2013

2nd Quarter Budget Implementation Report

Budget Office of the Federation
Federal Ministry of Finance

FOREWORD

I am pleased to present to you the Budget Implementation Report for the second quarter of 2013. Being the second in our series of such publications for the year, this Report presents information on the implementation of the 2013 Budget during the period and provides information by which Government's performance in the management of national resources, as planned in the Budget, may be measured. In our continuing effort to improve on transparency and accountability in the public sector, the Government is committed to updating Nigerians on the nation's Public Finances.

Like in the past, the government has continued to place emphasis on monitoring and evaluation of the implementation of its national budgets so as to ensure that its policies and programmes improve the well-being of Nigerians. In this respect, the 2013 Budget was designed to further promote the goals of Government's Transformation Agenda and create an atmosphere to make Nigeria more business friendly through series of reforms which will assist in attracting and sustaining private sector investments nation-wide.

This Report is the product of meticulous planning, monitoring, evaluation and analytical work conducted by the Budget Office of the Federation in collaboration with MDAs, Civil Society Organizations and the Media. I commend the team for their hard work and also wish to recognize 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.

Finally, I urge all readers of this Report to continue to display an active interest in government's ability to live up to its promises. This will serve as the necessary impetus for the efficient and effective management of government finances.

Dr. Ngozi Okonjo-Iweala
Coordinating Minister for the Economy and
Honourable Minister of Finance

PREFACE

The publication of Quarterly Budget Implementation Reports provides information on the implementation of the national budgets as mandated by Section 30 of the Fiscal Responsibility Act, 2007. By this report, which is the second series for the year 2013, we evaluate the implementation of the 2013 Budget in the second quarter and in the year-to-date and provide a means of demonstrating Government's commitment to the transparent and prudent management of public finances.

The 2013 Budget was designed with a theme; *"Fiscal consolidation with inclusive growth"*. To achieve this goal, the Budget was founded on four Pillars; macroeconomic stability; structural reforms; governance & institutions and investing in priority sectors. As such, Government wishes to ensure prudent management of scarce resources so as to lay the foundation for rapid and sustainable growth as well as create jobs which are consistent with the objectives of the Transformation Agenda of the government.

The implementation of the 2013 Budget in the second quarter was quite challenging in several respects. Apart from the shortfalls in projected revenue which affected the full implementation of the budget in the quarter, the resolution of issues identified in the 2013 Appropriation Act which was submitted to the National Assembly through a proposal for the amendment of the 2013 Budget was also impactful.

This Report is the result of the joint efforts of major financial and statistical agencies of government which provide necessary macro-economic data, and the concerted efforts of various departments of the Budget office of the Federation, particularly Budget Monitoring and Evaluation Division. I commend their efforts and wish them every success as they continue to perform this important function.

Dr. Bright Okogu
Director General
Budget Office of the Federation

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EXECUTIVE SUMMARY

The 2013 Budget was designed in line with the Government's *Transformation Agenda* and the long term national objective of becoming one of the top twenty economies in the world as encapsulated in the Nigeria Vision 20:2020 document. Data from the National Bureau of Statistics (NBS) revealed that on an aggregate basis, the economy when measured by the Real Gross Domestic Product (GDP) grew by 6.18% in the second quarter of 2013. This figure is lower than the 6.56% and 6.39% recorded in the first quarter of 2013 and the second quarter of 2012 respectively. Overall, GDP growth for 2013 was projected at 6.5% as against 6.58% recorded in 2012. During the quarter, the non-oil sector remained the major driver of growth recording 7.36% growth as against the oil sector that contracted by 1.15%. Inflationary pressures continued to moderate partly in response to the tight monetary policy adopted by the Central Bank of Nigeria (CBN). The year-on-year headline inflation increased from 8.6% in March to 9.1% in April, moderated slightly to 9% in May before falling to 8.4% in June 2013. Figures from the Central Bank of Nigeria (CBN) revealed a fall in Nigeria's gross external reserves in the second quarter of 2013 which stood at US$45.59 billion as at 30th June 2013. This depicts a decrease of US$2.29 billion (or 4.78%) below the US$47.88 billion recorded at the end of March 2013.

Data from the Office of the Accountant General of the Federation (OAGF) showed that a net sum of N1,543.14 billion was available for sharing among the three tiers of government in the second quarter of 2013. This implies a shortfall of N347.73 billion (or 18.39%) in the second quarter. The sum of N721.52 billion, excluding revenue from other financing sources was received to fund the Federal Budget in second quarter of 2013 thereby presenting a shortfall of N303.53 billion (or 29.61%). This affected the smooth implementation of the 2013 Budget in the quarter.

The data also indicated that, as at June 2013, the implementation of recurrent (non-debt) expenditure was 90.78%, while a total of N565.66 billion had been released for the implementation of MDAs capital projects/programmes as contained in the 2013 Appropriation Act. Of this amount, a total of N535.55 billion (or 94.68%) of the total releases was cash backed.

The data also showed that N396.83 billion (or 74.1%) of the total amount cash-backed had been utilized by MDAs as at 30th June 2013. An analysis of forty-nine (49) MDAs reported upon by the OAGF reveals different levels of utilization among the MDAs. Eight (or 16.33%) of the MDAs including: Presidency, Health, Justice, Power and Niger Delta had utilized more than the overall average utilization rate of 74.1% of the amount cash-backed. The utilization report also shows that 28 MDAs (or 57.14%), which include Youth Development, Women Affairs, Agriculture, Water Resources, Education, Federal Capital Territory and Information had utilized above 50% of their cash-backed funds. Twenty one (or 44.9%) of MDAs including Police Affairs, Police Formation, Defense, Interior, Communication Technology, Trade & Investment, Science & Technology, Housing, Aviation and Environment, had a utilization rate of less than 50% while Ministry of Special Duties was yet to make any utilization during the period.

In addition to the regular budget, a total of N182.55 billion (or 66.75%) of the N273.5 billion appropriated for SURE-P in the 2013 Budget had been released as at 30th June 2013 while N67.78 billion (or 37.13%) of this amount had been utilized for projects and programmes planned under the SURE-P window. This has seen to the speedy implementation of the projects/programmes.

1.0 INTRODUCTION

The 2013 Budget was designed in line with the Government's *Transformation Agenda*. The Budget was structured to further enhance the country's macro-economic gains of the recent years and create an atmosphere for Nigerians to benefit from these gains through developmental projects/programmes aimed at improving the citizens' standard of living and supporting job creation. Like the 2012 Budget, it is built on the foundation of macroeconomic stability, structural reforms, governance & institutions and investing in priority sectors with an overall theme - *Fiscal Consolidation with Inclusive Growth*.

2. The Budget was based on the 2013-2015 Medium Term Fiscal Framework (MTFF) which was formulated after due consultations with relevant stakeholders. The assumptions in the framework were based on the events in both the domestic and global economies. To this end, the Budget was put together with the objective of minimizing the impact of external shocks on our economy, particularly in respect of the price of our main revenue earner – oil, eliminating waste in government expenditure, diversifying government's revenue base and reducing new borrowing by the government while making provision for payment of maturing debt obligations.

3. Like the preceding budget, the 2013 Budget remained focused on critical economic and social sectors. While some of these sectors are largely private-sector driven, others require a great deal of public sector funding. As such, some key allocations were made as follows: Critical Infrastructure (including Power, Works, Transport, Aviation, Gas Pipelines and Federal Capital Territory) – N497 billion; Human Capital Development (i.e., Education and Health) – N705 billion; Agriculture & Water Resources – N175 billion; and National Security (comprising Police, Armed Forces, Office of the National Security Adviser and the Ministry of Interior) – N953 billion.

4. With a commencing the implementation of our annual budgets early, the

2013 Budget Proposal to the National Assembly was made on 10 October 2012 and was passed by the National Assembly in December 2013. However, a review of the Budget as passed necessitated further negations between the Executive and the Legislature. This necessitated an amendment.

5. This Report is designed to present detailed information on the implementation of the 2013 Budget as at the second quarter. Chapter 2 gives a brief review of the macroeconomic environment under which the Budget is being implemented, while Chapter 3 dwells on the financial analysis of the budget implementation in the period under review. Chapter 4 presents the physical monitoring and evaluation report of projects across the six geo-political zones in the country. Chapter 5 caps up the Report with conclusions and recommendations.

2.0 MACROECONOMIC DEVELOPMENT AND ANALYSIS

Global Economy

The recovery of the global economy still remained fragile as new threats emerged including the possibility of a further slowdown in the emerging market economies. The old risks of a recession in the euro-zone persisted alongside slowing growth in China and the possibility of tighter financial conditions when central banks gradually exit from their current monetary accommodation position. As a result, global growth prospects have not improved due to weaker domestic demand and slower growth in several key emerging market economies as well as a more protracted recession in the euro area. Global economic output forecast is estimated to grow at 3.2% in the year. In advanced economies, output is estimated to grow by 1.2% in 2013 compared to 1.3% in 2012. The euro area is expected to remain in recession with output contracting by 0.3% compared with a contraction of 0.6% in 2012.

7. The emerging and developing economies as a group are estimated to grow by 5.3% in 2013 with Sub-Saharan Africa growing at 5.6%. These economies have continued to face the challenge of adjusting their macroeconomic policies to compensate for the weak external environment, particularly shocks induced by developments in the advanced economies. The International Monetary Fund (IMF) suggests that with the prospects of improvements in the global economy, policy recalibration in a number of emerging market economies should address risks from sustained rapid credit expansion and high asset prices. Growth in these economies has somewhat moderated compared with last year. The slowdown in global growth is likely to impact on commodity prices and thus having adverse impact on oil exporting countries like Nigeria. In addition, continued fragility in financial markets

continues to generate bouts of capital flow reversals and inflows that are potentially disruptive to emerging and transition markets.

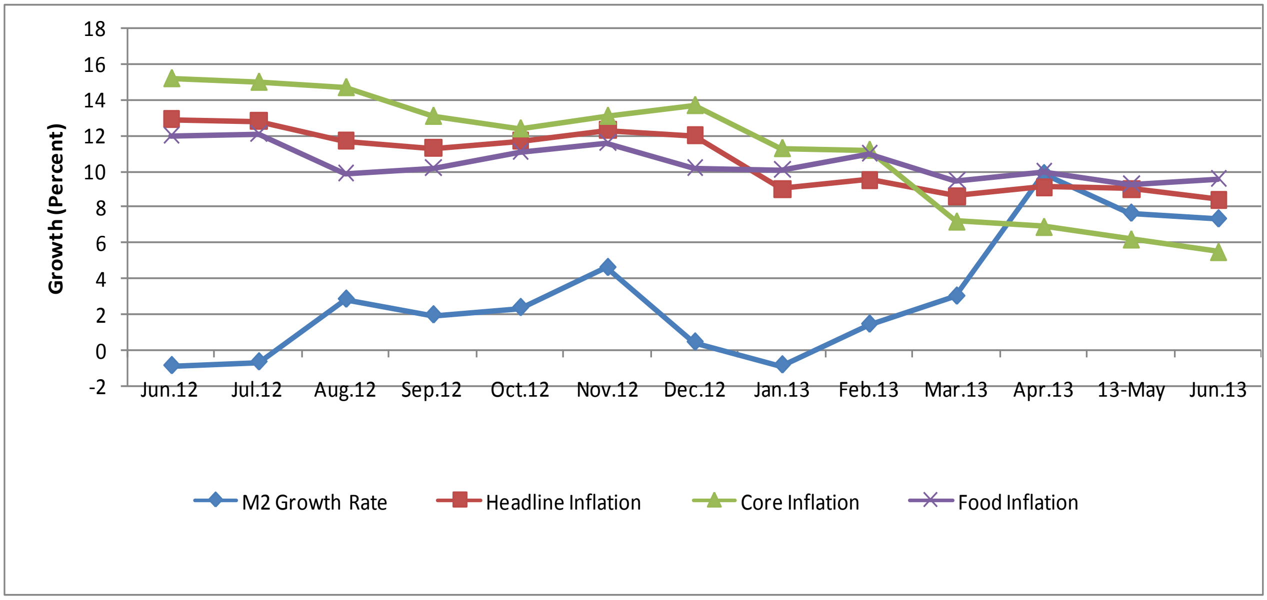
Domestic Economy

8. Data from the National Bureau of Statistics (NBS) reveals that on an aggregate basis, the economy when measured by the Real Gross Domestic Product (GDP) grew by 6.18% in the second quarter of 2013. This figure is lower than the 6.56% and 6.39% recorded in the first quarter of 2013 and the second quarter of 2012 respectively. Overall GDP growth for 2013 was projected at 6.91% as against 6.58% recorded in 2012. During the quarter, the non-oil sector remained the major driver of growth recording 7.36% growth as against the oil sector that contracted by 1.15%. The drivers of the non-oil sector growth remained agriculture, airlines, hotels & restaurants as well as building and construction sectors. The continued decline in the contribution of the oil sector to overall GDP in recent times is due to the incessant pipeline vandalization and sustained oil theft which had led to the decline in output volumes in the face of an uncertain international oil market and price signals, weak infrastructure and downside risks due to discovery of shale oil and the emergence of other African oil exporters competing for Nigeria's traditional oil market.

9. Inflationary pressures continued to moderate partly in response to the tight monetary policy adopted by the Central Bank of Nigeria (CBN). The year-on-year headline inflation increased from 8.6% in March to 9.1% in April, moderated slightly to 9% in May before falling to 8.4% in June 2013. The year-on-year food inflation also followed similar pattern, increasing from 9.5% in March to 10% in April before dropping to 9.3% and 9.6% in May and June 2013 respectively. On the other hand, year-on-year core inflation fell from 7.2% in March to 6.9%, 6.2% and 5.5% in April, May and June 2013 respectively. Notwithstanding the moderation in headline inflation, there are benign risks on the horizon, including the possibility of accelerated fiscal releases in the later part of year and the effects of the upward review in

electricity tariffs in line with the Multi-Year Tariff Order (MYTO) following the implementation of the full deregulation of the energy sector.

Chart1: Inflation and M2 Growth Rate (June 2012 – June 2013)

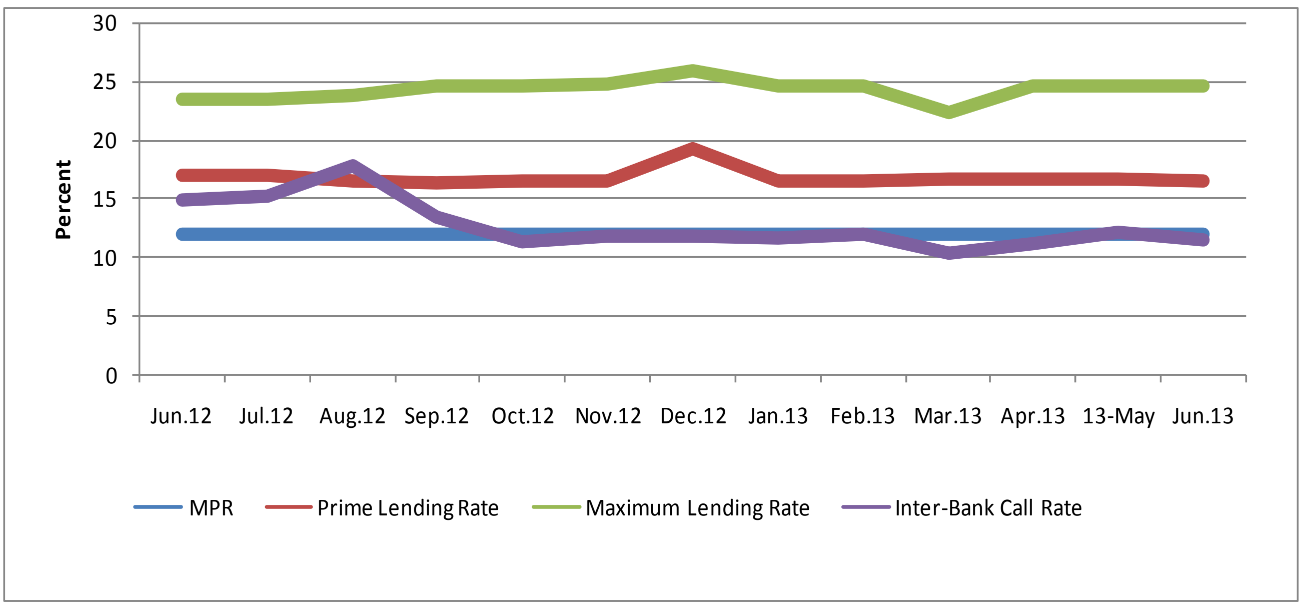


Source: Central Bank of Nigeria, 2013 & National Bureau of Statistics, 2013

10. Broad money supply (M2) increased by N8,546.69 million (or 0.05%) in June above the level in March 2013, that is, from N15, 584.71 billion in March to N15,593.26 billion in June. When annualized, M2 grew by 9.86%, 7.65% and 7.33% in April, May and June 2013 respectively. The net aggregate domestic credit decreased by N2,128.66 billion (or 13.8%) from N15,423.17 billion in March to N13,294.51 billion in June 2013. Credit to private sector increased by N433,721.09 million (or 2.84%) from N15, 258.31 billion in March to N15,692.03 billion in June 2013. Similarly, credit to government sector also rose by N2,232.66 billion (or 1,354.27%) within the same period, from N164,860.74 million in March to N2,397.52 billion in June 2013. The average prime lending rate increased marginally from16.61% in March to 16.65% and 16.66% in April and May respectively before declining to 16.56% in June 2013. On the same note, the average maximum lending rate increased from 22.31% in March to 24.53%, 24.57% and 24.58% in April, May and June 2013 respectively.

11. Like the previous quarters, the Central Bank of Nigeria (CBN) continued with a fixed Monetary Policy Rate (MPR) of 12% in the second quarter of 2013 in view of the conflicting price signals, global uncertainties and the need to preserve the stability of the system. The interest rates in the interbank money market moved in tandem with the level of liquidity conditions in the banking system. Thus the average interbank call rate rose from 10.39% in March to 11.24%, 12.23% and 11.59% in April, May and June 2013 respectively. The trends in interest rates in the second quarter of 2013 are presented below in *Chart 2.*

Chart 2: Interest Rates Trend (June 2012 – June 2013)

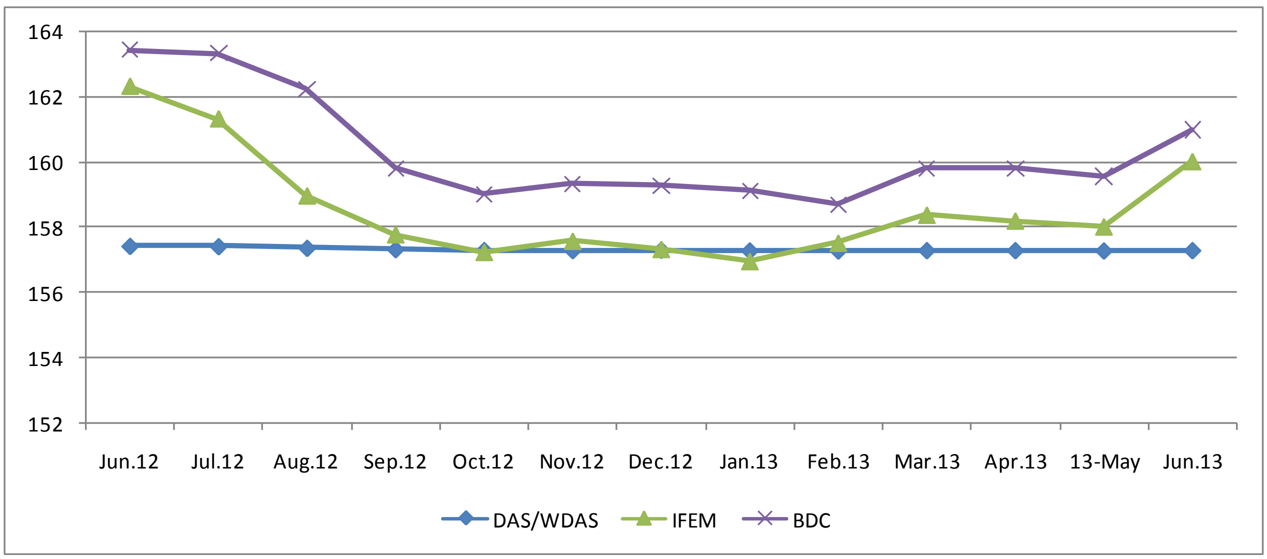


Source: Central Bank of Nigeria, 2013

12. The average official Wholesale Dutch Auction System (WDAS) Naira/Dollar exchange rate like in March remained stable at N157.31/$ in April and June but appreciated slightly by N0.01 (or 0.01%) to N157.32 in May 2013. On the other hand, the average Bureau de Change and Inter-bank exchange rate depreciated from N159.80/$ and N158.38/$ in March to N160.98/$ and N160.02/$ in June 2013 respectively. The depreciation recorded in these segments of the foreign exchange market in the review period was on the back of a general sell-off by portfolio investors in emerging

and frontier markets following guidance by the US Federal Reserve Bank (FED) with respect to its quantitative easing programs. This experience was not unique to Nigeria as the spike in the US yields, negatively impacted financial markets globally. The premium between the WDAS and the interbank rate narrowed while the premium between the WDAS and BDCs widened during the review period under review suggesting the need to sustain and further complement existing measures to discourage speculative activities in the foreign exchange market.

Chart 3: Naira/US$ Exchange Rates Trend (June 2012 – June 2013)

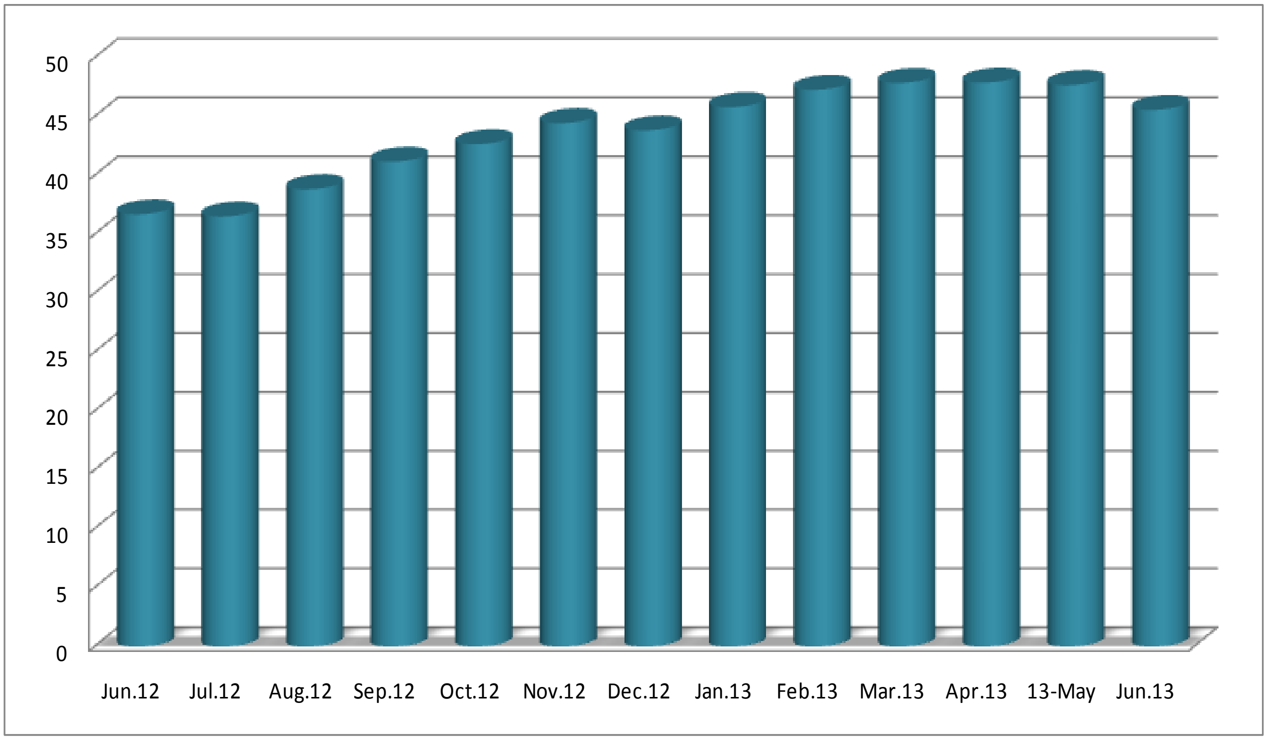


Source: Central Bank of Nigeria, 2013

13. Figures from the Central Bank of Nigeria (CBN) showed a fall in Nigeria's gross external reserves in the second quarter of 2013 which stood at US$45.59 billion as at 30th June 2013. This depicts a decrease of US$2.29 billion (or 4.78%) below the US$47.88 billion recorded at the end of March 2013. Relative to the end of second quarter of 2012 level of US$36.72 billion, the external reserves at the end of second quarter of 2013 had risen by US$8.87 billion (or 24.16%). The increase in the level of foreign reserves was driven largely by a tighter fiscal policy measures, proceeds from crude oil and gas sales and crude oil-related taxes as well as reduced funding of the WDAS on account of the huge inflow of foreign portfolio investments. Based on the

Central Bank of Nigeria (CBN) report, the foreign reserves level as at the end of June 2013 could finance over thirteen (13) months of imports. This is well over the globally recommended minimum threshold of 3-months import cover.

Chart 4: Level of External Reserves in Billion Dollars (June 2012 – June 2013)



Source: Central Bank of Nigeria, 2013

3.0 FINANCIAL ANALYSIS OF THE 2013 BUDGET IMPLEMENTATION

3.1 Key Assumptions and Projections

The 2013 Budget is an end product of the 2013-2015 Medium Term Fiscal Framework (MTFF) which was prepared following series of consultations with stakeholders. Developments in the global economic environment also played a major role in the formulation of this framework.

Table 1: Key Assumptions and Targets for the 2013 Budget

KEY ASSUMPTION & TARGETS	2013
Projected Production (in mbpd)	2.52
Budget Benchmark Price (per barrel in US)	79
Technical Cost of JVC Pbl to Oil Companies	
Operating Expenses (T1) in US $	9.84
Capital Expenses (T2) in US $	11.07
Technical Cost of PSC Pbl to Oil Companies	
Operating Expenses (T1) in US $	8.36
Capital Expenses (T2) in US $	16.28
Investment Tax Credit	5.27
Technical Costs of SC pbl to Oil Company	
Operating Expenses (T1) in US $	9.06
Capital Expenses (T2) in US $	36.18
Investment Allowances	7.8
Weighted Average Contribution Rates	
Weighted Average Rate of PPT-JV/AF/Independent/Marginal Oil	85%
Weighted Average Rate of PPT-PSC Oil	51.35%
Weighted Average Rate of PPT-SC Oil	85%
Weighted Average Rate of Royalties-JV/AF/Independent/Marginal Oil	18.67%
Weighted Average Rate of Royalties -PSC Oil	2.81%
Weighted Average Rate of Royalties SC Oil	18.5%
Average Exchange Rate (NGN/US$)	160
VAT Rate	5%
CIT Rate	30%

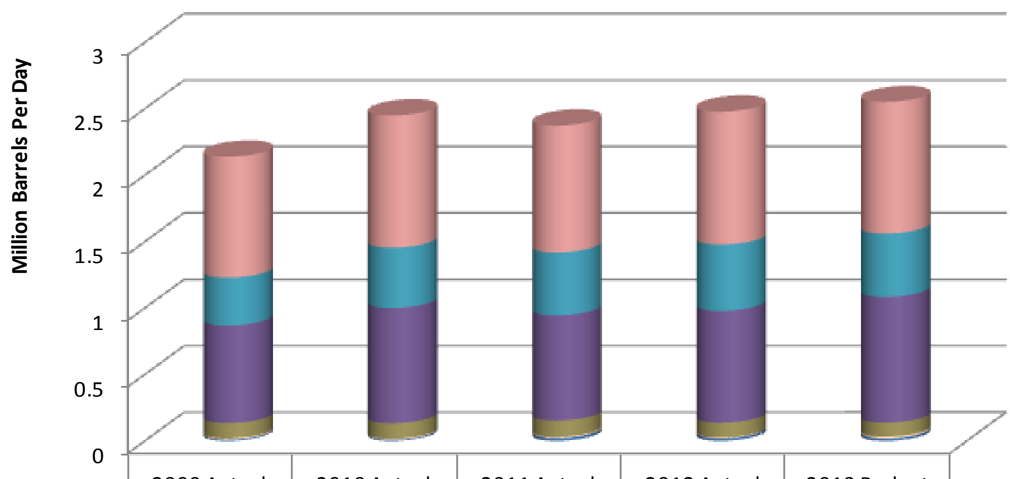
Source: BOF, NNPC, FIRS and NCS

Budget Benchmark Oil Price and Production

15. In view of the volatile nature of the price of oil at the international market, Government in recent times had devised a precautious measure of applying a benchmark price of oil for its annual budgets. This is aimed at delinking government's budget expenditures from volatility in the international oil market. The benchmark price of oil for the 2013 Budget was fixed at US$79/barrel while oil production was set at 2.52 million barrels per day (mbpd). The projected oil production for 2013 budget represents a marginal increase of 0.04 mbpd (or 1.61%) above the 2.48mbpd estimated for the 2012 Budget.

16. Details of projected contributions of oil production by business arrangements, are presented in *Chart 5* below while the breakdown of contributions and rates for the major oil taxes that are expected to accrue to the Federal Government are also illustrated in *Table 2* below.

Chart 5: Budget Oil Production by Business Arrangements 2009 – 2013



	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Budget
Joint Ventures	0.91	0.995	0.955	1	0.991
Alternative Funding	0.36	0.455	0.474	0.5	0.477
Prod. Sharing Contracts	0.736	0.868	0.793	0.843	0.947
Independents	0.113	0.115	0.122	0.11	0.104
Service Contracts	0.009	0.007	0.008	0.005	0.013
Marginal Fields	0.011	0.01	0.022	0.02	0.019

Source: NAPIMS/NNPC

Table 2: Detailed Assumptions for Oil Production and Taxes (2013)

Share of Oil Production	***Percentage***
Joint Ventures	40.92%
Alternative Funding	16.96%
Modified Carry Arrangement	1.88%
Production Sharing Contracts	39.71%
Independents	0%
Service Contracts	0.53%
Marginal	0%
Total Production	100%
PPT Rates	
Weigthed Average -JV/AF/Independent/Marginal	85%
Weigthed Average -PSC	51.35%
Weigthed Average -SC	85%
Royalties Rates	
Weighted Average-JV/AF/Independent/Marginal	19.25%
Weigthed Average-PSC	2.81%
Weigthed Average-SC Oil	18.50%

Source: NNPC and BOF

3.2 Analysis of Revenue Performance

Overview of Oil Revenue Parameters

17. The price of crude oil in the international market averaged US$102.44 per barrel in the second quarter of 2013 representing a decrease of US$10.11 (or 8.98%) and US$5.75 (or 5.31%) below the US$112.55 and US$108.19 per barrel recorded in the first quarter of 2013 and second quarter of 2012 respectively. The fall in crude oil price in the international market during the period could be attributed to the slowdown in global economy as well as the discovery of shale oil and the emergence of other African oil exporters competing for the oil market.

18. Provisional data from the Nigerian National Petroleum Corporation (NNPC) showed that the average oil lifting (including Condensates) in the second quarter of 2013 was 2.06 million barrels per day (mbpd) representing a shortfall of 0.46 (or 18.25%) below the 2.52mbpd projected for the 2013 Budget. The oil lifting performance in the second quarter of 2013 was also 0.24mbpd (or 10.43%) and 0.36mbpd (or 14.88%) below the 2.3mbpd and 2.42mbpd recorded in the first quarter of 2013 and second quarter of 2012 respectively. The fall in oil lifting during the quarter can be ascribed to the incessant crude oil theft, illegal bunkering and pipeline vandalization which had been on the increase in recent times in the Niger Delta region during the period.

19. The 2013 Fiscal Framework presents a gross Federally collectible revenue estimate of N11,339.78 billion, made up of N7,734.15 billion (or 68.2%) oil revenue and N3,605.63 billion (or 31.8%) non-oil revenue. Below is an analysis of the actual performance of the oil and non-oil revenue receipts in the second quarter of 2013.

Oil Revenue Performance

20. A review of the oil revenue in the second quarter of 2013 shows that Royalties (Oil & Gas) of N247.48 billion, Gas Flared Penalty of N1.05 billion and Petroleum Profit & Gas Taxes of N725.57 billion exceeded their respective quarterly expected estimates of N190.27 billion, N0.62 billion and N590.79 billion by N57.21 billion (or 30.07%), N0.43 billion (or 69.23%) and N134.79 billion (or 22.81%). On the other hand, Crude Oil Sales of N764.52 billion, Gas Sales of N74.75 billion, Rent of N0.03 billion and Other Oil & Gas Revenue of N0.36 billion fell below their quarterly projections of N1, 060.98 billion, N89.90 billion, N0.22 billion and N0.77 billion by N296.46 billion (or 27.94%), N15.15 billion (or 16.85%), N0.19 billion (or 86.42%) and N0.41 billion (or 53.41%) respectively. Please see *Table 3.1*.

Net Oil Revenue

21. In the second quarter of 2013, the actual net oil revenue that accrued into the Federation Account was N1,091.07 billion indicating a shortfall of N122.72 billion (or 10.11%) below the projected quarterly estimate of N1, 213.8 billion. On the other hand, the net oil revenue in the second quarter was higher than the N967.84 billion net oil revenue recorded in the first quarter by N123.23 billion (or 12.73%). In spite of the favourable oil prices at the international market, the below-than-projected performance of the net oil revenue in the second quarter of 2013 was due to the fall in oil lifting figure during the period. These data are presented in *Table 3.1*.

Year-to-Date

22. As at end of June 2013, the gross Royalties (Oil & Gas) of N463.49 billion, Gas Flared Penalty of N2.16 billion and Petroleum Profit Tax of N1,539.8 billion exceeded their respective half year projections of N380.54 billion, N1.24 billion and N1,181.58 billion by N82.95 billion (or 21.8%), N0.92 billion (or 74.53%) and N358.22 billion (or 30.32%). On the other hand, Crude Oil Sales of N1,489.36 billion, Gas Sales of N138.75 billion, Rent of N0.12 billion and Other Oil and Gas Revenue of N0.73 billion fell below their corresponding half year projections of N2, 121.95 billion, N179.79 billion, N0.44 billion and N1.54 billion by N632.59 billion (or 29.81%), N41.04 billion (or 22.83%), N0.32 billion (or 71.62%) and N0.8 billion (or 52.29%). These low performances were due to the reasons earlier adduced.

Non-Oil Revenue Performance

23. In recent times, the Government, through the Budget Office of the Federation and the Federal Ministry of Finance had adopted different measures aimed at boosting non-oil revenue collection and remittances to the treasury. The implementation of these measures, coupled with the Budget Office's regular engagement with the Agencies had led to the continued

growth in targets and actual revenues from the non-oil sector. This trend, as presented in *Table* 3.2 and *Table* 3.3, is expected to continue over the 2012 - 2015 period.

24. In the second quarter of 2013, the actual gross non-oil revenue of N473.94 billion was received. This implies a shortfall of N238.98 billion (or 33.52%) below the quarterly estimate of N712.92 billion. A breakdown of the non-oil revenue items showed that all the items fell below their quarterly projected estimates. Value Added Tax of N193.64 billion, Company Income Tax of N183.04 billion and Customs & Excise Duties of N97.26 billion were below their quarterly estimates of N236.32 billion, N248.01 billion and N198.24 billion by N42.68 billion (or 18.06%), N64.97 billion (or 26.2%) and N100.98 billion (or 50.94%) respectively. Compared to their respective first quarter outcomes, Value Added Tax and Company Income Tax grew by N8.11 billion (or 4.37%) and N24.72 billion (or 15.61%) respectively while Customs & Excise Duties fell by N12.68 billion (or 11.54%). The increase in performances of some of the non-oil revenue items in the period as against the first quarter can be attributed to the increase in economic activities during the period and it is expected that the trend will improve in the subsequent quarters of the year.

Year-to-Date

25. The gross non-oil receipts in the first half of the year amounted to N927.74 billion depicting a shortfall of N498.1 billion (or 34.93%) below the half year estimate of N1, 425.84 billion. The performance also indicates that all the non-oil revenue items were below their respective estimates. Value Added Tax of N379.17 billion, Company Income Tax of N341.37 billion and Customs & Excise Duties of N207.2 billion respectively fell short by N93.46 billion (or 19.78%), N154.65 billion (or 31.18%) and N189.28 billion (or 47.74%) when compared with their projections for the half year. However, as is the trend in recent years, we expect revenue collection in these categories to continue to improve in subsequent quarters of the year.

Table 3.1: Net Distributable Revenue as at June, 2013 (Oil Revenue at Benchmark Assumptions)

S/NO	ITEMS	BUDGET			ACTUAL			VARIANCE					
		Annual	Quarterly Budget	Half Year	First Quarter	Second Quarter	Half Year	2nd Quarter Actual Vs Quarterly Budget		2nd Quarter Actual Vs First Quarter		Half Year Actual Vs Half Year Budget	
A	OIL REVENUE	=N=b	=N=b	=N=b	=N=b	=N=b	=N=b	=N=b	%	=N=b	%	=N=b	%
1	Crude Oil Sales	4,243.90	1,060.98	2,121.95	724.84	764.52	1,489.36	(296.46)	(27.94)	39.68	5.47	(632.59)	(29.81)
2	Gas Sales (NLNG Feedstock Slaes & Upstream Liquid Gas)	359.58	89.90	179.79	64.00	74.75	138.75	(15.15)	(16.85)	10.75	16.79	(41.04)	(22.83)
3	Royalties Oil & Gas	761.08	190.27	380.54	216.01	247.48	463.49	57.21	30.07	31.48	14.57	82.95	21.80
4	Rent	0.88	0.22	0.44	0.10	0.03	0.12	(0.19)	(86.42)	(0.07)	(68.55)	(0.32)	(71.62)
5	Gas Flared Penalty	2.48	0.62	1.24	1.12	1.05	2.16	0.43	69.23	(0.07)	(5.90)	0.92	74.53
6	PPT & Gas Tax @CITA	2,363.15	590.79	1,181.58	814.22	725.57	1,539.80	134.79	22.81	(88.65)	(10.89)	358.22	30.32
7	Other Oil and Gas Revenue	3.07	0.77	1.54	0.38	0.36	0.73	(0.41)	(53.41)	(0.02)	(4.57)	(0.80)	(52.29)
8	Sub-Total	7,734.15	1,933.54	3,867.07	1,820.65	1,813.76	3,634.42	(119.77)	(6.19)	(6.89)	(0.38)	(232.66)	(6.02)
9	Joint Venture Cash Calls	1,182.33	295.58	591.16	284.92	286.51	571.43	(9.07)	(3.07)	1.59	0.56	(19.73)	(3.34)
10	Domestic Fuel Subsidy (NNPC) and	971.14	242.78	485.57	-	-	-	(242.78)	(100.00)	-		(485.57)	(100.00)
11	Under Remittance of Funds by NNPC		-	-	-	-	-	-		-		-	
12	Oil Excess Revenue		-	-	22.35	-	22.35	-		(22.35)	(100.00)	22.35	
13	Sub-Total	5,580.68	1,395.17	2,790.34	1,513.39	1,527.25	3,040.64	132.08	9.47	13.87	0.92	250.30	8.97
14	Transfer to Excess Crude Account		-	-	400.92	273.15	674.07	273.15		(127.78)	(31.87)	674.07	
15	Balance of Oil Revenue	5,580.68	1,395.17	2,790.34	1,112.46	1,254.11	2,366.57	(141.06)	(10.11)	141.64	12.73	(423.77)	(15.19)
16	13% Derivation of Net Oil Revenue	725.49	181.37	362.74	144.62	163.03	307.65	(18.34)	(10.11)	18.41	12.73	(55.09)	(15.19)
17	TO FEDERATION ACCOUNT	4,855.19	1,213.80	2,427.59	967.84	1,091.07	2,058.92	(122.72)	(10.11)	123.23	12.73	(368.68)	(15.19)
B	NON-OIL REVENUE		-	-	-	-	-	-		-		-	
18	VAT	945.28	236.32	472.64	185.53	193.64	379.17	(42.68)	(18.06)	8.11	4.37	(93.46)	(19.78)
19	Corporate Tax,CIT, Stamp Duties & CGT	992.04	248.01	496.02	158.33	183.04	341.37	(64.97)	(26.20)	24.72	15.61	(154.65)	(31.18)
20	Customs: Import, Excise & Fees	792.95	198.24	396.47	109.94	97.26	207.20	(100.98)	(50.94)	(12.68)	(11.54)	(189.28)	(47.74)
21	Special Levies (Federation Account)	121.42	30.35	60.71	-	-	-	(30.35)	(100.00)	-		(60.71)	(100.00)
22	Sub-Total	2,851.68	712.92	1,425.84	453.80	473.94	927.74	(238.98)	(33.52)	20.14	4.44	(498.10)	(34.93)
23	Cost of Collection and Other Deductions	151.50	37.87	75.75	21.45	21.87	43.32	(16.00)	(42.25)	0.42	1.98	(32.43)	(42.81)
24	Cost of Collection (VAT)	37.81	9.45	18.91	7.42	7.75	15.17	(1.71)	(18.07)	0.32	4.38	(3.74)	(19.79)
25	4% Cost of Collection (CIT)	39.68	9.92	19.84	6.33	7.32	13.65	(2.60)	(26.21)	0.99	15.59	(6.19)	(31.19)
26	7% Cost of Collection	64.01	16.00	32.00	7.70	6.81	14.50	(9.19)	(57.46)	(0.89)	(11.54)	(17.50)	(54.69)
27	FIRS Tax Refunds	10.00	2.50	5.00	-	-	-	(2.50)	(100.00)	-		(5.00)	(100.00)
28	TO FEDERATION ACCOUNT (NON-OIL)	1,792.72	448.18	896.36	254.24	266.17	520.41	(182.01)	(40.61)	11.93	4.69	(375.95)	(41.94)
29	Total VAT Pool	907.47	226.87	453.73	178.11	185.90	364.01	(40.97)	(18.06)	7.78	4.37	(89.72)	(19.77)
30	Net Non-Oil Revenue	2,700.18	675.05	1,350.09	432.35	452.07	884.42	(222.98)	(33.03)	19.72	4.56	(465.67)	(34.49)
31	Sub-Total: FEDERATION ACCOUNT	6,647.91	1,661.98	3,323.95	1,222.08	1,357.24	2,579.32	(304.73)	(18.34)	135.16	11.06	(744.63)	(22.40)
32	Balance in Special Account End of Previous Year 2012	8.13	2.03	4.07	-	-	-	(2.03)	(100.00)	-		(4.07)	(100.00)
33	TOTAL FEDERATION ACCOUNT	6,656.04	1,664.01	3,328.02	1,222.08	1,357.24	2,579.32	(306.77)	(18.44)	135.16	11.06	(748.69)	(22.50)
C	TOTAL DISTRIBUTION		-	-	-	-	-	-		-		-	
1	Federation Account	6,656.04	1,664.01	3,328.02	1,222.08	1,357.24	2,579.32	(306.77)	(18.44)	135.16	11.06	(748.69)	(22.50)
2	VAT Pool Account	907.47	226.87	453.73	178.11	185.90	364.01	(40.97)	(18.06)	7.78	4.37	(89.72)	(19.77)
3	GRAND TOTAL	7,563.50	1,890.88	3,781.75	1,400.19	1,543.14	2,943.33	(347.73)	(18.39)	142.95	10.21	(838.42)	(22.17)

Source: OAGF and Budget Office of the Federation

Table 3.2: Actual Performance of Non-Oil Revenue Category (2005-2012)

Description	2005	2006	2007	2008	2009	2010	2011	2012	8 - Year Average
	N'm	N'm	N'm	N'm	N'm	N'm	N'm	N'm	N'm
Customs Duties & Excise	228,645.20	176,297.90	248,941.30	274,407.60	278,940.00	309,193.00	422,090.00	474,917.60	301,679.08
Company Income Tax	162,166.30	244,807.80	327,040.20	416,825.50	564,950.00	657,278.00	716,920.00	848,566.00	492,319.23
Value Added Tax	189,969.40	230,370.30	301,709.60	404,527.80	468,388.90	562,857.00	649,500.00	710,146.00	439,683.63
Education Tax	21,849.00	23,950.00	50,650.00	59,387.00	61,058.20	-	-	-	27,111.78
FGN Independent Revenue	52,483.20	106,600.00	152,290.00	198,234.20	64,114.70	153,551.90	182,490.00	206,766.00	139,566.25

Source: OAGF and BOF

Table 3.3: Percentage Growth in Non-Oil Revenues (2006-2012)

Description	2006	2007	2008	2009	2010	2011	2012	7-Year Avergae
Customs Duties & Excise	-22.89%	41.20%	10.23%	1.65%	10.85%	36.51%	12.52%	12.87%
Company Income Tax	50.96%	33.59%	27.45%	35.54%	16.34%	9.07%	18.36%	27.33%
Value Added Tax	21.27%	30.97%	34.08%	15.79%	20.17%	15.39%	9.34%	21.00%
FGN Independent Revenue	103.11%	42.86%	30.17%	-67.66%	139.50%	18.85%	13.30%	40.02%

Source: OAGF and BOF

Comparative Revenue Performance Analysis

26. A comparative analysis of the data further indicates that the aggregate gross oil revenue receipts in the second quarter of 2013 were not only lower than their respective projections for the period, but were also short of the corresponding levels in the same period of 2012. The low performance can be attributed to the fall in the oil lifting figure due to incessant crude oil theft and pipeline vandalism in the Niger Delta region during the period. On the other hand, the aggregate gross non-oil revenues for the same period revealed an

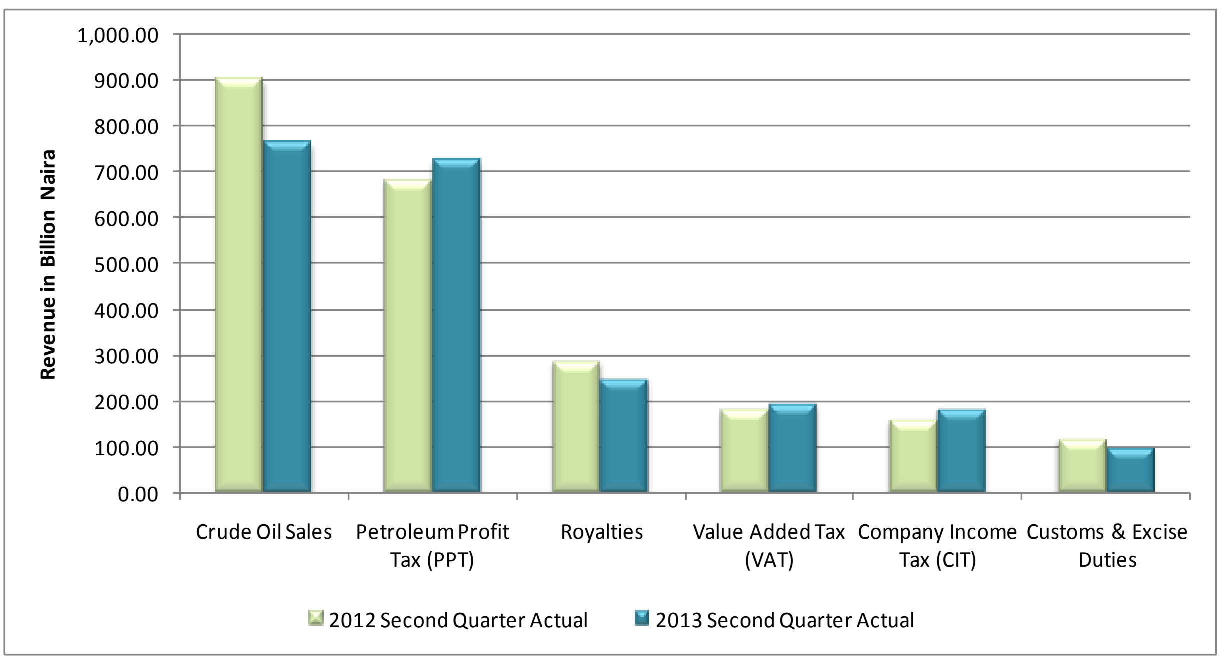
improvement of N17.06 billion (or 3.73%) above the corresponding figures recorded in 2012. Please see data below in *Table 3.4*

Table 3.4: Performance of Revenue in the Second Quarter of 2013 Vs 2012

Revenue Items	2012	2013	Variance	
	2nd Quarter Actual	2nd Quarter Actual	2nd Quarter 2013 Vs 2nd Quarter 2012	
Oil Revenue	N bns	N bns	N bns	%
Crude Oil Sales	902.70	764.52	-138.18	-15.31
Petroleum Profit Tax (PPT)	680.58	725.57	44.99	6.61
Royalties	285.55	247.48	-38.07	-13.33
Gross Oil Revenue	1,958.74	1,813.76	-144.98	-7.40
Net Oil Receipts	991.80	1,091.07	99.27	10.01
Non-Oil Revenue				
Value Added Tax (VAT)	181.77	193.64	11.87	6.53
Company Income Tax (CIT)	157.41	183.04	25.63	16.28
Customs & Excise Duties	117.69	97.26	-20.43	-17.36
Gross Non-Oil Revenue	456.88	473.94	17.06	3.73
Net Non-Oil Receipts	435.07	452.07	17.00	3.91

Source: OAGF and Budget Office of the Federation

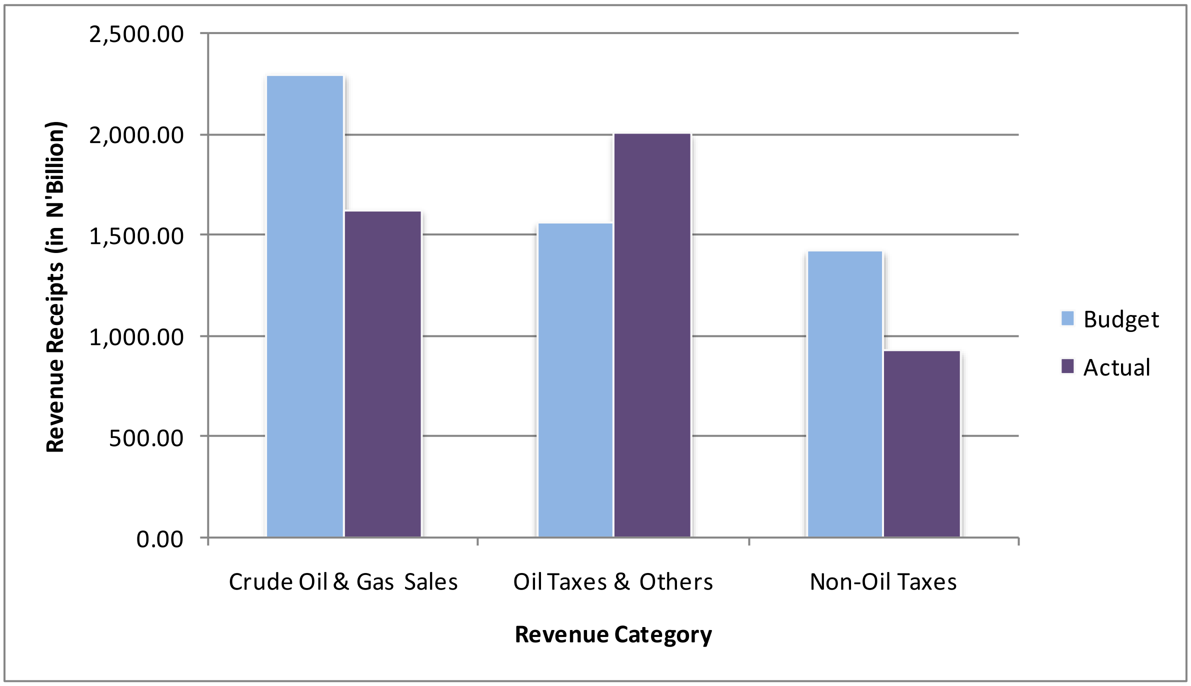
Chart 3.1: 2012 Vs 2013 Revenue Performance (Second Quarter)



Source: OAGF and Budget Office of the Federation

27. *Chart 3.2* below is a graphical illustration of the actual performance of revenue categories compared to their budgeted estimates as at June 2013.

Chart 3.2: Projected Vs Actual FAAC Revenue Receipts (as at June 2013)



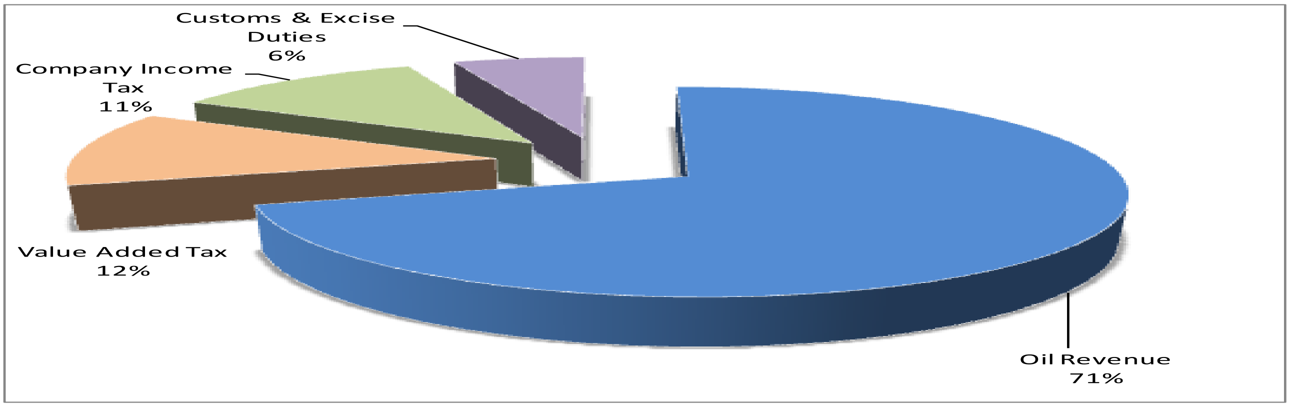
Source: Budget Office of the Federation

Distributable Revenue

28. The net distributable revenue is the balance of funds in the Federation Account available for distribution among the three tiers of government after taking out all costs. A net sum of N1, 543.14 billion was available for sharing in the second quarter of 2013. This implies a shortfall of N347.73 billion (or 18.39%).

29. *Chart 3.3* below presents the percentage contribution of the various revenue categories to distributable revenue in the second quarter of 2013.

Chart 3.3: Contributions to Distributable Revenue (in the 2nd Quarter of 2013)

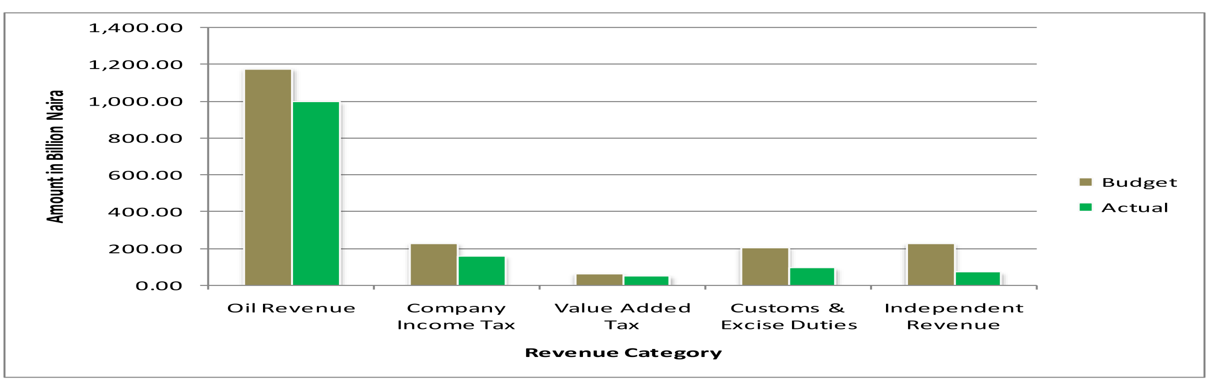


Source: Budget Office of the Federation

3.3 FGN Budget Revenue

30. In line with the approved 2013 Budget framework, the sum of N4,100.18 billion was projected to fund the Federal Budget implying a quarterly share of N1, 025.05 billion. In the second quarter of 2013, the sum of N529.17 billion received from oil sources was lower than the quarterly estimate of N588.69 billion by N59.52 billion (or 10.11%). Similarly, the FGN share of VAT of N26.03 billion, Customs & Excise Duties of N43.87 billion and Company Income Tax of N85.23 billion were short of their respective quarterly projection of N31.76 billion, N103.11 billion and N114.26 billion by N5.74 billion (or 18.06%), N59.24 billion (or 57.45%) and N29.04 billion (or 25.41%). The foregoing followed the same 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 June 2013)



Source: The OAGF and Budget Office of the Federation

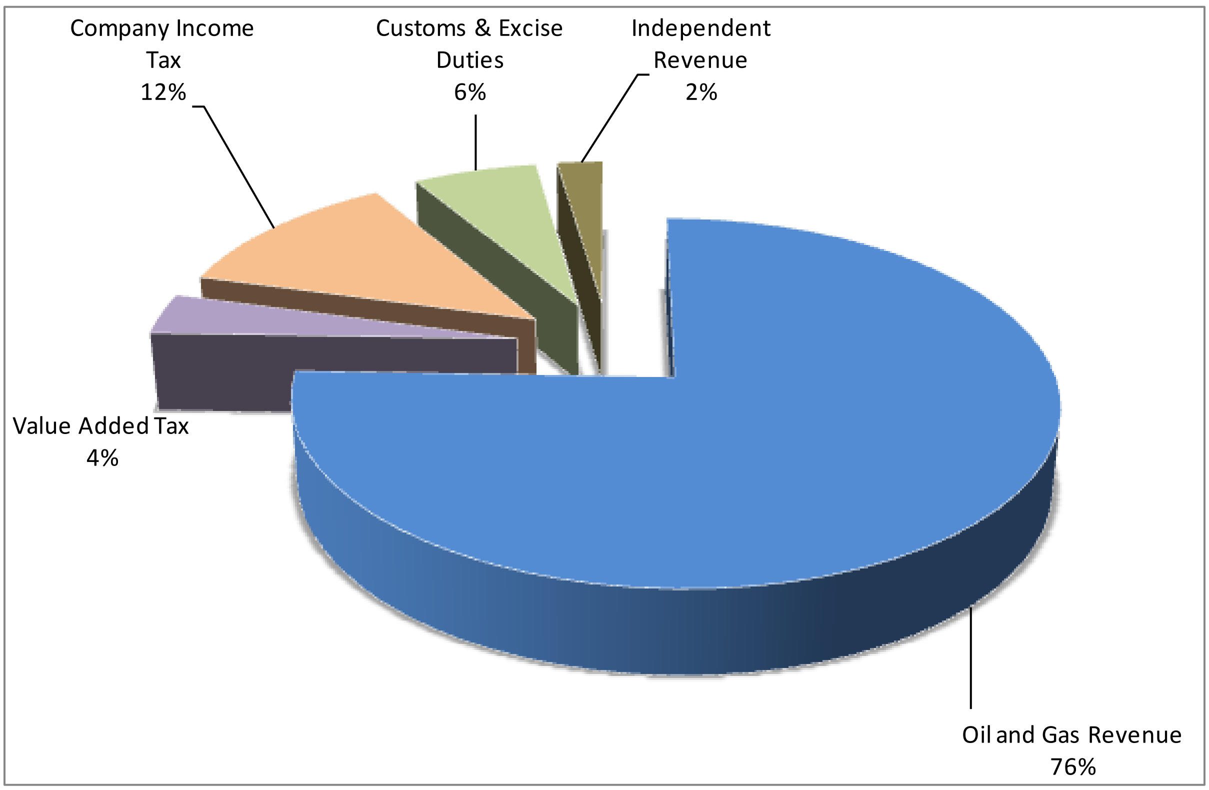
Table 3.5: Inflows to the 2013 Federal Budget as at June 2013

S/NO	ITEMS	Annual	Quarterly	Half Year	First Quarter	Second Quarter	Half Year	2nd Quarter Actual Vs Quarterly Budget		2nd Quarter Actual Vs First Quarter		Half Year Actual Vs Half Year Budget	
	Inflow for the Federal Budget	=N=b	=N=b	=N=b	=N=b	=N=b	=N=b	=N=b	%	=N=b	%	=N=b	%
1	FGN Share of Oil Revenue	2,354.52	588.63	1,177.26	469.40	529.17	998.57	(59.46)	(10.10)	59.77	12.73	(178.69)	(15.18)
2	FGN Share of Non-Oil Revenue	996.71	249.18	498.36	148.24	155.12	303.36	(94.06)	(37.75)	6.88	4.64	(195.00)	(39.13)
3	FGN Share of Value Added Tax (VAT)	127.05	31.76	63.52	24.94	26.03	50.96	(5.74)	(18.06)	1.09	4.37	(12.56)	(19.78)
4	FGN Share of Customs	412.42	103.11	206.21	49.59	43.87	93.46	(59.24)	(57.45)	(5.72)	(11.54)	(112.76)	(54.68)
5	FGN Share of Company Income Tax (CIT)	457.24	114.31	228.62	73.72	85.23	158.94	(29.09)	(25.44)	11.51	15.61	(69.68)	(30.48)
6	FGN Share of Actual Balances in Special Acc	3.94	0.99	1.97	-	-	-	(0.99)	(100.00)	-	-	(1.97)	(100.00)
7	FGN Independent Revenue	455.78	113.95	227.89	54.03	16.18	70.20	(97.77)	(85.80)	(37.85)	(70.05)	(157.69)	(69.19)
8	FGN Balance of Special Accounts as at 31/12/12:	28.02	7.01	14.01	-	21.00	21.00	13.99	199.78	21.00	-	6.99	49.89
9	Unspent Balance from Previous Fiscal Year	261.21	65.30	130.61	22.86	0.06	22.92	(65.24)	(99.91)	(22.80)	(99.75)	(107.69)	(82.45)
10	Sub-Total	4,100.18	1,025.05	2,050.09	694.53	721.52	1,416.05	(303.52)	(29.61)	27.00	3.89	(634.04)	(30.93)
11	Other Financing Sources	-	-	-	139.99	186.33	326.32	186.33	-	46.34	33.10	326.32	-
12	Augumentation of Shortfall	-	-	-	74.71	91.03	165.74	91.03	-	16.33	21.86	165.74	-
13	Excess Crude Account Special Distribution	-	-	-	65.29	95.30	160.59	95.30	-	30.01	45.96	160.59	-
14	Total Revenue Available for Implementation	4,100.18	1,025.05	2,050.09	974.52	1,094.18	2,068.70	69.14	6.74	119.67	12.28	18.61	0.91

Source: Budget Office of the Federation and the OAGF

31. A total of N721.52 billion, excluding other funding sources, was received in the second quarter of 2013. This amount was N303.53 billion (or 29.61%) lower than the quarterly projection of N1,025.06 billion and N27.0 billion (or 3.89%) higher than the actual receipt of N694.53 billion recorded in the first quarter of 2013. However, the aggregate revenue in the second quarter of 2013 was N39.85 billion (or 5.85%) higher than the N681.67 billion recorded in the second quarter of 2012.

Chart 3.5: Contribution to the FGN Budget Revenue in the Second Quarter of 2013 (*Excluding FGN's Unspent Balances and FGN's Balances in Special Accounts*)



Source: The OAGF and Budget Office of the Federation

3.4 Excess Crude Account

32. The Excess Crude Account (ECA) was set up to serve as a stabilization and savings account. Inflows into the ECA in the second quarter of 2013 amounted to N273.15 billion. The inflow in the second quarter was N127.78 billion (or 31.87%) and N167.81 billion (or 38.06%) lower than the N400.92 billion and N440.96 billion recorded in the first quarter of 2013 and second quarter of

2012 respectively. The sum of N651.47 billion was withdrawn from the account in the second quarter of 2013. These data are presented in *Table 3.6.*

Table 3.6: Inflows to the Excess Crude Account

Description	2012 Actual (N' bns)			2013 Actual (N' bns)		
	First Quarter	Second Quarter	Half Year	First Quarter	Second Quarter	Half Year
Inflows						
Transfer to Excess Crude Oil Account	847.91	440.96	1,288.87	400.92	273.15	674.07
Outflows						
Payment for Petroleum Product Subsidy	149.00	29.00	178.00	50.00	110.00	160.00
Augmentation: Distribution among tiers of govt.	674.11	165.15	839.26	485.02	434.82	919.84
Transfer for Special Intervention Fund	8.29		8.29	71.10	106.65	177.75
Transfers Int. trf - SWF						
Total Outflow	831.40	194.15	1,025.55	606.12	651.47	1,257.59

Source: Office of the Accountant General of the Federation

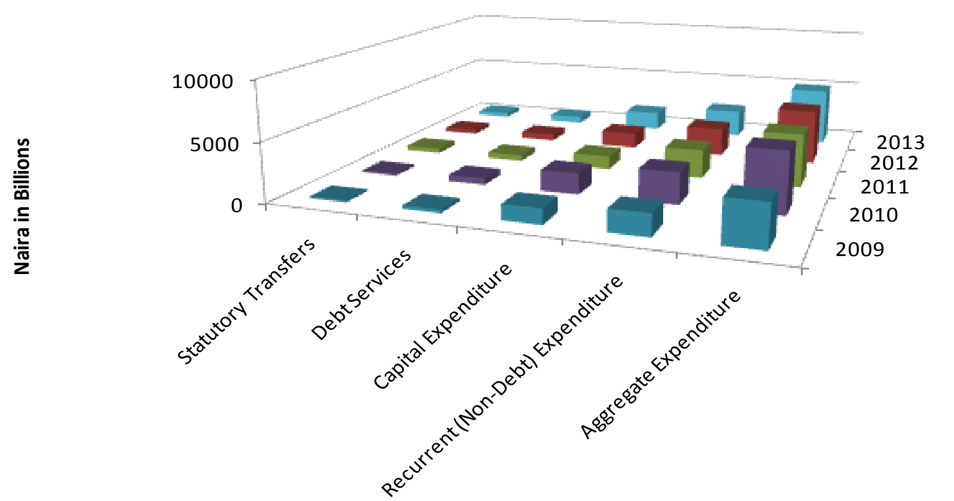
3.5 Expenditure Developments

33. A total of N5, 260.74 billion was appropriated for expenditure in 2013. Of this amount, N4, 987.24 billion was for the regular budget for 2013 while N273.5 billion was for the implementation of social safety net and specific infrastructure projects and programmes under the Subsidy Reinvestment and Empowerment Programme (SURE-P). The regular budget for 2013 is made up of N2, 386.03 billion (or 47.84%) for recurrent (non-debt) expenditure, N591.76 billion (or 11.87%) for recurrent (debt services) expenditure, N387.98 billion (or 7.78%) for Statutory Transfers and N1, 621.48 billion (or 32.51%) for Capital expenditure.

3.5.1 Non-Debt Recurrent Expenditure

34. In crafting the 2013 Budget, Government kept focus on its plan to strategically check the growth of recurrent expenditures as indicated in the 2013-2015 Fiscal Framework and Fiscal Strategy Paper. To achieve this, government was resolute in cutting down the cost of governance. As such, the share of recurrent spending in total expenditure was reduced from 74.4% in 2011 to 67.5% in 2013. In addition, the government hopes to continue the roll-out of IPPIS across all MDAs which will eventually result to savings in personnel costs and also coupled with the trimming down of allocations to agencies with duplicated functions as contained in the Oronsaye Report.

Chart 3.6: 2009 – 2013 Budget Expenditure Profile



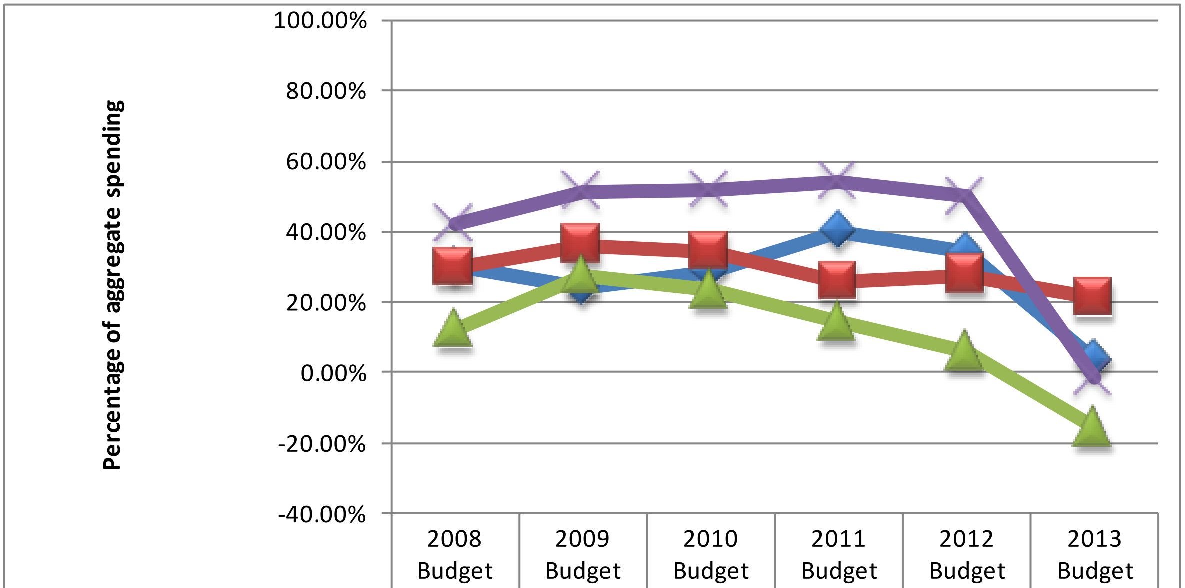
	Statutory Transfers	Debt Services	Capital Expenditure	Recurrent (Non-Debt) Expenditure	Aggregate Expenditure
2009	168.62	283.65	1,280.71	1,824.71	3,557.69
2010	183.58	542.38	1,764.69	2,669.01	5,159.66
2011	417.83	495.1	1,146.75	2,425.07	4,484.74
2012	372.59	559.58	1,339.99	2,425.05	4,697.21
2013	387.98	591.76	1,621.48	2,386.03	4,987.24

Source: Budget Office of the Federation

35. Data from the Office of the Accountant General of the Federation (OAGF) indicates that a total of N543.05 billion was expended on non-debt recurrent

expenditure in the second quarter of 2013. This amount represents a decrease of N53.46 billion (or 8.96%) from the quarterly estimate of N596.51 billion.

Chart 3.7: Personnel, Overhead and Capital Expenditure Trends (2008 – 2013)



	2008 Budget	2009 Budget	2010 Budget	2011 Budget	2012 Budget	2013 Budget
Personnel Costs (MDAs)	29.88%	24.08%	28.66%	40.01%	33.89%	3.37%
Capital Spending	29.66%	36.00%	34.20%	25.57%	27.47%	21.01%
Overheads	12%	27.20%	23.06%	14.07%	5.57%	-15.94%
Recurrent (Non Debt)	41.88%	51.28%	51.72%	54.07%	49.72%	-1.62%

Source: BOF and OAGF

3.5.2 Debt Service

36. Provisional data from the Debt Management Office shows that as at 30th June 2013, the Federal Government domestic debt stock stood at N6, 850.75 billion depicting an increase of N357.43 billion (or 5.5%) above the N6, 493.32 billion recorded in the first quarter of 2013. The 2013 second quarter domestic debt figure was also N697.88 billion (or 11.34%) above the N6, 152.87 billion reported in the same period of 2012. A breakdown of the domestic debt stock as at 30th June indicates that N4,032.9 billion (or 58.87%) is for FGN Bonds, N2,483.29 billion (or 36.25%) is for Nigeria Treasury Bills (NTBs) and N334.56 billion (or 4.88%) is for Treasury Bonds. The rise in domestic debt in the second quarter can be attributed to the issuance of additional Federal Government Bonds and Nigerian Treasury Bills during the period. The sum of N164.24 billion

was released for domestic debt servicing in the second quarter 2013 while the actual domestic debt payment was N231.97 billion. The sum of N96.13 billion (or 70.77%) difference between the quarterly budgeted estimate of N135.84 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 30th June, 2013, stood at US$6,920.1 million representing an increase of US$249.38 million (or 3.74%) and US$884.44 million (or 14.65%) over the US$6,670.72 million and US$6,035.66 million recorded in the first quarter of 2013 and the second quarter of 2012 respectively. The increase was due mainly to the increases in multilateral and bilateral debt drawdown. A breakdown of the external debt stock in the second quarter of 2013 indicates that Multilateral Debts amounted to US$5,538.7 million (80.04%), Non-Paris Club Bilateral and Commercial Debts amounted to US$881.4 million (or 12.74%) while ICM (Euro-Bond) accounted for the balance of US$500million (or 7.75%).

38. The actual external debt service payment in the second quarter of the year amounted to US$55.85 million. A breakdown of the payments indicated that US$23.05 million (or 41.28%) was to Multilateral Creditors, US$20.86 million (or 37.35%) was to Oil Warrant Creditors, US$11.92 million (or 21.35%) was to Non-Paris Commercial Creditors and US$12.0 million (or 0.02%) was to other creditors.

Table 3.7: FGN Budget Expenditure and Fiscal Account (in N' Billion) as at June 2013

S/NO	ITEMS	BUDGET			ACTUAL			VARIANCE					
		Annual	Quarterly	Half Year	First Quarter	Second Quarter	Half Year	2nd Quarter Actual Vs Quarterly Budget		2nd Quarter Actual Vs First Quarter		Half Year Actual Vs Half Year Budget	
		=N=b	=N=b	=N=b	=N=b	=N=b	=N=b	=N=b	%	=N=b	%	=N=b	%
A	TOTAL INFLOW	4,100.18	1,025.04	2,050.09	974.52	1,094.18	2,068.70	69.14	6.74	119.66	12.28	18.61	0.91
B	EXPENDITURE	-	-	-	-	-	-	-	-	-	-	-	-
	RECURRENT NON-DEBT	-	-	-	-	-	-	-	-	-	-	-	-
1	Personnel Cost	1,717.06	429.26	858.53	421.59	388.04	809.63	(41.22)	(9.60)	(33.55)	(7.96)	(48.90)	(5.70)
2	Pension & Gratuities	143.24	35.81	71.62	-	33.98	33.98	(1.83)	(5.10)	33.98	-	(37.64)	(52.55)
3	Overhead Cost	208.93	52.23	104.47	118.36	121.03	239.39	68.79	131.70	2.66	2.25	134.92	129.16
4	Service Wide Vote	316.80	79.20	158.40	-	-	-	(79.20)	(100.00)	-	-	(158.40)	(100.00)
5	Sub-Total (Non-Debt)	2,386.03	596.51	1,193.01	539.95	543.05	1,083.00	(53.46)	(8.96)	3.10	0.57	(110.01)	(9.22)
6	Domestic Debts & Int. on Ways & Means	543.38	135.84	271.69	121.69	164.24	285.93	28.39	20.90	42.55	34.96	14.24	5.24
7	Foreign Debts	48.39	12.10	24.19	14.30	15.29	29.59	3.19	26.38	0.99	6.91	5.39	22.30
8	Sub-Total (Debt)	591.76	147.94	295.88	135.99	179.53	315.52	31.59	21.35	43.54	32.01	19.63	6.64
9	CAPITAL EXPENDITURE	-	-	-	-	-	-	-	-	-	-	-	-
10	Capital 2012	-	-	-	45.13	-	45.13	-	-	(45.13)	(100.00)	45.13	-
11	*Capital Releases 2013	1,621.48	405.37	810.74	165.76	232.71	398.47	(172.66)	(42.59)	66.96	40.40	(412.27)	(50.85)
12	Sub-Total (Capital)	1,621.48	405.37	810.74	210.88	232.71	443.60	(172.66)	(42.59)	21.83	10.35	(367.14)	(45.29)
13	TRANSFER:	-	-	-	-	-	-	-		-	-	-	-
14	NDDC	61.35	15.34	30.67	-	-	-	(15.34)	(100.00)	-	-	(30.67)	(100.00)
15	National Judicial Council	67.00	16.75	33.50	16.75	16.75	33.50	(0.00)	(0.01)	-	-	(0.00)	(0.01)
16	Universal Basic Education	76.28	19.07	38.14	16.63	22.36	38.99	3.29	17.25	5.73	34.46	0.85	2.22
17	Independent National Electoral Commisssion	32.00	8.00	16.00	8.00	5.33	13.33	(2.67)	(33.34)	(2.67)	(33.33)	(2.67)	(16.68)
18	Natioal Human Rights Comm.	1.35	0.34	0.68	0.34	0.23	0.56	(0.11)	(33.33)	(0.11)	(33.23)	(0.11)	(16.74)
19	National Assembly	150.00	37.50	75.00	37.50	37.50	75.00	-	-	-	-	-	-
20	Sub-Total (Transfers)	387.98	96.99	193.99	79.21	82.17	161.38	(14.83)	(15.29)	2.95	3.73	(32.61)	(16.81)
21	TOTAL EXPENDITURE	4,987.24	1,246.81	2,493.62	966.04	1,037.45	2,003.49	(209.36)	(16.79)	71.42	7.39	(490.13)	(19.66)
22	Fiscal Deficit	(887.07)	(221.77)	(443.53)	8.48	56.73	65.21	278.49	(125.58)	48.24	568.62	508.74	(114.70)
C	FINANCING ITEMS		-	-	-	-	-	-	-	-	-	-	-
1	Privitization Proceeds	10.00	2.50	5.00	11.00	-	11.00	(2.50)	(100.00)	(11.00)	(100.00)	6.00	120.00
2	Signature Bonus	75.00	18.75	37.50	6.03	-	6.03	(18.75)	(100.00)	(6.03)	(100.00)	(31.47)	(83.91)
3	FGN Share from Stabilisation Fund Account	225.00	56.25	112.50	65.29	66.30	131.59	10.05	17.86	1.01	1.55	19.09	16.96
4	Domestic Borrowing (FGN Bond)	577.07	144.27	288.53	239.00	221.00	460.00	76.73	53.19	(18.00)	(7.53)	171.47	59.43
5	Sub-Total	887.07	221.77	443.53	321.32	287.30	608.62	65.53	29.55	(34.03)	(10.59)	165.09	37.22
6	Net Deficit / Surplus	0.00	0.00	0.00	329.81	344.02	673.83	344.02		14.22	4.31	673.83	

Source: OAGF and Budget Office of the Federation

39. The total public debt stock as at 30th June 2013 stood at US$50.91billion (or N7.93 trillion). The breakdown consists of US$6.92 billion (or N1.08 trillion or 13.62%) for external debt while the balance of US$43.99 billion (or N6.85 trillion or 86.38%) was for domestic debt stock. The total net value of Debt/GDP (external and domestic) ratio as at the end of June 2013 was significantly below the global threshold of 40%.

3.5.3 Statutory Transfers

40. In the second quarter of 2013, a total of N82.17 billion was released as statutory transfers, indicating a decline of N14.83 billion (or 15.29%) from the quarterly budget of N96.99 billion. A breakdown of the actual transfers in the second quarter reveals that N16.75 billion was to National Judicial Council, N22.36 billion was to the Universal Basic Education Commission (UBEC), N5.33 billion was to Independent National Electoral Commission, N0.23 billion was to National Human Right Commission and N37.5 billion was to the National Assembly. It is noteworthy that quarterly releases under this subhead are made on demand by the beneficiaries subject to budgetary provisions.

3.5.4 Capital Expenditure Performance

41. In formulating the Budget, the government had sustained its policy of re-balancing its expenditure in favour of capital investment over the medium term. As such, capital spending as a share of total expenditure has increased from 25.6% in 2011 to 32.5% in 2013. In 2013, the Government focused on critical economic and social sectors. Some key allocations were made as follows: Critical infrastructure (including Power, Works, Transport, Aviation, Gas Pipeline and Federal Capital Territory) – N497 billion; Human Capital Development (i.e. Education and Health) – N705 billion; Agriculture /Water Resources – N175 billion and over N950 billion for national security purposes comprising of N320 billion for the Police, N364 billion for the Armed Forces, N115 billion for the Office of the National Security Adviser (NSA) and N154 billion for the Ministry of Interior.

MDAs' Capital Vote Utilization

42. Data from the Office of the Accountant General of the Federation (OAGF) reveals that as at 30th June, 2013, a total of N565.66 billion had been released through the First Quarter Development Capital Warrant of N207.9 billion, Second Quarter Development Capital Warrant of N140.29 billion and Authority to Incur Expenditure (AIEs) of N217.46 billion for the implementation of MDAs capital projects/programmes as contained in the 2013 Appropriation Act. Of this amount, a total of N535.55 billion (or 94.68%) of the total releases was cash backed. It should be noted that the first and second quarter capital warrants were released while waiting for the conclusion and approval by the National Assembly of the 2013 Amended Budget submitted to it by Mr. President following the reconciliations reached by both parties on the earlier submitted and approved 2013 Budget.

Performance as at 30th June, 2013

43. The data also shows that N396.83 billion (or 74.1%) of the total amount cash-backed had been utilized by MDAs as at 30th June 2013. *Appendix 1* to this Report shows the funds released to and utilized by MDAs in the period. An analysis of forty-nine (49) MDAs reported upon by the Office of the Accountant-General of the Federation (OAGF) reveals different levels of utilization among the MDAs. Eight (or 16.33%) of the MDAs including: Presidency, Health, Justice, Power, Niger Delta, Office of the National Security Adviser, Special Duties and Code of Conduct Tribunal had utilized more than the overall average utilization rate of 74.1% of the amount cash-backed. Three out of these, including Justice, Power and Special Duties had utilized over 80% of their respective cash-backed funds.

44. The utilization report also shows that 28 MDAs (or 57.14%), which include Youth Development, Women Affairs, Agriculture, Water Resources, Education, Federal Capital Territory, Information, Head of Service, Transport, Labour and Productivity, Mines & Steel, National Planning, Police Service Commission and Federal Civil Service Commission had

utilized above 50% of their cash-backed funds. Twenty one (or 44.9%) of MDAs including Secretary to Government, Police Affairs, Police Formation, Defense, ICPC, Interior, Communication Technology, Trade & Investment, Science & Technology, Petroleum, Housing, Aviation, Environment, National Sports Commission, National Population and Public Complaints Commission had a utilization rate of less than 50% while Ministry of Special Duties was yet to make any utilization during the period. *Table 3.8* below is an extract from *Appendix 1* highlighting the utilization rates of ten MDAs considered key to the actualization of the Government's Transformation agenda.

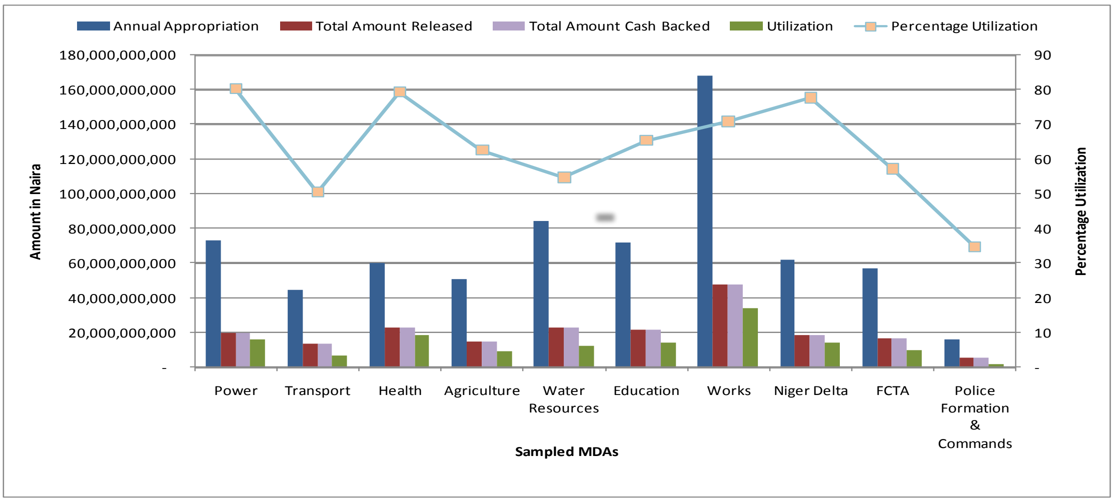
45. In addition to the regular budget, an extra provision of N273.5 billion (N180 billion as additional revenue and N93.5 billion as carryover of outstanding provisions from 2012 budget) was made for major capital and social programmes under the SURE-P window, and this assisted in the area of infrastructure development in the second quarter of 2013. A total of N182.55 billion (or 66.75%) of the appropriated sum was released while N67.78 billion (or 37.13%) of the released amount was utilized as at 30th June, 2013.

Table 3.8: A Sample of MDAs' Capital Budget Utilization (as at 30th June, 2013)

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	73,159,378,866	19,922,684,325	19,922,684,325	15,971,036,708	21.83	80.17	80.17
Transport	44,527,673,725	13,373,290,813	13,373,290,813	6,751,753,577	15.16	50.49	50.49
Health	60,082,469,275	23,266,962,441	23,266,962,441	18,465,786,853	30.73	79.36	79.36
Agriculture	50,808,871,428	14,646,612,784	14,646,612,784	9,159,919,100	18.03	62.54	62.54
Water Resources	84,228,166,366	22,713,763,647	22,713,763,647	12,430,922,708	14.76	54.73	54.73
Education	71,937,785,489	21,855,667,106	21,855,667,106	14,287,026,910	19.86	65.37	65.37
Works	168,173,800,000	48,065,333,640	48,065,333,640	34,023,796,009	20.23	70.79	70.79
Niger Delta	62,331,222,222	18,632,472,189	18,632,472,189	14,463,206,486	23.20	77.62	77.62
FCTA	57,000,000,000	17,000,000,000	17,000,000,000	9,715,853,947	17.05	57.15	57.15
Police Formation & Commands	16,140,000,000	5,356,218,412	5,356,218,412	1,866,493,688	11.56	34.85	34.85
Total Average Utilization (by all MDAs)					24.47	74.10	70.15

Source: OAGF and BOF

Chart 3.8: Pictorial Representation of Selected MDAs Utilization



Source: BOF and OAGF

3.5.5 Performance of the Financing Items

46. The 2013 Fiscal Framework portrays a quarterly deficit of N221.77 billion to be financed through privatization proceeds of N2.5 billion, signature bonus of N18.75 billion, FGN's share from the Stabilization Fund Account of N56.25 billion and domestic borrowing (FGN Bond) of N144.27 billion.

47. In the second quarter, a total of N287.3 billion was realized from financing item sources implying a surplus of N65.53 billion (or 29.55%) above the quarterly estimate of N221.77 billion. A breakdown of the realizations from the financing item sources in the second quarter indicates that N66.3 billion was from FGN's share from the Stabilization Fund Account and N221 billion from domestic borrowing (FGN Bond) while nothing was realized from Privatization Proceeds and Signature Bonus.

48. The next chapter reports on the physical monitoring of the implementation of selected MDAs' capital projects and programmes in the second quarter of 2013.

4.0 CAPITAL IMPLEMENTATION REPORT

The selection of projects across twelve MDAs earmarked for monitoring in the Second Quarter of 2013 was based on the government's *Transformation Agenda*. The exercise covered projects across Works, Health, Education, Transport, Aviation, Water Resources, Agriculture, Federal Capital Territory, Power and Environment, Interior and Niger-Delta. However, some projects under the Interior, Power and Aviation ministries could not be monitored as a result of the inability of the Ministries to send their representatives to accompany the team for the field inspection. The security challenges in the North-East also affected the Teams' coverage of some selected projects as they had to restrict the exercise to safer locations in Bauchi, Gombe and Taraba states while avoiding Adamawa, Borno and Yobe states where government had declared a state of emergency.

50. As usual the teams were accompanied by representatives of Civil Society Organizations and the Media for independent views and transparency.

WORKS

51. The provision and rehabilitation of road networks nationwide is core to Government's determination to ease the movement of citizens and materials, boosting socio-economic activities and opening up rural areas as well as linking various communities within the country. To achieve this objective, the sector was allocated a total of N168.17 billion in the 2013 Budget while N48.065 billion was released and fully cash backed in the first half of the fiscal year. The sum of N34.02 billion had been utilized as at 30th June, 2013 to execute projects including the following:

i. *Reconstruction of Apapa - Oshodi Expressway, Lagos*

The Apapa – Oshodi expressway is the major route to Nigeria's busiest Seaport at Tin can Island Port, Apapa and the Murtala Mohammed

International Airport, Ikeja. The road connects both the East and West Senatorial Zones of Lagos State stretching from Apapa through Oshodi and linking Lagos – Ibadan expressway at Oworonshoki. The project is divided into two sections:

Section (I) phase (I) which was the rehabilitation of 5.6km had been completed and in use. Section (II) phase (II): The project involves the construction of a 10km dual carriageway from Beach land Junction (km 7+000) to Cele Bus Stop (km 15+200 LHS) & (km12+600 - km15 +200 RHS). The scope of work includes: the reconstruction of three (3) main carriageways and two (2) Service lanes. Others are: the rehabilitation of the existing ramps at Beach land flyover at Kirikiri and Mile 2 interchange, construction of walkways, kerbstones, laybys, failed drains and culverts.

The contract was awarded to Messrs Julius Berger Nig. Plc. in January 2013 at a cost of N14.99 billion with completion scheduled for April 2014. The sum of N1.5 billion was appropriated in 2013 Budget but there was no release to the project from the supervisory Ministry as at second quarter of the fiscal year. A total of N2.25 billion had been expended on the project to achieve 22% level of completion.

Findings

At the time of monitoring, work in progress included: the construction of 5.4km drainage, 1.3km asphaltic binder course, 22nos. kerbstones and the laying 3.2km cable duct, concrete works etc.

Socio-Economic Impact

Prior to the construction works, heavy vehicular traffic, recurrent flooding, tanker farms and persistent abuse of the environment threatened the entire expressway. With the commencement of work, some level of improvement and general decongestion had been achieved.

The project had created employment opportunities for over 400 hundred skilled and unskilled personnel. It had attracted lot of commercial activities such as car dealers, schools and filling stations. There was also improvement in the delivery of consignments by importers and other users after customs clearance.

Challenges

The major challenge to the project completion is the horrific traffic congestion caused by unchecked axle load, destruction of drainage structures by occupants of the right of way and flooding caused by craters and ditches.

Picture 1: On-going Construction work at Apapa – Oshodi Expressway Section 2

ii. *<u>The Dualization of Abuja - Lokoja Road Section lll (Abaji - Kotonkarfi), Contract No.5884</u>*

Abuja – Lokoja Road is a major link between the Northern and Southern parts of Nigeria. It is one of the major routes for the transportation of goods, services and people from South to North and vice-versa. The project involves the dualization of the existing 49.362km highway from Abaji to Kotonkarfi. It consists of 7.3m wide carriage with 2.75m and 1.5m outer and inner shoulders respectively. The two carriage ways are to be separated by 8.0m wide median at rural areas and concrete median barrier at built up areas. It also entails the construction of: 111 nos. culverts (box and pipes), median and road sides drains, two (2) no. bridges at Ch. 100 + 225 and Ch. 103 + 515 of 4 and 5 spans respectively, as well as the rehabilitation of the existing carriageway.

The contract for the project was awarded to Messrs Bulletine Construction Company Limited on 12th October, 2006, at an initial cost of N9.69 billion and completion date of 11th April, 2009. This was later revised to N25.82 billion with a new completion date of 12th March 2014, due to paucity of funds (no budgetary allocations in 2007 and 2008). The sum of N1.5 billion was appropriated to the project in 2013 Budget. However, nothing had been released as at the second quarter. A total of N11.099 billion had been committed to the project since inception to achieve 34.98% level of completion.

Findings

At the time of monitoring, the following construction activities were on-going: earthworks, stone base, construction of culverts and bridge 2 (pile caps, piers cross beams) binder course and surface dressing of shoulders on the existing carriageway. The monitoring team was informed by the Engineer's Representative of the Federal Ministry of Works that a total of N5.46 billion was released and paid to the project from SURE-P in 2013 to carry out the above activities. The team was also informed that the project had an outstanding liability of N771.68 million which had been certified and forwarded to the Ministry's Headquarter for payment.

Picture 2: Newly Constructed Portion at Km 0 of the Dualization of Abuja - Lokoja Road Section lll (Abaji – Kotonkarfi)

Socio-Economic impact

Although the project was yet to be completed, it had provided employment for 487 civil/structural Engineers, Artisans, and skilled and unskilled labourers. The socio-economic activities of the local communities along the road had improved in terms of marketing opportunities, upsurge in the value of land, construction of houses and shops. When completed, the project will enhance social mobility, transportation of goods, services, agricultural produce and general commerce. It will also reduce the cost of vehicle maintenance, travel time and the rate of accidents on the road.

Challenges

Among the challenges faced by the project included: fleet of trailers and tankers parked by the sides of the road, thereby obstructing the on-going construction work, communal problems such as the difficulty in gaining access to particular portion of the road which served as traditional graveyards, and inadequate provision for the payment of compensation to the affected property owners by the Ministry.

iii. *<u>The Dualization of Abuja - Lokoja Road Section IV (Kotonkarfi - Lokoja) Contract No.5885</u>*

The project involves the dualization of the existing 50.10km highway from Kotonkarfi - Lokoja (Obajana/Kabba Junction). The new carriage way will be separated from the existing one by 8.0m wide median in rural areas and concrete median barrier at built up areas. It is also expected to have 2.75m and 1.5m outer and inner shoulders respectively, seven (7) new bridges of various spans, extension of all existing box and pipe culverts under the new carriageway with concrete lined drains. In addition, the existing carriageway is to be completely rehabilitated.

The contract was awarded to Messrs Gitto Construzioni Generali Limited on 12^{th} October, 2006 at an initial cost of N11.98 billion and a completion date of 11^{th} October, 2008. The contract sum was later revised to N31.09 billion with a new completion date of 10^{th}April, 2014. Although nothing was released in the second quarter of the year, the sum of N1.5 billion was appropriated to the project in 2013 Budget. A total of N6.85 billion had been committed to the project since inception to achieve 23.65% level of completion.

Findings

At the time of visit, the following construction activities were on-going: site clearing (at km 5 – km 50), earthworks, sub-base, crushed stone base, binder course, wearing course, and surface dressing of shoulders on the existing carriageway. The monitoring team was informed by the Engineer’s Representative of the Federal Ministry of Works that the sum of N839.35 million was released and paid to the project from SURE-P in 2013 to execute the above stated activities.

Picture 3: On-going Construction of Bridge at Section IV of Abuja- Lokoja (Kotonkarfi–Lokoja)

Socio-Economic impact

The team was informed that the project had provided employment for 296 civil/structural Engineers, Artisans, and skilled and unskilled labourers. It had also improved socio-economic activities in the surrounding communities, which included increase in number of shops, housing development and the upsurge in value of lands. When completed, the project will enhance social mobility, transportation of goods, services and agricultural produce. It will also reduce travelling time, traffic congestions and road accidents.

vi. *Construction of Kaduna Eastern By-Pass: Contract No. 5346*

The scope of the contract include the construction of a 48.5km length of dual caariageway starting from Kakau hill near Kakau village along the Kaduna – Abuja road to Rigachiukun on the Zaria road, with a 10km dual carriageway spur to Rabah road. Others are construction of 8nos. land bridges at interchanges, 10nos. river and stream bridges, 2nos. flyovers across railway lines, box and pipe culverts, and concrete line drains.

The contract was awarded to Messrs Eksiohullari Construction (Nig.) Ltd. in November 2002 at the initial sum of N16 billion. Actual work commenced in March 2003 due to interference by the local people and was expected to have been completed in November 2005. However, the completion date was later reviewed to July 2012 due to lean budgetary provisions and releases over the years by the Federal Ministry of Works.

The sum of N1.5 billion was appropriated in the 2013 Budget out of which N322.22 million was released and utilised. A total of N11.33 billion had been committed to the project to achieve 62.27% level of completion since inception. This shows an increase of only 1.28% recorded in the first half of the year (2013) compared to 60.99% achieved as at the end of fourth quarter 2012.

Findings

At the time of this report, site clearing had been completed on the 46km of the main road. Other completed components were compensation, 15nos. box culverts, 37nos. pipes culverts, 180nos. piles at Chikaji river bridge, and all pipes for Rabah interchange (Chainage 27 + 970) with all the associated beams. About 95% completion was recorded for Kakau, Romi river and Rido railway bridges as well as the Kachia interchange bridge, etc. In addition, about 16km dual carriageway portion of the road (Kakau to Kachia junction) was fully completed with all the markings and currently open up for usage. Work in progress was the laying of kerbs and chutes at Kakau interchange and the main alignment.

Challenges

The team was informed by the Contractor that the rains, late payment of compensation, late approval of the final construcution drawings and the lean budgetary provisions and releases experienced over the years affected the early completion of this project. Consequently, a request for review of the contract cost (rates) in the sum of N40 billion and extension of completion date to December 2015 had been submitted to the Federal Minstry of Works and currently awaiting approval. This was due to adjustment in the scope of the project (conversion of 4nos. roundabouts to bridge interchanges), and review in the basic (obsolete) rates of materials, etc.

Picture 4: A completed portion of the dual carriageway (Kakau – Kachia)

Socio-Economic impact

The project, though not completed had provided employment for more than 300 skilled and unskilled people of the area thereby enhancing their standards of living. At present, the completed 16km portion of the dual carriageway which was opened up for usage in December 2012 has reduced congestion experienced over the years within Kaduna metropolis, and also facilitates free flow of traffic along Kachia - Kafanchan roads to the east. Also, the contractor had initiated and built a palace for the Kakau Chiefdom along the main road as part of social responsibility to the community. The presence of the project is currently attracting layouts for both residential and commercial activities which will bring about improved socio-economic activities.

v. *Rehabilitation of Bauchi-Dass-Tafawa Balewa Road in Bauchi State, C/No 6068*

The project involves the rehabilitation and asphalt overlay of 75km road from the Federal polytechnic, Bauchi to Tafawa Balewa in Bauchi State. It has a 7.3m width of asphaltic concrete pavements and 2.75m width surface dressed shoulders on either side. The scope of work include site clearance, excavation of unsuitable materials where necessary, provision of pipe and box culverts, laterite sub-base and crushed stone base course of 200mm thick, application of bitumen emulsion as prime coat on base course and shoulders, application of tack coat, laying of 60mm binder course, laying of 40mm thick asphaltic concrete wearing course/single coat surface dressing on shoulders and provision of miscellaneous works like stone pitching kerbs, chutes, kilometer post and road furniture. The contract was awarded to Messrs Triacta Nig. Ltd in September 2010 at a cost of N4.58 billion and was scheduled for completion in September 2012. This was however not achieved due to insecurity and funding issues.

The sum of N750 million was appropriated in 2013, but nothing had been released by the supervising ministry as at second quarter. The sum of N2.39 billion had been expended on the project since inception to achieve a cumulative performance of 80%.

Findings

At the time of monitoring, 59.2km had been completed to wearing course, while binder course was 62.2km. Work outstanding was 12.8km.

The contractor was fully on site and the progress of work was very encouraging.

Socio-Economic impact

Prior to the rehabilitation work, the road was full of pot-holes which made travelling very difficult. It resulted into spending more time travelling and caused colossal damages to vehicles plying the road. The progress made thus far in the project has reduced the travelling time of motorists and commuters. It has also reduced the maintenance cost of vehicles, boosted socio-economic activities and had provided employment to 167 skilled and unskilled youths of the area. On completion, motorists will find it easier and faster travelling along the road, a boost in socio-economic activities as well as reduction in vehicle maintenance.

Picture 5: Ongoing work on Bauchi-Dass-Tafawa Balewa road

vi. <u>Construction of Yenegwe-Okaki-kolo Road in Bayelsa State C/No.5990</u>

The Yenegwe-Okaki-Kolo Road is a section of the Yenegwe-Brass road, leading to the oil rich Brass region. The project entails the construction of a two lane carriage way of 33.5km length and 7.3m width carriage way, 2.75m width surface dressed shoulders on either side. The contract was awarded to Messrs Enerco Nig. Ltd at the sum of N9.99 billion. Work commenced on 28th May, 2009 with an initial completion date of 27th November, 2011 which had been extended to 27th December, 2013 due to delayed payments by the Ministry for certified works.

The sum of N2 billion was appropriated to the project in 2013 while N725.54 million was released and utilized in the quarter bringing total releases and utilization in the year to N1.01 billion to achieve 14% level of completion. A total of N4.8 billion had been committed to the project since inception to achieve a cumulative performance of 51.39%.

Findings

At the time of monitoring, physical achievements recorded include: Construction of 12km of carriageway up to wearing course level, about 12km of second layer of soil/cement sub-base on the shoulders, about 3.5km of surface dressing on the shoulders, about 12km of kerbs and completion of piling work on the 2 new bridges. The team was informed by the officials of Federal Ministry of Works that due to changes in the Bill of Engineering Measurement (BEME), an augmentation of N3.6 billion had been forwarded through the Ministry to the Federal Executive Council for consideration and approval.

Socio-Economic impact

Although the project is yet to be completed, it had employed about 300 skilled and unskilled workers. It is also opening up the oil rich Brass region to the other part of the country. In addition, it has also attracted the building of estates, thereby reducing the housing challenges in the area. When completed, it will ease the movement of goods and passengers, reduce travel time and boost socio-economic activities within the area.

Challenges

The contractor complained about insecurity, particularly the theft of construction materials incorporated in the works and abuse of the finished works due to large scale building activity by the communities. For instance, most of the surfaced dressed shoulders have been converted to stowage areas for building materials. There is also wanton destruction of finished kerbs by the communities to create access for their own developmental works.

Picture 6: Construction of Yenegwe-Okaki-Okolo road in Bayelsa

vii. <u>Rehabilitation of Onitsha – Enugu Dual Carriage way Section II. Anambra State Border Enugu in Enugu State. Contract No. 5988.</u>

The section under consideration (Anambra state border to 9th mile Enugu) was in a deplorable condition before the intervention of the Federal Government. The main objective of this intervention was to fully rehabilitate 52 km of the carriage way towards Enugu. The scope of work include: site clearance, scarification and pulverization of failed existing carriage way, construction of new culverts, drains, turnout and duties. Others are provision of 200mm sub-base on carriage way and shoulders, crushed stone base of 200mm, and laying of binder/wearing courses.

The contract was awarded to Messer Niger construction Ltd on 28th May, 2009 at a cost of N7.2 billion with an expected completion date of 27th November, 2011. The sum of N1 billion was appropriated for it in the 2013 budget but not yet released, while N3.17 billion was committed since inception to achieve a 45.63% level of completion.

Findings

As at the time of monitoring, the contractor had suspended work. However, it was discovered that the pulverized and completed sections had started failing due to the rigid nature of the soil cement base, thus exposing the pavement to the low bearing capacity of the under laying soil. The Engineer Representative informed the team that a new Bill of Engineering Measurement (BEME) had been forwarded to the ministry for approval to enable the contractor remobilize to site.

Socio–Economic impact

The road, when completed will provide a link between the commercial city of Anambra and Enugu state and promote socio economic activities in the Eastern states of the country.

Challenges

The continuous failure of the pavement as a result of the rigid nature of the soil cement base poses a major hindrance to the project. The case has been reported to the Honourable Minister of works alongside suggested solutions for soil cement stabilization and awaiting approval.

FEDERAL CAPITAL TERRITORY ADMINISTRATIONS (FCTA)

52. The provision of infrastructural facilities for the economic development of Abuja is the mandate of the Federal Capital Territory Administration (FCTA). This mandate includes the creation of satellite towns and development areas to meet up with the requirements of the City Master Plan. To achieve this objective, a total of N57 billion was allocated in 2013 Budget. Of this amount, N17 billion had been released and cash backed while N9.72 billion or (57.15%) had been utilized as at the end of second quarter of the year. The following projects were monitored.

i. *The Rehabilitation and Expansion of Outer Northern Expressway Lot II*

The project involves the construction of 20.26km stretch of a ten (10) lane main carriageway from Dutse Junction to Asokoro Outer Southern Expressway Roundabout. The scope of work included: the left and right service carriageways and rehabilitation of the existing main carriageways. Others are the provision of interchange structures, culverts, barriers, streetlight, special U-turns, galleries, power supply and telecom ducts.

The contract was awarded to Messrs CGC Nig. Ltd at a cost of N81.91billion in May 2009. Work commenced in June 2009 and was expected to have been completed by March 2011. This was however revised to November 2012 owing to the reviewed scope of works, which included the increase in length of the expressway from 19.5km to 20.26km and funding issues. The sum of N5 billion and N2 billion were appropriated in 2013 FCTA statutory and National Budget respectively. Out of this amount the sum of N2.5 billion comprising of N1.5 billion statutory and N1 billion national budget had been released and utilized as at second quarter of that year.

A total of N63.41 billion had been committed to the project from inception to date to achieve a cumulative performance of 91%. This represents 6% increase over the Fourth quarter performance of 2012 fiscal year.

Findings

At the time of this report, works completed included the provision of 2nos service carriageways, 4nos main carriageways, 4 special U-tunes, laying of 8-ways telecom ducts, construction of interchange structures, stone pitched drains, Asphaltic binder & wearing course on the right hand site (RHS) and left hand site (LHS) service carriageways, street lighting, power supply, and provision of 5nos Galleries. However, outstanding works were earth works, pavement structure in the encumbered portions of interchange location for RR III, construction of overhead bridge and 1no Diamond interchange at S14/Onex junction around villa roundabout, lane marking and signage.

Socio-Economic impact

Besides attracting the development of over 40 estates along the road, the project had created employment for about 700 (Seven Hundred) skilled and unskilled workers which has now been scaled down to 450 (Four Hundred & fifty) as the job winds down. It has also improved the flow of traffic and increased the value of properties along the route.

Challenges

The major challenge to the project is the encumbrance from the occupants of properties standing on the right of way of the construction at RR II. The landowners refused compensation and took Federal Housing Authority (FHA) to court.

Picture 7: The disputed properties standing along the Right of Way (RRII) at ONEX Lot II

ii. *Abuja Rail Mass Transit Project*

The project involves the design and development of 60.67km of standard gauge double rail track within FCT, Abuja. It was conceived to transport two million people per day to and from the city centre. It is pertinent to note here that this project is an addendum to the National Rail Project, linking Abuja–Kaduna. The Abuja Rail Transport starts from the Coscharis Motors at the Central Business Area through Idu to the Airport and terminates at Kubwa. The initial coverage of the project was 60.67km, but Lot 1B which had a 15.43km stretch was later suspended due to paucity of funds; hence bringing the current coverage to 45.24km (Lots 1 & 3).

The contract was awarded to Messrs China Civil Engineering and Construction Corporation (CCECC) Nig. Ltd in May 2009 at a cost of US$841.65 million (equivalent to N106.27 billion) with a completion date of August 2011, which was later reviewed to May 2015 due to upgrading of the projects conceptual design and inadequate funds. The sum of N1billion was appropriated in the 2013 budget (in addition to N30billion from the FCT statutory budget), out of which nothing was released by the FCT. However, N9.6billion was released to the project as a counterpart fund from the China EXIM bank to achieve 3.45% in the quarter under review. Cumulative performance since inception stood at 29%.

Findings

At the time of monitoring, survey and final design of lots 1&3 as well as traffic survey and feasibility studies were completed. Compensation of up to 38km of the rail right of way and laying of 4km of double track Rail line were also completed. On-going works included construction of flyover bridge at Gosa landfill diversion road at Idu; slope stabilization (rock bolting) at section D3K13+025 to D3K3+170; Track laying/welding of rail track between Ring Road I and Ring Road II, Rock excavation from section D3K13+206 to D3K13+526.73; Production of 32m post-tension pre-cast concrete T-Beam for bridges; and the Production of I beam for flyover to Gosa landfill.

Socio-Economic impact

The project, even though still on-going, had already stirred-up economic activities in the host communities. So far, 3,500 skilled and unskilled labourers have been employed from these communities by the contractor. In addition, the project has opportunities such as indirect jobs (i.e. supplies and sub-contracting). When completed, it is expected to provide 39 sets of DMU locomotives with 6,300 capacity passenger cars to cater for about 156,400 passengers. There will be huge movement of goods which would further provide employment for an additional 20,000 job seekers.

Challenges

Amongst the constraints which the project faces included some unresolved compensations, prolonged procedures of revoking the allocations of several Embassies located on the right of way and the non-vacation of some already compensated lands.

iii. *Provision of Engineering Infrastructure to Karshi Satellite Town (District 1 & 2)*

The project entails providing the two districts with Engineering Infrastructure such as Roadwork, Storm Water, Drainage and Culverts, Water Supply for the entire communities, Electricity distribution network and Street lights to Karshi Satellite Town (Districts 1&2). The contract for the project was awarded to Messrs S.C.C Nig Ltd at an initial cost of N11.52 billion in May, 2007 with a completion period of 80 weeks (i.e. Nov, 2008). This was however, revised to N28.22 billion in March 2012 with a new completion date of November, 2013 following changes in the specifications and scope of work in the final (revised) engineering design, and increase in price of materials.

The sum of N4.35 billion was appropriated for its implementation in 2013, out of which N163 million was released and utilized as at July, 2013. An aggregate of N11.39 billion had been committed to the project since inception to achieve 50.29% level of completion.

Findings

At the time of inspection, work done included the Construction of Roads network (Districts 1&2) of the following categories to asphalt finished surface Arterial Roads 39.04km, Collector Roads 11.84km, Local streets 22.80km, Minor Access Roads 0.97km, Upgrading of existing local streets (3.57km), Construction of drainages and culverts 1.58km total length, construction of pipe culverts with varying sizes of single and double cells of 2.3km total length, Construction of concrete open side drainages with varying width of 0.45m to 0.70m of 79.03km length, Water Supply - 32,514m of Ductile Iron pipework, 78,472m of UPVC pipe works in progress, Electricity distribution network (33KV poles of 1.50 km and 11KV) overhead line network of 20.30km of high and low tension lines has been erected, Casting of walkway, pavement and surfacing are in progress.

Socio-Economic Impact

Although, the project is yet to be completed, it employed 420 workers both skilled and unskilled. When completed, it will help to decongest pressure on the existing infrastructure in the Federal Capital City thereby reducing rural-urban migration as well as improving the living standard of inhabitants of Karshi.

Challenges

The Chief Resident Engineer Representative informed the team that non-acceptance of compensation by affected owners of crops, buildings and other related structures on the Right-of-Way on district 2 remains an impediment to work on the project.

iv. *Provision of Engineering Infrastructure to Kyami District.*

This project is located after Lugbe before Kuje Junction and is aimed at providing accommodation and basic infrastructure for the dwelling of workers at Kyami District and to decongest the city in line with the Abuja Master plan.

The sum of N2 billion was appropriated for it in the 2013 budget to provide Engineering infrastructure to Kyami District. No release has been made at the time of visit from the appropriation. Kyami is a completely new district.

Findings

At the time of inspection, the team was informed that, the engineering design for the district has just been approved by the President-in-Council on the 14th August, 2013. Preliminary works (design) has been done while tender will soon commence. The team was also informed that Kyami District is divided into three zones for administrative convenience with the smallest covering over 800 hectares.

TRANSPORT SECTOR

53. This sector is charged with the responsibility of enunciating policies and strategic framework for enhancing the development and growth of the various aspects of transportation in the country. The Ministry also oversees the inter-modal system that will make for affordable, easy and effective service delivery in rail, water and road sub-sectors.

Towards the achievement of the above mandate, the sum of N44.53 billion was allocated in 2013 Budget out of which N13.37 billion was released and fully cash-backed; while N6.75 billion was utilized in the first half of the year to implement its capital projects/programmes. The following projects were monitored:

i. Nigerian Institute of Transport Technology (NITT), Zaria

The institute is a professional training centre which provides world class professional training, research and proffer solutions to all issues relating to transportation in Nigeria and Sub-Sahara Africa. The sum of N3.74 billion was appropriated in the 2013 Budget. Out of this amount, N839.14 million and N834.80 million were released and utilized respectively for the execution of the following projects:

a) Construction of Participants' Hostel, Phase II

The project involves the construction of a storey building comprising a 52-studio residential arrangement for senior personalities/participants and their families, a kitchen and toilet facilities, a 500-seater conference hall, a restaurant of 1000 capacity with kitchen, provision of a swimming pool, fencing and landscapping, etc.

The contract was awarded to Messrs Sanbath Nig. Limited in August 2008 at the cost of N494 million and was expected to have been completed in December 2011. This could not be achieved due to funding constraints and rise in the cost of materials. However, a proposal had been made for the revision of the contract sum to N694 million with a new completion date of December 2014.

In 2013 Budget, the sum of N370.93 million was appropriated while N16.09 million was released and utilised in the first two quarters bringing total financial commitment to N361.71 million to achieve a cummulative performance of 80%. This indicates a marginal improvement of 7% in addition to 73% performance recorded as at November 2012.

Findings

At the time of visit, the contractor was not on site. The team was informed that the contractor was awaiting approval of the revised contract sum to resume work. However, roofing and plastering works had been completed, while installations of sanitary wears, fixing of doors/windows, electrical fittings, completion of some portions of tilling works were outstanding. Others include: external works (landscapping), construction of swimming pool and fencing, etc.

Picture 8: Participants' hostel complex almost completed at NITT, Zaria.

Socio-Economic impact:

The project though not completed had generated employment for more than fifty-six (56) artisans and other unskilled people of the local community. On completion, participants' enrolment is expected to increase or double the current annual population of 2500 participants (for both short and long term courses). The team was also informed that the conference hall and some of the rooms are to be commercialised hence will boost the revenue base of the institute. In addition, the engagement of participants from other African countries will help to enhance the image of the institute and Nigeria at large.

b). <u>Construction ofTransport Technology Centre (TTC), Phase II</u>

The scope of the project include the construction of a storey building comprising: 5Nos. offices, 8Nos. workshops and laboratories and crash test facilities (for training programmes in transport technology and other related activities), and conveniences. It was awarded to Messrs Epsilon Sky Global Ltd. in July 2010 at the cost of N1.45 billion and is expected to be completed in December 2014.

The sum of N440 million was appropriated in the 2013 Budget out of which N108.02 million was released in the first two quarters to achieve an additional 25% work performance, thus bringing to 60% the cumulative performance since inception. A total of N448.43 million had so far been committed to the project to date.

Findings

Roofing, ceiling, plastering, terrazzo floors, fixing of windows and 2km asphalted road network around the buildings were all completed at the time of visit. External works, painting and completion of electrical fittings are outstanding. The team gathered that the progress of work was slowed down due to funding constraints.

Picture 9: On-going *Construction of Transport Technology Centre (TTC), Phase II*

Socio-Economic impact

The project when completed will serve as a centre for workshops and seminars for transporters, transport technologists and the general public on transport related matters. It will also attract participants from Chad and other African countries on crane operations. The resultant effect of the practical technological training is the enhancement of participants' skills and safety consciousness on transport operations in line with Government transformation agenda. In addition, the training programmes for external participants would attract the payment of fees which will help in boosting the revenue base of the institution as well as their remittance to government.

c). <u>Upgrading of library and IT facilities</u>

This project comprises the provision of fully equipped e-library section and Local Area Network (LAN) with fibre optic cables and internet connectivity. Other components are: design and development of the Institute's website, Bursary automation for e-payment transactions, and solar panels for power backup, etc.

The contract was awarded to Messrs E-sense Technology Solutions Limited in June 2012 at a cost of N325 million and is expected to be completed in December, 2013. In 2013 budget, the sum of N200 million was appropriated to the project out of which N77.83 million was released and utilized bringing total commitment to N213.40 million since inception to achieve 60% level of completion. This revealed an additional achievement of about 35% compared to 25% performance recorded in the last quarter of 2012.

Findings

As at the time of visit, the Network system and Internet connectivity component of the project had been completed and operational. The solar panel for electricity backup had also been installed and most of the hardware components including all the facilities relating to the e-library had been provided. Testing of the already designed Bursary Automation Software was in progress at the institute while outstanding works include: integration of the designed software with the Network platform, completion of the website design, and the final configuration of the e-library installations.

Picture 10: A section of the e-library and the solar panel component provided at NITT, Zaria.

Socio-Economic impact

The project though not completed has generated employment for over thirty (30) technicians engaged in the network cable and solar panel installations, software design, and other components of the projects. The internet connectivity and library facilities (100 desktop and 30 laptop computers) installed has provided free access to the internet and e-library by both staff and students of the institute, and the registered public. This has currently enhanced staff morale, commitment and productivity. On final completion; the project will provide a more congenial learning environment, data accessibility and smooth operations in the Institute.

ii. *<u>Construction/Completion of Abuja (Idu) to Kachia Rail Line</u>*

The project involves the construction of 186.5km of standard gauge rail tracks from Idu (Abuja) to Kaduna, joining the Lagos-Kano main trunk at the junction in Kakau station. It is designed to connect the Federal Capital to the main commercial cities of the North-West of the country. The scope of work includes: design and construction works, 25nos. highway overpass, 7nos. box bridges, 204nos. culverts, 9nos. track and station related works included buildings, power supply, communication and signaling with a subsequent maintenance agreement for five (5) years.

The project was awarded to Messrs. China Civil Engineering Construction Corporation (CCECC) Nigeria Ltd. on 22^{nd} October, 2009, at the sum of USD 849,750,903.00. Work commenced on 20^{th} February, 2011 and is expected to be completed in 36 months (February, 2014).The sum of N3.56billion was appropriated to the project in 2013 Budget, however, there was no release as at second quarter of the year. A total of $445.835 million (comprising of National Budget $175.17 million, SURE- P $63.51 million, and China Exim

Bank $207.14 million) had so far been committed to the project since inception to achieve 65% level of completion.

Findings

At the time of visit, work done included: earth works (soil excavation 1,018 m^3, rock blasting 200,000m^3, & backfill 1282 m^3), 37 culverts (37 nos.) and permanent way (welded rails 300 x 250m, track panels assembled-stock240 x 25m, formation level with seal coat 16%, sub-ballast 5% & panels1. Others consist: embankment construction for bridge and culvert from km 0 – km 187 and construction track laying from km0 – km 68.

Picture 11: On-going construction of rail track and bridge of Abuja (Idu) to Kachia Rail Line

Socio-Economic Impacts

The project though not completed, had provided over 201 job opportunities to indigenes of Kaduna, Jere and neighbouring communities. It has also enhanced socio-economic activities along the corridorwhich includes all major towns within the North –-West and North-Central zones of the country. When completed, the project will enhance mass movement of passengers at cheaper and affordable rates; reduce travel time and the number of heavy duty vehicles plying the highway. In this respect, the rail project would prolong the life span of the roads and facilitate the social interactions, general commerce as well as the transportation of products such as cement and agriculture produce.

iii. <u>Construction of River Port Lokoja and Cargo Handling Equipment</u>

The project which is located in Jamata, Lokoja, involves: the construction of steel sheet pile quay wall, transit shed/ware house, administrative building, power building, access road and land reclamation. The project was awarded to Messrs. Inter-Bau Construction Ltd. on 23rd March, 2012, at a cost of N4.11billion and is expected to be completed in December, 2014. The sum of N2.25 billion was appropriated for the project in 2013 Budget, out of this amount; N104.51 million was released and utilized in the second quarter to achieve 5% performance. However, a total of N1.23 billion had so far been committed to the project since inception to achieve 40% cumulative level of completion.

Findings

At the time of monitoring on-going works included 2km access road and land reclamation on the port sites and erection of 0.5km key wall (shore protection).

Picture 12: One of the Dredging boats, a completed key wall and vibrator at River Port Lokoja

Socio-Economic Impacts

The project though not yet completed, it had created employment for over 205 engineers, artisans, and labourers in the communities. When completed, it will boost the country's socio-economic activities through intermodal system of transport, thereby reducing the burden on Nigerian roads.

iv. <u>Channelization of Oguta Lake & Escravos Channel.</u>

This project is runs from Oguta in Imo State to Degema in Port- Harcourt Rivers State. The scope of work includes, dredging and sweeping of the Orashi channel. The contract was awarded to Simidia S&I International Company Limited in April 2012 at a cost of N2.20 billion with a completion date of March, 2013.

The sum of N500 million was appropriated in 2013, out of which N140 million was released and utilized bringing cumulative financial commitment on it to over N1.06 billion. It had achieved 100% completion level.

Findings

At the time of this report, the project was fully completed and a certificate of job completion was issued by National Inland Waterways Authority (NIWA) Headquarters in Lokoja, Kogi State. The contractor has demobilized from site though; he noted that he is still being owed the sum of N1.2 billion.

Picture 13: Dredged sand from the Oguta Lake

Socio–Economic Impact

The project had provided safe landing facilities for passengers and efficient cargo handling to decongest other ports and provide sailing route for bigger vessels. Fishing activities have increased while transportation of goods through the ferry has reduced travel time and congestion on the road.

v. *Channelization and Dredging of Iyere River Itu – Ikpa – Okpoto Odiok – Atlantic Ocean*

The contract for the Channelization and Dredging of Iyere River Itu – Ikpa – Okpoto Odiok was awarded to Messrs Abhal Ventures Ltd in March, 2012 at the cost of N300 million with a completion date of December, 2013. For 2013 Budget year, the sum of N120 million was appropriated to the project. Of this amount, the sum of N5.6 million was released and utilized. A total sum of N136.1 million has so far been committed to the project since inception. The project has achieved 100% completion.

Findings

At the time of visit, the monitoring team observed that dredging of waterways and shores protection of 50m length has been completed. The Team also gathered that the shore – protection was not high enough and this has resulted in the river extending its bounds. The project was completed in March, 2013.

Socio-Economic Impact

During the work execution, about forty (40) workers both skilled and unskilled were employed by the contractor. With the completion of the project, it has provided an open navigational channel for all year round conveyance of cargoes and passengers.

Aviation

54. In view of the critical position this sector occupies in the Government's socio-economic transformation programme, the Ministry had an allocation of N48.50 billion in the 2013 Budget for the implementation of its capital projects and programmes. Of this amount, the sum of N15.38 billion had been released and fully cash backed while N5.75 billion had been utilized by the MDA as at the time of this report. The following projects were monitored:

i. Nigerian College of Aviation Technology (NCAT), Zaria

The College has an allocation of N3.55 billion for the implementation of its capital projects/programmes in the 2013 Budget**.** Of this amount, N337.60 million was released and utilized in the second quarter bringing the total releases as at 30th June, 2013 to N794.79 million. Of this, sum of N246.83 million was utilized to implement projects including the following:

a). Purchase of Aircraft spare parts

This project entails the purchase of spare parts for routine maintenance of its training aircrafts. The sum of N100 million was appropriated for it in the 2013 Budget. Of this, N50 million had been released to the project while N21.54 million had been committed to the project to achieve 22% level of implementation. It is being implemented by the Nigeria Air Force with completion scheduled for December 2013.

Findings

As at the end of the second quarter, some of the spare parts had been procured and were already being used for the replacement of parts or routine maintenance/services of the aircrafts. Also, replacement of spare parts was in progress for TB 9 & 20 aircrafts at the college workshop. The team was informed by the head of procurement that the remaining spare parts had been procured and expecting delivery to complete the contract.

Picture14: Some of the procured spare parts and one of the aircrafts (TB 9) being serviced at the College

Socio-Economic impact

The procurement contract, though not yet completed, has helped provide spare parts which facilitated the routine maintenance of some of the aircrafts at the college. Upon completion, it will reduce the cases of grounded trainer aircrafts which were hitherto experienced by the college. Consequently, the serviced trainer aircrafts will help facilitate enhancement of trainnees' skills engender safety standards in line with the global best practices.

b). Purchase of Trainer Helicopters

This project is for the supply of two Bell 206L-IV Helicopters. It was initiated as part of the college's plan to upgrade its training infrastructure. The contract was awarded to Messrs Bell Helicopter, USA in December 2010 at the estimated cost of N1.177 billion and was scheduled for completion in October 2013.

The project had an allocation of N200 million in the 2013 Budget. Of this, N191.96 million had been released and utilized as at the end of second quarter. A total of N1.08 billion had so far been committed to the project to date to achieve a cumulative implementation of 91%. This shows an improvement of about 46% performance compared to the completion status of 45% recorded as at the end of third quarter 2012.

Findings

The monitoring team was informed by the head of procurement that the 2nos. helicopters had been purchased and currently available at the Murtala Mohammed International Airport (MMIA), Lagos where they are currently being assembled.

c). Construction of Perimeter Fencing

The project entails the construction of perimeter fencing of the college premises and Aerodrome. It covers the provision and installation of bi-steel lattice post with mesh fabric at the operational area covering about 6,000 meters, and the perimeter fencing of both sites I and II covering about 9,000 meters and 2,000 meters respectively.

It was awardedto Messrs Enatec Nigeria Ltd. in February 2011 at a cost of N974.89 million and scheduled for completion in December 2014. The sum of N300 million was appropriated for its implementation in the 2013 Budget. Of this, N150 million had been released while N51.45 million had been utilised to achieve an additional 20% performance for the year as at the second quarter. So far, about N271.45 million had been committed to the project to achieve 45% cummulative level of completion.

Findings

At the end of the second quarter, about 5km of fence work out of the 6km total length of the operational area had been covered and work was ongoing in some portions of site 2 of the project.

Picture 15: Part of the completed bi-metallic fence installation around the Nigerian Airspace Management Agency Division of the College.

Socio-Economic impact

The perimeter fencing, when completed, will help in preventing encroachment to the College premises by unauthorised persons and animals. It will also secure lives and properties at the college.

ii. Nigerian Meteorological Agency (NIMET)

The agency had an appropriation of N1.65 billion in the 2013 Budget for its capital project/programmes. Of this amount, N368.98 million had been released while N325.71 million had been utilized by the Agency as at the end of the quarter.

a) Procurement and Installation of Wind Shear Alert System

The project entails the procurement and installation of 12nos. Wind Shear Alert System in various Airports (Benin, Enugu, Owerri, Sokoto, Yola, etc.). It was initiated to monitor wind shear phenomena around the airports and provide early warning signals to pilots during take-off and landing with a view to enhancing safety.

The contract for the project was awarded to Messrs. Avsatel Nigeria Limited in October, 2009, at a cost of N2.98 billion, with completion scheduled for December, 2014. The sum of N300 million was appropriated for the project in the 2013 Budget while N184.05 million had been released and utilized as at the second quarter to bring total financial commitment on the project to N526.12 million and an aggregate level of 33% implementation.

Findings

At the time of monitoring the project, the team gathered from the NIMET officials that the equipment for Enugu, Owerri, Sokoto and Yola airports had been supplied and installed while that of the Benin airport was in progress. The supplies to the remaining seven (7) airports were outstanding.

Socio-Economic impact

Although not completed, the project engaged twenty one (21) indigenous engineers and artisans. It had ensured the total surveillance of the agency, improved the co-ordination between air traffic controllers and pilots, aided pilots' decision making in the avoidance of bad weather, demonstratively assisted in search and rescue missions and provided state of the art training facilities for Air Traffic Controllers in the airports already covered. When completed, it would further help eliminate weather related incidences and accidents in the airports.

HEALTH

55. This Ministry has a mandate to help improve the overall physical and mental wellbeing of residents in the country. For this purpose, the sum of N60.08 billion was allocated to the Ministry in the 2013 Budget out for the implementation of its projects and programmes. As at end of the second quarter, a total of N23.27 billion had been released to the Ministry while N18.47 billion had been utilized to implement projects including the following.

i. <u>NOMA Children Hospital, Sokoto</u>

NOMA is an infective destruction of the tissue of the cheek, mouth or nose and at times, the whole face. The project aimed at tackling this disease, was founded in 1995 while the hospital was formally commissioned on 17th September, 1999 for the treatment and rehabilitation of NOMA patients as well as for research, control and prevention of the NOMA scourge and other related diseases. The hospital is being co-funded by the Federal Government and the Sokoto State Government with support from some foreign donors such as AWD Foundation of Germany, facing Africa of the UK, and Dutch NOMA Foundation in Netherlands.

The sum of N115.48 million was allocated for the construction of its Administrative block and Visiting Surgeon's Villa in the 2013 Budget. Of this amount, N25.88 million was released and fully cash-backed in the first half of the year to execute the project.

a. <u>Construction of Administrative and Visiting Surgeons' Villa</u>

It entails the construction of a two-storey building comprising twenty-five offices for its administrative/medical staff, and fifteen (15) self-contained rooms with a sitting room/dinning for visiting surgeons' residential accommodation.

The contract was awarded to Messrs Effort Consult Nig. Ltd. in February 2010 at a cost of N248.30 billion with an expected completion date of December 2014. It had an allocation of N115.48 million in the 2013 Budget. Of this, N25.89 million was released and utilized as at 30thJune 2013 bringing total commitment to the project to N83.12 million. A cumulative implementation of 33% had been achieved as at end of the second quarter.

Findings

The first decking for the first floor and block work had been completed. Outstanding works included decking of the first floor, completion of block works at the second floors including roofing, plastering, painting, electrical/plumbing and other auxiliary works.

Picture 16a: On-going Construction of Administrative & Visiting Surgeons' Villa;
Picture 16b: One of the cases treated at NOMA Children Hospital, Sokoto

Socio-Economic impact

More than fifty semi-skilled and other unskilled youths of the local community were engaged on the project. The project, when completed is expected to provide adequate office and residential accommodation for both the administrative, finance and medical staff of the hospital, and foreign/visiting surgeons respectively. The subsequent relocation of office staff to the new administrative block will help decongest the existing temporary block, while the fifteen self-contained residential rooms will consequently reduce the cost of rented accommodation provided for visiting surgeons as well as provide easy access to the surgeons. In addition, the project will provide a facelift and promote the image of the hospital and the country at large.

ii. ***Lagos University Teaching Hospital***

The institution had an appropriation of N385.43 million for implementation of its capital projects/programmes in the 2013 Budget. Of this amount, N86.39 million was released and cash-backed while N63.49 million had been utilized for the implementation of its capital projects/programmes which included the following projects.

a. *Children Emergency Centre*

The project entails the construction of a 3-storey building comprising a 100-bedded capacity patient wards, 2nos theatre suites, 1no intensive care unit and 5nos consulting offices. The contract was awarded to Messrs Akin John Nig. Ltd in March 2011 at a cost of N248.88 million with completion scheduled for December 2013. The project was allocated the sum of N111.55 million in the 2013 Budget. Of this amount, N15 million had been released, cash-backed and utilized as at second quarter. A total of N145 million had been expended on the project from inception to date to achieve 75% level of completion.

Findings

At the time of monitoring the project, the superstructure had been completed and roofed. Work in progress included various partitioning, plastering, ceiling, wiring, and flooring.

Socio-Economic impact

Prior to the expansion of the centre, the facilities were over stretched. For instance, there were cases where facilities meant for a child, e.g., couches, were frequently shared by two or more babies at time. Besides, the old centre could only accommodate 30 babies at a time. Today, there is improved capacity to admit more patients with better consulting offices and improved service delivery. The project had created employment opportunity for artisans, laborers and other skilled and unskilled labour in the immediate community.

Picture 17: Ongoing Construction Work for Children Emergency Centre at LUTH.

b. *Construction of Interns Staff Quarters*

This project is the construction of a 4-wing, 3-storey building of 42 rooms self-contained apartments. The contract was awarded to Messrs Morot Construction Company Ltd in March 2011 at a cost of N352.86 million with an expected completion date of June 2013. This was however not achieved due to the sector’s prioritization of resources.

The sum of N64.51 million was appropriated for the project’s implementation in the 2013 Budget. Of this, N20 million had been released and wholly utilized as at the end of the second quarter of the fiscal year. A total of N290.054 million had been committed to the project to date to achieve a cumulative implementation of 85%.

Findings

At the time of this report, the superstructure had been completed roofed and plastered. However, outstanding works include; doors and windows, ceilings, floor furnishings, tilling, electrical and plumbing fittings, landscaping, painting & decorations.

Picture 18: On – going Construction of Construction of Interns Staff Quarters at Lagos University Teaching

iii. <u>National Obstetric Fistula Centre (NOFIC), Abakaliki.</u>

Established in May, 2011, the National Obstetrics Fistula Center (NOFIC) was conceived as a referral centre for the management of obstetric vesico-virginal fistula condition in women. The centre undertakes research and gives holistic care to restore the dignity of affected women for free.

The sum of N378 million was appropriated to the Centre in the 2013 Budget for the implementation of its capital projects/programmes. Of this amount, N71.3 million had been released and cash-backed while N15.5 million had been utilized as at the end of June 2013.

i. *Construction of Theatre / Changing Rooms & Administrative Building Complex.*

This 2-storey building incorporates four operating theatres on the ground floor with two large wards, administrative offices, a boardroom, conference hall and library. The project was awarded to Messrs Tirmana Consult Limited in September, 2012 at a cost of N200.3 million and it was scheduled for completion in February, 2014.

In the 2013 Appropriation, the sum of N100 million was approved for the project out of which, N35.6 million had been utilized in the second quarter bringing total spending on the project to N70.7 million to achieve a 55% level of implementation.

Picture 19: Construction of Administrative Building at NOFIC Abakaliki.

Findings

At the time of visit, the building had reached the roofing stage while internal plastering was over 90% completion.

iv. Federal Specialist Hospital, Irrua

The sum of N480.89 million was appropriated for the implementation of the hospital's capital projects/programmes in the 2013 Budget. Of this, the sum of N107.79 million had been released and cash-backed as at end of June while N94.90 million had been utilized by the hospital. The following projects were monitored: Expansion and Equipment of 2 theatres, and the expansion of its General Out Patient Department (GOPD) and Consultancy Out Patient Department.

a. Expansion and Equipment of 2 Main Theatres

The project entails the expansion and equipping of 2 main theatres including 10 mini theaters and the provision of 3 each of anesthetic machines, operating tables, ventilators, giant autoclaves and monitors. The contract for this project was awarded to Messrs D-F Nig. Ltd at the sum of N216.15 million on 19th of December, 2011 with a completion date of December, 2013. The sum of N147.72 million was appropriated for the project in the 2013 Budget, out of which N63.34 million was released and wholly utilized as at end of June 2013. A total of N126.76 million has been spent on the project to achieve a 60% level of completion.

Findings

At the time of monitoring, block works on the ground and first floor, columns, and decking had been completed.

b. ***Expansion of GOPD and Consultancy Out Patient Department***

The project concept includes the extension of its laboratory/ECG room, blood bank, and 20 consultants' offices, waiting area, pharmacy, library and health records section. The contract for this project was awarded to Messrs Civencom Nig. Ltd at the sum of N177.51 million on 17th November, 2011 with completion scheduled for December, 2013. The sum of N124.09 million was appropriated for the project in the 2013 Budget out of which N26.58 million was released and utilized. A total of N55.42 million had been committed to the project to achieve 15% cumulative performance.

Findings

Work done included the completion of columns on the ground floor and commencement of decking. Outstanding work includes: block work, decking, roofing, electrical and plumbing works, painting and general finishing.

Picture 20: Admin building/Training Centre at roofing level

EDUCATION

56. Human capital development is one of the major focuses of the present Administration. In order to empower the citizenry and impact skills for productive employment and poverty eradication; the Ministry was allocated a total of N71.94 billion in 2013 budget. Of this amount, N21.86 billion was released and cash backed while N14.29 billion (or 65.37%) was utilized for the implementation of the following capital project/programmes as at second quarter of the year.

i. Federal Polytechnic Ado Ekiti

The institution had an allocation of N216.26 million in 2013 budget for the implementation of its six capital project. Of this amount, N48.47 million was released and cash backed while N38.044 million (or 78.48%) was utilized as at the end of second quarter of the fiscal year. The following projects were monitored:

a. *__Construction and Furnishing of Academic Board Room Complex__*

The project involves the construction of a storey building comprising, academic boardroom of 350 sitting capacity, 40nos of offices, 12nos convenience and Store. The contract was awarded to Messrs works Tead Nig. Ltd in October 2010 at a cost of N160.89 million with completion date scheduled for July 2011. The completion date was however reviewed to December 2013 due to paucity of funds.

The sum of N80.48 million was appropriated in 2013 budget, out of which N5 million was released and utilized as at second quarter of the fiscal year. A total of N80.21 million had been expended on the project from inception to date to achieve 35% level of completion.

Findings

We observed that works completed include: the down proof course, columns and beams, first floor slabs, block work and overhead course. Works in progress were concreting, framing and plastering.

Socio-economic impact

The project had created employment opportunities for artisans, technician and engineers in the host communities. On completion, the project will provide additional accommodation for existing staff of the institution, adequate space for board meetings, seminars and workshops.

ii. *__Federal University, Dutsin-Ma, Katsina State__*

The Institution is one of the nine (9) new universities established by the Federal Government in the fourth quarter of 2010. Established to ensure equity and access to quality education, the university has the mandate “to create knowledge, impart it to transform the human being, deploy it to grow the economy and solve local and global challenges, and to do so in partnership and with integrity."

The sum of N333.07 million was allocated to the institution in the 2013 Budget for the execution of its four (4) capital projects and programmes. Out of this amount, N31.71 million was released in the second quarter bringing total releases in the first half of the year to N74.66 million (or 37.84%). The sum of N28.25 million was utilized to execute the water project, internal roads and external works, and construction of block of offices for the faculty of Engineering and Technology Building (Phase 1).

a. *Construction of Faculty of Engineering &Technology Building (Phase I)*

The project involves the construction of a 3-storey Faculty of Engineering Complex at the permanent site located along Kankara road and block of offices for the faculty at the take off campus. The 3-storey building is to house three (3) faculties namely: Faculty of Science and Education, Faculty of Agriculture and Agricultural Technology, and the Faculty of Arts, Management and Social sciences. The block of offices comprises 4nos. offices to accommodate fifteen (15) staff each totalling sixty (60).

The main contract for the construction of Faculty of Engineering Complex at the permanent campus with an estimated total cost of N350million had not been awarded due to funds constraints. However, the block of offices of the project was awarded to Messrs Kadmash Universal Enterprises Ltd. at a cost of N9.76 million in March 2013 and expected to be completed in August 2013. The sum of N120.44 million was appropriated in the 2013 Budget out of which only N9.76 million had been released and committed to the construction of block of 4nos. offices to achieve 3% performance.

Findings

As at the time of monitoring, the main project (that is, construction of faculty of Engineering Complex) had not been awarded. However, the block of 4nos. offices for the faculty had been constructed and in use. The team was informed that the delay in the award and commencement of the main faculty complex at the permanent site was due to funds constraints.

Socio-Economic impact

A total of sixty (60) staff of the three faculties are currently benefiting from the completed block of offices at the take off campus. This has reduced the incidence of shortage of office accommodation earlier experienced by the newly established university, thus enhancing staff commitment and efficient service delivery towards the achievement of the manpower development objectives of the Federal government.

Picture 21: Completed Block of offices for the Faculty of Engineering and Technology

b. <u>Construction of Internal roads & External works, Phase I</u>

The project involves construction of 1km of internal roads, landscaping and 2km drainage works, 50-capacity car parks and surface dressing, etc. The contract was awarded to Messrs Sanbath Nig. Ltd. on the 15th June, 2013 at a cost of N97.3 million and expected to be completed in December 2013.

The entire contract sum (N97.3million) was appropriated in the 2013 Budget. Of this amount, N37.98 million was released and committed to the project as at the time of monitoring to achieve 39% level of completion.

Findings

When the monitoring team visited, the internal roads had been substantially completed while landscaping and drainage works were on-going concurrently at senate building and library complexes, and other designated areas of the university take off campus. It was noted that giving the current pace of work, the project could be delivered on the scheduled target of December 2013.

Picture 22: On-going Landscaping & drainage works around the Senate building complex

Socio-Economic impact

The project had presently impacted positively on the economy by employing more than thirty-forty skilled and unskilled workers at the construction site. The construction of internal roads and drainages had also improved both the staff and students' access to their offices and lecture halls in the campus as the buildings are now connected. In addition, the car parks though not completed had reduced the incidence of littering and blockage of cars around the campus.

iii. Federal Polytechnic, Gwandu, Kebbi State (Waziri Umaru Polytechnic, Birnin-Kebbi)

The Polytechnic formerly known as Sokoto State College of Technology was established in 1977 by then Sokoto State Government. In 2006, the institution was handed over to the Federal Government. It has the mandate of providing technical, vocational and practical-oriented training to meet the manpower requirements for the industrial, agricultural, commercial and economic development of Nigeria.

To achieve this objective, the sum of N202.26 million was allocated to the institution in 2013 Budget for the execution of its capital projects and programmes. Of this amount, N45.34 million was released and cash backed in the first half of the year while N9.86 million was utilized to implement some of the following projects.

a. Construction of the Department of Architectural Technology

The project which is located at the Gesse campus of the Polytechnic involves the construction of a bungalow building comprising of 4nos. student studios, a board room, data room, 9nos staff offices, a photographic studio and conveniences amongst others.

The contract was awarded to Messrs. Slopes International Limited at the cost of N112.42 million in August 2010, with an initial expected completion date of February, 2011. The contract sum was however revised to the sum of N143.65 million due to modification in the drawings and adjustments in the bill of quantities (BOQ). The project has a revised completion date of September, 2013.

In the 2013 Budget, the sum N76.51 million was appropriated to the project out of which N13.76 million had been utilized as at end of June. A total of N76.38 million had been committed to the project since inception to achieve 75% level of completion. This shows an improvement of about 18% performance in addition to the 57% physical achievement recorded as at October 2012.

Findings

At the time of the monitoring team's visit, the structural works had been completed including roofing, plastering and tiling. However, some parts of the completed ceiling and roof had been blown off by a recent storm which slowed down the pace of work. Work in progress was the re-roofing of the damaged portions of the building while outstanding works are the completion of ceiling, mechanical/electrical fittings and painting.

Challenges

The team was informed by the Director of works that funds constraints, and the damage by the storm on the completed roof and ceiling delayed the timely completion of the project. However, effort is being made to put in place storm breakers to check future occurrence.

Picture 23: On-going Constrution of the Department of Architectural Technology building & the area affected by storm being re-roofed.

Socio-Economic impact

Thus far, the project has generated employment for more than fifty (50) artisans and other unskilled workers of the local communities engaged in the construction work. The Department of Architectural Technology building when completed will provide a comfortable learning environment for both students and staff of the polytechnic. This will solve the problem of office accommodation currently experienced by the department. In addition, the studios on completion will serve as a centre for students' demonstration, thus enhancing the skills and production of technicians and technologists who will subsequently contribute to national economic development.

b. *Construction of the Department of Building Technology*

The project involves the construction of a 2-storey building consisting of 5nos. large and small classrooms of 56 and 100 students capacities respectively, 4nos. drawing studios of 30-student capacity, a presentation room (50-student capacity), and 10nos staff offices. Others are departmental boardroom (30-staff capacity), staff common room, carpentry, mechanical, block laying and concreting bays, painting and decoration areas.

The contract was awarded to Messrs. SEDA Nigeria Limited in July 2012 at a cost of N179.22 million and is expected to be completed in December, 2013. The sum of N76.51 million was appropriated in the 2013 Budget out of which N20.43 million was released and utilized to bring the total commitment since inception to N59.66million. The project had attained 40% cumulative performance to date.

Findings

At the time of the monitoring team's visit, the sub-structural works at the main building had been completed while block work had reached lintel level. It was observed that carpentry settings for beams (slabs) for the first floor at the main building, and split beams concreting at the workshop segment of the project were all in progress. Outstanding works include: the second floor of the super-structure level, roofing, plastering tiling, electrical/mechanical fittings and painting, etc.

Picture 24: Setting of beams and DPC works for Department of Building Technology in progress at the Polytechnic site.

Socio-Economic impact

The construction works of the project had created jobs for more than sixty (60) semi-skilled and unskilled workers of the community. The project when completed will provide a more conducive learning environment and help in the production of technicians and technologists who will in turn contribute to national economic development.

AGRICULTURE

57. The policy thrust of this Ministry is the attainment of self-sustainable growth in all the agricultural sub-sectors as well as the structural transformation necessary for the overall socio-economic development of the country. These entails increase in the production of agricultural raw materials, guaranteeing the provision of high quality seeds, food security and sustainability, creation of employment opportunities, making farming more profitable, and alleviation of poverty in the county.

As a step to achieving these objectives, government allocated the sum of N50.81 billion in 2013 Budget for the execution of the sector's capital projects and programmes. Of this amount, N7.09 billion was released in the second quarter bringing the total released in the first half of the year to N14.65 billion. As at 30th June, 2013, N9.16 billion had been utilized to execute amongst others the following projects monitored by the monitoring teams:

i. <u>Institute of Agricultural Research (IAR), Zaria</u>

The Research Institute was allocated the sum of N448.16 million in the 2013 Budget to execute its capital projects and programmes which include amongst others: the completion and equipping of the abandoned conference hall; cotton variety improvement and seed multiplication; research into food science and technology; and development of watersheds for increased agricultural productivity and water conservation.

Out of the amount appropriated, N100.46 million was released, fully cash backed and utilized as at 30th June, 2013. The following projects were monitored:

a. Completion and equipping of abandoned conference Hall

The project involves the construction of a 1200 capacity twin conference halls with a basement. The basement comprises of six (6) toilets and (10) bathrooms for both male and female, a kitchen and store, etc. Contract for the construction works was awarded to Messrs Danbale Nigeria Limited in June 2010 at a total cost of N200 million and was expected to have been completed in December 2011 but this could not be achieved due to budgetary/funding constraints.The completion date has been rescheduled for December 2013.

The sum of N80 millioin was appropriated in 2013 Budget out of which N31.18 million was released and utilised in the first half of the year to achieve an additional 39% performance. A total of N115.52 million had so far been commited to the project since inception to attain cummulative performance of 58%.

Findings

As at December 2011, the project was stopped at foundation level. However, at the time of monitoring, work had re-commenced on the project with the strcutural block work completed. In addition, all the materials for steel roofing (steel trussles, angle irons, polines, etc) had been supplied to site. Casting of the roof (parafet wall) was in progress at the time of visit.

Picture 25: On-going construction of conference hall at IAR, Zaria

Socio-Economic impact

The construction work had so far generated employment for more than five hundred (500) artisans and other unskilled labour in and around Zaria. On completion, the conference hall will serve as a venue for research training, workshops, and other agricultural programmes for both the institute and other research organisations within and outside Zaria. Also, the building which is of international standard would attract intellectuals from all over the world and this would consequently enhance the image of the institute and the nation at large.

WATER RESOURCES

58. The provision of access to safe and potable water supply is critical to the *Transformation Agenda* of the Government. In order to enhance public health and maintain the quality of fresh water ecosystem, thereby, creating an enabling environment for socio-economic development in the nation, the Ministry was allocated N28.71 billion in 2013 budget. Of this amount, N11.87 billion was released and cash backed while N7.41 billion (or 44.44%) was utilized for the implementation of the following projects as at the end of the second quarter of the Fiscal year.

i. ***Lower Niger River Basin Development Authority***

Lower Niger River Basin Development Authority was allocated the sum of N5.45 billion in 2013 Budget for its capital projects. Out of this amount, N882.45 million was released as at second quarter of the year, while N706.61 was utilized which brought total commitment to date to N1.45 billion to achieve 48.64% performance.

a. Construction of Tada-Shonga Irrigation Project

The project is located in Tada and Shonga Villages in Edu Local Government Area of Kwara State. It entails the construction of flood control dykes, provision of irrigation facilities, networks of canals, drainage buffers and an access road. The scope of work includes 32km flood protection embankment (Dyke) to surround the project irrigation perimeter and construction of four (4) main pumping stations, (one for each irrigation sector). Each pumping station consisting of four (4) pumps with an additional standby pump (electromechanical works).

Others included: 10km main drainage canal and construction of drainage pump station, 39km of main access road 3,200 hectares of irrigation land development, 200km of irrigation canals and construction of several checks and control structures. The contract for the project was awarded to Messrs Construction Products Nigeria Limited (CPN) on 12th August, 2010, at a cost of N3.26 billion with a completion date of 22nd August, 2014.

The sum of N550 million was appropriated for the project in 2013 Budget, out of which N226.13 million was released and utilized in the second quarter. This brings total financial commitment on the project to N1.4 billion and attained 43.24% level of completion

Findings

The monitoring team observed that the a 12km dyke at different crest levels with a total of 347,689.60m^3 coverage and 1.8km access road with a total of 63,000m^3 coverage had been constructed. In addition, the team was informed by the Contractor and the project Consultant that outstanding certificates (Nos. 4 and 5) amounting to N261.48 million had been submitted to the Federal Ministry of Water Resources for payment since 10th of June, 2013.

Picture 26: Part of the Completed Section of Tada - Shonga Irrigation Project

Socio-Economic impact

The project has, thus far, provided 95 job opportunities for engineers, tractor operators, drivers, artisans, and labourers in the state. It has also increased the income generating capacity of people within and outside the project area and afforded immigrant fishermen to settle at Kpatarigi. On completion, the project will produce more than 36 million tonnes of rice annually which will assist in the achievement of Federal Government's *Transformation Agenda* on food security. It will also significantly reduce the importation of rice into the country, support 3,200 hectares of sugarcane, maize and vegetable production as well as provide job opportunities for over 3000 farming families. The project would also provide electricity to four villages (Tada, Chigi, Enagi and Kusogi).

Challenges

The major challenge faced by the project is the devastating impact of the 2012 flood which destroyed some of the completed portion of the project (the affected portion had been reconstructed).

b. Ogbese Multi-Purpose Dam

The project is located at the boundary between Ise - Orun and Ikere Local Government Areas (LGAs) of Ekiti State. The Earth Dam comprises a reservoir of 12Km2, 74mcm volume and a maximum level of 332 meters above the sea level (masl). It has a total of length of 1050m, a height of 14.5m and a crest width of 6.5m with an elevation of 334.5 (masl). Other components of the project include: spillway channel 100m length and a hydropower system of 5mm.

The contract was awarded to Messrs Foundation solid Nig. Ltd in July 2009 at an initial cost of N5.49 billion which was later reviewed to N7.8 billion due to revision in BEME (Bill of Engineering Measurement). Work commenced in September 2009 with completion scheduled for December 2012 but the contractor had applied for extension of completion period because of funding issues.

The sum of N100.5 million was appropriated in 2013 budget but there was no released to the project by the supervising Ministry as at the end of second quarter of the year. A total of N1.9 billion had been committed to the project since inception to date to achieve 34% level of completion.

Findings

At the time of monitoring, work done included; foundation grouting, clearing of saddle dam, reservoir and power plant area, embankment filling, spillway excavation and retaining walls, stripping of top soil clay, cut off excavation; and construction of concrete slabs.

Socio-Economic impact

The project had created employment opportunities for over 200 skilled and unskilled workers (engineers, artisans and labourers) from the host communities and attracted many farmers closer to the dam. On completion, it will provide adequate portable water, hydroelectric power supply, and irrigation/fishery development.

Challenges

The contractor had slowed down the pace of work because of funding issues.


Picture 27: The On-going construction of Spillway Excavation and foundation grouting at Ogbese Multi-Purpose Dam

ii. ***<u>Construction of Cham Dam And Irrigation Scheme, Gombe State.</u>***

The project is a medium earth dam of 14 meters high with a reservoir maximum water level (RMWL) of 2.8 million cubic meters. It is located in Cham, Balanga LGA of Gombe state.

The Dam collapsed in 2008 washing arable farmland and flooding surrounding towns thereby causing untold hardship to the people. The project was therefore designed to reconstruct the dam for irrigation purpose. The scope of work included: construction of a 2.5km long centre clay core earth fill embankment dam with a maximum height of 14 metres, (ii) construction of a free flow concrete spillway with retaining walls, (iii) construction of a 5.3km asphalt concrete access road and bridge, Dam intake and headwork structures; a reservoir with capacity of 2.8 million cubic metres (MCM) of raw water and permanent office/residential accommodation.

The contract was awarded to Messrs Cylon Construction Services Limited at a cost of N832.7million in December, 2011 while work commenced in January, 2012 with an expected completion date of September 2013. The sum of N150million was appropriated in 2013 out of which nothing was released in the quarter. However, the sum of N263.1million had been expended on the project since inception to bring cumulative performance to 35%.

Findings

As at the time of monitoring, the two blocks of the permanent office and residential accommodation buildings had been completed, removal of the entire old Dam was in progress alongside rebuilding of the new embankment, embankment access road to spillway grading was completed, spillway access road was completed except the culverts, embankment access road was 75% completed, Construction of the 60m Spillway was 100% completed, bringing total achievement to 35%.

Socio-Economic impact

The project is providing employment for up to 100 youths from Cham and its neighbouring communities. It has presently enabled about 200 natives to engage in vegetable farming, banana/paw paw plantation and petty fishing. When completed, it will provide opportunity to the farmers to engage in all year farming and fishing. It will also provide water for irrigation and fishery development in the host communities and generate employment for over 600 people.


Picture 28: Completed spillway and permanent office/residential accommodation at Cham

iii. <u>Adada River Dam and Associated Work</u>

The Adada River Dam and Associated work is an earth dam which has a capacity of 271,000 cubic meter of water for use by communities around the

Adada River in Aku, Igboetiti Local Government Area of Enugu State. It is supposed to serve three purposes: agricultural, provision of portable drinking water and hydro electrical. The contract was awarded to Messrs Raudo Nigeria Limited at the cost of N2.57 billion on the 28th March, 2011 with a completion date of March, 2013.

The appropriation for the project in 2013 was N80 million. While no amount was released in the quarter, the sum of N406.5 million has so far been committed from inception to achieve a 25% cumulative performance.

Findings

At the time of visit, works done included; clearing of the project area, excavation of the spillway key trench and clearance of site office were completed, stone pitching of the spillway channel, stockpiling of earth materials for the dam payment of compensation to the affected farmers.

Picture 29: Stone pitching of spillway channel at Adada Dam

Socio–Economic impact

The project, when completed will supply portable water up to Nsukka town which is 14 km away which were lacking by the community. The dam will also improve on the existing agricultural activities of Aku community and its environs. The project has engaged 20 skilled and unskilled youth of the community. Other benefits include boosting food production and all year- round irrigation.

iv. ***Cross River Basin Development Authority, Calabar***

The Agency is mandated to provide portable water supply, irrigation infrastructure, erosion and flood control and watershed management. The sum of N6.24 billion was appropriated in 2013 Budget, of which N1.75 billion was released and utilized for the implementation of its capital projects amongst which are:

a. Owakande Obubra Irrigation Drainage Flood Control project

The project entails the construction of preliminaries flood protection dyke canals, roads and drainage water pumps, land clearing and leveling Agricultural Machinery equipment, construction of perimeter fence and equipment shed, construction of intermediate quarters, supply of Agrochemical and materials for cultivation and provision of solar street light awarded to various contractors at the total cost of N994.10 million for duration of 12 months effective from September, 2010 and was expected to have been completed in September, 2011 but later reviewed to December, 2013.

In 2013 Budget, the sum of N140.20 million was allocated to the projects and no release was made for 1st and 2nd quarter, 2013. The sum of N185.36 million had been committed to the project since inception to achieve 10% completion.

Findings

During the time of visit, the contractor was not on site and the Executive Director of CRBDA informed the team that work had been put on hold as a result of none release of funds.

b. Construction of Edor Surface water project, Ikom, L.G.A, Cross River

The project was conceived to provide portable water for domestic consumption, fisheries and farming activities for Edor and environs. The scope of work includes; the construction of surface water scheme with intake, treatment plant, reticulation, substations and tanks (ground and overhead).The contract was awarded to Messrs Emostrade Engineering Contractors in September, 2010 at a cost of N572.99 million with completion date of April, 2011 but later reviewed to December, 2013.

The sum of N200 million was appropriated for its implementation in the 2013 Budget. Of this, N17.38 million had been released and utilized as at the end of second quarter of the year to achieve 3% implementation. A total of N222.69 million has so far been committed to the project since inception to achieve a cumulative implementation of 60%.

Findings

At the time of monitoring, works completed include: fence work at Edor and Adon; civil works at Adon; and Head works, office block, staff quarters, Generator house, pump house, installation of fabricated pontoon and works on ground tanks at Nselle and Njematop. Works in progress includes overhead tanks at Adon, treatment plant and supply, laying and installation of various sizes of pipes among others.

Socio-Economic impact

Prior to the award of the contract, there was acute shortage of water in and around the Edor and its environs due to the collapse of the old water works. This project has generated employment to the local communities. 48 workers both skilled and unskilled are engaged by the contractor. It has also boosted economic activities within the area. On completion, the project will provide portable water and drastically reduced the incidence of water borne diseases.


Picture 30: Erosion control works at Ikom. Pic 2: Completion of overhead tank work at Nselle and Njematop

v. ***Construction of Central Ogbia Regional Water Project***

The project was initiated to provide sustainable portable water supply to 13 communities in Bayelsa State. The scope of works include: general site preparation, preliminary work at Otuoke main station and booster station at Emeyal, Emirugi and Onuegbum; design of concrete foundation works; drilling of six (6) boreholes; and installation of 5no.steel elevated water tanks among others. The contract was awarded to Messrs Nairda Nig. Ltd in August, 2011 and was scheduled to be completed in December, 2013 at the cost of N4.52 billion.

The project had an appropriation of N1.29 billion in the 2013 Budget. Out of which N710 million had been released and utilized in the first half of the year. A total of N1.99 billion had been committed to the project since inception to achieve 75% level of completion.

Findings

As at the time of monitoring, works completed include: drilling of 6nos bore holes, Administrative building and 3nos. residential buildings, 1no. elevated water tank (900m3) and 3nos. surface water tank (900m3). Work in progress includes: 3nos overhead tanks (900m3), filtration system, Ariatum tank, power house building among others.

Social-Economic impact

Presently, the project had impacted positively on the economy by employing 90 skilled and unskilled workers for the construction work. The completed access road to the four project sites has also attracted economic activities within the areas. When completed, the project will provide sustainable potable water supply to 13 communities with an estimated population of over 120,000 which will reduce the acute water shortage problem and incident of water borne diseases.


Picture 31: Completed Admin block and 13nos.of water filteration. Pic2: 5nos.of steel elevated water tanks

POWER

59. This Ministry is charged with the responsibility of generation, distribution and transmission of power to the country. It provides electricity access to all classes of customers and ensures cost effectiveness, policy sustainability and an enabling environment for socio-economic development of the nation.

Towards the realization of this mandate, the sector was allocated a total of N73.12 billion in the 2013 Budget, out of which N19.92 billion was released and fully cash backed. N15.97 billion was utilized as at the end of the first half of the year to execute amongst others the following projects:

i. <u>Okigwe 2 x 30/40 MVA 132/33KV Sub – station, Imo State</u>

This 2x30/40MVA, 132/33KV transmission sub-station is connected through the Mbalano substation to provide stable power to Okigwe Township and its neighbouring communities. These communities are Arondizugo and Isuochi in Imo and Abia States respectively. Apart from the provision of power to the affected communities, the establishment of the sub-station will boost commercial activities.

The contract was awarded to Messrs Union Allied Nig Ltd in Sept. 2001 at a cost of $5.75 million plus N413.59 million (foreign and local components). It had an initial completion date of March, 2003 which was later extended to June, 2012. The project is yet to be completed having been abandoned for several years. In 2013, N688.23 million was appropriated without any release so far. The sum of $3.64 million plus N198.46 million had been committed to the project since inception to achieve a 60% cumulative execution.

Findings

As at the time of inspection, the 2x 30/40 MVA transformer and 2 auxiliary transformers had been installed. The control building and staff quarters were also completed while switch gear equipment and circuit breakers were ready. Cable trenches had been dug and other equipment support structures were in place. Outstanding works included installation of control panels, control cables, conduit and stringing materials as well as Pantograph switches.

Picture 32: 2No. 2x30/40 MVA and 2no auxiliary transformer installed.

Socio- Economic impact

When completed, the 132kv from Alaoji to Mbalano will be stepped down to 33kv whereby distributing to small transformers and therefore, boost power supply to the Okigwe town, Arondizugo and Isuochi neighbouring communities. It will also stimulate the growth of cottage industries and increase the rippling effect for a better life for communities.

Challenges

Funding challenges had stalled the project and prolonged its completion. There is a serious need to ensure its completion given the centrality of its peculiar position to improve the life of the people.

ii. Construction of Akwanga – Lafia 132KV Double Circuit Transmission Line

The project entails the construction of 132KV Double Circuit Transmission Line from Akwanga to Lafia in Nasarawa State. It was initiated to provide and supply power to Akwanga, Lafia and its environs.

The contract was awarded to Messrs Nnajing Daji Manufacturing Co./Bateman Nigeria Limited on 5thJanuary 2011, at the cost of Euro 3.34 million (off-shore) and N692.1 million (on-shore). It is expected to be completed on 5th December 2013. A total of N300 million was appropriated to the project in 2013 Budget, but there was no release as at second quarter. However, the total of N93.47 million (Euro 1.65 million) had been committed to the project since inception to achieve 10% level of completion.

Findings

At the time of monitoring, only the survey of the transmission line from Akwanga to Lafia had been completed to achieve10% performance. The initial payment of N93.47 million (Euro 1.65 million) could only raise 40% value of the Letter of Credit (LC) required for the project. The remaining outstanding payments of Euro 1.60 million (off-shore) and N598.64 million (on-shore) for the remaining 60% value of the Letter of Credit (LC) were yet to be paid. It should be noted that, CBN does not raise Letter of Credit (LC) in ‘piece meal’, which is a major challenge facing the procurement of the off-shore equipment components and thereby delaying the completion of the project.

Picture 33: On-going construction of Akwanga – Lafia 132KV double circuit transmission line

Socio-Economic impact

At the current stage of completion, the project had generated employment opportunities for 93 skilled and unskilled Nigerians. When completed the project is expected to transmit 132KVof power to Lafia and its environs and reduce the wastage of already generated power in Akwanga sub-station

iii. 2nd Benin – Onitsha 33KV SC line Edo-Delta-Anambra

This project entails engineering procurement and construction of 330KV Single Circuit 2nd Benin-Onitsha transmission lines. It was initiated to evacuate stranded power from the generating stations located in the South-South and South-East States of the Federation and also transport bulk power to the two zones.

The contract for the project was awarded to Messrs Dextron Engineering Nigeria Limited in September, 2008 at an initial sum of N1.87 billion + US$13.45 million with completion date of March, 2011. This was later revised to N2.01 billion + US$14.16 million with completion date of March, 2014 due to changes in scope and additional works. Actual work commenced in January, 2009 cutting across Edo, Delta and Anambra States and it is divided into four sections namely; 131km, 330kv(S/C), overhead transmission lines, 1.8km Niger River Crossing, Rehabilitation of existing 19nos. 330kv (D/C) Tower at Benin-Onitsha 330kv D/C transmission lines and construction of 2km, 132kv double circuit overhead transmission line.

A total of N650 million was appropriated to the project in 2013 Budget while N296.46 million was released and N151.44 million was utilized to bring total commitment to N1.72 billion plus US$14.16 million. Additional 10% level of completion was recorded by the contractor between January and June 2013 to give overall completion level to 80%.

Finding

At the time of visit, work done include: completion of 246 tower foundation, erection of 230 towers, 6no. pole submerge foundations, conductor stringing from existing tower 309 to the Gantry tower at Onitsha substation, installation of suspension towers BR 270, 271 and Aerial warning light, tension towers BA 269 and 272 erected, construction of 2km 132kv D/C at Onitsha, Tower rehabilitation and checking (tower 1-19).

However, the outstanding work include: 18no. land line foundation; 11no.of the pile foundation at Onitsha end, Okwe and Abudu; erection of 45no. land line towers, conductor stringing of 18km Niger River Crossing towers and cleaning of 131km by 50m Right of way. The team was also informed by the representatives of the Federal Ministry of Power and Power Holding Company of Nigeria that additional sum of N869.98 million as second variation cost had been submitted by the contractor due to changes in scope/additional of works awaiting approval from the Ministry.

Socio-Economic impact

The project has created employment opportunities for about 150 skilled and unskilled workers. It has also served as an avenue for the training of Nigerian in modern technology in the construction of transmission lines. When completed, it will boost power supply in the South-South and South-East geopolitical zones of the country and as well as promote industrial growth to compliment the revenue base of the country. In addition, the project will provide more flexibility in the power transmission and improve the stability of the National grid.

Challenges

The major challenge militating against the smooth completion of the project is the delay in payment of compensation for structures along the transmission route.

NIGER DELTA AFFAIRS

60. The Ministry was allocated a total of N62.34 billion for the implementation of its projects and programmes in the 2013 fiscal year. Of this amount, the sum of N18.64 billion was released and cash-backed while N14.47 billion (77.62) was utilized to execute its projects.

i. ***Reconstruction and Rehabilitation of Elele- Owerri Road (Rivers/ Imo States)***

The Owerri – Elele Road (Owerri – Omorelu Segment) in Imo state was to promote rapid and integrated infrastructural development in the Niger Delta Region. The total length of the road is 35.7km each way (71.4 km). The scope of work consists of the construction of a dual carriage way of 7.3m for each carriage way 1.5m inner and 2.75m outer shoulders, 200mm lateritic sub base materials, 200mm crushed stone base course, 60mm asphaltic concrete binder course of 40mm asphaltic concrete wearing course, etc.

The project was awarded to Messrs Arab contractors at the cost of N21.4 billion on the 19^{th} April, 2010 with an initial completion date of 18^{th} October, 2012 and was later revised to 18^{th} October, 2014. The sum of N1.8 billion was appropriated for the project in 2013 while N433.1 million was released in the quarter. N866 million was released and utilized in the year bringing the total financial commitment on the project since inception to N9.73 billion to achieve 54% cumulative performance up from 45% level of completion in 2012. This represented an increase of 9%.

The sum of N1.5 billion intervention funds from SURE- P was erroneously reflected in the Ministry of Works 2013 appropriation. A request has been made to correct and reverse same to reflect in the Ministry of Niger Delta Affairs 2013 appropriation since it is a Niger Delta project.

Findings

As at the time of visit, work done include: 3.6km sub- base, 3km binder course and 2.8km wearing course. Cumulative work performed include: 35km clearance, 19km earthworks, 18km pavement (sub- base, Stone Base and Wearing Course); and 16km of Median Kerbs/ surface Dressing completed and 20 no Culverts and 8000m Drains.

Picture 35: A portion of road completed at Owerri- Elele in Imo State

Socio–Economic impact

About 70% of the work force is from the community. This has helped the people of this area. These areas are now enjoying ease of movement of goods and services between the Onitsha market and Port-Harcourt port. It has also reduced travel time by the road users and cost associated with vehicle maintenance.

Challenges

The major challenge to the project was insufficient budgetary provision and delay in the payment of certified works which stood at N2.8 billion. Others are youth restiveness and insecurity in the Niger Delta region.

ii. ***Dualization of East-West Road, Section 1 (Warri-Kaiama), Contract No: 5867***

This section of the road comprised the provision of a new 87.00km asphaltic concrete carriageway and the rehabilitation/reconstruction of the existing one from Warri in Delta State to Kaima in Bayelsa State. It also includes the construction of 19nos. bridges, 63 nos. boxes and 369 nos. culverts.

The contract was awarded to Messrs Setraco Nigeria Limited at a cost of N112.2 billion on June, 2009 with initial completion date of June, 2012. This was later extended to 2nd December 2014 due to inflation and delayed payments by the Ministry for certified works. In 2013 Budget, the sum of N7.7 billion was appropriated for the project. Out of which, the sum of N2.32 billion was released and utilized as at 2nd quarter of the year. This project was supplemented with N11.67 billion in this fiscal year by SURE-P but has only utilized N2.32 billion to bring the commitment to N77.44 billion since inception to achieve 69.74 % level of completion.

Findings

At the time of monitoring, the project works completed includes: precast bridge beams, deck slabs, bridge parapets, 87.40km Site clearance , 95km of Earthwork, Sub-base, Binder Course, 59km of Wearing Course, 256nos.Culverts, 18nos. Bridges and the sub-structure of the Patani Bridge bringing the cumulative performance of this project to 69.74% level of completion. The team was also informed that prior to the SURE-P intervention the project commenced on 3rd August, 2006 before being re-awarded to Messrs Setraco Nig. Ltd in 2009 which was characterized by inadequate funding and slow pace of work. With the intervention, the project was able to achieve over 14% level of completion within the first half of the year.

Socio–Economic impact

The completed section of the project has already provided easy movement of goods, equipment and personnel for oil exploration and industrial activities in the coastal Niger Delta which heavily depends on the road. Upon completion of the East-West road, it will create outlet for the transportation of petroleum products from Port-Harcourt and Warri refineries to other parts of the country.

5.0 CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

Macroeconomic indicators for the domestic economy in the second quarter shows continued resilience in spite of bleak global economic outlook and home-grown difficulties. The real GDP growth rate of 6.18% for the second quarter of 2013 was lower than the 6.39% recorded in the second quarter of 2012. The non-oil sector remained the major driver of growth with a contribution of 7.36% as against the decline of 1.15% by the oil sector. In spite of the economic challenges, the country's external and fiscal buffers still remained at a sustainable level at US$45.59 billion. Relative to the level of US$36.72 billion as at the end of second quarter of 2012, the external reserves at the end of second quarter of 2013 had risen by US$8.87 billion (or 24.16%).

61. Provisional data from the OAGF indicates that a net distributable sum of N1,543.14 billion accrued to the Federation Account for distribution among the three tiers of government in the second quarter of 2013. This was lower than the N1,890.88 billion projected for the quarter, revealing a shortfall of N347.73 billion (or 18.39%). This follows from a shortfall in oil revenue by N122.72 billion - arising mainly from lower volumes of oil lifting due to incessant crude oil theft/production shut-ins and pipeline vandalizations in the oil producing areas - and non-oil revenues by N222.98 billion due largely to lower than projected receipts from Company Income Tax and Customs & Excise Duties. Arising from this situation, the aggregate revenue of N1,025.06 billion projected to fund the federal budget in the quarter was short by N303.53 billion (or 29.61%).

62. On the expenditure side, the implementation of recurrent expenditures remained largely on track in the second quarter. A total of N565.66 billion out of the N810.74 billion projected for implementation of the capital budget as at the end of the second quarter had been released to MDAs as at June 2013. Of this, N535.55 billion had been cash-backed while N396.83 billion (or 74.1%) had been utilized by the MDAs as at 30th June 2013.

63. A review of OAGF's Capital funds utilization report indicated varied levels of utilization among the MDAs. Of the forty-nine (49) MDAs reported upon twenty-eight MDAs (or 57.14%), which included - Agriculture, Water Resources, Education, Federal Capital Territory, Information and Transport had utilized over 50% of their cash-backed funds while Twenty-one (or 44.9%) of MDAs including Housing, Aviation end Environment had utilized less than 50%.

5.2 Observations and Recommendations

64. The Budget Office of the Federation, in collaboration with representatives of selected MDAs, Civil Society Organizations and media organizations embarked on physical monitoring and evaluation of selected capital projects for the second quarter. The exercise indicated the physical levels of implementation of the various projects, the progress and challenges, and the impact such projects are having on the planned beneficiaries. Some of these are:

a. First, it was observed that following the initial challenges accompanying the 2013 Budget, many of the projects monitored were either at their tendering stages or the contractors had just mobilized to site.
b. Secondly, we observed several poor project portfolio management practices across the MDAs resulting to a preponderance of stalled projects mostly awaiting either variation or extension of their delivery dates. This was observed across virtually all the MDAs.
c. Thirdly, the teams observed incidences of project abandonment resulting from internal crisis in the contracting firms on the one part, and MDAs' poor prioritization of quarterly funds and funding for projects on the other.
d. Lastly, in spite of the essence of this reporting exercise, some MDAs still fail to assign personnel to collaborate with the monitoring teams during the exercise. For instance, the South-West team was unable to access projects under the Ministries of Power, Aviation and Interior due to the inabilities of the MDAs to send their representatives to the field.

65. We recommend that these recurring observations should be addressed.

Appendix

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

2013 CAPITAL PERFORMANCE FOR MDAs AS AT 1ST JULY, 2013

										UTILISATION %	
S/N	MINISTRY	2013 APPROPRIATION	1ST QUARTER WARRANT (ONLINE) =N=	2ND QUARTER WARRANT (ONLINE) =N=	1ST & 2ND QUARTER AIEs =N=	1ST, 2ND QUARTER & AIEs TOTAL RELEASES = N=	1ST, 2ND QUARTER & AIEs AMOUNT CASHBACKED =N=	MDAs BALANCE @ 1ST JULY, 2013	UTILISATION =N=	RELEASES	CASHBACK
	a	c	d	e	f	g=(d+e+f)	h	i	j=(h-i)	m=j/g*100	n=j/h*100
1	PRESIDENCY	14,431,000,000	4,459,327,702	1,119,334,617	29,181,074,843	34,759,737,162	34,759,737,162	7,723,406,903	27,036,330,259	77.78	77.78
2	SECRETARY TO GOVT. OF THE FEDERATION (SGF)	33,673,731,529	4,341,807,304	4,529,022,026	400,000,000	9,270,829,330	9,270,829,330	5,548,551,500	3,722,277,830	40.15	40.15
3	YOUTH DEVELOPMENT	7,860,500,000	1,013,513,346	1,035,924,715	28,031,049	2,077,469,110	2,077,469,110	816,754,200	1,260,714,910	60.69	60.69
4	POLICE AFFAIRS	4,434,000,000	571,708,947	742,812,412	-	1,314,521,359	1,314,521,359	749,212,876	565,308,483	43.00	43.00
5	POLICE FORMATION	16,140,000,000	3,081,051,511	2,275,166,901	-	5,356,218,412	5,356,218,412	3,489,724,724	1,866,493,688	34.85	34.85
6	WOMEN AFFAIRS	3,891,000,000	501,695,875	496,242,750	-	997,938,625	997,938,625	411,787,158	586,151,467	58.74	58.74
7	AGRICULTURE	50,808,871,428	7,551,169,681	7,095,443,103	-	14,646,612,784	14,646,612,784	5,486,693,684	9,159,919,100	62.54	62.54
8	WATER RESOURCES	84,228,166,364	9,360,170,563	13,353,593,084	-	22,713,763,647	22,713,763,647	10,282,840,939	12,430,922,708	54.73	54.73
9	AUDITOR-GEN.	647,620,000	83,502,514	120,575,965	-	204,078,479	204,078,479	93,509,428	110,569,051	54.18	54.18
10	DEFENCE	64,013,000,000	9,753,677,223	9,085,115,292	4,495,495,951	23,334,288,466	23,334,288,466	13,227,518,649	10,106,769,817	43.31	43.31
11	ICPC	160,000,000	20,630,003	25,233,987	-	45,863,990	45,863,990	45,296,990	567,000	1.24	1.24
12	EDUCATION	71,937,785,484	11,448,475,929	10,407,191,177	-	21,855,667,106	21,855,667,106	7,568,640,196	14,287,026,910	65.37	65.37
13	FCTA	57,000,000,000	10,000,000,000	7,000,000,000	-	17,000,000,000	17,000,000,000	7,284,146,053	9,715,853,947	57.15	57.15
14	FOREIGN & INTER GOVT. AFFAIRS	24,211,948,470	4,990,943,137	4,734,606,886	-	9,725,550,023	9,725,550,023	5,627,800,473	4,097,749,550	42.13	42.13
15	FINANCE	3,523,615,980	454,326,292	644,492,003	-	1,098,818,295	1,098,818,295	888,355,072	210,463,223	19.15	19.15

										UTILISATION %	
S/N	MINISTRY	2013 APPROPRIATION	1ST QUARTER WARRANT (ONLINE) =N=	2ND QUARTER WARRANT (ONLINE) =N=	1ST & 2ND QUARTER AIEs =N=	1ST, 2ND QUARTER & AIEs TOTAL RELEASES = N=	1ST, 2ND QUARTER & AIEs AMOUNT CASHBACKED =N=	MDAs BALANCE @ 1ST JULY, 2013	UTILISATION =N=	RELEASES	CASHBACK
16	HEALTH	60,082,469,276	13,167,084,992	8,132,935,368	1,966,942,081	23,266,962,441	23,266,962,441	4,801,175,588	18,465,786,853	79.36	79.36
17	TRADE & INVESTMENT	7,946,056,834	524,544,832	1,199,960,230	-	1,724,505,062	1,724,505,062	1,425,588,143	298,916,919	17.33	17.33
18	INFORMATION	5,998,492,294	773,430,697	687,368,264	-	1,460,798,961	1,460,798,961	481,856,557	978,942,404	67.01	67.01
19	COMMUNICATION TECHNOLOGY	5,488,133,573	707,626,311	1,195,603,254	148,495,135	2,051,724,700	2,051,724,700	1,055,933,988	995,790,712	48.53	48.53
20	INTERIOR	12,086,540,679	1,558,408,534	1,623,690,109	100,000,000	3,282,098,643	3,282,098,643	2,131,837,421	1,150,261,222	35.05	35.05
21	HEAD OF SERVICE	5,700,275,000	734,979,300	542,736,975	-	1,277,716,275	1,277,716,275	381,903,207	895,813,068	70.11	70.11
22	JUSTICE	1,510,801,961	752,608,728	75,770,230	-	828,378,958	828,378,958	77,125,240	751,253,718	90.69	90.69
23	LABOUR & PRODUCTIVITY	4,669,866,667	602,121,009	956,836,703	-	1,558,957,712	1,558,957,712	571,239,690	987,718,022	63.36	63.36
24	POWER	73,159,378,866	8,432,988,596	4,823,029,063	6,666,666,666	19,922,684,325	19,922,684,325	3,951,647,617	15,971,036,708	80.17	80.17
25	SCIENCE AND TECH.	18,849,748,247	2,176,598,028	3,098,674,615	-	5,275,272,643	5,165,272,643	2,847,437,778	2,317,834,865	43.94	44.87
26	TRANSPORT	44,527,673,725	6,241,287,651	7,132,003,162	-	13,373,290,813	13,373,290,813	6,621,537,236	6,751,753,577	50.49	50.49
27	PETROLEUM	8,583,000,000	1,106,670,701	834,871,500	-	1,941,542,201	1,941,542,201	1,567,068,918	374,473,283	19.29	19.29
28	WORKS	168,173,800,000	27,538,586,867	20,526,746,773	-	48,065,333,640	48,065,333,640	14,041,537,631	34,023,796,009	70.79	70.79
29	HOUSING	30,399,298,518	2,919,610,044	3,753,350,855	-	6,672,960,899	6,672,960,899	4,364,334,326	2,308,626,573	34.60	34.60
30	MINES & STEEL	3,400,000,000	705,990,000	535,652,181	-	1,241,642,181	1,241,642,181	461,098,961	780,543,220	62.86	62.86
31	AVIATION	48,500,000,000	10,000,000,000	5,384,384,498	-	15,384,384,498	15,384,384,498	9,637,821,950	5,746,562,548	37.35	37.35
32	NATIONAL WAGES & SALARIES	250,000,000	32,234,379	23,803,105	-	56,037,484	56,037,484	20,620,393	35,417,091	63.20	63.20
33	ENVIRONMENT	13,661,903,055	1,761,531,846	1,882,353,767	-	3,643,885,613	3,643,885,613	2,538,347,667	1,105,537,946	30.34	30.34
34	TOURISM, CULTURE & NATIONAL ORIENTATION	5,151,600,000	664,234,508	697,688,967	136,400,000	1,498,323,475	1,498,323,475	755,462,885	742,860,590	49.58	49.58
35	NAT. PLANNING	2,800,000,000	591,575,006	436,841,731	100,000,000	1,128,416,737	1,128,416,737	459,539,638	668,877,099	59.28	59.28

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										RELEASES	CASHBACK
36	NATIONAL SPORTS COMMISSION	2,013,000,000	259,551,220	191,662,600	46,000,000	497,213,820	497,213,820	292,009,602	205,204,218	41.27	41.27
37	OFFICE OF NATIONAL SECURITY ADVISER	50,000,000,000	17,002,922,477	5,083,114,689	-	22,086,037,166	22,086,037,166	5,615,685,951	16,470,351,215	74.57	74.57
38	NIGER DELTA	62,331,222,222	10,785,066,119	7,847,406,070	-	18,632,472,189	18,632,472,189	4,169,265,703	14,463,206,486	77.62	77.62
39	SPECIAL DUTIES	200,000,000	25,787,503	39,042,484	181,400,000	246,229,987	246,229,987	-	246,229,987	100.00	100.00
40	FISCAL RESPONSIBILITY COMMISSION	70,000,000	9,025,626	6,664,869	-	15,690,495	15,690,495	4,292,456	11,398,039	72.64	72.64
41	ICRC	60,000,000	7,736,251	5,712,745	-	13,448,996	13,448,996	9,305,961	4,143,035	30.81	30.81
42	NAT. POPULATION	1,500,000,000	193,406,274	142,818,629	-	336,224,903	336,224,903	179,004,919	157,219,984	46.76	46.76
43	CODE OF CONDUCT BUREAU	1,500,000,096	193,406,287	175,818,639	-	369,224,926	369,224,926	161,249,502	207,975,424	56.33	56.33
44	CODE OF CONDUCT TRIBUNAL	80,000,000	10,315,001	7,616,994	-	17,931,995	17,931,995	3,931,995	14,000,000	78.07	78.07
45	PUBLIC COMPLAINTS COMMISSION	2,325,460,199	299,839,062	221,412,692	-	521,251,754	521,251,754	351,436,949	169,814,805	32.58	32.58
46	REV. MOB. ALL.	1,890,000,000	243,691,906	179,951,473	-	423,643,379	423,643,379	345,325,368	78,318,011	18.49	18.49
47	FCSC	380,000,000	48,996,256	18,528,746	-	67,525,002	67,525,002	20,124,377	47,400,625	70.20	70.20
48	POLICE SERVICE COMMISSION	1,470,000,000	189,538,149	157,614,230	-	347,152,379	347,152,379	123,500,405	223,651,974	64.42	64.42
49	FED. CHARACT. COMM.	70,000,000	9,025,626	6,664,869	-	15,690,495	15,690,495	6,690,495	9,000,000	57.36	57.36
49	MINISTRY OF SPECIAL DUTIES	-	30,000,000,000	-	-	30,000,000,000	-	-	-	-	
50	CAPITAL SUPPLEMENTATION	539,665,694,780	-	-	174,008,999,912	174,008,999,912	174,008,999,912	-	174,008,999,912	100.00	100.00
	Grand Total	1,621,455,655,247	207,902,419,813	140,293,085,997	217,459,505,638	565,655,011,448	535,545,011,448	138,719,177,361	396,825,834,087	70.15	74.10