to the contractor.



Picture 37: Completed Computer Engineering Complex at FUT Minna

Socio-economic Impact:

248. The completion of the project had provided more office space/ accommodation to both staff and students of the School of Communication and Information Technology. This has boosted staff morale and productivity as well as a better learning environment for the students.

4.9.2 UNIVERSITY OF BENIN

249. The sum of N53.7 million was appropriated to the institution in 2015 budget. Of this amount, N20.2 million was released and utilized for the implementation of the following projects/programmes.

i. Construction of Faculty of Agriculture

250. The project involves the construction of a three (3) storey building comprising staff offices, two lecture rooms, laboratories, faculty library, material stores and conveniences. The contract was awarded to Messrs Ebonite (Nig.) Ltd. in November 2008 at a cost of N434.5 million with completion date scheduled for December 2015. The sum of N53.7 million was appropriated in 2015 budget. Of this amount, N14.097 million was released and utilized while, a total of N421.4 million had so far been committed to the project since inception to achieve 85% level of completion

Findings:

251. At the time of visit, the contractor was not on site due to funding challenges. However, the superstructure had been completed, roofed and plastered. Outstanding works include: electrical fittings, mechanical works, painting, landscaping and interlocks.



Picture 38: Ongoing Construction of the Faculty of Agriculture at University of Benin

Socio-economic Impact:

252. The project has created employment opportunities for skilled and semi skilled workforce of the immediate community. On completion, it will provide a conducive learning environment for the students, increase enrolment and help in the accreditation of the department by the National University Commission.

4.9.3 FEDERAL UNIVERSITY, DUTSE

253. The sum of N203.69million was appropriated in the 2015 Budget to the university, out of which N101.85million was released and utilized to achieve 100% implementation. The following projects were monitored:

i. Construction of University Access Road

254. The project was designed to provide access road and pedestrian path linking the various academic areas and the central library at the permanent site. Others are: provision of earth and concrete water drains to channel storm water off the campus, etc.

255. The contract was awarded to Messrs Hajaraki Construction Ltd. and four others at a total cost of N206.03million in October 2015 and is expected to be completed in December 2017. The sum of N203.69million was appropriated in the 2015 Budget of which N101million was released while N90.3million was utilized in the year to achieve 55% level of completion.

Findings:

256. At the time of monitoring, surface-dressing works of the project was completed. Other works executed were: construction of 2nos. culverts, 2.5 meters earth drain and 900 meter earth work (excavation, backfilling and compaction) of the access road. Outstanding works are the asphalt overly and drainage concreting. The Director of Works informed the team that spurs were also executed to link up the ICT building, E-learning complex, Entrepreneurship centre, faculties and colleges of the university.



Picture 39: On-going Construction of Access Road from the Main Gate to the Senate Building

Socio-economic Impact:

257. Although, the road is not yet completed, it has created jobs to both skilled and unskilled youths of the areas. In addition, the partial completion of the project has facilitated easy access to the main campus. On completion, the project will enhance smooth access to the permanent site of the university.

4.9.4 FEDERAL POLYTECHNIC BALI, TARABA STATE

258. A total of N40.49 million was allocated to the polytechnic in the 2015 Budget, out of which N20.24 million was released and same utilized to execute the project below:

i. Construction of Administrative Block Phase II

259. The project involves the construction of a 2-storey building comprising: staff offices, conference rooms, canteen and conveniences, etc. The contract was awarded to Messrs A. A. Madugu Investment Limited at the cost of ~~N~~291.94 million in December 2012 and was expected to be completed in December 2015.

260. In the 2015 budget, the sum of ~~N~~40.49 million was appropriated to the project while ~~N~~20.24 million was released and utilized. However, a total of ~~N~~222.64 million had so far been committed to the project since inception to achieve 90% cumulative performance.

Findings:

261. At the time of monitoring, the superstructure works including, plumbing and electrical fittings, fixing of doors and windows, etc had been completed. In addition, furniture items had been procured and on ground for project completion. The major outstanding work is landscaping.

Socio-economic Impact:

262. The project had created employment opportunities for residents of the local community. When completed, it will help to ameliorate the acute shortage of office accommodation being experienced in the Polytechnic. In addition, it is expected to boost staff morale and enhance their productivity.

4.9.5 FEDERAL UNIVERSITY OF TECHNOLOGY, OWERRI

263. The institution was allocated a total of N53.69 million in the 2015 Budget, out of which N26.84 million was released, while N25.42 million was utilized as at December to implement its capital projects/programmes. The following were monitored;

i. Completion and Landscaping of School of Health Technology

264. The contract was awarded to two (2) contractors namely: Messrs Dumaco Best Properties Ltd (for civil works) and Messrs Bassa James Global Ventures (for Mechanical/Electrical works) in May, 2010 at a total cost of N123.37 million with completion date scheduled for June, 2010. The completion date was later reviewed to June, 2015. The sum of N31.67million was appropriated in the 2015 Budget, out of which N11.20 million was released and utilized in the year. A total of N101.96 million had so far been committed to the project since inception to achieved 73% level of completion.

Findings:

265. At the time of monitoring, works completed include: block works, roofing, ceiling, internal plastering, electrical wiring, fixing of windows frames and office doors; while, landscaping and outer plastering works were outstanding.



Picture 40: Ongoing Construction of School of Health Technology at FUT, Owerri

Socio-economic Impact:

266. Although the project is still ongoing, it has generated employment opportunities for 30 skilled and unskilled labour. On completion, it is expected to provide a conducive learning and working environment for both the staff and students of the university.

4.10 FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY

267. The Ministry is charged with the responsibility of charting the course of scientific and technological development of the Nation. The Ministry is also responsible for developing and implementing policies, projects/ programmes on science and technology. It was allocated the sum of N3.26billion in the 2015 Budget to execute its capital projects and programmes. Out of this amount, N1.74billion was released and N1.58billion utilized as at 31st of December of the year. The following institution/projects were monitored by the teams:

4.10.1 NIGERIAN INSTITUTE OF TRYPANOSOMIASIS RESEARCH, KADUNA

268. The sum of N100million was appropriated to the Institute in the 2015 Budget to execute its capital projects and programme of which N50million was

released and utilized in the year. The following projects, among others, were monitored:

i. Promotion of Cattle Ranching in Tsetse-fly Infested Animal Trypanosomiasis in Endemic Areas of Nigeria

269. The programme was established to provide research on cattle ranches in Imo and Katsina states because of the prevalence of tsetse fly and animal trypanosomiasis in the areas of Nigeria. The programme was executed in-house at a cost of N1.66billion in January 2009 and is expected to be completed in December 2020. The sum of N20 million was appropriated in the 2015 Budget, out of which N5.30million was released and utilized. This brings total commitment to the programme to N50.59million to achieve 10% level of completion.

Findings:

270. As at the time of monitoring, feasibility studies of the endemic areas (Imo State, Katsina State) had been conducted towards mapping out the locations. Efforts were on going with the state governments towards providing grazing lands.

Socio-economic Impact:

271. Pilot studies of tsetse fly endemic in Katsina and Imo states have been mapped out. This had exposed the Institute scientists to the practical aspects of tsetse fly control planning. When completed, the programme will eradicate tsetse fly in these areas.

ii. Implementation of the Pan African Tsetse-fly and Trypanosomiasis Eradication Campaign (PATTEC) Nigeria Activities

272. This programme was designed to actualize the PATTEC mandate for the eradication of tsetse fly and trypanosomiasis in Nigeria by 2020. It was executed in-house at a cost of N2.7billion in January 2008 to be completed in

December 2020. The sum of N60 million was appropriated in the 2015 Budget, out of which N26.12million was released and utilized. This brings total commitment to the project to N190.47million to achieve 7% level of completion.

Finding:

273. As at the time of monitoring, feasibility studies had been concluded for the take-off of effective campaign and surveillance of tsetse fly population. This is with the view to creating awareness and mitigating human sleeping sickness and animal trypanosomiasis in line with PATTEC mandate.

Socio-economic Impact:

274. Although, the programme is not yet fully operational, it had exposed the Institute's scientists to the preparatory aspects of tsetse fly advocacy. When completed, the programme will avail the rural population with the materials required to end the pandemic.

4.10.2 FEDERAL INSTITUTE OF INDUSTRIAL RESEARCH OSHODI

275. The Research Institute is established in 1956 to assist in accelerating the pace of industrialization in Nigeria through identifying and characterizing local raw materials for use in industries, develop pilot sale operations and develop and upgrade indigenous technologies in the area of food and agro-allied processing and in other non-food uses. In the 2015 Budget, the sum of N430million was allocated to the Institute to execute its capital projects and programmes. Of this amount, N215million (representing 50%) was released and cash backed while N83.30million was utilized in the year to implement amongst others the below project visited by the team:

i.Rehabilitation of Project Design & Development (PDD) Building and Laboratories

276.The project involves the renovation of four (4) storey PDD building and laboratories. It comprises of: renovation of roof, kolesho laboratory, refurbishing of Federal Institute of Industrial Research Consult Bakery and Mushroom buildings, electric work in the pilot plant and internal power per point connection to machineries.

277.Contract for the project was awarded to a consortium of contractors (Messrs Trends Teknik Nigeria Limited and three others) in August, 2008 at the total cost of N2.7billion with completion date of December, 2017. In the 2015 Budget, the sum of N180million was appropriated, out of which N44.5 million was released and utilized to achieve additional 10% performance in the year. A total of N797 million had been committed to the project since inception to achieve 25% cumulative performance.

Findings:

278.At the time of this report, work done included: changing of roof of both wings of the building, felting and electrification of 3 segments of pilot plant.



Picture 41: Rehabilitation of PDD Building and Laboratories at Federal Institute of Industrial Research Oshodi

Socio-economic Impact:

279.The project when completed will improve the working condition of staff and also enhance research and development in the Institute.

5.0 OBSERVATIONS, RECOMMENDATIONS AND CONCLUSION

280. The Budget Office's monitoring and evaluation teams while conducting the physical inspection of the selected capital projects/programmes observed or discovered several challenges in the implementation of projects for which funds have been appropriated.

5.1 OBSERVATIONS:

281. Key observations from the Monitoring and Evaluation (M&E) exercise include the following:

- i) Some MDAs complain of neglect by various Administrations where their statutory functions were transferred to adhoc bodies and consultants with the attendant loss of resources to carry out their basic functions outside the line budgets;
- ii) MDAs have no indices to defend research programmes or such intangible items appropriated in the capital budgets to engender transparency and accountability in public expenditure;
- iii) Some MDAs were observed to have releases (as revealed in the 2015 Accountant-General quarterly allocation transcript) in excess of the figures approved in the Appropriation Act due to special intervention. Some of these MDAs included:

| S/N | AGENCY/INSTITUTION | 2015 APPROPRIATION | OAGF RELEASES |
|------------|--|-------------------------------|--------------------------|
| 1. | Ahmadu Bello University Teaching Hospital, Zaria | N72.19million | N161.09million |
| 2. | National Boundary Commission | N35.48million | N266.52million |
| 3. | Federal Housing, Lands & Urban Development | N1.66billion | N2.01billion |
| 4. | Nigeria Electricity Liability Management Ltd. (NELMCO) | N62.29million | N4.03billion |
| 5. | Nigeria Bulk Electricity Trading PLC (NBET) | N268.19million | N1.36billion |

- iv) Some MDAs were found to be implementing capital projects and programmes in the temporary locations instead of their permanent sites. This may lead to their eventual abandonment when such institutions or agencies finally relocate to their permanent sites;
- v) Commercially viable projects and programmes are successfully executed and commissioned by MDAs with no corresponding efforts to link up with the stakeholders on the availability of the public facility. As a result, such projects are abandoned to waste away;
- vi) Foreign financial component which are built into contract agreements of MDAs often delay projects implementation in view of the unstable exchange rates. Contractors therefore unduly cash-in on this to continue to make bogus claims;
- vii) Some MDAs are found to be proposing line items in a misleading terminology that gives them the latitude to execute projects/programmes outside the Appropriation Act;

282. To ensure prudence in the use of public funds and effectiveness in projects/programmes execution, BOF will continue to point out these observations to the MDAs and assist them in charting the way forward by interacting with them regularly, with a view to developing effective project plans and programmes geared towards improving the level of capital budget implementation.

5.2 RECOMMENDATIONS:

283. Drawing from the above observations, and the urgent need to correct some negative project management practices in the MDAs, the following recommendations are hereby proffered:

1. All foreign currency components of capital projects should be communicated to the Central Bank of Nigeria to handle in a manner that mitigates the resultant exchange risk exposure;
2. All capital project contract agreements should be ratified by Federal Ministry of Justice to avoid legal lacuna and garnishing orders which make Government to pay extra funds outside the project costs;
3. There should be synergy between implementing MDAs and Federal Ministry of Information and Culture to bring commercially viable projects and programmes to the knowledge of Nigerians and stakeholders from conception to completion;
4. MDAs should be encouraged to collaborate with the private sector to plan and execute projects and programmes with capital outlay in excess of their annual budget allocations in order to increase its funding and chances of early completion;

5. MDAs should be made to measure the success of their intangible projects and programmes from the start to end, using measurable criteria especially in the funding of research projects to give value for money; and
6. Adequate punitive measures should be taken by the appropriate Executive/Legislative bodies against MDAs reported to have resorted to executing projects and programmes outside the provisions of the Appropriation Act.

5.3 CONCLUSION:

284. Finally, the Federal Ministry of Budget and National Planning (MBNP) will continue to foster an environment of openness, transparency and accountability to enhance the delivery of dividends of democracy for all Nigerians. But this can only be achieved if MDAs adopt the right project management practices aimed at promoting excellence in budget implementation, and co-operate with the MBNP in its M&E function.

APPENDIX: MDAs' CAPITAL UTILIZATION

**OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION
FEDERAL MINISTRY OF FINANCE
FUNDS DEPARTMENT, GARKI - ABUJA**

2015 CAPITAL RELEASES FOR MDAs AS AT 31ST DECEMBER, 2015

| S/N | MINISTRY | 2015 APPROPRIATION | 1ST QUARTER WARRANT (ONLINE) =N= | 2ND QUARTER WARRANT (ONLINE) =N= | 3RD & 4TH QUARTER WARRANT (ONLINE) =N= | 1ST, 2ND, 3RD & 4TH QUARTER AIEs =N= | 1ST, 2ND, 3RD, 4TH QUARTER & AIEs TOTAL RELEASES = N= | 1ST, 2ND, 3RD, 4TH QUARTER & AIEs AMOUNT CASHBACKED =N= | MDAs BALANCE @ 31ST DECEMBER, 2015 =N= | UTILISATION =N= | UTILISATION % | |
|-----|--|--------------------|----------------------------------|----------------------------------|--|--------------------------------------|---|---|--|-----------------|---------------|-----------|
| | | | | | | | | | | | RELEAS ES | CASHB ACK |
| 1 | PRESIDENCY | 4,981,112,957 | 1,245,278,239 | 1,681,890,163 | - | 248,779,810 | 3,175,948,212 | 3,175,948,212 | 746,261,111 | 2,429,687,101 | 76.50 | 76.50 |
| 2 | SECRETARY TO GOVT. OF THE FEDERATION (SGF) | 9,030,644,360 | 2,257,661,090 | 2,841,661,090 | 1,549,250,063 | 25,000,000 | 6,673,572,243 | 6,673,572,243 | 1,667,642,557 | 5,005,929,686 | 75.01 | 75.01 |
| 3 | YOUTH DEVELOPMENT | 1,461,000,000 | 263,513,868 | 365,250,000 | - | 166,736,132 | 795,500,000 | 795,500,000 | 14,463,523 | 781,036,477 | 98.18 | 98.18 |
| 4 | POLICE AFFAIRS | 500,000,000 | 125,000,000 | 125,000,000 | - | - | 250,000,000 | 250,000,000 | 586,028 | 249,413,972 | 99.77 | 99.77 |
| 5 | POLICE FORMATION | 17,800,000,000 | 4,450,000,000 | 4,450,000,000 | 4,961,530,166 | - | 13,861,530,166 | 13,861,530,166 | 13,861,530,166 | - | - | - |
| 6 | WOMEN AFFAIRS | 1,700,000,001 | 305,000,000 | 305,000,000 | - | 260,000,000 | 870,000,000 | 870,000,000 | 289,461,812 | 580,538,188 | 66.73 | 66.73 |
| 7 | AGRICULTURE | 8,790,000,000 | 2,197,500,000 | 2,197,500,000 | 57,715,215 | - | 4,452,715,215 | 4,452,715,215 | 204,369,564 | 4,248,345,651 | 95.41 | 95.41 |
| 8 | WATER RESOURCES | 15,778,000,000 | 3,944,500,000 | 3,993,873,135 | 222,655,473 | - | 8,161,028,608 | 8,161,028,608 | 558,978,784 | 7,602,049,824 | 93.15 | 93.15 |
| 9 | AUDITOR-GEN. | 400,000,000 | 100,000,000 | 100,000,000 | - | - | 200,000,000 | 200,000,000 | 19 | 199,999,981 | 100.00 | 100.00 |
| 10 | DEFENCE | 36,700,000,000 | 9,175,000,000 | 9,589,359,116 | 7,330,842,291 | - | 26,095,201,407 | 26,095,201,407 | 2,385,160,735 | 23,710,040,672 | 90.86 | 90.86 |
| 11 | ICPC | 300,000,000 | 75,000,000 | 75,000,000 | - | - | 150,000,000 | 150,000,000 | - | 150,000,000 | 100.00 | 100.00 |
| 12 | EDUCATION | 23,520,000,000 | 6,955,999,999 | 5,896,500,000 | - | 979,624,000 | 13,832,123,999 | 13,832,123,999 | 796,974,056 | 13,035,149,943 | 94.24 | 94.24 |
| 13 | FCTA | 13,500,000,000 | 3,375,000,000 | 3,375,000,000 | 3,700,000,000 | - | 10,450,000,000 | 10,450,000,000 | 0 | 10,450,000,000 | 100.00 | 100.00 |
| 14 | FOREIGN & INTER GOVT. AFFAIRS | 6,500,000,000 | 1,625,000,000 | 2,847,500,000 | 1,457,388,126 | 449,485,000 | 6,379,373,126 | 6,379,373,126 | 53,799,145 | 6,325,573,981 | 99.16 | 99.16 |
| 15 | FINANCE | 6,010,000,000 | 252,500,000 | 471,500,000 | 74,750,000 | 386,344,120 | 1,185,094,120 | 1,185,094,120 | 274,082,662 | 911,011,459 | 76.87 | 76.87 |
| 16 | HEALTH | 22,676,000,000 | 3,177,973,136 | 6,681,685,607 | 3,260,394,986 | 3,325,000,000 | 16,445,053,729 | 16,445,053,729 | 4,230,810,562 | 12,214,243,167 | 74.27 | 74.27 |
| 17 | TRADE & INVESTMENT | 1,816,000,000 | 454,000,000 | 454,000,000 | 72,397,590 | 50,000,000 | 1,030,397,590 | 1,030,397,590 | 19,484,742 | 1,010,912,848 | 98.11 | 98.11 |

OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION
FEDERAL MINISTRY OF FINANCE
FUNDS DEPARTMENT, GARKI - ABUJA

2015 CAPITAL RELEASES FOR MDAs AS AT 31ST DECEMBER, 2015

| S/N | MINISTRY | 2015 APPROPRIATION | | | | | | | UTILISATION % | | | |
|-----|--|-----------------------|---|---|--|---|--|---|--|--------------------|--------------|--------------|
| | | | 1ST QUARTER WARRANT (ONLINE) =N= | 2ND QUARTER WARRANT (ONLINE) =N= | 3RD & 4TH QUARTER WARRANT (ONLINE) =N= | 1ST, 2ND, 3RD & 4TH QUARTER AIEs =N= | 1ST, 2ND, 3RD, 4TH QUARTER & AIEs TOTAL RELEASES = N= | 1ST, 2ND, 3RD, 4TH QUARTER & AIEs AMOUNT CASHBACKED =N= | MDAs BALANCE @ 31ST DECEMBER, 2015 =N= | UTILISATION =N= | RELEAS ES | CASHB ACK |
| 18 | INFORMATION | 450,000,000 | 112,500,000 | 112,500,000 | - | - | 225,000,000 | 225,000,000 | 28,530,360 | 196,469,640 | 87.32 | 87.32 |
| 19 | COMMUNICATION TECHNOLOGY | 999,999,999 | 250,000,000 | 250,000,000 | - | 2,749,999,999 | 3,249,999,999 | 3,249,999,999 | 6,514,664 | 3,243,485,335 | 99.80 | 99.80 |
| 20 | INTERIOR | 2,890,000,000 | 722,500,000 | 722,500,000 | - | 75,000,000 | 1,520,000,000 | 1,520,000,000 | 45,496,370 | 1,474,503,630 | 97.01 | 97.01 |
| 21 | HEAD OF SERVICE | 741,528,674 | 185,382,168 | 185,382,168 | - | - | 370,764,336 | 370,764,336 | 55,904,042 | 314,860,294 | 84.92 | 84.92 |
| 22 | JUSTICE | 1,316,000,000 | 250,000,000 | 250,000,000 | - | - | 500,000,000 | 500,000,000 | 50,084,838 | 449,915,162 | 89.98 | 89.98 |
| 23 | LABOUR & PRODUCTIVITY | 515,446,428 | 128,861,607 | 128,861,607 | - | - | 257,723,214 | 257,723,214 | 15,384,364 | 242,338,850 | 94.03 | 94.03 |
| 24 | POWER | 5,130,000,000 | 1,282,500,000 | 1,282,500,000 | - | 5,358,000,000 | 7,923,000,001 | 7,923,000,001 | 748,560,595 | 7,174,439,405 | 90.55 | 90.55 |
| 25 | SCIENCE AND TECH. | 3,259,999,698 | 814,999,925 | 829,999,925 | 100,000,000 | - | 1,744,999,850 | 1,744,999,850 | 160,112,019 | 1,584,887,831 | 90.82 | 90.82 |
| 26 | TRANSPORT | 8,300,000,000 | 2,075,000,000 | 2,075,000,000 | 2,296,240,671 | 44,500,000 | 6,490,740,671 | 6,490,740,671 | 358,870,462 | 6,131,870,209 | 94.47 | 94.47 |
| 27 | PETROLEUM | 1,500,000,000 | 375,000,000 | 375,000,000 | - | - | 750,000,000 | 750,000,000 | 146,860,317 | 603,139,683 | 80.42 | 80.42 |
| 28 | WORKS | 19,812,000,000 | 2,196,491,621 | 4,953,000,000 | 5,212,508,379 | 7,000,000,000 | 19,362,000,000 | 19,362,000,000 | 349,204,412 | 19,012,795,588 | 98.20 | 98.20 |
| 29 | HOUSING | 1,663,000,000 | 415,750,000 | 415,750,000 | 179,346,753 | 1,000,000,000 | 2,010,846,753 | 2,010,846,753 | 1,002,943,061 | 1,007,903,692 | 50.12 | 50.12 |
| 30 | MINES & STEEL | 1,000,000,000 | 250,000,000 | 250,000,000 | 25,000,000 | - | 525,000,000 | 525,000,000 | 6,136,864 | 518,863,136 | 98.83 | 98.83 |
| 31 | AVIATION | 5,840,000,000 | 1,460,000,000 | 1,460,000,000 | 928,426,342 | - | 3,848,426,342 | 3,848,426,342 | 37,947,614 | 3,810,478,728 | 99.01 | 99.01 |
| 32 | NATIONAL WAGES & SALARIES | 150,000,000 | 37,500,000 | 37,500,000 | - | - | 75,000,000 | 75,000,000 | 60 | 74,999,940 | 100.00 | 100.00 |
| 33 | ENVIRONMENT | 1,900,000,000 | 475,000,000 | 475,000,000 | 321,699,115 | - | 1,271,699,115 | 1,271,699,115 | 2,573,374 | 1,269,125,741 | 99.80 | 99.80 |
| 34 | TOURISM, CULTURE & NATIONAL ORIENTATION | 450,000,000 | 112,500,000 | 112,500,000 | - | - | 225,000,000 | 225,000,000 | 62,792,794 | 162,207,206 | 72.09 | 72.09 |

**OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION
FEDERAL MINISTRY OF FINANCE
FUNDS DEPARTMENT, GARKI - ABUJA**

2015 CAPITAL RELEASES FOR MDAs AS AT 31ST DECEMBER, 2015

| S/N | MINISTRY | 2015 APPROPRIATION | 1ST QUARTER WARRANT (ONLINE) =N= | 2ND QUARTER WARRANT (ONLINE) =N= | 3RD & 4TH QUARTER WARRANT (ONLINE) =N= | 1ST, 2ND, 3RD & 4TH QUARTER AIEs =N= | 1ST, 2ND, 3RD, 4TH QUARTER & AIEs TOTAL RELEASES = N= | 1ST, 2ND, 3RD, 4TH QUARTER & AIEs AMOUNT CASHBACKED =N= | MDAs BALANCE @ 31ST DECEMBER, 2015 =N= | UTILISATION % | | |
|-----|--|-----------------------|---|---|--|---|--|---|--|--------------------|--------------|--------------|
| | | | | | | | | | | UTILISATION =N= | RELEAS ES | CASHB ACK |
| 35 | NAT. PLANNING | 1,000,000,000 | 250,000,000 | 250,000,000 | 355,000,000 | - | 855,000,000 | 855,000,000 | 148,444,238 | 706,555,762 | 82.64 | 82.64 |
| 36 | NATIONAL SPORTS COMMISSION | 1,500,000,000 | 75,000,000 | 375,000,000 | - | 2,300,000,000 | 2,750,000,000 | 2,750,000,000 | 1,940,546 | 2,748,059,454 | 99.93 | 99.93 |
| 37 | OFFICE OF NATIONAL SECURITY ADVISER | 26,499,999,999 | 3,999,999,999 | - | - | 22,500,000,000 | 26,499,999,999 | 26,499,999,999 | 71,192 | 26,499,928,807 | 100.00 | 100.00 |
| 38 | NIGER DELTA | 8,300,000,000 | 2,075,000,000 | 2,075,000,000 | - | - | 4,150,000,000 | 4,150,000,000 | 115,809,235 | 4,034,190,765 | 97.21 | 97.21 |
| 39 | SPECIAL DUTIES | 20,000,000 | 5,000,000 | 5,000,000 | - | - | 10,000,000 | 10,000,000 | 1,828,900 | 8,171,100 | 81.71 | 81.71 |
| 39 | SPECIAL DUTIES | 845,000,000 | 211,250,000 | 211,250,000 | - | 98,000,000 | 520,500,000 | 520,500,000 | 256,831 | 520,243,169 | 99.95 | 99.95 |
| 40 | FISCAL RESPONSIBILITY COMMISSION | - | - | - | - | - | - | - | - | - | | |
| 41 | ICRC | 40,000,000 | 10,000,000 | 10,000,000 | - | - | 20,000,000 | 20,000,000 | 2,321,425 | 17,678,575 | 88.39 | 88.39 |
| 42 | NAT. POPULATION | 4,500,000,000 | 1,125,000,000 | 1,125,000,000 | 190,000,000 | - | 2,440,000,000 | 2,440,000,000 | 573,774,950 | 1,866,225,050 | 76.48 | 76.48 |
| 43 | CODE OF CONDUCT BUREAU | 387,500,000 | 96,875,000 | 96,875,000 | - | - | 193,750,000 | 193,750,000 | 147,890,996 | 45,859,004 | 23.67 | 23.67 |
| 44 | CODE OF CONDUCT TRIBUNAL | 313,333,334 | 78,333,334 | 78,333,334 | - | 70,000,000 | 226,666,668 | 226,666,668 | - | 226,666,668 | 100.00 | 100.00 |
| 45 | PUBLIC COMPLAINTS COMMISSION | - | - | - | - | - | - | - | - | - | | |
| 46 | REV. MOB. ALL. | 250,000,000 | 62,500,000 | 62,500,000 | - | - | 125,000,000 | 125,000,000 | 43,640 | 124,956,361 | 99.97 | 99.97 |
| 47 | FCSC | 150,000,000 | 37,500,000 | 37,500,000 | - | - | 75,000,000 | 75,000,000 | 7,008,350 | 67,991,650 | 90.66 | 90.66 |
| 48 | POLICE SERVICE COMMISSION | 250,000,000 | 62,500,000 | 62,500,000 | - | - | 125,000,000 | 125,000,000 | - | 125,000,000 | 100.00 | 100.00 |
| 49 | FED. CHARACT. COMM. | 150,000,000 | 37,500,000 | 37,500,000 | - | - | 75,000,000 | 75,000,000 | 19,705 | 74,980,295 | 99.97 | 99.97 |
| 50 | CAPITAL SUPPLEMENTATION | 285,792,000,000 | 52,789,767,095 | 25,000,000,000 | 67,841,775,001 | 39,335,716,157 | 184,967,258,253 | 184,967,258,253 | - | 184,967,258,253 | 100.00 | 100.00 |
| | Grand Total | 557,378,565,449 | 112,039,137,081 | 88,792,671,145 | 100,136,920,171 | 86,422,185,219 | 387,390,913,616 | 387,390,913,616 | 29,180,931,683 | 358,209,981,934 | 92.47 | 92.47 |

