



**FOURTH QUARTER AND CONSOLIDATED**

**BUDGET IMPLEMENTATION  
REPORT**

**2014**



**BUDGET OFFICE OF THE FEDERATION**  
Federal Ministry of Finance, Abuja

## **FOREWORD**

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It is with delight that I present to you this Report which is the fourth in the series of Reports for the year as well as a consolidation of reports on the implementation of the 2014 Budget. The Report is in line with the Government resolve to guarantee transparency and accountability in the management of public resources to achieve its developmental objectives. It also provides information by which Government's performances in the management of national resources can be measured.

The preparation and circulation of this Report is in accordance with Section 30 and 50 of the Fiscal Responsibility Act, 2007 which requires the Honourable Minister of Finance to submit to the Joint Finance Committees of the National Assembly and the Fiscal Responsibility Commission quarterly and consolidated budget implementation reports. These reports are also disseminated to the wider public through the electronic and print media.

The Fourth Quarter and Consolidated Budget Implementation Report is the result of meticulous planning, monitoring and evaluation. It is also an analytical work carried out by the Budget Office of the Federation in partnership with MDAs, Civil Society Organizations and the Media. I praise the team's hard work and also wish to commend the active roles of the National Assembly's Joint Finance Committees and the Fiscal Responsibility Commission in promoting best practices in public financial management.

Lastly, I encourage all readers of this Report to keep on showing active interest in tracking Government's ability to live up to its promises. This will serve as the necessary ingredient for the efficient and effective management of public finances.

**Dr. Ngozi Okonjo-Iweala**

*Coordinating Minister for the Economy and  
Honourable Minister of Finance*



## PREFACE

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The Quarterly and Consolidated Budget Implementation Reports provide information on the implementation of the National Budgets as mandated by Section 30 of the *Fiscal Responsibility Act, 2007*. The Report, which is the fourth series for the year 2014, appraises the implementation of the 2014 Budget in the fourth quarter and in the year-to-date and rekindles Government's resolve to the transparent and prudent management of public finances.

The 2014 Budget was derived from the Administration's four transformational pillars viz: macroeconomic stability; structural reforms; governance and institutions; investment in priority sectors. In order to achieve these goals, the Budget focused more in stimulating the engines of growth of the economy that would trigger higher industrial capacity utilization. Special efforts were also made to improve domestic production through positive deployment of human capital with the aim of creating more jobs, improving the standard of living of Nigerians in a sustainable manner and also achieving inclusive growth.

Implementing the 2014 Budget in the fourth quarter of the year was challenging in several respects. Apart from the late passage of the Budget by the National Assembly and the collapse of international oil price, the revenue receipts from non-oil resources were considerably below their anticipated estimates. These shortfalls in revenue were serious impediments to the effective implementation of the Budget in the quarter.

This Report is a product of the joint efforts of key economic and statistical agencies of Government which provided the required macroeconomic data, and the concentrated efforts of the various departments of the Budget Office of the Federation, particularly the Budget Monitoring and Evaluation Division. I commend them for their hard work and wish them every success as they continue to undertake this significant function.

**Dr. Bright Okogu**

*Director-General*

*Budget Office of the Federation*

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## EXECUTIVE SUMMARY

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The 2014 Budget was primed with the intention of sustaining and improving the economic growth witnessed in the past years and also to maintain the engines of development that would support advanced industrial capacity operation. Based on these, sufficient provisions were made for the completion of programmes that will encourage local production, job creation and improving the standard of living of Nigerians. Available data from the National Bureau of Statistics (NBS) showed that the domestic economy remained strong and resilient in the face of tough global pressure. When measured by the Real Gross Domestic Product (GDP), the economy grew by 5.94% (year-on-year) on aggregate basis in the fourth quarter of 2014.

Inflationary pressure remained modest during the period under review. The year-on-year headline inflation declined from 8.3% in September to 8.1%, 7.9% and 8% in October, November and December 2014 respectively. The movement of the year-on-year food inflation also followed similar trend, declining from 9.7% in September to 9.3%, 9.1% and 9.2% in October, November and December 2014 respectively. On the other hand, the year-on-year core inflation which was at 6.3% in September remained constant at the same rate in October and November before falling slightly to 6.2% in December 2014. The deceleration in food inflation was traced to the decrease in the prices of both processed foods and farm produce. Despite inflationary figures remaining within the single unit digit, the upside threats to inflation in future included increased spending in the build up to the 2015 general elections, depreciated exchange rate arising from falling oil prices and food supply shocks. Figures from the Central Bank of Nigeria (CBN) revealed a drop in Nigeria's gross external reserves which stood at US\$34.25 billion in December 2014.

Data from the Office of the Accountant General of the Federation (OAGF) showed that a net sum of N1,404.88 billion was shared among the three tiers of Government in the fourth quarter of 2014; implying a shortfall of N356.62 billion in the quarter. A total of N679.93 billion, excluding revenue from other funding sources was received to fund the Federal Budget in the fourth quarter of 2014 thereby presenting a shortfall of N252.82 billion (or 27.11%). This revenue shortfall affected the implementation of the 2014 Budget in the quarter.

The data also indicated that as at 31<sup>st</sup> December, a total of N2,216.77 billion out of the N2,454.89 billion projected for recurrent (non-debt) was expended while N501.79 billion out of the N1,119.62 billion projected for capital budget implementation for the year was released to MDAs. The sum of N501.72 billion (or 99.99%) of the released amount was

cash-backed while N490.92 billion (or 97.85%) of the cash-backed sum was utilized as at the end of December 2014.

An analysis of forty-Nine (49) MDAs reported upon by the Office of the Accountant-General of the Federation (OAGF) showed different levels of utilization among the MDAs. Twenty-Seven (or 55.1%) of the MDAs including: Presidency, Police Formation, Women Affairs, Defence, Auditor-General, Federal Capital Territory Administration, Finance, Trade & Investment, Communication Technology, Labour & Productivity, Power, Works, Housing, Environment, Niger-Delta and National Sports Commission amongst others had utilized more than the overall average utilization rate of 97.85% of the amount cash-backed. Six out of these, including Auditor-General, National Salaries & Wages, Niger-Delta, Code of Conduct Bureau, Code of Conduct Tribunal, and Ministry of Special Duties amongst others had 100% of their respective cash-backed funds utilized.

In addition to the regular Budget, a total of N268.37 billion (or 100%) of the amount appropriated for SURE-P in the 2014 Budget was released as at 31<sup>st</sup> December, 2014 while N232.39 billion (or 86.59%) of the released amount was utilized for major capital and social programmes. This assisted in the area of infrastructural development.



## **1.0 INTRODUCTION**

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The 2014 Budget was prepared with the aim of supporting and improving the economic growth recorded in the past years and also to sustain higher industrial capacity operation. In line with these objectives, adequate provisions were made to stimulate local production through the maximization of human and material resources. Emphases were also placed on the creation of more jobs and advancing and sustaining the standard of living of Nigerians.

2. The 2014 – 2016 the Medium Term Framework formed the foundation of the 2014 Budget. The framework was prepared based on international and local markets conditions which are major factors that determine the amount of revenue required to fund the budget. At the international level, industrial and economic behaviours influences oil market prices while at the home front, disruption to oil production, planned sales volumes and security challenges affects Government agencies capabilities to collect anticipated revenues.

3. The 2014 Budget gave special consideration to the completion of ongoing critical capital projects. Government finances were therefore channeled to the structural reform of the economy in power, health, education, road, rail and aviation sectors of the economy. The provision of physical and food securities were also accorded due attention.

4. It is worthy to note that the 2014 Budget estimate was prepared on time by the Budget Office of the Federation but could not be submitted to the National Assembly due to delays in getting a harmonized oil benchmark price from the National Assembly. Subsequently, the 2014 Budget was submitted to the National Assembly in late 2013 and was eventually passed by the National Assembly in April 2014.

5. This Report gives in-depth information on 2014 Fourth Quarter Budget Implementation. The remaining part of the Report is organized as follows: a brief examination of the macroeconomic environment under which the Budget was implemented, followed by a meticulous scrutiny of Government's revenue receipts and expenditure in the quarter. A chapter on the results of the nationwide physical monitoring and evaluation of capital projects and programmes is presented, followed by a brief conclusion to the Report.

## 2.0 MACROECONOMIC DEVELOPMENTS AND ANALYSIS

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### *Global Economy*

The global economy recovered moderately in 2014. The main drive for global growth in 2014 came from the United States and was supported later in the year by the drop in oil prices. Nevertheless, both developments fell short of returning the global economy to the pre-crisis growth path. This was mainly due to the weakness in Europe and the much slower rate of expansion in the emerging market economies in particular. On the whole, global growth continued to be inhibited by a number of old and new adversities including high debt and mounting unemployment in many countries; geopolitical apprehensions and disagreements; the negative impact of commodity price shocks on commodity exporting countries; weak external demand; and the reduction and eventual exit of the US Federal Reserve Bank from quantifiable assistance which prompted sharp fluctuations in the financial markets. Consequently, global output rose by about 3.3% in 2014, which was the same rate of growth attained in 2013. It was estimated to strengthen to about 3.5% in 2015.

7. The Euro Area and Japan were caught up in low inflation and growth rates conditions. High unemployment and debt could continue much longer, in the Euro Area in particular, while a deflation was likely if inflation continued on the descending trend. There was the high probability of an increase in interest rates in the United States which foretells negative outcomes for emerging and frontiers economies. Already, growth was moderating in most industrial countries and could further be reduced by the rising of the U.S dollar, more volatile capital flows and financial system vulnerabilities arising from currency depreciations. All of these could be compounded by increased geopolitical threats arising from the Ukrainian stand-off, terrorism, armed revolution and the aftermath of the Ebola outbreak in some countries in the West African sub-region. In addition, the disagreement between the US and Euro Area monetary policy stance, non-inclusive growth and the regional impact of falling oil prices with sharp revenue shortages in countries like Nigeria, Venezuela and Russia added to the risk factors.

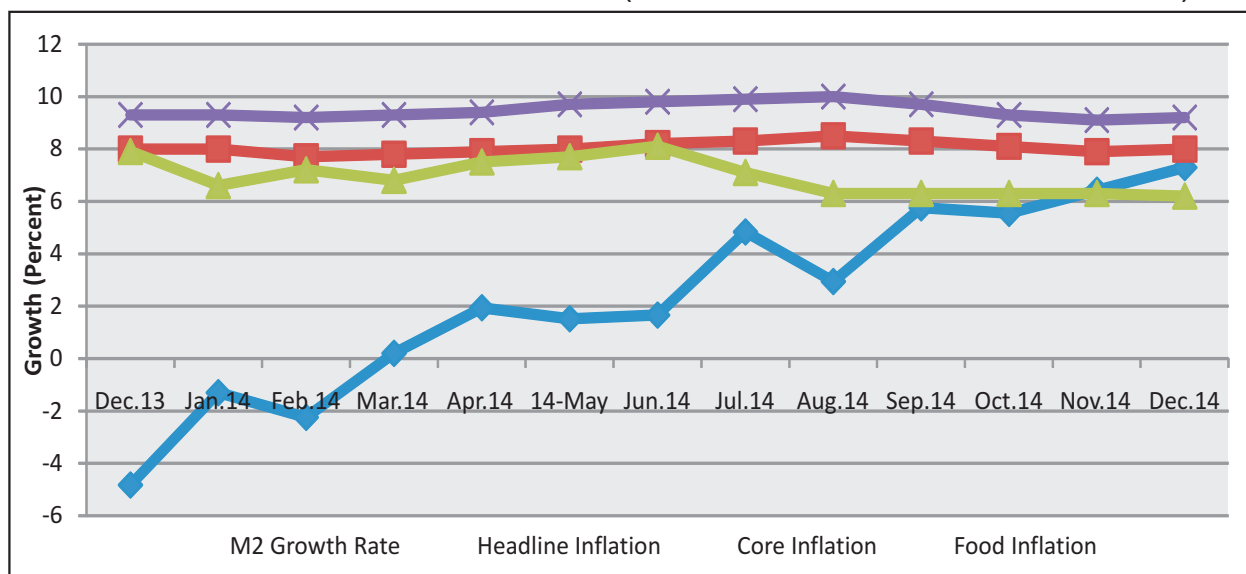
### *Domestic Economy*

8. Available data from the National Bureau of Statistics (NBS) showed that the domestic economy remained strong and resilient in the face of tough global pressure. When measured by the Real Gross Domestic Product (GDP), the economy grew by 5.94% (year-on-year) on aggregate basis in the fourth quarter of 2014. This performance

was 0.28% and 0.83% lower than the rates recorded in the third quarter of 2014 and fourth quarter of 2013 respectively. Relative to the third quarter of 2014, the economy grew by 3.84% in the fourth quarter. The non-oil sector remained the key driver of growth recording 6.44% as against the oil sector, which grew by 1.18%. The non-oil sector growth was driven largely by growth in activities recorded in crop production, trade, textile, apparel and footwear, and real estate sectors.

9. Inflationary pressure remained modest across the three measures of inflation during the period under review. The year-on-year headline inflation declined from 8.3% in September to 8.1%, 7.9% and 8% in October, November and December 2014 respectively. The movement of the year-on-year food inflation also followed similar trend, declining from 9.7% in September to 9.3%, 9.1% and 9.2% in October, November and December 2014 respectively. On the other hand, the year-on-year core inflation which was at 6.3% in September remained constant at the same rate in October and November before falling slightly to 6.2% in December 2014. The deceleration in food inflation was traced to the decrease in the prices of both processed foods and farm produce. Despite the fact that all the inflationary figures still remained within the single unit digit, the upside threats to inflation in the near future includes increased spending in the build up to the 2015 general elections, depreciated exchange rate arising from falling oil prices which might result to the depletion of foreign reserves, and food supply shocks arising from the increased insurgency activities in the major agricultural belts of the country.

**Chart1: Inflation and M2 Growth Rate (December 2013 – December 2014)**



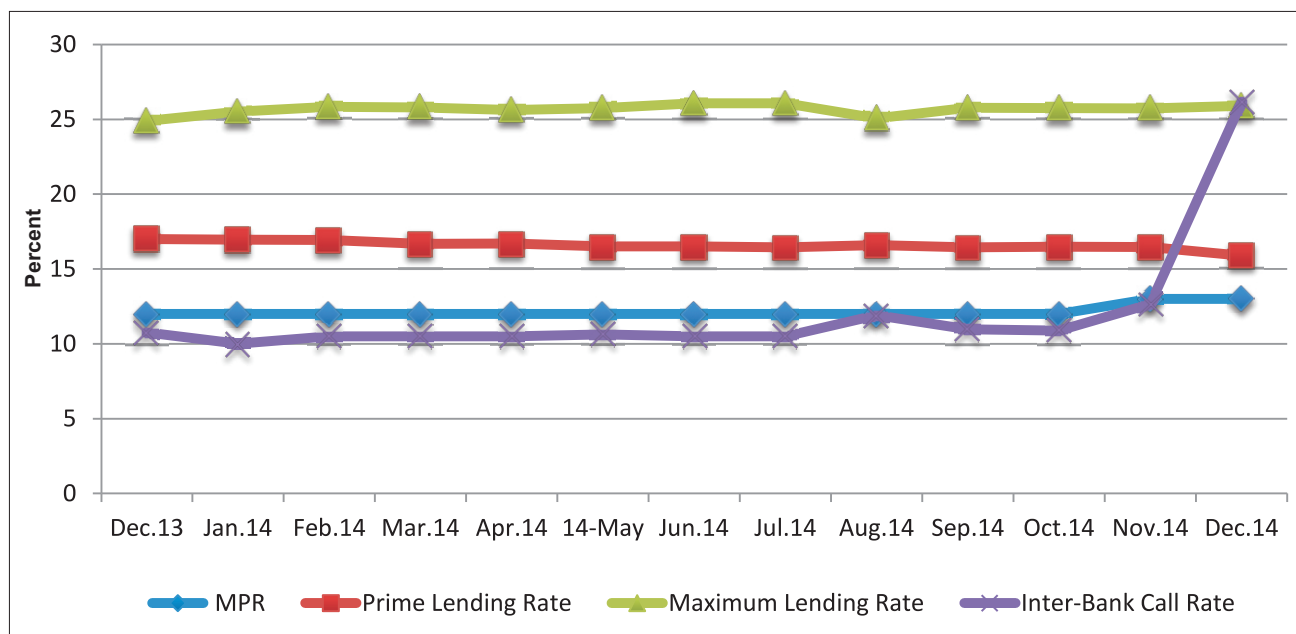
**Source:** Central Bank of Nigeria, 2014 & National Bureau of Statistics, 2014

10. Data from the Central Bank of Nigeria (CBN) showed that broad money supply (M2) grew by N262.99 billion (or 1.59%) in December above the level in September 2014, that is, from N16,570.25 billion in September to N16,833.24 billion in December. Similarly, credit to the private sector increased by N488.27 billion (or 2.77%) from N17,658.76 billion in September to N18,147.03 billion in December 2014. Likewise, credit to government sector also increased by N624.03 billion (or 44.78%) within the same period, from N1,393.51 billion in September to N2,017.54 billion in December 2014. On the other hand, the net aggregate domestic credit decreased by N135.75 billion (or 0.83%) from N16,265.25 billion in September to N16,129.50 billion in December 2014. The average prime lending rate rose slightly from 16.44% in September to 16.48% and 16.47% in October and November respectively before declining to 15.88% in December 2014. On the other hand, the average maximum lending rate declined slightly from 25.77% in September to 25.75% and 25.74% in October and November respectively before rising to 25.91% in December 2014.

11. Unlike the previous quarters, the CBN in pursuit of price stability moved the Monetary Policy Rate (MPR) from 12% in October to 13% in both November and December 2014. The interest rates in the interbank money market also measured up with the level of liquidity conditions in the banking system. Thus the average interbank call rate declined from 10.96% in September to 10.89% in October before rising further to 12.66% and 26.15% in November and December 2014 respectively. The trends in interest rates in the fourth quarter of 2014 are presented in *Chart 2* below.



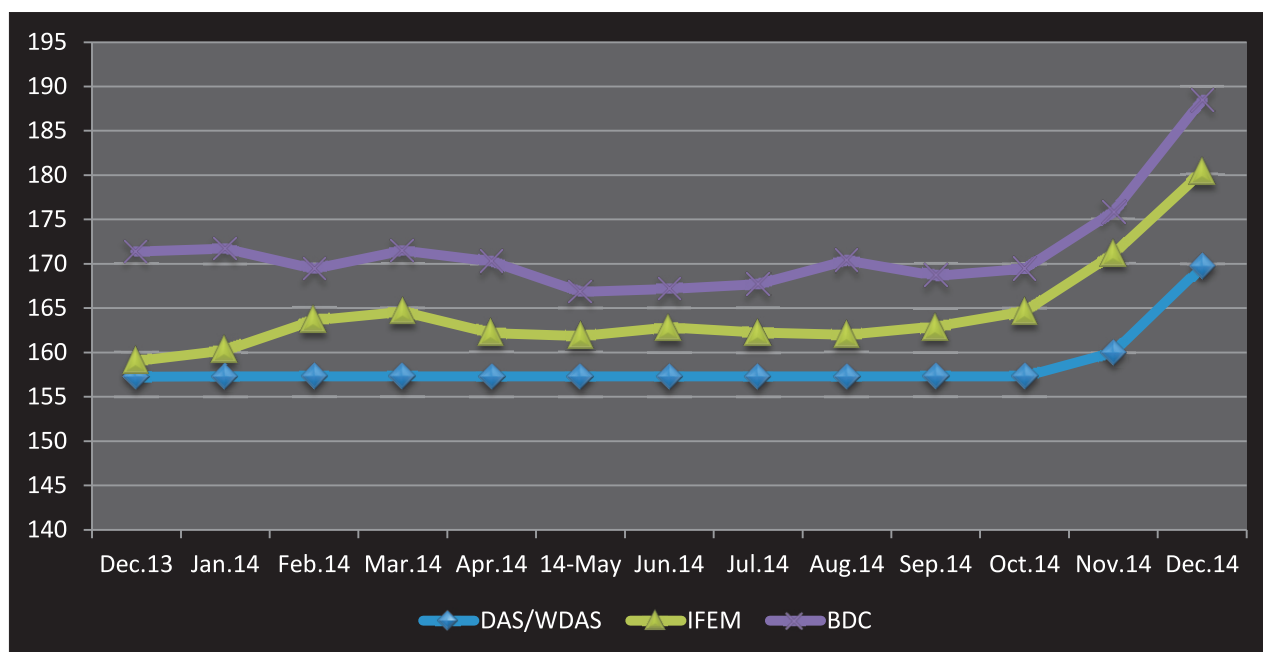
**Chart 2:** Interest Rates Trend (December 2013 – December 2014)



**Source:** Central Bank of Nigeria, 2014

12. The end-period official Wholesale Dutch Auction System (WDAS) Naira/Dollar exchange rate depreciated from N157.30/\$1.00 in September to N157.31/\$1.00, N160/\$1.00 and N169.68/\$1.00 in October, November and December 2014 respectively. Similarly, the Inter-bank Naira/Dollar exchange rate depreciated from N162.93/\$1.00 in September to N164.64/\$1.00, N171.10/\$1.00 and N180.33/\$1.00 in October, November and December 2014 respectively. Also the Bureau de Change (BDC) exchange rates fell from N168.64/\$1.00 in September to N169.43/\$1.00, N175.85/\$1.00 and N188.45/\$1.00 in October, November and December 2014 respectively. The gap between the WDAS and the Inter-bank rate as well as the BDC rate widened during the period due to the high demand for foreign exchange which had continued unabated. This suggests the need to continue existing measures aimed at discouraging speculative activities in the foreign exchange market.

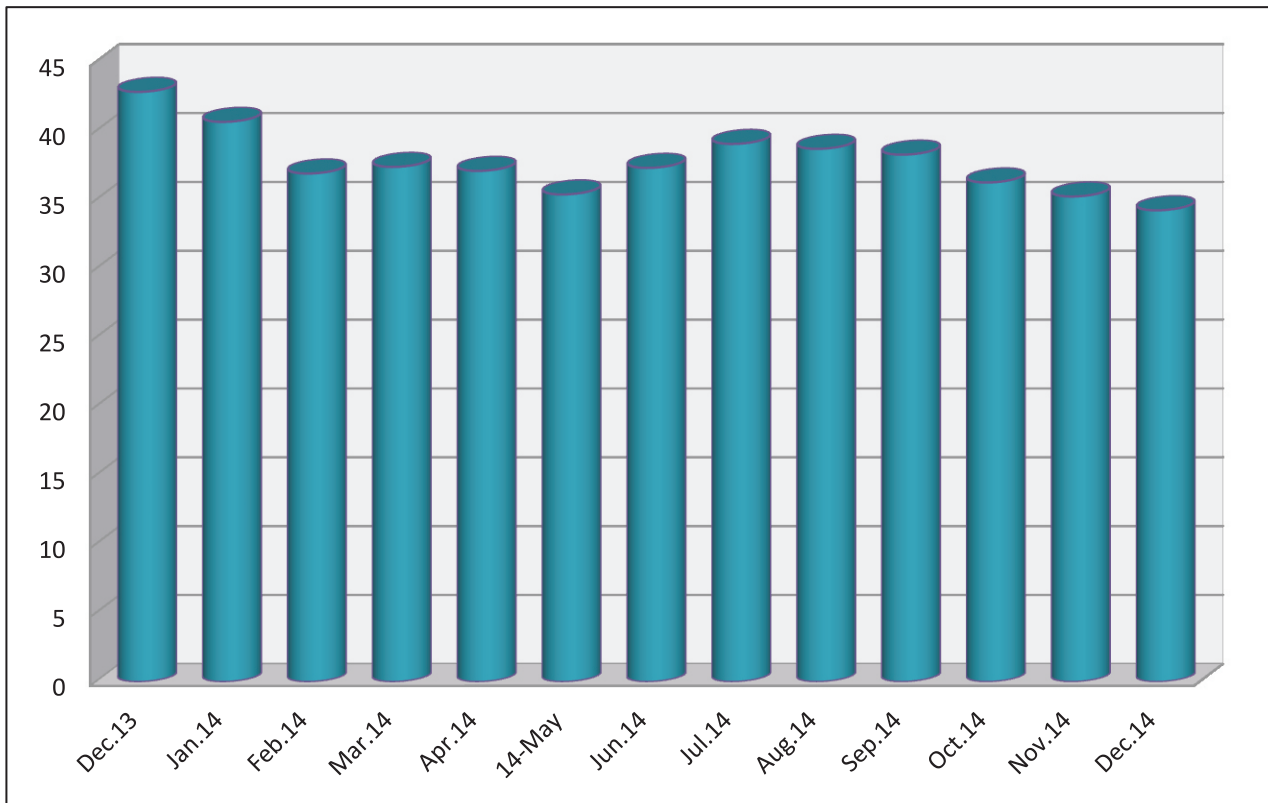
**Chart 3:** Naira/US\$ Exchange Rates Trend (Dec. 2013 – Dec. 2014)



**Source:** Central Bank of Nigeria, 2014

13. Figures from the CBN revealed a decrease in Nigeria's gross external reserves at the end of the fourth quarter of 2014 which fell from US\$38.28 billion in September to US\$34.25 billion in December 2014, depicting a decrease of US\$4.03 billion (or 10.53%) below the figure recorded at the end of September 2014. Relative to the end of fourth quarter of 2013 level of US\$42.85 billion, the external reserves at the end of fourth quarter of 2014 fell by US\$8.6 billion (or 20.07%). The declining level of external reserves can be attributed to demand and supply constraints. On the supply side, the falling oil price had considerably reduced the accreditation to external reserves. On the demand side, there were pressures in the foreign exchange market which were aided mostly by the excess liquidity conditions in the banking system and speculative activities. These factors resulted to an increased funding of the foreign exchange market by the CBN to stabilize the Naira. Based on the CBN report, the foreign reserves level as at the end of December 2014 could finance over six (6) months of imports which was well above the internationally recommended minimum threshold of 3-months import cover.

**Chart 4:** Level of External Reserves in Billion Dollars (Dec. 2013 – Dec. 2014)



**Source:** Central Bank of Nigeria, 2014

## 3.0 FINANCIAL ANALYSIS OF THE 2014 BUDGET IMPLEMENTATION

### 3.1 Key Assumptions and Projections:

The 2014 Budget was an outcome of the 2014 - 2016 Medium Term Fiscal Framework (MTFF) which was prepared after series of discussions with relevant stakeholders. The happenings in the global economy were also well thought-out before reaching some key assumptions in the framework.

**Table 1: Key Assumptions and Targets for the 2014 Budget**

| KEY ASSUMPTION & TARGETS  | 2014  |  |
|---|-------|--|
| Projected Production (in mbpd)                                    | 2.39  |  |
| Budget Benchmark Price (per barrel in US)                         | 77.5  |  |
| <i>Technical Cost of JVC Pbl to Oil Companies</i>                 |       |  |
| Operating Expenses (T1) in US \$                                  | 9.94  |  |
| Capital Expenses (T2) in US \$                                    | 11.12 |  |
| <i>Technical Cost of PSC Pbl to Oil Companies</i>                 |       |  |
| Operating Expenses (T1) in US \$                                  | 9.2   |  |
| Capital Expenses (T2) in US \$                                    | 18.46 |  |
| Investment Tax Credit   | 5.8   |  |
| <i>Technical Costs of SC pbl to Oil Company</i>                   |       |  |
| Operating Expenses (T1) in US \$                                  | 22.09 |  |
| Capital Expenses (T2) in US \$                                    | 5.14  |  |
| Investment Allowances   | 1.63  |  |
| <i>Weighted Average Contribution Rates</i>                        |       |  |
| Weighted Average Rate of PPT-JV/AF/Independent/Marginal Oil       | 85%   |  |
| Weighted Average Rate of PPT-PSC Oil                              | 50.2% |  |
| Weighted Average Rate of PPT-SC Oil                               | 85%   |  |
| Weighted Average Rate of Royalties-JV/AF/Independent/Marginal Oil | 18.7% |  |
| Weighted Average Rate of Royalties -PSC Oil                       | 2.6%  |  |
| 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, 2014

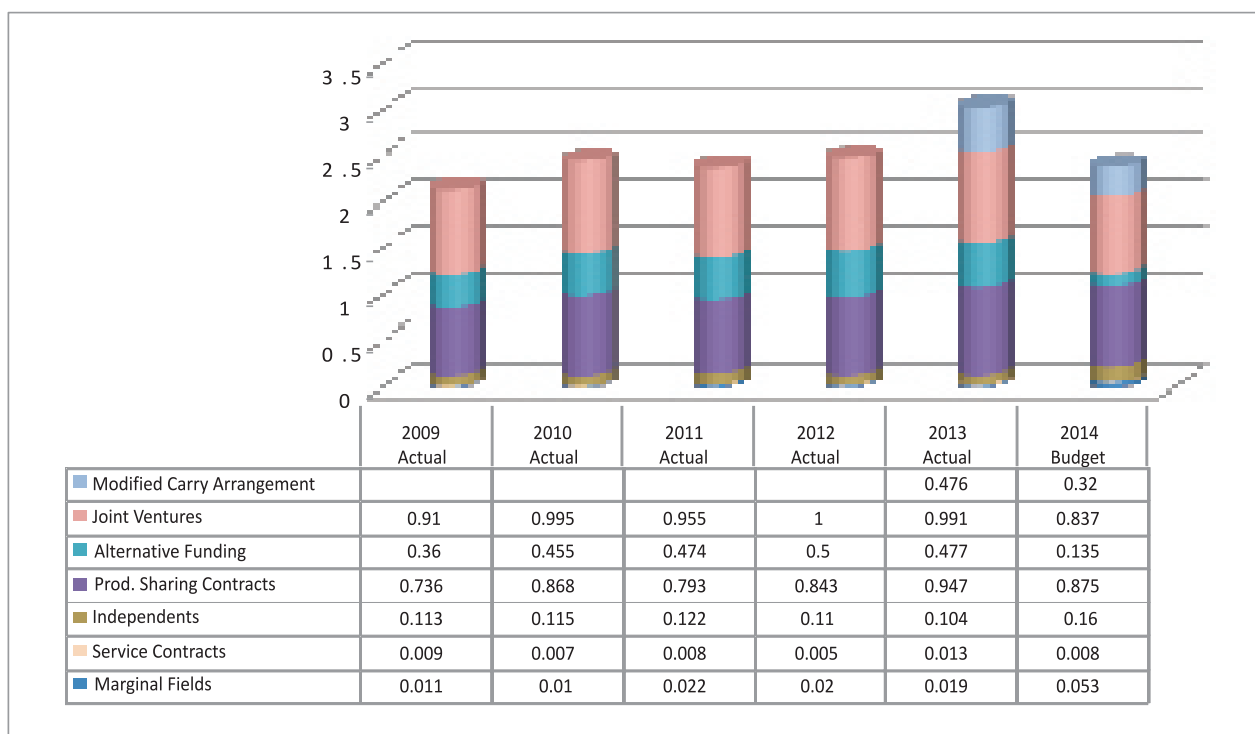


## Budget Benchmark Oil Price and Production

15. Due to the uncertain characteristics of oil prices in the international market, Government developed a logical process of arriving at the benchmark price of oil for its annual budgets. As a result of this, budget expenditures were detached from the volatility of world oil market prices. The budget benchmark price of oil for the 2014 Budget was therefore pegged at US\$77.50/barrel while oil production was fixed at 2.39 million barrels per day (mbpd). The projected oil production for 2014 Budget implies a decrease of 0.14 mbpd (or 5.53%) below the 2.53 mbpd estimated for the 2013 Budget.

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

**Chart 5:** Budget Oil Production by Business Arrangements 2009 – 2014



**Source:** NAPIMS/NNPC, 2014

**Table 2:** Detailed Assumptions for Oil Production and Taxes (2014)

| <i>Share of Oil Production</i>               | <i>Percentage</i> |
|--|-------------------|
| Joint Ventures                               | 35.06%            |
| Alternative Funding                          | 5.65%             |
| Modified Carry Arrangement                   | 13.39%            |
| Production Sharing Contracts                 | 36.65%            |
| Independents                                 | 6.7%              |
| Service Contracts                            | 0.32%             |
| Marginal                                     | 2.23%             |
| Total Production                             | 100%              |
| <b><i>PPT Rates</i></b>                      |                   |
| Weighted Average -JV/AF/Independent/Marginal | 85%               |
| Weighted Average -PSC                        | 50.53%            |
| Weighted Average -SC                         | 50.53%            |
| <b><i>Royalties Rates</i></b>                |                   |
| Weighted Average -JV/AF/Independent/Marginal | 18.67%            |
| Weighted Average -PSC                        | 2.76%             |
| Weighted Average -SC Oil                     | 2.76%             |

**Source:** NNPC and BOF, 2014

### 3.2 Analysis of Revenue Performance:

#### Overview of Oil Revenue Parameters:

17. The international market price for crude oil averaged US\$76.28 per barrel in the fourth quarter of 2014, representing a decrease of 25.13% and 30.21% below the US\$101.88 and US\$109.30 per barrel recorded in the third quarter of 2014 and fourth quarter of 2013 respectively. The fall in crude oil prices during the period could be attributed to the decrease in global oil demand, discovery of oil and other energy alternatives.

18. Provisional data from the Nigerian National Petroleum Corporation (NNPC) showed that the average oil lifting (including Condensates) in the fourth quarter of 2014 was 2.12 mbpd depicting a shortfall of 0.27 mbpd (or 11.3%) below the 2.39 mbpd projected for the 2014 Budget. The volume of oil lifted in the period was also 0.05 mbpd and 0.03 mbpd below the 2.17 mbpd and 2.15 mbpd recorded in the third quarter of 2014 and fourth quarter of 2013 respectively. The fall in oil lifting was due to the drop in demand for oil in the international market and other supply challenges like crude oil theft, illegal bunkering and pipeline vandalism that occurred during the period.

19. The 2014 Fiscal Framework presents a gross Federally collectible revenue estimate of N10,875.5 billion, consisting of N7,164.81 billion (or 65.88%) oil revenue and N3,710.70 billion (or 34.12%) non-oil revenue. Below is an analysis of the actual performance of the oil and non-oil revenue receipts in the fourth quarter of 2014.

### **Oil Revenue Performance**

20. A review of the oil revenue performance in the fourth quarter of 2014 shows that Royalties (Oil & Gas) of N220.23 billion, Gas Flared Penalty of N1.06 billion, Petroleum Profit & Gas Taxes of N589.66 billion and Other Oil and Gas Revenue of N1.19 billion exceeded their respective quarterly expected estimate of N185.88 billion, N0.62 billion, N505.97 billion and N0.77 billion by N34.35 billion (or 18.48%), N0.44 billion (or 71.46%), N83.69 billion (or 16.54%) and N0.42 billion (or 54.9%). On the other hand, Crude Oil Sales of N584.08 billion, Gas Sales of N50.96 billion and Rent of N0.06 billion fell below their quarterly projections of N960.18 billion, N137.56 billion and N0.22 billion by N376.11 billion (or 39.17%), N86.6 billion (or 62.95%) and N0.16 billion (or 74.79%) respectively. Please see *Table 3.1*.

### ***Net Oil Revenue:***

21. In the fourth quarter of 2014, the actual Net Oil Revenue that accrued into the Federation Account was N884.42 billion, representing a decrease of N205.54 billion (or 18.86%) below the estimated quarterly projection of N1,089.97 billion. Similarly, the net oil revenue in the fourth quarter was also lower than the N1,041.48 billion net oil revenue recorded in the third quarter of 2014 by N157.06 billion (or 15.08%). The poor oil revenue performance in the fourth quarter could be attributed to the slump in oil prices in the international market and other supply challenges like crude oil theft, illegal bunkering and pipeline vandalism that occurred during the period. These data are presented in *Table 3.1*.

### ***Year-to-Date:***

22. As at end of December 2014, only Royalties (Oil & Gas) of N1,006.73 billion, Gas Flared Penalty of N2.96 billion, Petroleum Profit Tax of N2,432.34 billion and Other Oil and Gas Revenue of N9.0 billion surpassed their respective annual projection of N743.54 billion, N2.48 billion, N2,033.88 billion and N3.07 billion by N263.19 billion (or 35.4%), N0.48 billion (or 19.18%), N408.47 billion (or 20.18%) and N5.93 billion (or 193.02%). On the other hand, Crude Oil Sales of N2,973.31 billion, Gas Sales of N309.03 billion and Rent of N0.41 fell below their corresponding annual estimates of N3,840.73

billion, N550.23 billion and N0.88 billion by N867.43 billion (or 22.58%), N241.20 billion (or 43.84%) and N0.47 billion (or 53.98%). These low performances were as a result of the reasons earlier adduced.

### **Non-Oil Revenue Performance:**

23. Since the commencement of the administration, the Government, through the Budget Office of the Federation and the Federal Ministry of Finance, had embarked on different measures aimed at improving non-oil revenue collections and payments to the treasury. The effects of these measures as well as the Budget Office's regular dialogues with the Agencies had resulted to the continued increase in targets and actual revenues realized 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 fourth quarter of 2014, the actual gross non-oil revenue of N552.05 billion was received. This represented a decrease of N157.09 billion (or 22.15%) below the quarterly estimate of N709.14 billion. A breakdown of the non-oil revenue items revealed that all the non-oil revenue items fell below their quarterly projected estimates. Value Added Tax of N192.88 billion, Company Income Tax of N202.37 billion and Customs & Excise Duties of N156.8 billion were below their quarterly estimates of N211.36 billion, N246.56 billion and N195.6 billion by N18.49 billion (or 8.75%), N44.19 billion (or 17.92%) and N38.8 billion (or 19.83%) respectively. When compared to their respective third quarter performances, Customs & Excise Duties grew by N5.27 billion (or 3.48%) while Value Added Tax and Company Income Tax fell by N0.52 billion (or 0.27%) and N220.2 billion (or 52.11%) respectively. The low performances of the non-oil revenue items in the fourth quarter of 2014 could be ascribed to the slow pace of economic activities during the period. The sluggish economic behavior was due to the fall in the value of the Naira as against other foreign currencies and the inability of both the revenue generating and collecting agencies to collect and remit these revenues on time.

### ***Year-to-Date:***

25. The aggregate non-oil receipts as at December, 2014 amounted to N2,567.74 billion representing a shortfall of N268.81 billion (or 9.48%) below the annual projected estimate of N2,836.55 billion. The outcome also revealed that only Company Income Tax of N1,207.28 billion was above its annual estimate of N986.25 billion by N221.03 billion (or 22.41%), while other non-oil revenue items fell below their respective estimates. Value Added Tax of N794.22 billion and Customs & Excise Duties of N566.24 billion respectively fell short by N51.23 billion (or 6.06%) and N216.14 billion (or 27.63%) when compared with their respective annual projections.



Table 3.1: Net Distributable Revenue as at December, 2014 (Oil Revenue at Benchmark Assumptions)

| S/NC | DESCRIPTION   | BUDGET   |           |               |                | 2014 ACTUAL   |                |          |          | 2013     |          |             |                                | VARIANCE                  |                       |      |      |   |  |
|------|---|----------|-----------|---------------|----------------|---------------|----------------|----------|----------|----------|----------|-------------|--------------------------------|---------------------------|-----------------------|------|------|---|--|
|      |   | Annual   | Quarterly | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual   | Actual   | Annual   | Actual   | 4th Quarter | Actual Vs 3rd Quarter (Actual) | Actual Vs Budget (Annual) | 2014 Vs 2013 (Actual) |      |      |   |  |
|      |   | N'bn     | N'bn      | N'bn          | N'bn           | N'bn          | N'bn           | N'bn     | N'bn     | N'bn     | N'bn     | N'bn        | N'bn                           | N'bn                      | N'bn                  | N'bn | N'bn | % |  |
| A    | <b>OIL REVENUE</b>                                      |          |           |               |                |               |                |          |          |          |          |             |                                |                           |                       |      |      |   |  |
| 1    | Crude Oil Sales Export                                  | 3,840.73 | 960.18    | 843.47        | 866.35         | 679.42        | 584.08         | 2,973.31 | 2,814.13 | (39.17)  | (95.34)  | (14.03)     | (867.43)                       | 159.18                    | 5.66                  |      |      |   |  |
| 2    | Crude Oil Sales Domestic                                | 550.23   | 137.56    | 67.15         | 80.81          | 110.11        | 50.96          | 309.03   | 255.12   | (62.95)  | (86.60)  | (53.72)     | (241.20)                       | 53.91                     | 21.13                 |      |      |   |  |
| 3    | Gas Sales (NLNG Feedstock Sales & Upstream Liquid Gas)  | 743.54   | 185.98    | 267.23        | 267.23         | 268.72        | 220.23         | 1,006.73 | 982.98   | 18.48    | (48.48)  | (18.04)     | 263.19                         | 23.75                     | 2.42                  |      |      |   |  |
| 4    | Oil Royalties & Gas Royalties                           | 0.88     | 0.22      | 0.09          | 0.22           | 0.04          | 0.06           | 0.41     | 0.18     | (74.79)  | (0.16)   | 49.27       | (0.47)                         | 0.23                      | 125.00                |      |      |   |  |
| 5    | Gas Flared Penalty                                      | 2.48     | 0.62      | 0.67          | 0.77           | 0.45          | 1.06           | 2.96     | 3.19     | 71.46    | 0.44     | 135.49      | 0.48                           | (0.23)                    | (7.35)                |      |      |   |  |
| 6    | PPT & Gas Income @ 30% CIT                              | 2,023.88 | 505.97    | 623.42        | 571.67         | 647.60        | 589.66         | 2,432.34 | 2,735.98 | 16.54    | (83.69)  | (8.95)      | 408.47                         | (303.64)                  | (11.10)               |      |      |   |  |
| 7    | Other Oil and Gas Revenue                               | 3.07     | 0.77      | 0.17          | 0.87           | 6.78          | 1.19           | 9.00     | 4.04     | 54.90    | 0.42     | (5.59)      | 5.93                           | 4.96                      | 122.81                |      |      |   |  |
| 8    | Sub-Total   | 7,164.81 | 1,791.20  | 1,785.52      | 1,787.91       | 1,713.11      | 1,447.23       | 6,733.77 | 6,795.62 | (19.20)  | (343.97) | (15.52)     | (431.04)                       | (61.85)                   | (0.91)                |      |      |   |  |
| 9    | Joint Venture Cash Calls                                | 1,182.33 | 295.58    | 398.19        | 285.85         | 270.37        | 269.31         | 1,223.73 | 1,030.85 | (8.89)   | (26.27)  | (1.06)      | 41.40                          | 192.88                    | 18.71                 |      |      |   |  |
| 10   | Domestic Fuel Subsidy (NNPC) and Marketers              | 971.14   | 242.78    | -             | -              | -             | -              | -        | -        | (242.78) | (242.78) | (100.00)    | (971.14)                       | -                         | -                     |      |      |   |  |
| 11   | Under Remittance of Funds by NNPC                       | -        | -         | -             | -              | -             | -              | -        | -        | -        | -        | -           | -                              | -                         | -                     |      |      |   |  |
| 12   | Oil Excess Revenue                                      | -        | -         | 20.00         | -              | -             | -              | 20.00    | 22.35    | -        | -        | -           | 20.00                          | (2.35)                    | (10.51)               |      |      |   |  |
| 13   | Sub-Total   | 5,011.34 | 1,252.84  | 1,367.33      | 1,502.06       | 1,442.73      | 1,177.92       | 5,490.04 | 5,742.42 | (5.98)   | (74.91)  | (18.35)     | 478.70                         | (252.38)                  | (4.39)                |      |      |   |  |
| 14   | Transfer to Excess Crude Account                        | -        | -         | 158.45        | 231.27         | 245.63        | 161.35         | 796.69   | 1,011.44 | (84.28)  | (84.28)  | (34.31)     | 796.69                         | (214.75)                  | (21.23)               |      |      |   |  |
| 15   | Balance of Oil Revenue                                  | 5,011.34 | 1,252.84  | 1,208.88      | 1,270.79       | 1,197.11      | 1,016.58       | 4,693.35 | 4,730.98 | (18.86)  | (236.26) | (15.08)     | (317.99)                       | (37.63)                   | (0.80)                |      |      |   |  |
| 16   | 13% Derivation of Net Oil Revenue                       | 651.47   | 162.87    | 157.15        | 165.20         | 155.62        | 132.16         | 615.03   | 615.03   | (18.86)  | (30.71)  | (15.08)     | (41.34)                        | (4.89)                    | (0.80)                |      |      |   |  |
| 17   | TO FEDERATION ACCOUNT                                   | 4,359.87 | 1,089.97  | 1,051.72      | 1,105.59       | 1,041.48      | 884.42         | 4,083.22 | 4,115.95 | (18.86)  | (205.54) | (15.08)     | (276.65)                       | (32.74)                   | (0.80)                |      |      |   |  |
| B    | <b>NON-OIL REVENUE</b>                                  |          |           |               |                |               |                |          |          |          |          |             |                                |                           |                       |      |      |   |  |
| 18   | Value Added Tax (VAT)                                   | 845.45   | 211.36    | 213.80        | 194.15         | 193.39        | 192.88         | 794.22   | 795.60   | (8.75)   | (18.49)  | (0.52)      | (51.23)                        | (1.38)                    | (0.17)                |      |      |   |  |
| 19   | Corporate Tax (CIT, Stamp Duties & CGT)                 | 986.25   | 246.56    | 178.12        | 404.20         | 422.60        | 202.37         | 1,207.28 | 985.52   | (17.92)  | (44.19)  | (52.11)     | 221.03                         | 221.76                    | 22.50                 |      |      |   |  |
| 20   | Customs: Import, Excise & Fees                          | 782.38   | 195.60    | 121.63        | 136.28         | 151.53        | 156.80         | 566.24   | 432.64   | (19.83)  | (38.80)  | (5.27)      | (216.14)                       | 133.60                    | 30.88                 |      |      |   |  |
| 21   | Special Levies (Federation Account)                     | 222.47   | 55.62     | -             | -              | -             | -              | 55.62    | -        | (100.00) | (55.62)  | (22.47)     | (222.47)                       | -                         | -                     |      |      |   |  |
| 22   | Sub-Total   | 2,836.55 | 709.14    | 513.55        | 734.63         | 767.52        | 552.05         | 2,567.74 | 2,213.76 | (22.15)  | (157.09) | (28.07)     | (268.81)                       | 353.98                    | 15.99                 |      |      |   |  |
| 23   | Cost of Collection and Other Collections                | 153.21   | 38.30     | 24.19         | 193.16         | 170.13        | 31.60          | 419.07   | 101.59   | (17.51)  | (6.71)   | (138.53)    | 265.87                         | 317.48                    | 312.51                |      |      |   |  |
| 24   | Cost of Collection (VAT)                                | 33.82    | 8.45      | 8.55          | 7.77           | 7.74          | 7.72           | 31.77    | 31.82    | (0.74)   | (0.74)   | (0.02)      | (2.05)                         | (0.05)                    | (0.16)                |      |      |   |  |
| 25   | 4% Cost of Collection (CIT)                             | 39.05    | 9.76      | 7.12          | 16.17          | 16.70         | 7.89           | 47.89    | 39.42    | (19.13)  | (1.87)   | (8.81)      | 8.84                           | 8.47                      | 21.48                 |      |      |   |  |
| 26   | 7% Cost of Collection (Customs and Special Levies)      | 70.34    | 17.58     | 8.51          | 9.54           | 10.61         | 10.98          | 39.64    | 30.35    | (37.58)  | (6.61)   | 0.37        | (30.70)                        | 9.29                      | 30.60                 |      |      |   |  |
| 27   | FIRS Tax Refunds  | 10.00    | 2.50      | -             | -              | 5.06          | 5.01           | 10.07    | -        | 100.40   | 2.51     | (0.05)      | 0.07                           | 10.07                     | -                     |      |      |   |  |
| 28   | Excess Non-Oil Transferred to Federation Account (FIRS) | -        | -         | -             | 159.69         | 130.02        | -              | 289.71   | -        | (130.02) | -        | (100.00)    | 289.71                         | 289.71                    | -                     |      |      |   |  |
| 29   | TO FEDERATION ACCOUNT (NON-OIL)                         | 1,871.71 | 467.93    | 284.11        | 355.08         | 411.74        | 335.29         | 1,386.22 | 1,348.39 | (28.35)  | (132.63) | (76.44)     | (485.49)                       | 37.83                     | 2.81                  |      |      |   |  |
| 30   | Total VAT Pool  | 811.63   | 202.91    | 205.25        | 186.38         | 185.66        | 185.16         | 762.45   | 763.78   | (8.75)   | (17.75)  | (0.50)      | (49.18)                        | (1.33)                    | (0.17)                |      |      |   |  |
| 31   | Net Non-Oil Revenue                                     | 2,683.34 | 670.94    | 489.36        | 541.46         | 597.39        | 520.46         | 2,148.67 | 2,112.17 | (22.42)  | (150.38) | (12.88)     | (534.67)                       | 36.50                     | 1.73                  |      |      |   |  |
| 32   | Sub-Total: FEDERATION ACCOUNT                           | 6,231.58 | 1,557.89  | 1,335.83      | 1,460.67       | 1,453.22      | 1,219.72       | 5,469.44 | 5,464.34 | (21.71)  | (233.50) | (16.07)     | (762.14)                       | 5.09                      | 0.09                  |      |      |   |  |
| 33   | Actual Balances in Special Accounts                     | 2.77     | 0.69      | -             | -              | -             | -              | -        | -        | (100.00) | (0.69)   | (2.77)      | (100.00)                       | -                         | -                     |      |      |   |  |
| 34   | TOTAL FEDERATION ACCOUNT                                | 6,234.35 | 1,558.59  | 1,335.83      | 1,460.67       | 1,453.22      | 1,219.72       | 5,469.44 | 5,464.34 | (21.74)  | (233.50) | (16.07)     | (764.91)                       | 5.09                      | 0.09                  |      |      |   |  |
| C    | <b>TOTAL DISTRIBUTION</b>                               |          |           |               |                |               |                |          |          |          |          |             |                                |                           |                       |      |      |   |  |
| 1    | Federation Account                                      | 6,234.35 | 1,558.59  | 1,335.83      | 1,460.67       | 1,453.22      | 1,219.72       | 5,469.44 | 5,464.34 | (21.74)  | (233.50) | (16.07)     | (764.91)                       | 5.09                      | 0.09                  |      |      |   |  |
| 2    | VAT Pool Account  | 811.63   | 202.91    | 205.25        | 186.38         | 185.66        | 185.16         | 762.45   | 763.78   | (8.75)   | (17.75)  | (0.50)      | (49.18)                        | (1.33)                    | (0.17)                |      |      |   |  |
| 3    | GRAND TOTAL   | 7,045.98 | 1,761.50  | 1,541.08      | 1,647.05       | 1,638.88      | 1,404.88       | 6,231.89 | 6,228.12 | (20.25)  | (356.62) | (14.28)     | (814.09)                       | 3.76                      | 0.06                  |      |      |   |  |

Source: OAGF and Budget Office of the Federation, 2014

**Table 3.2: Actual Performance of Non-Oil Revenue Category (2005-2013)**

| Description             | 2005       | 2006       | 2007       | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       | 9 - Year<br>Average |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------------------|
|                         | N'm        | 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 | 432,368.00 | 316,200.07          |
| 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 | 985,520.00 | 547,119.31          |
| 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 | 795,598.00 | 479,229.67          |
| Education Tax           | 21,849.00  | 23,950.00  | 50,650.00  | 59,387.00  | 61,058.20  | .          | .          | .          | .          | 24,099.36           |
| 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 | 274,368.00 | 154,544.22          |

Source: OAGF and BOF, 2014

**Table 3.3: Percentage Growth in Non-Oil Revenues (2006-2013)**

| Description             | 2006                    | 2007    | 2008   | 2009    | 2010    | 2011   | 2012   | 2013   | 8-Year<br>Average |
|-------------------------|-------------------------|---------|--------|---------|---------|--------|--------|--------|-------------------|
|                         | Customs Duties & Excise | -22.89% | 41.20% | 10.23%  | 1.65%   | 10.85% | 36.51% | 12.52% | -8.96%            |
| Company Income Tax      | 50.96%                  | 33.59%  | 27.45% | 35.54%  | 16.34%  | 9.07%  | 18.36% | 16.14% | 25.93%            |
| Value Added Tax         | 21.27%                  | 30.97%  | 34.08% | 15.79%  | 20.17%  | 15.39% | 9.34%  | 12.03% | 19.88%            |
| FGN Independent Revenue | 103.11%                 | 42.86%  | 30.17% | -67.66% | 139.50% | 18.85% | 13.30% | 32.69% | 39.10%            |

Source: OAGF and BOF, 2014

**Comparative Revenue Performance Analysis:**

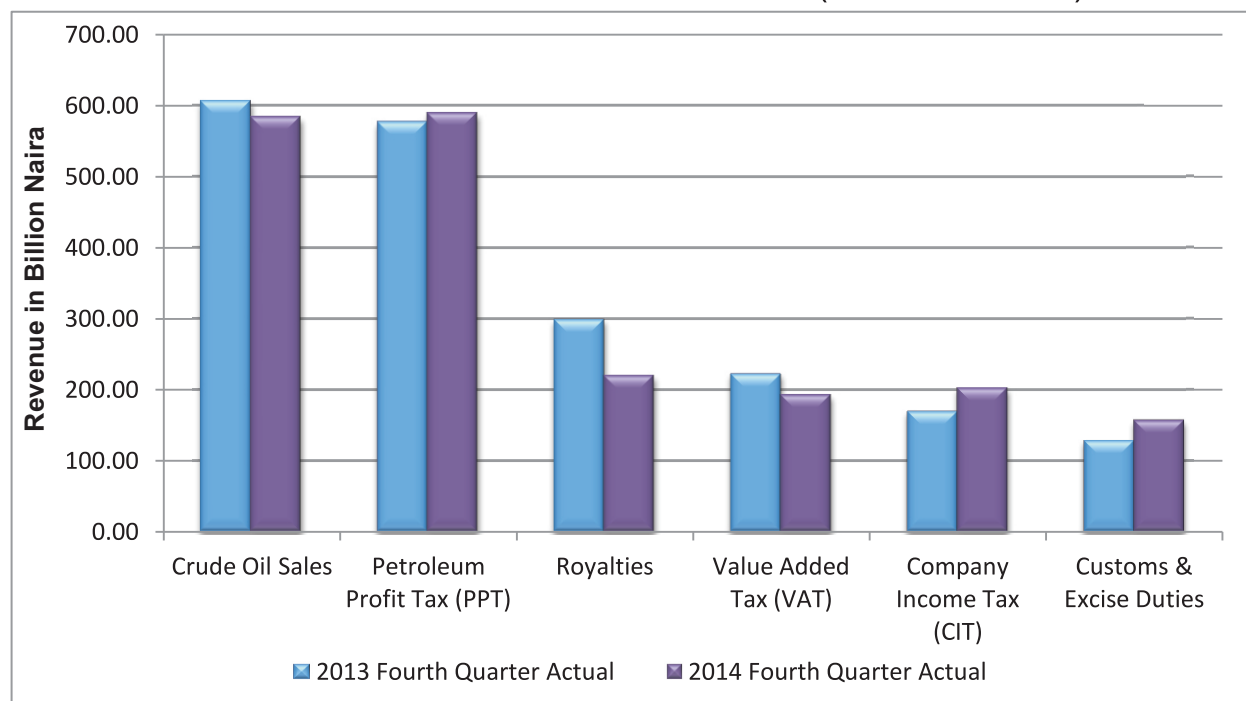
26. A relative analysis of the data further signified that the aggregate gross oil revenue receipts in the fourth quarter of 2014 were not only lower than their respective projections for the period but were also below the corresponding levels in the same period of 2013. The low performance could be attributed to the fall in oil price in the world market during the period. On the other hand, the aggregate gross non-oil revenues for the same period revealed an improvement of N32.96 billion (or 6.35%) above the corresponding figures recorded in 2013. Please see data below in *Table 3.4*.

**Table 3.4:** Performance of Revenue in the Fourth Quarter of 2014 Vs 2013

| Revenue Items               | 2013               | 2014               | Variance                             |               |
|-----------------------------|--------------------|--------------------|--------------------------------------|---------------|
|                             | 4th Quarter Actual | 4th Quarter Actual | 4th Quarter 2014 Vs 4th Quarter 2013 |               |
| <b>Oil Revenue</b>          | <b>N'bns</b>       | <b>N'bns</b>       | <b>N'bns</b>                         | <b>%</b>      |
| Crude Oil Sales             | 605.42             | 584.08             | -21.34                               | 13.32         |
| Petroleum Profit Tax (PPT)  | 576.77             | 589.66             | 12.89                                | 2.23          |
| Royalties                   | 298.53             | 220.23             | -78.30                               | -26.23        |
| Gross Oil Revenue           | 1,538.40           | 1,447.23           | -91.17                               | -5.93         |
| <b>Net Oil Receipts</b>     | <b>1,051.71</b>    | <b>884.42</b>      | <b>-167.29</b>                       | <b>-15.91</b> |
| <b>Non-Oil Revenue</b>      | <b>-</b>           | <b>-</b>           |                                      |               |
| Value Added Tax (VAT)       | 222.02             | 192.88             | -29.14                               | -13.12        |
| Company Income Tax (CIT)    | 169.07             | 202.37             | 33.30                                | 19.70         |
| Customs & Excise Duties     | 128                | 156.8              | 28.80                                | 22.50         |
| Gross Non-Oil Revenue       | 519.09             | 552.05             | 32.96                                | 6.35          |
| <b>Net Non-Oil Receipts</b> | <b>494.42</b>      | <b>520.46</b>      | <b>26.04</b>                         | <b>5.27</b>   |

Source: OAGF and Budget Office of the Federation, 2014

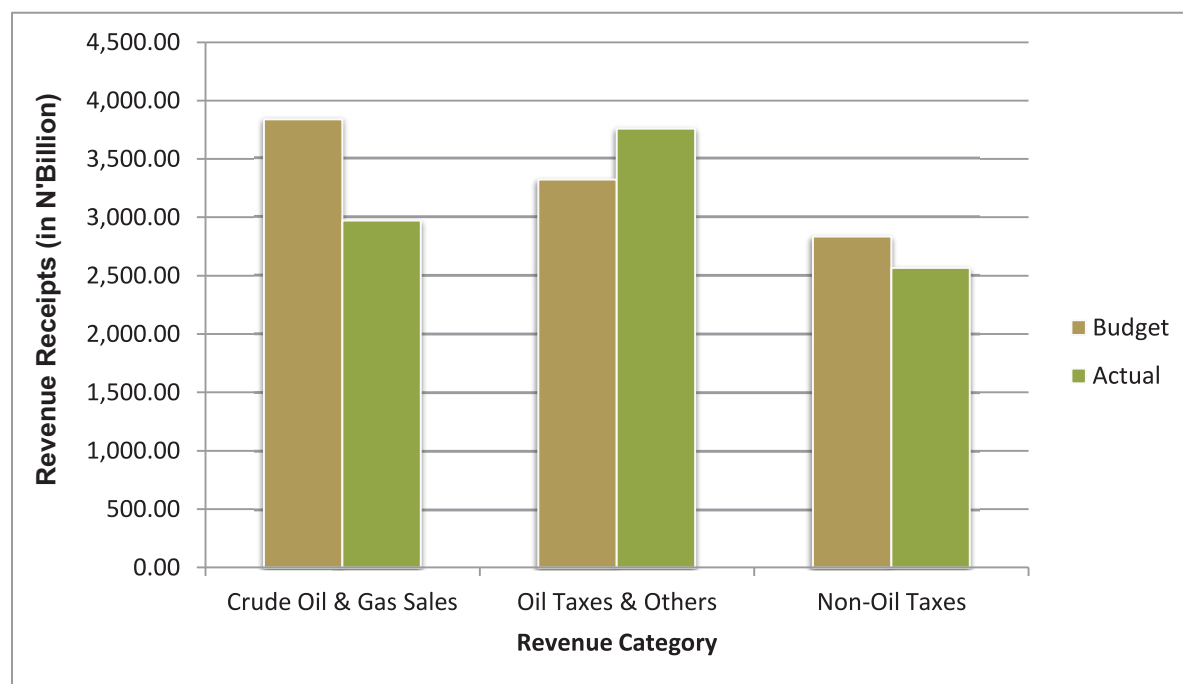
**Chart 3.1:** 2013 Vs 2014 Revenue Performance (Fourth Quarter)



Source: OAGF and Budget Office of the Federation, 2014

27. Chart 3.2 below is a graphical illustration of the actual performance of revenue categories compared to their budgeted estimates as at December 2014.

**Chart 3.2: Projected Vs Actual FAAC Revenue Receipts (as at Dec. 2014)**



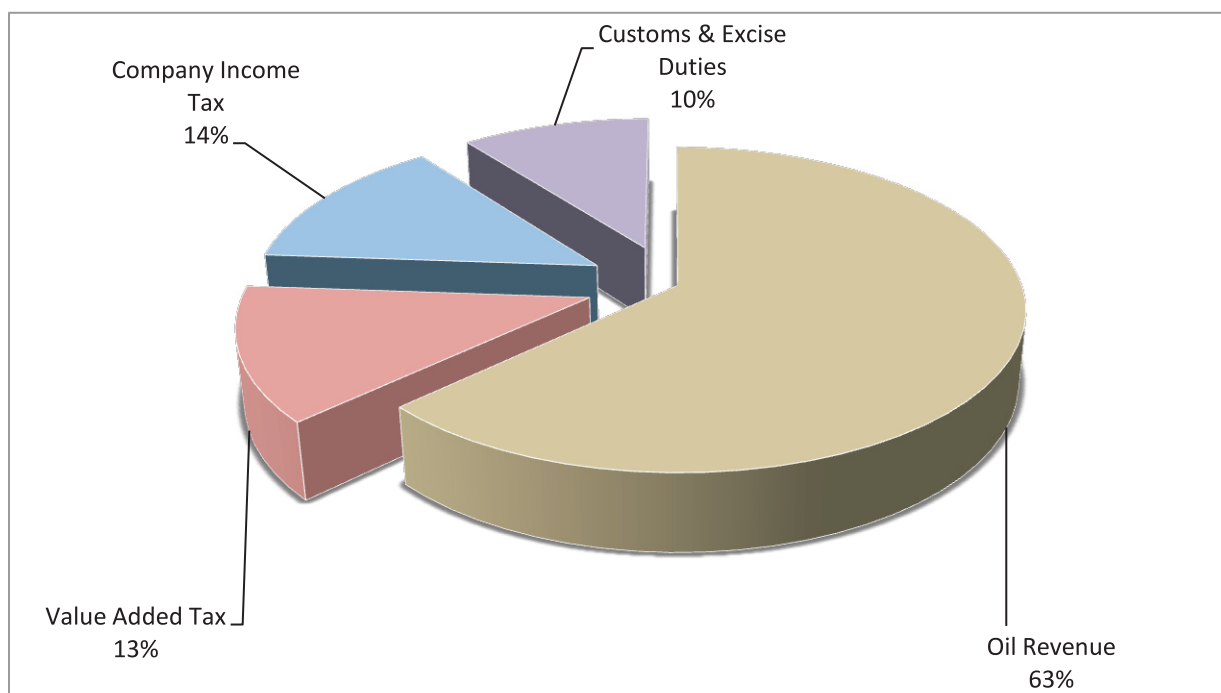
**Source:** Budget Office of the Federation, 2014

***Distributable Revenue:***

28. The net distributable revenue is the balance of funds in the Federation Account available for distribution among the three tiers of Governments after costs deductions. A net sum of N1,404.88 billion was available for sharing in the fourth quarter of 2014. This implies a shortfall of N356.62 billion (or 20.25%).

29. Chart 3.3 below presents the percentage contribution of the various revenue categories to distributable revenue in the fourth quarter of 2014.

**Chart 3.3:** Contributions to Distributable Revenue (in the 4<sup>th</sup> Quarter of 2014)

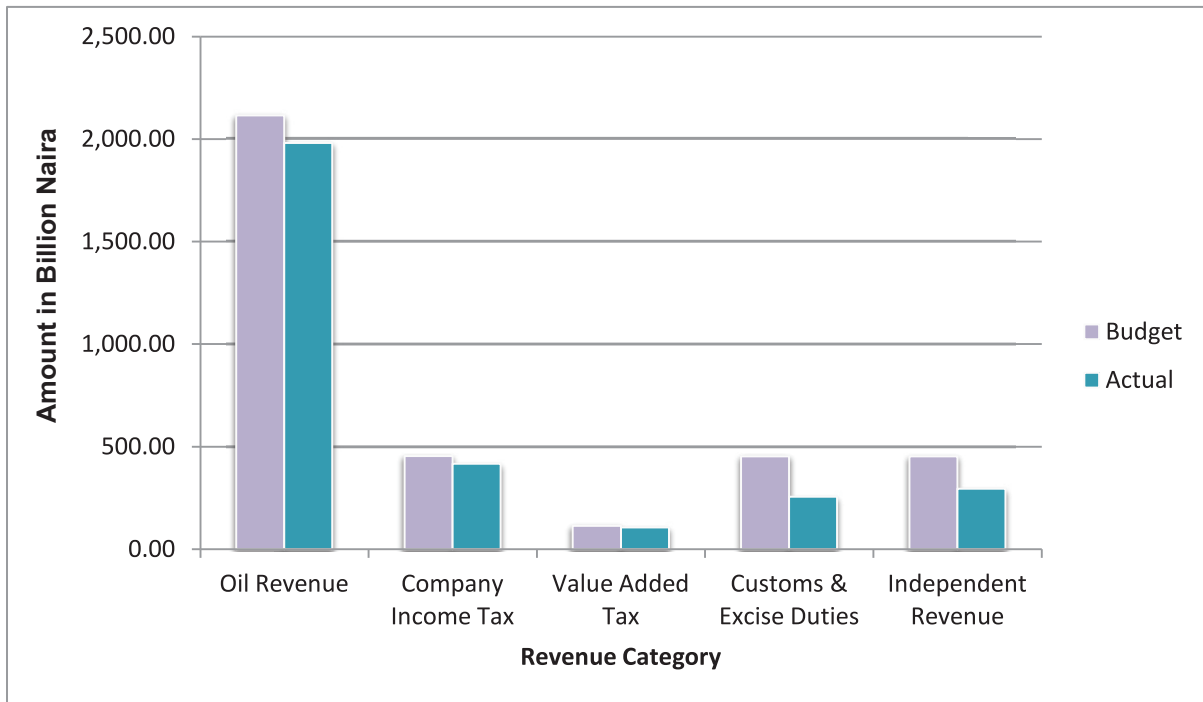


**Source:** Budget Office of the Federation, 2014

### 3.3 FGN Budget Revenue

30. In line with the approved 2014 Budget framework, the sum of N3,731.0 billion was projected to fund the Federal Budget, representing a quarterly share of N932.75 billion. In the fourth quarter of 2014, the sum of N428.94 billion received from oil sources fell short of the quarterly estimate of N528.63 billion by N99.69 billion (or 18.86%). On a similar note, all non-oil revenue items fell below their quarterly budget projection estimates. FGN Share of VAT of N25.92 billion, Customs & Excise Duties of N70.72 billion and Company Income Tax of N91.89 billion were short of their respective quarterly budget projections of N28.41, N113.31 billion and N113.64 billion by N2.48 billion (or 8.75%), N42.58 billion (or 37.58%) and N21.74 billion (or 19.13%). The above mentioned 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 December 2014)



Source: The OAGF and Budget Office of the Federation, 2014



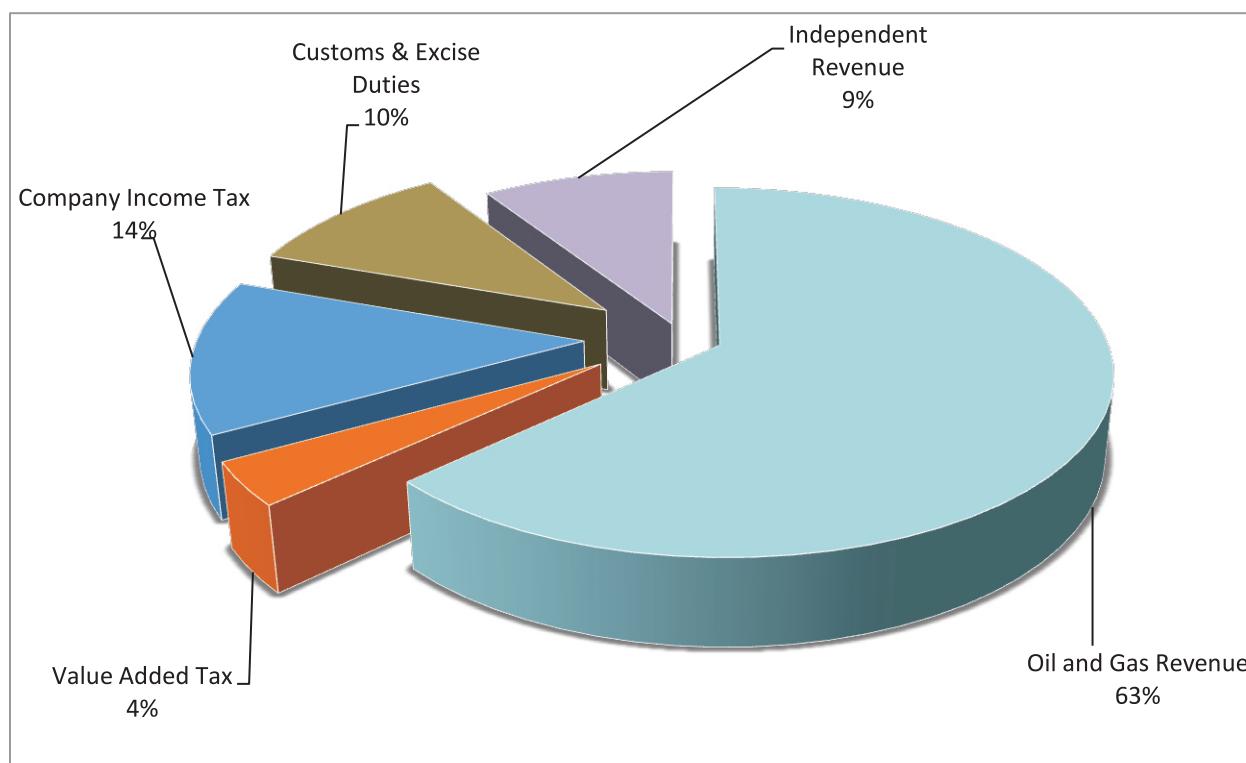
Table 3.5: Inflows to the 2014 Federal Budget as at December 2014

| S/NO | ITEMS  | BUDGET   |           | 2014 ACTUAL   |                |               |                |          | 2013          |  |          |                                     |         | VARIANCE                  |          |                       |          |      |   |
|------|--|----------|-----------|---------------|----------------|---------------|----------------|----------|---------------|--|----------|-------------------------------------|---------|---------------------------|----------|-----------------------|----------|------|---|
|      |  | Annual   | Quarterly | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Annual   | Annual Actual | 4th Quarter Actual Vs Quarterly Budget |          | 4th Quarter Vs 3rd Quarter (Actual) |         | Actual Vs Budget (Annual) |          | 2014 Vs 2013 (Actual) |          |      |   |
|      |  |          |           |               |                |               |                |          |               | N'bn                                   | %        | N'bn                                | %       | N'bn                      | %        | N'bn                  | %        | N'bn | % |
| A    | Inflow for the Federal Budget                    |          |           |               |                |               |                |          |               |  |          |                                     |         |                           |          |                       |          |      |   |
| 1    | FGN Share of Oil Revenue                         | 2,114.54 | 528.63    | 510.09        | 536.21         | 505.12        | 428.94         | 1,980.36 | 1,996.24      | (99.69)                                | (18.86)  | (76.17)                             | (15.08) | (134.18)                  | (6.35)   | (15.88)               |          |      |   |
| 2    | FGN Share of Non-Oil Revenue                     | 1,022.75 | 255.69    | 166.53        | 199.31         | 225.68        | 188.54         | 779.06   | 760.90        | (67.15)                                | (26.26)  | (37.14)                             | (16.46) | (243.69)                  | (23.83)  | 18.16                 | 2.39     |      |   |
| 3    | FGN Share of VAT                                 | 113.63   | 28.41     | 28.73         | 26.09          | 25.99         | 25.92          | 106.74   | 106.93        | (2.48)                                 | (8.75)   | (0.07)                              | (0.27)  | (6.89)                    | (6.06)   | (0.19)                | (0.17)   |      |   |
| 4    | FGN Share of Customs                             | 453.24   | 113.31    | 54.86         | 61.47          | 68.35         | 70.72          | 255.40   | 195.11        | (42.58)                                | (37.58)  | 2.38                                | 3.48    | (197.83)                  | (43.65)  | 60.29                 | 30.90    |      |   |
| 5    | FGN Share of CIT                                 | 454.54   | 113.64    | 82.93         | 110.75         | 131.34        | 91.89          | 416.91   | 458.86        | (21.74)                                | (19.13)  | (39.45)                             | (30.04) | (37.63)                   | (8.28)   | (41.95)               | (9.14)   |      |   |
| 6    | FGN Share of Actual Balances in Special Accounts | 1.34     | 0.34      | -             | -              | -             | -              | -        | -             | (0.34)                                 | (100.00) | -                                   | -       | (1.34)                    | (100.00) | -                     | -        |      |   |
| 7    | FGN Independent Revenue                          | 452.04   | 113.01    | 121.13        | 12.88          | 98.88         | 62.44          | 295.33   | 274.37        | (50.57)                                | (44.75)  | (36.43)                             | (36.85) | (156.71)                  | (34.67)  | 20.96                 | 7.64     |      |   |
| 8    | FGN Balance of Special Accounts as at 31/12/13:  | 21.68    | 5.42      | -             | -              | -             | -              | -        | 21.00         | (5.42)                                 | (100.00) | -                                   | -       | (21.68)                   | (100.00) | (21.00)               | (100.00) |      |   |
| 9    | Unspent Balance from Previous Financial Year     | 120.00   | 30.00     | 7.56          | 0.00           | -             | -              | 7.56     | 24.73         | (30.00)                                | (100.00) | -                                   | -       | (112.44)                  | (93.70)  | (17.17)               | (69.44)  |      |   |
| 10   | Sub-Total  | 3,731.00 | 932.75    | 805.30        | 747.40         | 829.68        | 679.93         | 3,062.30 | 3,077.23      | (252.82)                               | (27.11)  | (149.75)                            | (18.05) | (668.70)                  | (17.92)  | (14.93)               | (0.49)   |      |   |
| B    | Other Financing Sources                          | -        | -         | 45.00         | 45.00          | 45.00         | 45.00          | 180.00   | 423.25        | 45.00                                  | -        | -                                   | -       | 180.00                    | -        | (243.25)              | (57.47)  |      |   |
| 11   | Foreign Excess Crude Savings Account (SURE-P)    | -        | -         | 45.00         | 45.00          | 45.00         | 45.00          | 180.00   | 30.00         | 45.00                                  | -        | -                                   | -       | 180.00                    | -        | 150.00                | 500.00   |      |   |
| 12   | Excess Crude Account Special Distribution        | -        | -         | -             | -              | -             | -              | -        | 195.86        | -                                      | -        | -                                   | -       | -                         | -        | (195.86)              | (100.00) |      |   |
| 13   | Augmentation of Shortfall                        | -        | -         | -             | -              | -             | -              | -        | 197.39        | -                                      | -        | -                                   | -       | -                         | -        | (197.39)              | (100.00) |      |   |
| C    | Total Revenue Available for Implementation       | 3,731.00 | 932.75    | 850.30        | 792.40         | 874.68        | 724.93         | 3,242.30 | 3,500.47      | (207.82)                               | (22.28)  | (149.75)                            | (17.12) | (488.70)                  | (13.10)  | (258.17)              | (7.38)   |      |   |

Source: Budget Office of the Federation and the OAGF, 2014

31. A total of N679.93 billion, excluding other funding sources, was received in the fourth quarter of 2014. This amount was N252.82 billion (or 27.11%) lower than the quarterly projection of N932.75 billion. It is also N84.29 billion (or 11.28%) lower than the actual receipt of N829.68 billion recorded in the third quarter of 2014. The aggregate revenue in the fourth quarter of 2014 was also N39.7 billion (or 5.52%) short of the N719.63 billion recorded in the fourth quarter of 2013.

**Chart 3.5:** Contributions to the FGN Budget Revenue in the Fourth Quarter of 2014 (Excluding FGN's Unspent Balances and FGN's Balances in Special Accounts)



**Source:** The OAGF and Budget Office of the Federation, 2014

### 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 fourth quarter of 2014 amounted to N161.35 billion. The inflow in the fourth quarter of 2014 was N84.28 billion (or 34.31%) lower than the N245.63 billion recorded in the third quarter of 2014 and N5.32 billion (or 3.41%) higher than the N156.03 billion recorded in the fourth quarter of 2013. A total of N351.24 billion was withdrawn from the account in the fourth quarter of 2014. These data are presented in Table 3.6.

**Table 3.6: Net Excess Crude Account**

| Description                                     | 2013 Actual (N' bns) |                |               |                |                 | 2014 Actual (N'bn) |                |               |                |                |
|---|----------------------|----------------|---------------|----------------|-----------------|--------------------|----------------|---------------|----------------|----------------|
|   | First Quarter        | Second Quarter | Third Quarter | Fourth Quarter | Jan - Dec       | First Quarter      | Second Quarter | Third Quarter | Fourth Quarter | Jan - Dec      |
| <b>Inflows</b>                                  |                      |                |               |                |                 |                    |                |               |                |                |
| Transfer to Excess Crude Oil Account            | 400.92               | 273.15         | 181.34        | 156.03         | 1,011.44        | 158.45             | 231.27         | 245.63        | 161.35         | 796.70         |
| <b>Outflows</b>                                 |                      |                |               |                |                 |                    |                |               |                |                |
| Payment for Petroleum Product Subsidy           | 50.00                | 110.00         | 110.00        | 235.00         | 505.00          | 48.23              | 44.97          | 123.00        | 184.03         | 400.23         |
| Augmentation: Distribution among tiers of Govt. | 485.02               | 434.82         | 12.02         | 154.75         | 1,086.61        | 106.65             | 106.65         | 36.39         | 53.87          | 303.56         |
| Transfer for Special Intervention Fund          | 71.10                | 106.65         | 106.65        | 121.23         | 405.63          |                    | 3.55           | 106.65        | 113.34         | 223.54         |
| Transfers Int. trf - SWF                        |                      |                |               |                |                 |                    |                |               |                |                |
| <b>Total Outflow</b>                            | <b>606.12</b>        | <b>651.47</b>  | <b>228.67</b> | <b>510.98</b>  | <b>1,997.24</b> | <b>154.88</b>      | <b>155.17</b>  | <b>266.04</b> | <b>351.24</b>  | <b>927.33</b>  |
| <b>Net Excess Crude Account</b>                 | <b>-205.20</b>       | <b>-378.32</b> | <b>-47.33</b> | <b>-354.95</b> | <b>-985.80</b>  | <b>3.57</b>        | <b>76.10</b>   | <b>-20.41</b> | <b>-189.89</b> | <b>-130.63</b> |

**Source:** Office of the Accountant General of the Federation, 2014

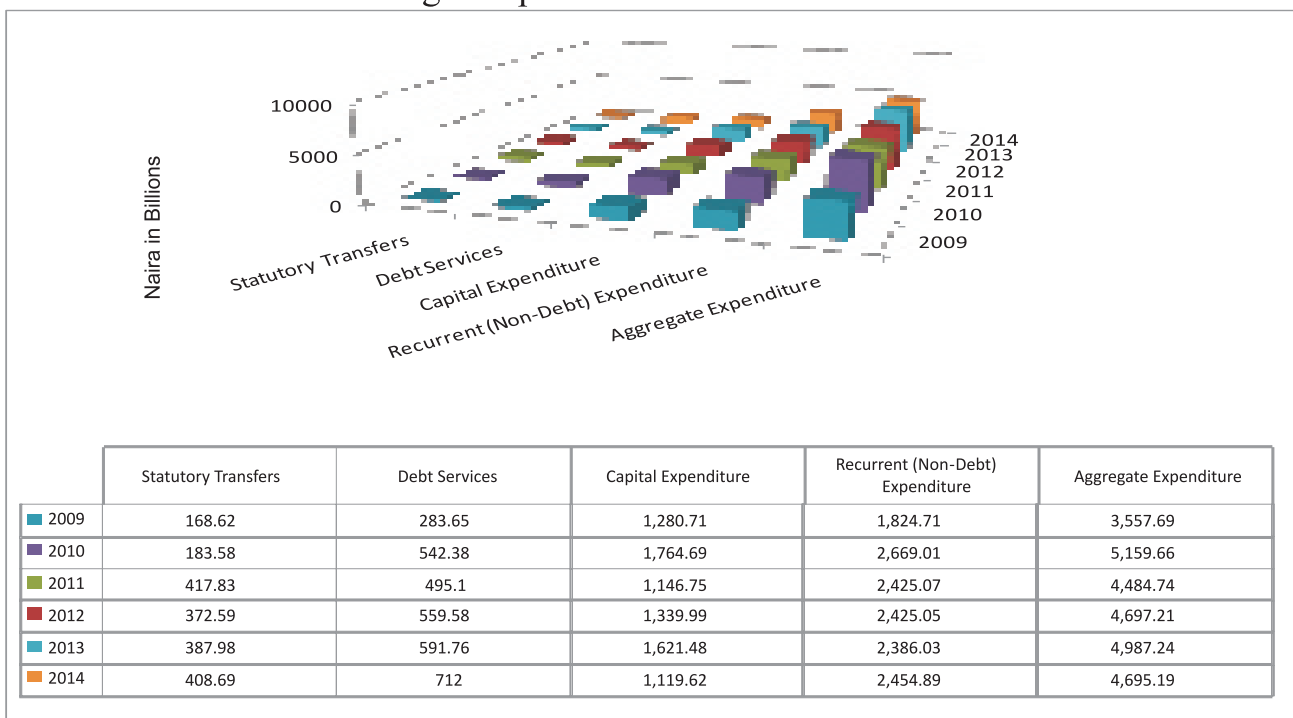
### 3.5 Expenditure Developments

33. A total of N4,963.56 billion was appropriated for expenditure in the 2014 Budget. Of this amount, N4,695.19 billion was for the regular budget for 2014 while N268.37 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 2014 was made up of N2,454.89 billion (or 52.29%) for Recurrent (Non-Debt) Expenditure, N712.0 billion (or 15.16%) for Debt Services, N408.69 billion (or 8.7%) for Statutory Transfers and N1,119.62 billion (or 23.85%) for Capital Expenditure.

#### 3.5.1 Non-Debt Recurrent Expenditure

34. In preparing the 2014 Budget, Government kept focus on its plan to deliberately cut down the growth of recurrent expenditures as specified in the 2014-2016 Fiscal Framework and Fiscal Strategy Paper. However, there was a limit to how far these efforts could go because of the persistent demands for wage increase by various labour unions. Moreover, government did not want to retrench its workers in order to lessen the huge wage bill. Since the government was determined in cutting down the cost of governance it resorted to the reduction in overhead costs and to extend to all MDAs the use of the Integrated Payroll and Personnel Information System (IPPIS) for their payroll.

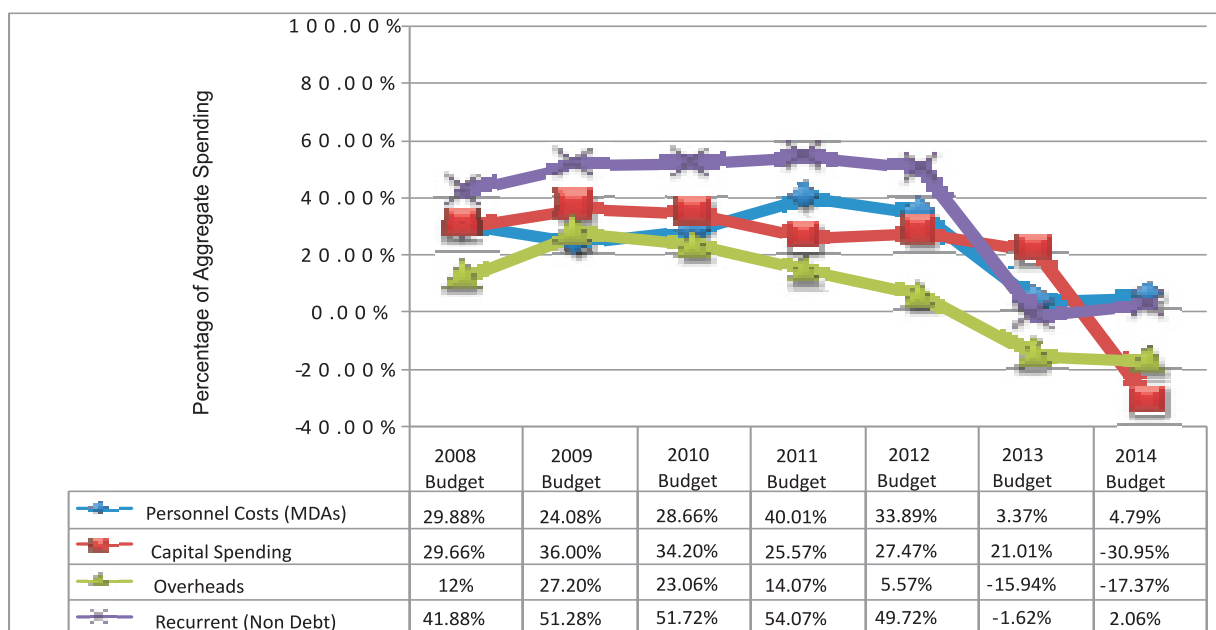
Chart 3.6: 2009 – 2014 Budget Expenditure Profile



Source: Budget Office of the Federation, 2014

35. Data from the OAGF showed that a total of N608.84 billion was expended on non-debt recurrent expenditure in the fourth quarter of 2014. This amount represents a decrease of N4.89 billion (or 0.8%) below the quarterly estimate of N613.72 billion.

Chart 3.7: Personnel, Overhead and Capital Expenditure Trends (2008 – 2014)



Source: BOF and OAGF, 2014



### **3.5.2 Debt Service**

36. Provisional data from the Debt Management Office (DMO) showed that as at 31<sup>st</sup> December, 2014, the Federal Government domestic debt stock stood at N7,904.03 billion representing an increase of N252.93 billion (or 3.31%) over the N7,651.1 billion recorded in the third quarter of 2014. The 2014 fourth quarter debt figure was also N785.05 billion (or 11.03%) above the N7,118.98 billion recorded in the same period of 2013. A breakdown of the domestic debt stock as at 31<sup>st</sup> December, 2014 showed that N4,792.28 billion (or 60.63%) was for FGN Bonds, N2,815.52 billion (or 35.62%) was for Nigeria Treasury Bills (NTBs) and N296.22 billion (or 3.75%) was for Treasury Bonds. The rise in domestic debt in the fourth quarter could be attributed to the issuance of additional Federal Government Bonds and Nigeria Treasury Bills. During the quarter, a total of N226.96 billion was released for domestic debt servicing while the actual domestic debt payment was N210.31 billion. The sum of N44.41 billion (or 26.77%) difference between the quarterly budgeted estimate of N165.9 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 31<sup>st</sup> December, 2014, stood at US\$9,711.45 million representing an increase of US\$192.5 million (or 2.02%) and US\$889.55 million (or 10.08%) over the US\$9,518.95 million and US\$8,821.9 million recorded in the third quarter of 2014 and the fourth quarter of 2013 respectively. The increase was due mainly to the increases in bilateral debt drawdown. A breakdown of the external debt stock as at 31<sup>st</sup> December, 2014 indicated that Multilateral Debts amounted to US\$6,799.36 million (70.01%), Non-Paris Club Bilateral Debts amounted to US\$1,412.08 million (or 14.54%) while Commercial (Euro-Bond) accounted for the balance of US\$1,500.0 million (or 15.45%).

38. The actual external debt service payment in the fourth quarter of the year amounted to US\$62.38 million. A breakdown of the payments showed that US\$34.08 million (or 54.63%) was to Multilateral Creditors, US\$1.46 million (or 2.34%) was to Non-Paris Bilateral Creditors, US\$5.98 million (or 9.59%) was to Commercial Creditor and US\$20.86 million (or 33.44%) went to sundry creditors.

39. The total public debt stock as at 31<sup>st</sup> December, 2014 stood at US\$67.73 billion (or N11,243.12 billion). The breakdown consists of US\$9.71 billion (or N1,631.52 billion or 14.34%) for external debt while the balance of US\$58.01 billion (or N9,611.6 billion or 85.65%) was for domestic debt stock. The total net value of Debt/GDP (external and domestic) ratio of 13.88% (using the rebased GDP figure of 2014) as at the end of December 2014 was significantly below the global threshold of 40%.

Table 3.7: FGN Budget Expenditure and Fiscal Account (in N' Billion) as at December 2014

| S/NO | ITEMS   | BUDGET   |   |           |   |               |   | 2014 ACTUAL    |   |               |   |                |   | 2013     |   |               |   |  |   | VARIANCE                            |   |                           |   |                       |   |
|------|---|----------|---|-----------|---|---------------|---|----------------|---|---------------|---|----------------|---|----------|---|---------------|---|--|---|-------------------------------------|---|---------------------------|---|-----------------------|---|
|      |   | Annual   |   | Quarterly |   | First Quarter |   | Second Quarter |   | Third Quarter |   | Fourth Quarter |   | Annual   |   | Annual Actual |   | 4th Quarter Actual Vs Quarterly Budget |   | 4th Quarter Vs 3rd Quarter (Actual) |   | Actual Vs Budget (Annual) |   | 2014 Vs 2013 (Actual) |   |
|      |   | N'bn     | % | N'bn      | % | N'bn          | % | N'bn           | % | N'bn          | % | N'bn           | % | N'bn     | % | N'bn          | % | N'bn                                   | % | N'bn                                | % | N'bn                      | % | N'bn                  | % |
| A    | TOTAL INFLOW  | 3,731.00 |   | 932.75    |   | 850.30        |   | 792.40         |   | 874.68        |   | 724.93         |   | 3,242.30 |   | 3,500.47      |   | (207.82)                               |   | (149.75)                            |   | (488.70)                  |   | (258.17)              |   |
| B    | EXPENDITURE:  |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |
|      | RECURRENT (NON-DEBT)                                    |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |
| 1    | Personnel Cost  | 1,769.04 |   | 442.26    |   | 315.91        |   | 437.22         |   | 474.54        |   | 428.51         |   | 1,656.18 |   | 1,753.61      |   | (13.75)                                |   | (46.03)                             |   | (112.86)                  |   | (97.43)               |   |
| 2    | Pension & Gratuities                                    | 187.45   |   | 46.86     |   | 35.72         |   | 35.72          |   | 41.42         |   | 67.51          |   | 182.81   |   | 107.44        |   | 20.65                                  |   | 26.09                               |   | 62.98                     |   | 75.37                 |   |
| 3    | Overhead Cost and Service Wide Vote                     | 498.40   |   | 124.60    |   | 48.93         |   | 103.33         |   | 112.71        |   | 112.82         |   | 377.79   |   | 525.79        |   | (11.78)                                |   | (9.46)                              |   | (120.62)                  |   | (148.01)              |   |
| 4    | Sub-Total (Non-Debt)                                    | 2,454.89 |   | 613.72    |   | 403.00        |   | 576.26         |   | 628.67        |   | 608.84         |   | 2,216.77 |   | 2,386.84      |   | (4.89)                                 |   | (19.83)                             |   | (238.12)                  |   | (170.07)              |   |
| 5    | Domestic Debts & Int. on Ways & Means                   | 663.61   |   | 165.90    |   | 279.64        |   | 161.80         |   | 212.00        |   | 226.96         |   | 880.39   |   | 772.39        |   | 61.06                                  |   | 36.80                               |   | 216.78                    |   | 108.00                |   |
| 6    | Foreign Debts   | 48.39    |   | 12.10     |   | 21.29         |   | 15.08          |   | 13.03         |   | 11.88          |   | 61.28    |   | 55.71         |   | (0.22)                                 |   | (1.80)                              |   | 12.89                     |   | 5.57                  |   |
| 7    | Sub-Total (Debt Services)                               | 712.00   |   | 178.00    |   | 300.92        |   | 176.88         |   | 225.03        |   | 238.84         |   | 941.67   |   | 828.10        |   | 60.84                                  |   | 34.18                               |   | 229.67                    |   | 113.57                |   |
| 8    | CAPITAL EXPENDITURE:                                    |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |
| 9    | Capital Releases (2013)                                 |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |
| 10   | *Capital Releases 2014                                  | 1,119.62 |   | 279.90    |   | 126.51        |   | 31.76          |   | 187.94        |   | 144.27         |   | 490.48   |   | (135.63)      |   | (48.46)                                |   | (43.67)                             |   | (629.13)                  |   | 490.48                |   |
| 11   | Sub-Total (Capital)                                     | 1,119.62 |   | 279.90    |   | 223.64        |   | 31.76          |   | 187.94        |   | 144.27         |   | 587.61   |   | 912.87        |   | (135.63)                               |   | (43.67)                             |   | (532.01)                  |   | (325.26)              |   |
| 12   | TRANSFER:   |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |
| 13   | Niger Delta Development Commission (NDDC)               | 61.94    |   | 15.49     |   | -             |   | 15.49          |   | -             |   | 10.32          |   | 25.81    |   | 61.35         |   | (5.16)                                 |   | (33.33)                             |   | (36.13)                   |   | (35.54)               |   |
| 14   | National Judicial Council (NJC)                         | 73.00    |   | 18.25     |   | 16.75         |   | 11.17          |   | 23.08         |   | 17.00          |   | 68.00    |   | 67.00         |   | (1.25)                                 |   | (6.84)                              |   | (5.00)                    |   | 1.00                  |   |
| 15   | Universal Basic Education Commission (UBEC)             | 70.47    |   | 17.62     |   | 17.62         |   | 11.75          |   | 17.62         |   | 17.62          |   | 64.60    |   | 76.10         |   | 0.00                                   |   | 0.00                                |   | (5.87)                    |   | (11.50)               |   |
| 16   | Independent National Electoral Commission (INEC)        | 45.00    |   | 11.25     |   | 7.50          |   | 8.54           |   | 17.71         |   | 12.75          |   | 46.50    |   | 32.08         |   | 1.50                                   |   | 13.33                               |   | (4.96)                    |   | 14.42                 |   |
| 17   | National Assembly                                       | 150.00   |   | 37.50     |   | 37.50         |   | 37.50          |   | 49.50         |   | 41.50          |   | 166.00   |   | 150.00        |   | 4.00                                   |   | 10.67                               |   | (8.00)                    |   | 16.00                 |   |
| 18   | Public Complaint Commission                             | 6.93     |   | 1.73      |   | 0.73          |   | 0.24           |   | 2.48          |   | 1.65           |   | 5.10     |   | 5.10          |   | (0.08)                                 |   | (4.73)                              |   | (0.83)                    |   | 5.10                  |   |
| 19   | National Human Right Commission                         | 1.35     |   | 0.34      |   | 0.34          |   | 0.23           |   | 0.45          |   | 0.34           |   | 1.36     |   | 1.35          |   | 0.00                                   |   | 0.44                                |   | (0.11)                    |   | 0.01                  |   |
| 20   | Sub-Total (Transfers)                                   | 408.69   |   | 102.17    |   | 80.44         |   | 84.91          |   | 110.84        |   | 101.18         |   | 377.37   |   | 387.87        |   | (0.99)                                 |   | (0.97)                              |   | (9.66)                    |   | (10.51)               |   |
| 21   | TOTAL EXPENDITURE                                       | 4,695.19 |   | 1,173.80  |   | 1,008.00      |   | 869.81         |   | 1,152.48      |   | 1,093.13       |   | 4,123.42 |   | 4,560.81      |   | (80.67)                                |   | (6.87)                              |   | (59.35)                   |   | (437.40)              |   |
| 22   | Fiscal Deficit  | (964.19) |   | (241.05)  |   | (157.70)      |   | (77.41)        |   | (277.80)      |   | (368.20)       |   | (881.11) |   | (1,060.34)    |   | (127.16)                               |   | 52.75                               |   | (90.40)                   |   | 179.23                |   |
| C    | FINANCING ITEMS   |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |
| 1    | Privitization Proceeds                                  | 15.00    |   | 3.75      |   | -             |   | -              |   | -             |   | -              |   | -        |   | -             |   | (3.75)                                 |   | (100.00)                            |   | (15.00)                   |   | -                     |   |
| 2    | Signature Bonus   |          |   |           |   |               |   |                |   |               |   |                |   |          |   | 6.03          |   | -                                      |   | -                                   |   | -                         |   | (6.03)                |   |
| 3    | FGN Share from Stabilisation Fund Account               | 324.97   |   | 81.24     |   | -             |   | -              |   | -             |   | -              |   | 195.86   |   | 195.86        |   | (81.24)                                |   | (100.00)                            |   | (324.97)                  |   | (195.86)              |   |
| 4    | Domestic Borrowing (FGN Bond)                           | 624.22   |   | 156.06    |   | 260.67        |   | 243.33         |   | 120.22        |   | -              |   | 624.22   |   | 706.74        |   | (156.06)                               |   | (100.00)                            |   | (120.22)                  |   | (82.52)               |   |
| 5    | Borrowing from Development of Natural Resources Account | -        |   | -         |   | -             |   | 36.70          |   | (36.70)       |   | -              |   | -        |   | -             |   | -                                      |   | -                                   |   | 36.70                     |   | -                     |   |
| 6    | Borrowing from Special Accounts                         | -        |   | -         |   | -             |   | -              |   | -             |   | -              |   | -        |   | 223.93        |   | -                                      |   | -                                   |   | -                         |   | (223.93)              |   |
| 7    | Borrowing to Service Excess Domestic Debt               | -        |   | -         |   | -             |   | -              |   | -             |   | -              |   | -        |   | 75.08         |   | -                                      |   | -                                   |   | -                         |   | (75.08)               |   |
| 8    | Sub-Total   | 964.19   |   | 241.05    |   | 260.67        |   | 280.03         |   | 83.52         |   | -              |   | 624.22   |   | 1,207.64      |   | (241.05)                               |   | (100.00)                            |   | (83.52)                   |   | (339.97)              |   |
| 9    | Net Deficit/Surplus                                     | 0.00     |   | 0.00      |   | 102.97        |   | 202.62         |   | (194.28)      |   | (368.20)       |   | (256.89) |   | 147.30        |   | (368.20)                               |   | (100.00)                            |   | (173.92)                  |   | (583.42)              |   |
|      |   |          |   |           |   |               |   |                |   |               |   |                |   |          |   |               |   |  |   |                                     |   |                           |   |                       |   |

Source: OAGF and Budget Office of the Federation, 2014



### **3.5.3 Statutory Transfers:**

40. In the fourth quarter of 2014, a total of N101.18 billion was released as statutory transfers. A breakdown of the actual transfers in the fourth quarter revealed that N10.32 billion was to Niger Delta Development Commission (NDDC), N17.0 billion was to National Judicial Council (NJC), N17.62 billion was to the Universal Basic Education Commission (UBEC), N12.75 billion was to Independent Electoral Commission, N1.65 billion was to Public Complaint Commission, N0.34 billion was to National Human Right Commission and N41.50 billion was to the National Assembly. It is worthy to note that quarterly releases under this subhead were made on demand by the beneficiaries subject to budgetary provisions.

### **3.5.4 Capital Expenditure Performance**

41. In pursuance of Government's determination to create jobs and stimulate comprehensive growth, the bulk of 2014 Budget capital finances were directed to structural reform of the economy and provision of critical infrastructure in the power, health, education, roads, rail, aviation sectors as well as the provision of physical and food security. As a result of this, a total of N1,119.62 billion was appropriated for capital expenditure in the 2014 Budget.

#### *MDAs' Capital Vote Utilization:*

42. Data from the OAGF reveals that as at 31<sup>st</sup> December 2014, a total of N501.79 billion had been released through the First Quarter Development Capital Warrant of N160.91 billion, Second Quarter Development Capital Warrant of N172.30 billion, Third Quarter Development Capital Warrant of N84.41 billion and Authority to Incur Expenditure (AIEs) of N84.16 billion for the implementation of MDAs capital projects/programmes as contained in the 2014 Appropriation Act. Of this amount, the sum of N501.72 billion of the total releases had been cash-backed.

#### *Performance as at 31<sup>st</sup> December, 2014*

43. The data also showed that N490.92 billion (or 97.85%) of the total amount cash-backed had been utilized by MDAs as at 31<sup>st</sup> December 2014. *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) showed different levels of utilization among the MDAs. Twenty-Seven (or 55.1%) of the MDAs including: Presidency, Police Formation, Women Affairs, Defence, Auditor-General, Federal Capital Territory Administration, Finance, Trade & Investment, Communication Technology, Labour & Productivity, Power, Works,

Housing, Environment, Niger-Delta and National Sports Commission had utilized more than the overall average utilization rate of 97.85% of the amount cash-backed. Six out of these, including Auditor-General, National Salaries & Wages, Niger-Delta, Code of Conduct Bureau, Code of Conduct Tribunal, and Ministry of Special Duties had 100% of their respective cash-backed funds utilized.

44. The utilization report also showed that 45 MDAs (or 91.84%), which include: Agriculture, Office of the Secretary to Government of the Federation, Youth Development, Police Affairs, Water Resources, Defence, Education, Health, Finance, Trade & Investment, Interior, Power, Science & Technology, Transport, Petroleum, Housing, Environment, Mines & Steel, Aviation, Tourism, Culture & National Orientation and Fiscal Responsibility Commission had utilized above 90% of their cash-backed funds. Four (or 8.16%) of MDAs including Head of Service, Special Duties, ICRC and National Population Commission had a utilization rate of less than 90%. *Table 3.8* below is an extract from *Appendix 1* highlighting the utilization rates of ten MDAs considered to be key to the actualization of the Government's Transformation Agenda.

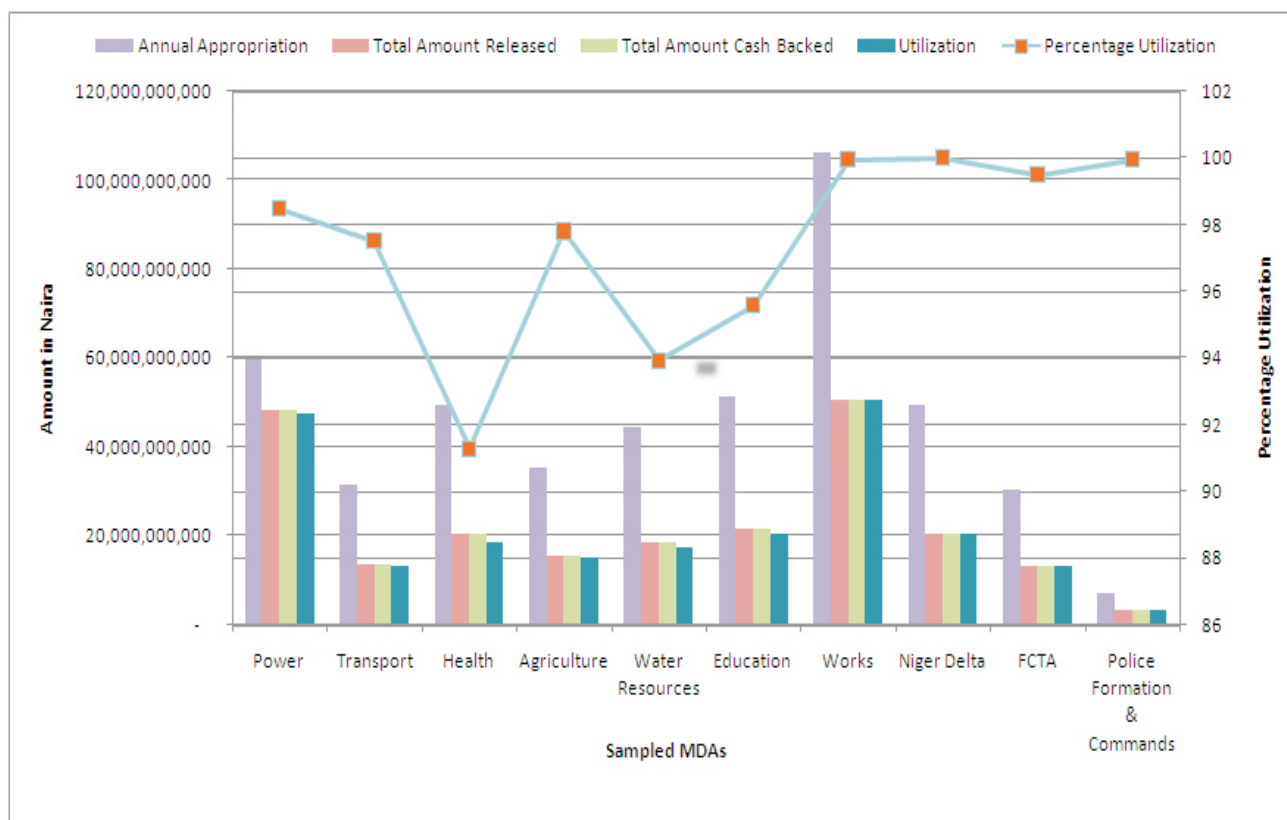
45. In addition to the regular Budget, an extra provision of N268.37 billion (N180 billion as additional revenue and N88.37 billion as carryover of outstanding provisions from 2013 Budget) was made for major capital and social programmes under the SURE-P window, and this assisted in the area of infrastructural development in the fourth quarter of 2014. A total of N268.37 billion (or 100%) of the appropriated sum was released while N232.39 billion (or 86.59%) of the released amount was utilized as at 31<sup>st</sup> December, 2014.

**Table 3.8:** A Sample of MDAs' Capital Budget Utilization (as at 31<sup>st</sup> December, 2014)

| 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                                   | 59,814,290,389       | 48,326,791,710        | 48,326,791,710           | 47,589,473,150 | 79.56                                | 98.47                     | 98.47                      |
| Transport                               | 31,808,108,913       | 13,584,872,873        | 13,584,872,873           | 13,246,336,790 | 41.64                                | 97.51                     | 97.51                      |
| Health                                  | 49,517,380,725       | 20,472,722,764        | 20,472,722,764           | 18,688,379,887 | 37.74                                | 91.28                     | 91.28                      |
| Agriculture                             | 35,551,172,583       | 15,463,228,948        | 15,463,228,948           | 15,121,799,415 | 42.54                                | 97.79                     | 97.79                      |
| Water Resources                         | 44,570,772,579       | 18,819,467,365        | 18,819,467,365           | 17,674,507,646 | 39.65                                | 93.92                     | 93.92                      |
| Education                               | 51,281,035,231       | 21,769,408,427        | 21,702,933,949           | 20,743,569,845 | 40.45                                | 95.58                     | 95.29                      |
| Works                                   | 106,321,203,055      | 50,657,878,888        | 50,657,878,888           | 50,629,359,529 | 47.62                                | 99.94                     | 99.94                      |
| Niger Delta                             | 49,403,704,194       | 20,632,892,163        | 20,632,892,163           | 20,631,994,700 | 41.76                                | 100.00                    | 100.00                     |
| FCTA                                    | 30,410,000,000       | 13,375,651,139        | 13,375,651,139           | 13,309,160,826 | 43.77                                | 99.50                     | 99.50                      |
| Police Formation & Commands             | 7,340,000,000        | 3,438,989,188         | 3,438,989,188            | 3,437,481,751  | 46.83                                | 99.96                     | 99.96                      |
| Total Average Utilization (by all MDAs) |                      |                       |                          |                | 43.85                                | 97.85                     | 97.83                      |

Source: OAGF and BOF, 2014

Chart 3.8: Pictorial Representation of Selected MDAs Utilization



Source: BOF and OAGF, 2014

### 3.5.5 Performance of the Financing Items:

46. The 2014 Fiscal Framework portrays a quarterly deficit of N241.05 billion to be financed through Privatization Proceeds of N3.75 billion, FGN's Share from the Stabilization Fund Account of N81.24 billion and Domestic Borrowing (FGN Bond) of N156.06 billion.

47. In the fourth quarter, nothing was realized from the financing item sources implying a decrease of N241.05 billion (or 100%) below the quarterly estimate of N241.05 billion.

## 4.0 CAPITAL IMPLEMENTATION REPORT

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48. The Budget Office of the Federation embarked on the 4<sup>th</sup> quarter, 2014 physical inspection of selected capital projects across the six (6) geo-political zones of the country. This is further to the commitment to develop the country's infrastructure, promote transparency and accountability. The exercise was undertaken in collaboration with representatives of selected MDAs, Civil Societies Organisations (CSO's) and the Media from 15<sup>th</sup> – 26<sup>th</sup> June, 2015.

49. The objective of the exercise was to assess the status of the capital projects implementation in the period under review, determine the relative value of funds allocated and compare the cumulative performances in the 2013 budget against the 2014 budget. The monitoring teams visited various projects in sectors such as Health, Power, Education, Agriculture, FCTA, Defence, Water Resources, Transport, Works, Aviation, Niger Delta, and Science & Technology.

50. Emphasis was also placed on assessing the financial commitment of the selected projects and programmes, the socio-economic impact on the host communities and challenges hindering the prompt completion of the projects as reported below:

### 4.1 FEDERAL CAPITAL TERRITORY ADMINISTRATION (FCTA)

51. The FCTA is mandated to provide social infrastructures in line with the development requirements of the city's master plan. These include the creation of satellite towns and development areas to sustain the influx of people into the Federal Capital Territory. In order to achieve these objectives, a total of N30.41 billion was allocated in the 2014 budget while N13.38 billion was released and N13.31 billion utilized as at the end of the year to execute amongst others the following projects:

#### *i. Rehabilitation and Expansion of Outer Northern Expressway (ONEX) Lot II*

52. The project which starts from Dutse junction to Presidential Villa roundabout, Asokoro involves the rehabilitation of the existing carriageway and its expansion into ten (10) lanes. This consists: construction of 4 lanes service carriageway, 6 lanes main carriageway, 5 nos interchange structures, 6 nos pedestrian bridges, 4 nos special U–turn and concrete galleries. Others are: provision of street lights, transformers, concrete drainages and telecom ducts.



53. The contract was awarded to Messrs CGC Nigeria Limited at a cost of N81.91 billion in June 2009 and was expected to have been completed in March 2011. This was later revised to December 2015 owing to the reviewed scope of works which include: increase in the length of the road from 19.5km to 20.26km, construction of a diamond interchange structure at Asokoro roundabout and overhead bridge at villa roundabout.

54. The sum of N5 billion (FCTA Statutory Budget) and N2 billion (National Budget) were appropriated in the 2013 respectively. Of this amount, N3.3 billion comprising (N1 billion National budget and N2.3 billion FCTA statutory) were released and utilised while, a total of N66.71 billion was committed to the project from inception to achieve 93% level of completion. Similarly, N1.6 billion (National Budget) and N2 billion (FCTA Statutory Budget) were appropriated in the 2014 budget and same amount was released and utilised while N70.31 billion had so far been committed to the project from inception to date to achieve a cumulative performance of 97%. This represents 4% increase over the performance recorded in the previous year.

***Findings:***

55. At the time of monitoring, the full stretch of the road construction had been completed. Work in progress include: construction of 1no. diamond interchange at S14/ONEX and Overhead Bridge, piling, piers, cross beam and landing of the longitudinal beams at Villa roundabout. The outstanding works include: earthworks and pavement structure in the interchange locations for ring road III.



**Pictures 1: On-going Construction of Overhead Bridge at Villa Roundabout**

***Socio – economic Impact:***

56. Prior to the construction work, the influx of people into the city generated a lot of traffic gridlock due to new settlements in the areas adjoining the expressway. This situation has however been ameliorated with the development of an integrated and world class infrastructure consistent with the FCT master plan. Thus, the project has improved traffic flow, safety on the highway, facilitated free movement of goods and persons, attracted estate developments and increased the value of properties along the route.

ii. **Dualisation of the Lower Usuma Dam – Gurara Road (Phase II)**

57. The contract for this project (Phase II) was awarded to Messrs. SCC Nigeria Ltd. in October 2013 at a cost of N28.09 billion and is expected to be completed in November 2015. It entails the dualisation of a 42km road from Lower Usuma Dam to Jere junction involving site clearance, earthworks, road works (41.9km), 5nos. bridges of various spans and concrete crash barriers. Other components are: the construction of 60no. boxes, pipe culverts, roundabout and improvement of existing junctions.

58. The sum of N2.0billion (National Budget) and N3.35billion (Statutory Budget) were appropriated in the 2014 Budget. Out of this amount, N1.69billion (National budget) and N1.0 billion (Statutory Budget) were released and utilized as at the end of the year. This brings total commitment to N9.99billion since inception to achieve 27% level of completion, thus indicating an improvement of 5% performance over the 22% completion level recorded at the end of 2013 fiscal year.

***Findings:***

59. Out of the 42km length of the road, site clearance had covered about 30km (from Jere to Bwarri) and earthworks (25km) respectively. 19km concrete crash barrier and 50nos. culverts were also executed. In addition, cross beams at the Layi River Bridge (single bridge) had been done while excavation and foundation beam/pilling work were in progress at the second bridge (Dnako river bridge).





Picture 2: Cross Beams at Layi River Bridge and Pilling Work in Progress at Dnako River Bridge

***Challenges:***

60. The team was informed by the Chief Resident Engineer (CRE) that inadequate funding, encroachment on the road (buildings and economic trees) and compensation issues had slowed down the progress of work. In addition, a total of N8.2billion certified work was outstanding for payment to the contractor. This situation had forced the reduction of workers at the site from the initial 500 to 200 including expatriates.

***Socio-economic Impact:***

61. The project though not completed, has reduced the high volume of traffic experienced in the past from FCT to Kaduna thereby saving travel time and cost of vehicular maintenance along the road. It has also attracted settlements, development of local industries, markets, and boosted economic activities along the road corridor. More access to farm produce has also been facilitated thereby enhancing income generation and wellbeing of the host communities.

***iii. Provision of Engineering Infrastructure to Abuja Technology Village, Phase I***

62. This project was conceived as a technology hub for Africa like the Massachusetts Institute of Technology (MIT) in U.S.A and the India Institute of Technology, respectively. The contract was awarded to Messrs Gilmore Engineering (Nigeria)

Limited on the 24<sup>th</sup> May 2007 at a cost of N20.9billion, with a completion period of 36 months. Actual work commenced on the 8<sup>th</sup> of June, 2007 but due to the changes in scope of work of the initial project design, the completion date was reviewed to December 2011 and later revised to 31<sup>st</sup> December, 2015.

63. The scope of the project includes: provision of urban engineering infrastructure; 25km of various sizes of storm sewer drainage loops, 35km of foul sewage and 2nos fully equipped mini sewage treatment plants. It also comprises: 133km telecommunication duct, 57km electric cable network, 33/11kva injection (electrical power) station and 1,339nos street light. Others are: ring and box culverts, 2nos bridges and 20.13km gas pipeline.

64. In the 2014 budget, the sum N500 million was appropriated, while N160.35million was released and utilized. A total of N17.39billion had so far been committed to the project since inception to achieve 75%cumulative level of completion. This implies an improvement of 5% in 2014 when compared to the performance recorded in 2013 implementation.

***Findings:***

65. At the time of monitoring, work in progress includes: 31.2km earthwork, 27nos culverts, 1no service tunnel, 587,000m<sup>3</sup> rock drilling & blasting, underground storm water drainages, 33.12km manhole, 19.45km asphalt laying, 48.1km kerbs stone, sewage treatment Plant (with completed structure), portable & raw water reservoirs and service tunnel across ISEX (Inner Southern Expressway). Others are: storm and foul sewer, 724nos manhole of various sizes and 1no 33/11kva injection (electric power) substation. Outstanding works include: completion of clusters 1, 3 and 4; mini injection power substation, installation of transformers and sewage treatment plant, amongst others.



Picture 3: On-going Road Construction and Sewage Treatment Plant (with Completed Structure)

***Socio-economic Impact:***

66. Even though the project is yet to be completed, it has provided employment opportunity to about 350 skilled and unskilled Nigerians. It has also provided sub-contracts to local Suppliers. Upon completion, the project is expected to open up access to Pyakasa Community, generate about 35,000 jobs and entrench a platform for a sustainable knowledge based economy in line with the National Economic Empowerment and Development Strategy (NEEDS). More so, it will also create Nigeria's First Technology Park, which will house Global Technology Companies and Institutions such as Africa University of Science and Technology, HP, Cisco Systems, IBM, Microsoft and Oracle.

***Challenges:***

67. The major challenges faced by the project include: delay in payment of compensation, resettlement of original inhabitants and other structures within the Right of Way (ROW).

***iv. Contraction of Tank 1 and 6 Associated Trunk Mains***

68. The project involves the construction of two tanks (40,000m<sup>3</sup> each) with reinforced concrete at Dawaki and Apo Sefyi Districts in the Federal Capital Territory. It was designed to convey portable water from the newly completed phases 3 and 4 of Lower Usuman Dam water treatment plant via 60km length of pipes ranging from 1,000mm - 1400mm diameter size to each of the tanks. Others include: the supply and installation of control and post chlorination systems, distribution boards, generating sets and equipment.

69. The contract was awarded to Messrs Sarplast (West Africa) Limited in August 2006 at an initial cost of N11.77billion with an expected completion date of October, 2008. This was later revised to N20.26billion with a completion date of December, 2014. The review was largely due to the increase in price of the large diameter ductile iron pipes and fitting which constitute about 70% of the materials needed for the construction.

70. In the 2014 Budget, N1.5billion was appropriated, out of which N75million was released and utilized. A total of N10.032 billion had so far been committed to the project since inception to achieve 46% level of completion. This represents an increase of 5% level of performance over 2013 achievement.



***Findings:***

71. At the time of inspection, the construction of Tank 6 was above 35%, while Tank 1 has been completed. The connection between Tank 1 and the Lower Usuman Dam water treatment plant (18 km of twin pipes) had attained 99% completion. The team also gathered that the contractor had ordered for additional 10km of 1400mm diameter ductile iron pipes and fittings from Benzi Beitai factory, China. About 5km of the ordered pipes is said to have arrived Nigeria sea port in Lagos, awaiting clearance.

***Challenges:***

72. The challenges of the project include: delay in the settlement of certificates of valuation, cost escalation arising from high fluctuation in price of ductile iron pipes and other basic materials, bureaucratic delays in seeking approval and encroachment by the motorists along the pipe corridor.



Picture 4: Completed Work of Tank 1 Water Treatment Plant at Dawaki

***Socio-economic Impact:***

73. The project has provided employment opportunities for over 150 skilled and unskilled workers. Upon completion, it is expected to increase the supply of portable water for both domestic consumption and industrial usage within the FCT thereby improving health-care delivery system for the residents.

## **4.2 WATER RESOURCES SECTOR**

74. The major thrust of this Ministry is to provide portable water supply, preserve fresh water ecosystem and develop the irrigation system thereby creating productive

employment in the economy of the country. In order to achieve this objective, a total of N44.57 billion was allocated to this Ministry in the 2014 budget. Of this amount, N18.82 billion had been released and cash backed while N17.67 billion (or 93.92%) was utilised for the implementation of the following capital project/programmes:

***i. Construction of Kashimbilla/Gamovo Multipurpose Buffer Dam and Associated Structures***

75. The project located at Takum Local Government in Taraba State involves the construction of an irrigation scheme, water supply and hydropower component with a reservoir capacity of about 500 million cubic metres of water supply. The scope of work comprises: construction of 1.585km long rock fill embankment dam of 36m riverbed above the concrete ogee spillway, spillway – bridge, inlet and outlet structures, treatment plants and associated water works. Others are: water distribution network, hydroelectric power generation structures, aircraft landing strip, walkway crossing structures and access road.

76. The contract was awarded to Messrs SCC (Nig) Limited in May 2007 at an initial cost of N42.94 billion and was to be completed by April 2010. This was however, revised to N60.63 billion in September 2011 owing to the upgrading of the hydropower from 6mw to 40mw, a further review of N104.36 billion (36.53 billion plus C412.38 million) was approved by the Federal Executive Council in November 2013 with an expected completion schedule for May 2015.

77. In the 2013 Budget, the sum of N4 billion was appropriated but there was no release to the project from the supervising Ministry. However, a total of N100.18 billion (N31.59 billion plus C335.35 million) was committed to the project from inception (through a combined counterpart funding by Ecological and Presidential Intervention Fund) to achieve 70.15% level of completion. In contrast, N3.052 billion was appropriated in the 2014 budget. Of this amount, N900 million was released and utilised while N1.66 billion was released through Presidential intervention bringing total financial commitment on the project to N33.91 billion plus C412.097 million to achieve a cumulative performance of 83.77%. This shows an appreciable improvement of 13.52% over the implementation of 2013.

***Findings:***

78. At the time of monitoring, works completed include: embankment, spillway and diversion channel, flow directing structures, intake and outlet works, Engineers' life

camp, Stream Bridge, airstrip and access road. Others are: draft tubes, 4nos turbines, 4nos. generators, control valves, installation gates, hydraulic pumps, instrumentation and switch yard substation. Work in progress include: hydropower (Civil and Electronic works), control cables and electrical installations, water treatment plant and irrigation while the outstanding is the impounding of the dam.

79. The team gathered that due to fluctuation in the exchange rate and the increase in the scope of works, an RETC (Revised Estimated Total Cost) was submitted to the supervising Ministry for an upward review of the cost with a new completion date of March 2016.



Picture 5: Completed Dam and Switch Yard Substation for Hydropower at Kashimbilla

***Socio-economic Impact:***

80. The project has created employment opportunities for over 1,000 skilled and unskilled indigenes of Benue and Taraba States. The completed access road opened up rural communities and boosted commercial activities between Kasimbilla and Jato–Aka communities. Additionally, as part of its corporate social responsibility, the contractor had built a customary court, police station, provided 24 hour ATM machine services platform and an Airtel mast.

81. On completion, the dam is expected to serve as a buffer to avert the imminent threat posed by the collapse of Lake Nyos (Cameroun). It will also generate 40mw of hydropower which will be added to the national grid while creating a total of over 39,000 jobs for the immediate communities. Finally, the dam has capacity of supplying portable water to about 40,000 people, boost tourism, fishery development and irrigation activities.



***Challenges:***

82. The project manager informed the monitoring team that lack of resettlement of communities around the reservoir area and insecurity in area accounted for the delay in the early completion of the project.

***ii. Construction of Central Ogbia Regional Water Project:***

83. The project was designed to provide sustainable portable water for an estimated population of 120,360 residents of Otuoেকে and 13 other Communities in Bayelsa State. It involves general site preparation, preliminary work at Otuoেকে main station and booster station at Emeyal, Emirugi, and Onuegbum. Others are: design of concrete foundation, drilling of six (6) bore holes and installation of 5no. Steel elevated water tanks among others. The contract was awarded to Messrs NAIRDA Nigeria Limited in August, 2011 at an initial cost of N4.52 billion and was scheduled to be completed by December, 2013. The project cost was however reviewed to N5.88 billion with a new completion date of August 2015 due to additional works.

84. In the 2013 Budget, N1.29 billion was appropriated, out of which N710 million was released, and utilized bringing cumulative financial commitment to N1.99 billion and 75% level of completion. However, in the 2014 Budget, N1.04 billion (National Budget) and N2.36 billion (National Resources Funds) were appropriated while N528.41 million (National Budget) and N2.36 billion (National Resources Funds) were released and utilized respectively, bringing total financial commitment on the project to N5.51 billion to achieve 90% level of completion. This represents an improvement of 15% performance over the 2013 implementation.

***Findings:***

85. At the time of inspection, works completed include: Fencing of the main site, drilling of 6no. bore-holes, construction of two unit 1 & 2 bed room semi- detached bungalow, Admin building, 4no. 9000m<sup>3</sup> ground level tanks and 2no. 9000m<sup>3</sup> elevated water tanks. Others include: Design of treatment plant, installation of water tower for 2no. elevated tank at booster station, supply and laying of distribution network and construction of sedimentation/Aeration tanks.



Picture 6: Completed Administrative Building and the Overhead Water Tanks at Ogbia

***Challenges:***

86. The major challenges recorded are security issues and the high cost of sand filling of the water logged area. This has delayed the early completion of the project.

87. Presently the project has provided employment opportunities to over ninety (90) skilled and unskilled workers. The completed access road to the four project sites has also attracted economic activities within the areas. When completed, the project will provide sustainable portable water supply to Otuoeki and thirteen (13) neighbouring communities which will solve the acute water shortage and incident of water borne diseases experienced in the past.

***iii. Hadejia-Jama,are River Basin Development Authority, (Kano River Irrigation project)***

88. The project which is located 35km southwest of Kano city was designed to enhance crop production and vegetables of about 22,000ha of farmland and irrigation infrastructure. The contract was awarded to Messrs Gilmor Engr. Nig Ltd at an initial cost of N8.59 billion in January, 2003 which was later revised to N10.12 billion and scheduled for completion by December 2004. The contract was again revised to N24.86 billion in January, 2008 due to time lapse and inflation while the scope of work was reduced from 6,561ha to 5,000ha.

89. In the 2014 Budget, the sum of N180.73million was appropriated but there was no release from the supervisory Ministry in the year. However, a total of N8.59 billion had so far been expended on the project since inception to achieve 35% level of completion.

***Finding:***

90. At the time of monitoring, there was no activity at the site due to funding issues. However, 1,500ha had since been developed and put to use. The team gathered that the process of obtaining the Certificate of No Objection from Bureau of Public Procurement (BPP) was in progress to develop the remaining 3,500ha.



Picture 7: Rice Farm at Kano Irrigation Project

***Socio-economic Impact:***

91. The project has boosted irrigation activities with more than 4,000 farmers currently engaged in the production of rice and vegetables in the host community. This has boosted rice production, income generation and living standards of the people in line with government objective of poverty reduction in the country.

***iv. Construction of Otukpo Multipurpose Dam***

92. The project involves the construction of a dam with a reservoir capacity of 100million cubic meters of water to serve 3 LGAs namely; Otukpo, Ohimini and Ado. The scope of work comprises: construction of 2.5km long core earth fill embankment, spillway with retaining walls, inlet and outlet structures. Others are: water treatment plant, 3no. unit 1.1MW turbines of hydroelectricity power, an irrigation scheme, fisheries development and recreational facilities.

93. The contract was awarded to Messrs S.C.C. Ltd at the cost of N17.7billion in March 2011 with an expected completion date of March, 2015. This was later revised to N40billion with a new completion date of March, 2016. The review was due to outstanding indebtedness of N9.7billion in addition to power component which was awaiting the approval of FEC.



94. In the 2013 Budget, N2.86billion (National Budget) and N2.65billion (Presidential Water Intervention) were appropriated, while N1.45billion was released and utilised. A total of N17.18billion was committed to the project to achieve 55% level of completion. Whereas, in the 2014 Budget, N1.3billion was appropriated but there was no release from the supervisory Ministry. However, the project had attained 65% cumulative performance as at the end of the fiscal year, representing an increase of 10% performance compared to 2013 budget implementation.

***Findings:***

95. At the time of inspection, the following work had been achieved: service spillway (90%); intake approach channel (85%); reservoir area (70%); precast elements (70%); dam embankment (65%) and other associated works. The team gathered that the contractor was performing skeletal works at the site due to the non-payment of outstanding liability amounting to N9.7 billion.



Picture 8: Precast Elements /Spillway Channel at Otukpo Multi-Purpose Dam

***Socio-economic Impact:***

96. The project has provided employment to more than 700 skilled and unskilled workers, out of which 500 were natives. In addition, residential houses, corporate complex and farmlands have also sprung up thereby opening the area for enhanced integrated development. On completion, the dam will improve power and water supply as well as boost irrigation activities.

**Challenges:**

97. The team gathered that delay in payment of certified works, insecurity, vandalism of company equipments, erosion of intake channel and embankment affected the early completion of the project.

### 4.3 WORKS SECTOR

98. The dilapidated nature of the road networks across the country posed serious concern to the Government. In order to bring about an improvement to ensure safety of citizens and open up access to more communities in the country, a total of N106.32 billion was allocated to the sector in the 2014 Budget. Of this amount, N50.66 billion was released and cash backed while N50.63 billion (99.94%) had been utilised for the implementation of among others the following capital projects/programmes;

***i. Dualisation of Abuja – Abaji – Lokoja Road (Section I)***

99. The project involves the rehabilitation/dualisation of 42km existing carriageway. The scope of works include: dualisation of 30.2km road along Zuba – Abaji axis and 11.4km spur to airport. Others include: construction of 3nos river bridges, 3nos interchange structures, 5nos pedestrian bridges, pipe and box culverts, and drainage works.

100. The contract was awarded to Messrs Dantata & Sawoe Construction Company Nigeria Limited in July 2006 at an initial cost of N11.23 billion and was to be completed by February, 2009. This was later reviewed in October 2011 to N28.67 billion with an extended completion date of May 2015 owing to additional works which were not captured in the initial Bill of Engineering Measurement (BEME).

101. The sum of N1.5 billion National Budget and N5.2 billion Sure-P interventions were appropriated in the 2013 Budget. Of this amount, N5.2 billion Sure-P intervention was released and utilised but there was no allocation from the supervising ministry. A total of N21.66 billion was committed to the project from inception to achieve 74.26% level of completion. Similarly, N700 million was appropriated in 2014 budget but there was no release from the supervising Ministry to the project. However, N49.31 million was released and utilised from Sure P intervention bringing total commitment to the project from inception to N22.15 billion to achieve 79.45% cumulative performance. This shows an increase of 5.19% performance over the previous year.



**Findings:**

102. At the time of monitoring, works completed include: construction of 11.4km new carriageway along the airport spur, 29.87km new carriageway along Zuba – Sheda axis as well as interchange structures at Giri and Gwagwalada. Others are: Rehabilitation of the existing carriageway (10.4km) along the airport spur, 11.14km along Zuba – Sheda axis and the provision of 4no. pedestrian bridges from Zuba – Sheda and 1no. along the airport spur. Outstanding works include: the construction of the second interchange structure that will link Kuje and Gwagwalada Township.



Picture 9: Completed Interchange in Gwagwalada Township & a New Carriageway along the Airport Spur

**Socio – economic Impact:**

103. The project had reduced travel time, rate of accidents, opened up new communities, increased the value of land and properties along the route and enhanced free vehicular movement. Besides, the contractor had provided pipe borne water and constructed ancillary roads to about fifteen (!5) communities as part of his corporate social responsibility.

**ii. The Concession of the 2<sup>nd</sup> Niger Bridge Linking Anambra and Delta States on Design, Build, Finance, Operate & Transfer (DBFOT) Basis Under Public Private Partnership (PPP) Scheme**

104. The project is divided into two phases: Phase I is the construction of 11.5km of the road with 1.59km bridge and 2 secondary roads with connecting approach roads. It was contracted to Messrs Julius Berger – NSIA Motorways Investment Company (Sponsors) and Julius Berger Nigeria (EP Contractor) in 17<sup>th</sup> June, 2013 at a cost of N117 billion. Phase II (also called Early Works II) involves general administration, site investigation

clearance/earthworks, main bridge works and 2km Asaba access road. This component is handled by Julius Berger Nigeria Limited at a cost of N8.7 billion and to be completed within forty-eight (48) months.

105. The sum of N500 million (National Budget) and N9.6 billion (SURE-P) was appropriated to the project in the 2014 Budget. There was no release from the National Budget. However, N9.6 billion SURE-P allocation was released and N8.7 billion utilized in the year.

***Findings:***

106. At the time of monitoring, works completed include: assessment and payment of compensation for structures; crops and economic trees within Right of Way (ROW), geotechnical investigations within the shore lines and construction of access roads within Asaba axis. Works in progress were: piling works from Asaba end towards Onitsha, hydraulic filling and construction of pile caps, etc. The team gathered that the project is being executed under the Public Private Partnership (PPP) arrangement for concession period of 25 years through Design, Build, Finance, Operate and Transfer (DBFOT) model.



Picture 10: On-going Piling Works, Hydraulic Filling and the Construction of Pile Caps of the 2<sup>nd</sup> Niger Bridge

***Socio-economic Impact:***

107. Although, the project is yet to be completed, it had employed more than 300 workers. On completion, the project will ameliorate the immense traffic gridlock arising from the economic activities on the South East – South West transport corridors. Consequently, it will reduce travel time, cost of vehicles maintenance and subsequently enhance national economic development.

***iii. Rehabilitation of Apapa - Oshodi Expressway in Lagos, Section 2, Phase II***

108. The Apapa–Oshodi Expressway is a 27.5km dual carriageway constructed between 1975 and 1978. Phase I commenced in May 2011 and was concluded in June 2012. Section II, Phase II of the project which is 10km in length involves: rehabilitation of existing ramps at Beach land flyover, Kirikiri and Mile 2 interchange, re-construction of main carriageway/service road and other ancillary works such as construction and fixing of walkways, kerbstones and laybys, etc.

109. The project was awarded to Messrs Julius Berger Nig. Plc in January 2013 at a cost of N14.99 billion and was scheduled for completion in December 2014. The sum of N800 million was appropriated in the 2014 Budget but there was no release in the year except the N2.99billion (Sure-P intervention) released as advance payment to the contractor in the year 2013.

***Findings:***

110. At the time of this report, the project had been completed. However, road markings/road signs were still outstanding. The team was informed by the Engineer representative that the sum of N10.49billion was outstanding for payment. Also, there was need for the construction of 2nos. Pedestrian bridges at Otto Wharf and Sanya Bus stops to further decongest the heavy human and vehicular traffic currently experienced on the road.

***Socio-economic Impact:***

111. Prior to the award of the contract, the road had deteriorated so badly that it was difficult for importers and other commuters to take delivery of their consignment. The completion of the project has however, eased the movement/transportation of goods to and fro the Tin can and Apapa Quays, reduced vehicles maintenance costs and boosted economic activities in the area.

***Challenges:***

112. The execution of the project was constrained by delay in the payment for certified works amounting to N10.49billion. Also, heavy vehicular traffic majorly by articulated trucks servicing the seaports at Apapa and Tin Can Island and other commercial/industrial locations, and the menace of petrol tankers/container laden trucks which threatens the entire Expressway affected efficient and timely delivery of the project.

**iv. Construction of Yenagoa – Okaki – Kolo Road in Bayelsa State, Contract No. 5990**

113. The project entails the construction of a two-lane 33.5 km lengths and 7.3m width carriage way, 2.75m width surface dressed shoulders on either side. The contract was awarded to Messrs Enerco Nigeria Limited at a cost of N9.99 billion. Work commenced on 28<sup>th</sup> May, 2009 with an expected completion date of 27<sup>th</sup> December, 2011. This was however not achieved due to paucity of funds.

114. In 2013 Budget, the project had an appropriation of N2 billion out of which N725.54 million was released and utilized bringing total commitment to N6.38billion to attain 43.41% level of completion. In the 2014 Budget, N800 million was appropriated, released and utilised while N6.38 billion had been committed since inception to achieve 47.76%. This shows an increase of 4.41% performance over the 2013 budget.

***Findings:***

115. At the time of monitoring, the contractor has suspended work due to inadequate budgetary provisions and delay in payment of certified works. However, the following works had been achieved: construction of 12km carriageway up to wearing course, 16km of sub-base and surface dressing on the shoulders and completion of pilling works on the new bridges, etc.

***Challenges:***

116. The team was informed that delay in payment of certified works amounting to N561.97million and balance of compensation to the affected communities as well as pilfering of construction materials by the natives had slowed down the pace of work.





**Picture 11: On-going Construction of Yenagoa – Okaki – Kolo Road**

***Socio – economic Impact:***

117. The project though not completed had attracted estates development thereby making housing more affordable in the area. The project upon completion is expected to ease transportation of goods and passengers, reduce travel time and stimulate developmental activities in the region.

***v. Dualisation of Obajana Junction to Benin Phase 2: Section 11 (Okene to Auchin C/N0 6136)***

118. The project involves the construction of an additional carriageway from Obajana Junction to Auchin Polytechnic covering a distance of 26.7km. The scope of work comprises: bush clearing, construction of culverts/drains and bridges/underpass. Others are: strengthening of existing carriageway with asphaltic concrete overlay; bridge expansion joints and railings, provision of road signs and markings.

119. The contract was awarded to Messrs Mothercat Nig Ltd in December, 2012 at the initial cost of N11.09 billion and is to be completed in June 2016. This was later revised to N21.29 billion with completion date extended to December 2017 due to addition to the scope of work (inclusion of reconstruction of existing alignment). In the 2014 Budget, the sum of N1 billion was appropriated, released and utilized. A total of N2.91 billion has so far been committed to the project to achieve 23.56% cumulative performance.

***Findings:***

120. At the time of monitoring, work done include: 19.9km site clearance, 10.98km earthworks, a box culvert, 20nos single/double pipe culverts, 10km drains, 10.47km, 9.35km sub-base/priming on the carriageway. Others are 8.91km asphaltic



binder/wearing course, pavement and surfacing, etc. Works in progress include: the relocation of public utilities like water pipes and PHCN cables.



Picture 12: A Completed Portion of the Obajana Junction to Benin Phase 2: Section II (Okene to Auchi)

### ***Socio-economic Impact:***

121. The project though yet to be completed has created jobs for 60 skilled and unskilled employees including indigenous consultants and local contractors. The turn-off drain and the pedestrian bridge constructed at Auchi Polytechnic gate have reduced the incidence of flooding and accidents in the area. On completion, the road network will form a part of the larger Abuja-Benin highway and reduce commuters travel time, vehicle operating costs, accidents rate, increase carrying capacity, and open up the areas for further economic activities.

### ***Challenges:***

122. The project's timely completion is being affected by adjustment in the vertical alignment of the existing road, enumeration and compensation issues and space required for relocated public utilities not earlier captured.

## **4.4 NIGER DELTA SECTOR**

123. The Ministry was allocated a total of N49.40 billion for the implementation of its capital projects and programmes. Out of this amount, N20.63 billion was released, cash-backed and utilised as at the end of the year. The following projects were monitored:

### ***i. Dualisation of East–West Road, Section I, Warri To Kaiama, Contract No. 5867***

124. The project involves the provision of a new 87km asphaltic concrete carriage way and rehabilitation of the existing road from Warri in Delta State to Kaiama in Bayelsa

State. Other components include the construction of new bridges, box and pile culverts, canals and streams on the road alignment. The contract was awarded to Messrs Setraco Nigeria Limited on 18<sup>th</sup> July, 2006 at an initial cost of N64.13 billion, with an expected completion date of August, 2012. This was later revised to N112.17 billion, due to inflation and time lag with the expected completion date extended to December, 2014.

125. In the 2013 Budget, the sum of N7.77 billion (National Budget) and N11.67 billion (SURE-P intervention) were appropriated. Out of these, N3.85 billion (National Budget) and N10.32 billion (SURE-P) were released and utilized bringing total financial commitment on the project to N77.04 billion to achieve 77.07% level of completion. In contrast, N8.5 billion was appropriated in the 2014 Budget with additional funding of N4.26 billion from SURE-P intervention. Out of this amount, the sum of N3.71 billion of National Budget and N4.26 billion from the SURE-P funds were released and utilized by the end of the year bringing the total financial commitment since inception to N100.68 billion to achieve 99.01% cumulative performance. This represents an increase of 22.72% compared to the achievement recorded in 2013.

***Findings:***

126. At the time of this report, the project had been completed and is under one year retention period.



Picture 13: Completed Patani Bridge

***Socio - economic Impact:***

127. The project has provided job (training) opportunities for the indigenes in jobs such as iron bending, and welding works. It has also boosted transportation and Industrial activities along the road corridor.

**ii. Dualisation of East – West Road, Section II, Port Harcourt (Eleme Junction) to Kaiama**

128. Section II of the East – West road covers a total of 101.6 km. It begins from Kaiama in Bayelsa State and passes through Ahoada to Port Harcourt (Eleme junction) in River State. The contract for this section was initially awarded in August, 2006 to Messrs Julius Berger (Nig) Plc but was terminated a month after commencement because of security challenges. It was however re-awarded in May, 2009 to Messrs Setraco Nigeria Limited in two different sub sections, namely:

- Sub Section I: Port-Harcourt to Ahoada 47KM
- Sub Section II: Ahoada to Kaiama 54.6KM

**a) Dualisation of East – West Road, Section II Sub Section I: Port Harcourt (Eleme Junction) to Ahoada in River State, Contract No.Id/09/003.**

129. The project entails the expansion of existing 47Km length of road into a standard dual lane with asphaltic concrete surfacing divide highway of 7.3m width each. It also includes the construction of a new bridge of 263m over Choba River, concrete line drains, concrete median barriers, box and pipe culverts, median drains and road furniture. The contract was awarded to Messrs Setraco Nigeria Limited on 4<sup>th</sup> May, 2009 at an initial cost of N29.92 billion and was expected to have been completed by 3<sup>rd</sup> May, 2013. The contract cost was later revised to N48.97 billion, with an extended completion date of December, 2014 due to changes in scope of work, prices of materials and time lag.

130. In 2013 Budget, the project had an appropriation of N3.86 billion, out of which N1.91 billion was released, and N1.49 billion utilized, bringing total financial commitment to N20.38 billion to achieve 36.64% level of completion. However, in the 2014 Budget, N865.4 million (National Budget) and N6.2billion (Sure-P intervention) were appropriated, released and utilized bringing total financial commitment since inception to N32.81 billion to achieve 75.5% level of completion. This represents an increase of 40.8% cumulative performance compared to 2013 implementation.

***Findings:***

131. At the time of monitoring, Choba Bridge had been completed while earthworks, Culverts sub base, binder and wearing course were at various levels of completion.



**Socio – economic Impact:**

132. Although, the project is yet to be completed, it had provided employment opportunities for over 350 skilled and unskilled labourers. Indigenes had also benefitted in training opportunities in iron bending, and welding. On completion, it will enhance transportation of petroleum products, boost oil exploration and industrial activities.



Picture 14: On-going Shoulder Works on Port – Harcourt - Ahoada Road

**b) Dualization of East – West road, Section II Sub section II Ahoada – Kaiama in Rivers and Bayelsa State, Contract no. ID/09/002**

133. The contract involves the expansion of the existing 54.6km road to a standard dual 2 – lane carriageway with asphaltic concrete surfacing divided high way of 7.3m wide carriage way. The new dual carriageways will have 2.75m width 1.5m width asphalt concrete inner shoulders, 1.3m median with central trapezoidal line drain and jersey barriers. Other components include: construction of 10 no. new bridges with a total length of 91m in pre-stressed concrete, median barrier, box and pipe culverts, median drain and roadway furniture.

134. The contract was awarded to Messrs Setraco Nigeria Limited on 11<sup>th</sup> June, 2009 at an initial cost of N44.88 billion with an initial expected completion date of June, 2012. This was later revised to N84.76 billion with a new completion date of 31<sup>st</sup> December, 2014 due to additional works, time tag and changes in the prices of materials. In the 2013 Budget, the project had an appropriation of N5.8 billion, out of which N3.2 billion was released, and utilized, bringing financial commitment to N29.79 billion to achieve 33.92% level of completion.

135. In the 2014 Budget, N10billion (National Budget) and N15.88billion (Sure-P intervention) were appropriated for sub section I & II. Of this amount N1.44 Billion (National Budget) and N9.58 Billion were released within the third quarter. The sum of N1.44 billion (Sure-P intervention) was released and utilized in 2014 Budget for sub

section II, bringing total financial commitment since inception to N51.43 billion to achieve a cumulative performance of 63.34%. This represents an increase of 40.8% performance compared to the achievement recorded in 2013 Budget.

***Findings:***

136. At the time of inspection, work done includes: 57km site clearance, 56.90km earthwork, 379Nos culvert completed, 59.93km sub base, 50.31 base course, 48.83km binder course, 30.35km wearing course while 9nos bridges including the Kaima bridge were at various levels of completion.



Picture 15: On- going Works at Kiama Bridge

***Socio-economic Impact:***

137. The project had created employment for over 350 skilled, semi and unskilled workers from host communities within the road corridor. On completion, it will reduce travel time, vehicle operating cost and open access to other communities.

**4.5 POWER SECTOR**

138. This sector was allocated a total of N59.81 billion in the 2014 Budget to execute its capital projects and programmes. Of this amount, N48.33 billion was released and cash backed while N47.59 billion (or 98.47%) was utilised as at the end of the fiscal year.

***i. Construction of 2 x 60 MVA, 132KV/33KV Substation at Lanlate and 132KV line Bays Extension at New Abeokuta.***

139. The project entails engineering, procurement and construction of 2 x 60 MVA, 132KV/33KV Substation at Lanlate and 132KV line bays extension at new Abeokuta. Other components include: 132KV/33KV switch yard, control room and other site



facilities such as staff quarters, borehole, 1.6km fence, access road, etc

140. The contract was awarded to Messrs Skipper Electrical Limited in August, 2010 at a cost of N1.57billion with an expected completion date of December, 2016. In the 2014 Budget, the sum of N229.84million was appropriated, out of which N115.71million was released and utilised in the year. A total of N1.18billion had so far been committed to the project since inception to achieved 75% level of completion. This indicates an increase of 8% performance compared to the achievement recorded in 2013.

***Findings:***

141. At the time of monitoring, work completed include: installation of the 2nos 60MVA transformers, 132KV and 33KV gantries/equipment structure, 4nos. 132KV circuit breakers and oil separation tank; while the construction of 3units of 2-bed room semi-detached and 1unit of 3-bed room staff quarters, control room and cable trench works, etc, were all in progress and at various stages of completion.



Picture 16: Installation of 2no. 60MVA Transformers & Construction of Control Room in Progress at the Site

***Socio-economic Impact:***

142. Although the project is still ongoing, it had generated employment opportunities to 65 skilled and unskilled labour. On completion, it is expected to improve power supply to Lanlate, Eruwa and other neighbouring communities of Oyo and Ogun states respectively.

**ii. Construction of 2x60 MVA, 132/33KV Substation at Oba and 2x132KV Line Bays Extension at Nnewi**

143. This project is located at Oba (Ojoto) and was initiated to improve power supply in Oba, Nnewi and its environs. The contract was awarded to Messrs Xian Electric Engineering/GIT Engineering Limited in December, 2009 at the initial cost of Euro 5.89 million + N637.17 million. Work commenced in August, 2010 and was expected to have been completed by February 2012. There was however, an upward review in the project cost to Euro 5.89 million + N808.40 million with an expected completion date of April 2016 due to additional works (i.e. erosion control works at project site in Ojoto).

144. The sum of N123.28 million was appropriated to the project in the 2014 Budget while, N31.58 million was released and utilized. A total of Euro 5.89 million + N540.21 million had so far been committed to the project since inception to attain 65% cumulative level of completion. This implies an improvement of 15% in 2014 when compared to 50% cumulative achievement recorded in 2013.

***Findings:***

145. Work done includes: approval of substation design drawings and major equipment designs, completion of way leave compensation, manufacture of major equipment, 100% Factory Assessment Test (FAT) conducted for the equipment, about 45% of major equipment and 2 x 60MVA, 132/33KV transformers are already on site. Work in progress also includes erosion control works, block wall fence, control building, staff quarters and 60MVA transformer plinths. Outstanding works includes equipment foundation and erection, cabling, testing and commissioning. The team was informed by an official of the Federal Ministry of Power that the contractor had submitted the erosion control plan for the site to the Ministry of Power for approval.



Picture 17: 2x60MVA, 132/33KV Transformers and Constructed Control Building at Project Site at Oba (Ojoto) Anambra State

***Socio-economic impact:***

146. When completed, the project will improve the supply and distribution of power in Oba, Nnewi and its environs.

***Challenge:***

147. The major challenge facing the project is the serious erosion threat at the project site which needs to be checked and corrected on time before it causes more damages.

***iii. Construction of 330KV D/C Transmission Line Between Kano - Katsina***

148. The project entails installation of 330kv D/C line from Katsina to Kano covering a total length of 180km. It involves construction/erection of 440nos foundations and Towers respectively. Out of these, 99no. of foundations and 62 no. Towers were completed. The contract was awarded to Messrs Gammon India Nig Ltd/FLEP Consortium at a cost of N6.1billion in Nov, 2010 with initial completion date of 25<sup>th</sup> May, 2013 which was later revised to June, 2017 due to funding issues. Work commenced on 21<sup>st</sup> February, 2011.

149. In 2014 budget, the sum of N297.3 million was appropriated, released and utilized. A total of N1.73 billion (ie \$7,854,325.19 at the exchange rate of N150.24 million plus N545.13 million) had been committed to the project bringing total achievement to 35% level of completion.

***Findings:***

150. At the time of this report, foundation design engineering and tower design works for all the towers had been completed. 111nos. containers containing 106nos. of basic body, 106nos of LE 215 nos. of stub material and Tower type stub for 12nos towers had been procured and were all available in the store. In addition, Rout Survey between Kano-Katsina and 99nos foundations as well as 62nos. Towers had been completed. Outstanding works include: stringing conductor installation (which was yet to commence), the construction of 341nos foundations and the erection of 378nos Tower. It was observed that, the contractor had stopped work since 2014 due to funding issues.





Pictures 18: Erected Tower Type -Stub of D/C Transmission Line Between Kano and Katsina

***Socio-Economic Impact:***

151. Though the project had not been completed, it has created employment for about 60 skilled and unskilled youths of villages along the route of the project. Upon completion, the project will provide a more reliable and stable power supply around the Northern states of the Country which will consequently boast socio-economic activities in the area. In addition, the high cost of procuring and maintaining of generators and other electrical gadgets will be minimized.

***iv. Construction of Ganmo-Shonga 13KV Double Circuit Transmission Line***

152. The project involves the construction of 132 KV Double circuit transmission line from Ganmo to Shonga 13/33KV S/S in Niger State. The scope includes: design, manufacture, supply, test, delivery and installation of materials/equipment needed for the execution of electromechanical works and commissioning. Others are: route survey, bush clearing, sub-soil investigation, transmission towers, ACSR Bear conductors, and hardware connectors.

153. The contract was awarded to Messrs Aster Infrastructure/Aster PVT Ltd at the cost of USD8.1million and N1.3billion in November 2011 with an expected completion date of November 2014 and was later revised to December, 2015 due to funding challenges. The sum of N318.24million was appropriated in the 2014 Budget, out of which N194.46million was released and utilised in the year. However, a total of N996.46million had so far been committed to the project since inception to achieve 20% cumulative performance.

***Findings:***

154. At the time of monitoring, the manufacturing of the off-shore components such as tower members, OPGW cables, foundation stubs, tower suspension, conduit and earth wares had been substantially completed. The site engineer informed the team that actual construction work involving tower foundation, erection and stringing could only commence after approval of geotechnical investigation by PHCN.

***Socio-economic Impact:***

155. Although, work on the on-shore component of the project has not started, ten (10) skilled and fifteen (15) unskilled workers had been employed to perform skeletal services at the project offices. On completion, the project will provide electricity to the community, contribute to national grid and creates job opportunities for the youth. It will also open up the corridor for markets and enhance urbanization of the area.

***Challenges:***

156. Lack of funding for two years, non-approval of revised design, non-acquisition/compensation for the right of way, etc had affected the early commencement of the project.

## **4.6 AVIATION SECTOR**

157. The Ministry is saddled with the responsibility of ensuring Air safety, Airport development and management, maintenance and upgrade of equipment and infrastructure at all Airports. To achieve this objective, the sector was allocated the sum of N26.16 billion in the 2014 Budget to execute its capital projects and programmes. Out of this amount, N10.86 billion was released and fully cash backed while N10.15 billion was utilized as at the end of the year. The following agencies/projects were monitored:

### **4.6.1 NIGERIAN METEOROLOGICAL AGENCY (NIMET), ABUJA**

158. The Agency was allocated the sum of N503.66 million in the 2014 Budget to implement three (3) capital projects and programmes namely: procurement of Digital wind anemometer, procurement of spare parts for weather monitoring equipment, and construction and installation of new Doppler weather radar towers. Out of this amount, N286.71 million was released and N286.29 million (or 99.86%) utilised as at 31<sup>st</sup> December, 2014. The following project was monitored.



*i. Procurement of Spare Parts for Weather Monitoring Equipment*

159. The project involves the procurement of spares parts such as Low Level Wind Share Alert System (LLWAS) and Automatic Weather Observation System (AWOS), for the sustainability of already installed equipment at the airports nation-wide.

160. The contract was awarded to Messrs Communications & Environment Solutions Limited and three (3) others at a total cost of N115.83million in December 2013 and was scheduled for completion in December, 2014. The sum of N123.66million was appropriated in the 2014 Budget, out of which N87.05million was released and utilised. A total of N112million had so far been committed to the project to achieve a cumulative performance of 89%.

**Findings:**

161. At the time of this report, the spare parts had been supplied and delivered, and some of the spares had been put to use at Lagos, Port-harcourt and Kano airports. This has helped in enhancing the sustainability and performance of the already installed equipments at the airports for safety travels. However, the team was informed that the spare parts are expensive, unique and hard to come by hence, orders have to be specifically placed for its manufacturing abroad. This delays its supply and consequently affects early completion of the projects.



Picture 19: Replaced Spare Parts and Alert Display System at the Lagos International Airport

***Socio-economic Impact:***

162. The project has helped in detecting wind share (i.e. sudden change in wind direction and speed), and provided information on safety in landing and taking off of aircrafts. Besides, the system has also afforded staff of the Agency first-hand information on how to handle bad weather thereby enhancing their work performance in the fulfillment of aviation mandate. The combined effect is the reduction of plane crash/accidents in the Nigerian air travels.

**4.6.2 NIGERIAN COLLEGE OF AVIATION TECHNOLOGY (NCAT), ZARIA**

163. In 2014 Budget, the sum of N7.17 billion was allocated to the college for the implementation of its ten (10) capital projects/programmes. Of this amount, N2.51 billion was released and N48million utilized as at 30<sup>th</sup> June. The following projects were monitored:

***i. Provision and Installation of very High Frquency Onmi Range (VOR), Distance Measuring Equipment (DME) and Instrument Landing System (ILS) for Flight Training***

164. The project was initiated as part of the college plan to upgrade its training facility. The contract was awarded to Messrs Merry Aviation Communication Eletronics Nig Ltd in December 2014 at the cost of N998.02 million and is scheduled for completion in December 2016. The sum of N1.02billion was appropriated in the 2014 Budget, out of which, N369.26 million was released and utilized in the year to achieve 35% level of completion.

***Findings:***

165. At the time of this report, the design, logistic arrangement, framing of the stimulator/ casing, manufacturing equipments and factory acceptance were all in progress. The team gathered that the Inspection of the Air Navigation Aids Equipments such as VOR, DME and ILS which are used for pilots guide when landing had been successfully inspected at the factory in Gorgonzola, Italy in May, 2015.



Picture 20: Tested ILS and DME Equipments

***Socio-economic Impact:***

166. The project when completed will create an efficient and professional system, reduce cost of training overseas and enhance the proficiency of the pilots. On completion, it would eliminate weather related incidences and aircrashes.

***ii. Construction of Perimeter Fencing:***

167. The project consist of construction of perimeter fencing of the college premises and Aerodrome. The scope of work entails the provision and installation of bi-steel lattice post with mesh fabric at the operational area covering a total of 6,450 meters; block and concrete works for the perimeter fencing of both sites I and II covering 9,976 meters and 1,250 meters respectively.

168. The contract was awarded to Messrs Enatec Nigeria Ltd. in February 2011 at a cost of N974.89 million and scheduled for completion in December 2016. In 2014 Budget, the sum of N200 million was appropriated, out of which N33.93 million was released and utilized.. A total of N479.89 million had so far been committed to the project since inception to achieve 68% level of completion. This shows an improvement of 11% cummulative performance over the 57% level in the second quarter.

**Findings:**

169. At the time of monitoring, block and concrete perimeter fencing works at sites I (School area) and site II (staff quarters) as well as installation of solar light bi-metallic fencing of the operational area were in progress.

**Socio-economic Impact:**

170. The project though not completed, had reduced the incidence of encroachment in the college. It had also reduced to the barest minimum the incidence of grazing of cattle in the college premises. On completion, it will eradicate the unprecedented encroachments and grazing of animals.

**4.7 TRANSPORT SECTOR**

171. The development and growth of the transport sector is critical to the Government's transformation agenda. To facilitate a more reliable, affordable, easy and effective service delivery in the transport sector, Government allocated a total of N31.81 billion in the 2014 appropriation out of which N13.68 billion was released for the execution of its capital projects and programmes. A total of N13.25 billion was utilised as at the end of the fiscal year to execute amongst others the following capital projects:

**4.7.1 NIGERIAN RAILWAY CORPORATION (NRC), LAGOS**

172. The corporation had an allocation of N5.67 billion in the 2014 Budget to implement twelve (12) capital projects and programmes. A total of N2.12 billion was released and N1.81 billion utilised at the end of December to execute amongst others the following projects:

**i. Upgrading of Signal and Communication Equipment**

173. The project entails the upgrading of signal, communication equipment (NERA microwave network back bone) and ICT facilities for the corporation. It involves the procurement and installations of equipments such as automated rail network, On-Board-Computers (OBCs) and accessories and Point machines. Others are: a server room for the control of the systems and training of personnel to man the equipment.

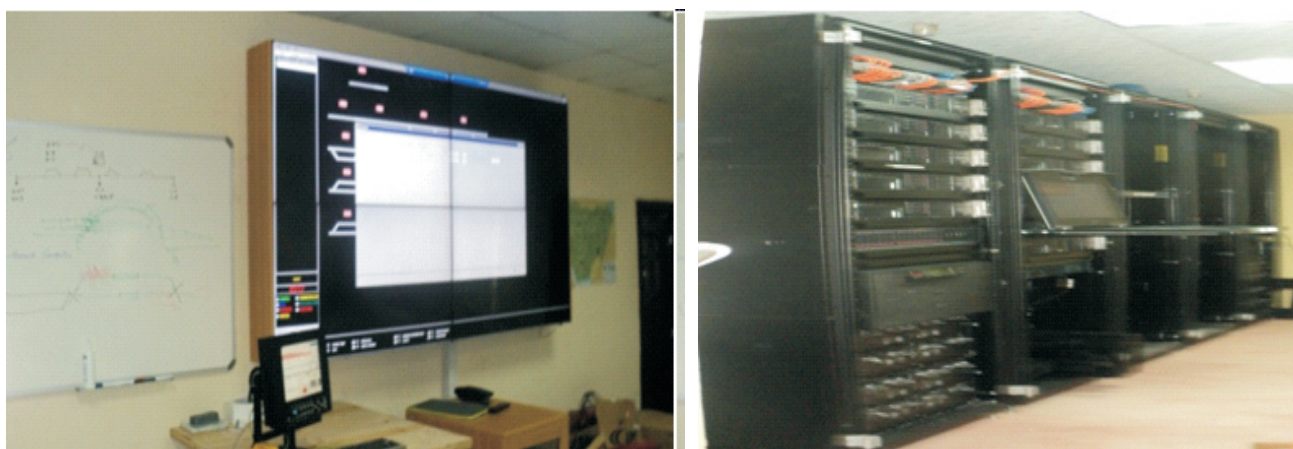
174. The project was awarded to three (3) contractors at a total cost of N7.34 billion (Messrs NERA Microwave Ltd=N1.17 billion, Messrs A3 & O Ansaldo & Gear holdings



=N5.62billion and Messrs Harbin Ruixing Electrical Coy. Ltd =N559.98million). It commenced at various times between February 2012 and 2014 and scheduled for completion in December 2015. In the 2014 Budget, the sum of N1.89billion was appropriated to the project while N138.50 had been released and utilised as at the end of the fiscal year. A total of N6.76 billion had so far been committed on the project to date to achieve a cumulative performance of 70%.

***Findings:***

175. At the time of this report, the supply and upgrade of the microwave equipment, line mapping for the Western line (Iddo-Nguru) and Ebutte Metta Junction (EBJ) to Apapa, and relocation and rehabilitation of the server room had been completed. The installation of Operation Control Centre (OCC) Video Wall for display of Automatic Train Warrant (ATW) line section and rehabilitation work on Exchange Building at NRC headquarters had also been completed. Others are: 65nos On-Board-Computers and accessories and 124 point machines (out of 225) had been delivered. Works in progress include: installation of server equipment at the newly rehabilitated server room and western line mapping data post-compilation processing, installation of CCTVs/IPBX telecommunication systems, Gateman hut and ringing, etc.



Picture 21: The Installation of OCC Video Wall & Rehabilitated Server Room at NRC Lagos

***Socio-economic Impact:***

176. Presently, the project has facilitated the training of Nigerian engineers in Brazil, Germany and South Africa which has enhanced their skills, knowledge and effectiveness in handling the sensitive equipment nation-wide. On completion, the automation of the signal and communication equipment will tremendously reduce stress, accidents (through the alert systems) and also eradicated network problem on the rail travel system.

ii. Track Rehabilitation from Zaria- Kauran-Namoda, Contract No.6

177. The project involves the completion of rehabilitation of 221km of rail tracks from Zaria – Kauran-Namoda. It consists of: bridges and culverts, maintenance of level crossing, complete re-timbering and turnout timbers, raising and widening of embankments, sandblasting at Gangara 4 cells culvert concrete works (point of breach), greasing and painting of bridges, construction of trapezoidal drains, rehabilitation of 5nos.manual level crossing barriers and rehabilitation of station buildings and staff quarters in Guga, Futua, SHEME, Chafe, Gusua and Kaura- Namoda.

178. The contract was awarded to Messrs Duluidas Nig. Ltd. Ltd in May, 2011 at the cost of N3.21 billion. The actual work commenced in Nov, 2011 and was to have been completed in Dec, 2013. This was however extended to Dec, 2014 due to funding issues. In the 2014 Budget, the sum of N700 million was appropriated while N589.74 million was released and utilized as at the end of the third quarter, 2014. A total of N2.58 billion had so far been commitment to the project since inception to achieve 89% level of completion. This shows an improvement of 9% performance in third quarter.

**Findings:**

179. At the time of visit, the track between Zaria and Kaura-Namoda was almost completed The Nigeria Railway Co-operation had commenced the test running of passenger mass transit from Zaria to Kaura- Namoda.



Picture 22: Part of the Completed Stone Pitching at Zaria to Kauran Namoda Rail Track

***Socio-economic Impact:***

180. The project had created employment opportunities for more than 300 skilled and unskilled youths of the communities along the rail line. It had also provided a more convenient means of transportation, thus decongesting the highways, reducing rate of accidents and cost of travelling.

***Challenges:***

181. The team gathered that vandalisation of the tracks, delay in the supply of fastener materials, and delay in the approval of certified works had delayed the completion of the project.

**4.7.2 MARITIME ACADEMY OF NIGERIA, ORON**

182. The institution had an allocation of N988.94 million in the 2014 Budget for the implementation of its capital projects/programme. Of this amount, N403.25 million was released and utilized during the fiscal year. The following project was monitored:

***i. Development of Boat/Ship Building Yard***

183. The project is for training of cadets and students on boat building and maintenance. It involves the construction of a workshop for boat building and maintenance, provision of a fire station, shipway for boat yard, shore protection/sand filling, supply of gantry crane and external lighting at boat building yard. Others include: the construction of a windlass, storage tanks for fuel and lubricants, overhead /underground water tanks and borehole.

184. The contract was awarded to Messrs Freenet Global Resource and Messrs Baye–Ebi Nigeria Enterprises in December, 2011 at a total cost of N1.315 billion, with a completion date scheduled for December, 2015.

185. In 2013 Budget, the project had an appropriation of N672.15 million, out of which N42.8 million was released, and utilized. A total of N338 million was committed to achieve 25% level of completion. Similarly, N350 million was appropriated in the 2014 Budget, while N100.738 million was released and utilized, bringing financial commitment since inception to N1.001 billion to achieve 65% cumulative performance. This represents an increase of 40% over the 2013 Budget performance.



**Findings:**

186. At the time of inspection, the boat building and maintenance workshop, lighting and furniture refectory, slipway, generator house and overhead/ground water tanks had been completed. Others completed are: two bore holes, supply of gantry crane and storage tanks for fuel/lubricants while piling works for protection of the erosion was in progress.



Picture 23: Completed Maintenance Workshop and Piles for the Protection of the Erosion

**Socio – economic Impact:**

187. The project, upon completion will reduce capital flight and upgrade indigenous man power in the maritime sub – sector. The school academic would be able to provide a minimum manpower of the two thousand (2000) boat building professional within ten years for maritime industry. This implies that there will be more indigenous Boat Building professional for the maritime and allied industry.

**4.7.3 NATIONAL INLAND WATERWAYS AUTHORITY (NIWA), LOKOJA**

188. The Authority's mandate is to develop inland rivers to make them navigable for both commercial operations and social movement. In the 2014 Budget, the sum of N9.7 billion was appropriated while N758.34 million was released and cash-backed in the year: The following project was monitored:

***i. Construction of River Port Baro***

189. The project located in Baro, Niger State was designed to provide safe landing facilities and cargo handling equipment for passengers and businessmen. The scope of work involves the construction of port quay wall, transit shed/workshop, administrative



block, police post, and a terminal hall. Others are: plant building, staff quarters, water treatment plant and electrical works.

190. The contract was awarded to Messrs CGGC Global Projects Nigeria Ltd at a cost of N3.56 billion in December 2009 with an expected completion date of December 2013. This could however not be achieved due to funding challenges. The project has a new expected completion date of December 2015. In the 2014 Budget, the sum of N1.1 billion was appropriated, out of which N274.43 million was released and utilised in the year. A total of N2.51 billion had been committed to the project to attain 90% cumulative performance.

***Findings:***

191. At the time of visit, the construction of quay wall, terminal hall transit shed/workshop, staff quarters, water treatment plant had been completed. Outstanding works were the construction of main gate and perimeter fencing.

***Socio-economic Impact:***

192. The project though not fully completed had employed over 205 engineers, artisans, laborers, security men in the communities. When completed, it will boost intermodal system of transport, thereby reducing the burden on Nigerian roads.

## **4.8 AGRICULTURE SECTOR**

193. The sum of N35.55 billion was allocated to the sector in the 2014 Budget for the execution of its capital projects/programmes. Of this amount, N15.46 billion was released and utilized as at 31<sup>st</sup> December, 2014. The following institutions/projects were monitored:

### **4.8.1 FEDERAL COLLEGE OF AGRICULTURE, ISHIAGU**

194. The institution is located in Ishiagu, Ebonyi State. It is charged with the responsibility of training middle level manpower in the agriculture sector of the economy and also providing agriculture outreach extension services and programmes to women, youth and farmers in both South East and South-South geopolitical zone of the country. A total of N253.19 million was appropriated to the college in the 2014 Budget for the implementation of its capital projects and programmes. N144.91 million was released and utilized to execute among others the following project:

i. ***Construction of Lecture Theatre:***

195. This project which is a storey building was initiated to provide lecture halls, offices and other functional facilities for both students and officials of the institution. The contract was awarded to Messrs Moons on Nigeria Limited in January 2014 at the cost of N150 million. It commenced in January 2014 and scheduled for completion in December 2015. The sum of N100 million was appropriated to the project in the 2014 budget while N59.94 million was released and committed so far to achieve 30% level of completion.

***Findings:***

196. At the time of monitoring, block work for the ground floor and decking had been completed. In addition, significant quantum of materials was on ground for the commencement of the first floor.



Picture 24: On-going Construction of Lecture Theatre at Federal College of Agriculture, Ishiagu, Ebonyi State

***Socio-economic Impact:***

197. When completed, the project is expected to improve the welfare of students and officials of the institution through the provisions of more classrooms and office accommodation. Admission intake is also expected to be boosted in the college.

**4.8.1 NATIONAL VETERINARY RESEARCH INSTITUTE, VOM**

198. The sum of N 457.6million was appropriated in 2014 budget, out of which N66.6million was released and utilized in the fiscal year. The following projects of the Institute were monitored:

***i. Development of an Independent Bacterial Vaccine Production Laboratory for Current Good Manufacturing Practices Compliance (CGMP) Towards Establishing a Vaccine Company***

199. The project was designed to build a laboratory complex to improve on the production of animal bacterial vaccines, disseminate and market the products in commercial quantity and as well construct a specialized laboratory building for the institute. It was awarded in Lots to Messrs Fixcon Network Ltd, in July 2008 at a total cost of N1.63billion and expected to be completed in December 2016.

200. In the 2014 Budget, the sum of N130million was appropriated to the project, out of which N124.03million was released and utilised in the year. The sum of N708.33million had so far been committed to the project to achieve 80% completion.

***Findings:***

201. At the time of visit, structural works on the laboratory building had been completed. The Lyofast 7.0 freezer dryer and other appliances had also been delivered and awaiting installations. The team gathered that the delivery of the remaining components of the laboratory equipment being manufactured off-shore was being expected.



Picture 25: Interior Section of the Independent Bacterial Vaccine Laboratory (BVPL) at NVIR, Jos

***Socio-economic Impact:***

202 Although, the project had not been completed, it had exposed indigenous professionals to the process of developing high tech vaccine laboratory. It had also created employment opportunities for craftsmen, technicians and engineers during the construction of the complex. On completion, the project will increase the number of

vaccines produced for the immunization of livestock in the country thereby boosting the animal husbandry. The laboratory will also ensure good manufacturing practices and international regulatory compliance in the field of vaccine production.

## **4.9 EDUCATION SECTOR**

203. The Ministry is saddled with the responsibility of impacting skills for productive employment and poverty alleviation in the country. In order to achieve this objective, the sector was allocated a total of N51.28 billion in the 2014 budget. Of this amount, N21.77 billion was released and N21.76 billion cash backed while, N20.74 billion (or 95.29%) had been utilised for the implementation of the following projects:

### **4.9.1 FEDERAL COLLEGE OF EDUCATION (TECHNICAL), GOMBE**

204. The institution had an allocation of N173.032 million in 2014 Budget for the implementation of its capital projects/programmes. Of this amount, the sum of N65.78 million was released, cash backed and utilised. The following projects were monitored:

#### ***i. Completion of Construction of Hostel Accommodation***

205. The project involves the construction of 2 blocks of student's hostel and its furnishing. The blocks consist of a storey building each (348 bed capacity for male and 400 bed capacity for female students). The contract was awarded to Messrs Minno Global Concepts and Messrs Marawa Multiservices Limited respectively at a total cost of N266.83 million in September, 2010 and was expected to be completed in December, 2011. The completion date was however revised to December, 2014 due to funding issues.

206. In the 2014 Budget, the sum of N63.76 million was appropriated in the project out of which N30.57 million was released and utilised as at the end of the year. The sum of N219.61 million had been committed to the project since inception to achieve substantial completion.

#### ***Findings:***

207. At the time of monitoring, the two blocks of storey building for male and female students' hostel had been completed and furnished. The Director works informed the team that the contractors are still being owed the sum of N47.22 million.





Picture 26: Completed Structure of Female Hostel at FCE, Gombe.

### ***Socio-economic Impact***

208. The project had created more than fifty (50) job opportunities for artisans, Engineers and labourers within the immediate community. On commissioning, it is expected to solve the perennial shortage of hostel accommodation for the teeming students of the institution.

#### ***4.9.2 FEDERAL UNIVERSITY TECHNOLOGY (FUT), AKURE***

209. The University was appropriated the sum of N249.42million to implement its capital projects and programmes. Of this amount, N95.26million was released and utilised in the year to execute amongst others the following project:

##### ***i. Construction of School of Sciences Building Phase III***

210. The project is a two storey building consisting of six (6) laboratories and thirty (30) offices. Each of the floors contains two laboratories and ten offices respectively. The contract was awarded to Messrs. Mcesta Ventures Limited in July 2014 at a cost of N154.04million and is expected to be completed in July 2015

211. In the 2014 Budget, the sum of N249.43million was allocated to the project while N95.35million was released and N70.03million was utilized as at the end of the fiscal year. A total of N154.04million had so far been committed to date to achieve a cumulative performance of 80%.

**Findings:**

212. At the time of monitoring: roofing, plastering and ceiling works were all completed while painting, tiling and other finishing works were in progress and at different stages of completion. However, landscaping was still outstanding.



Picture 27: On-going Construction of School of Sciences Building Phase III

**Socio-economic Impact:**

213. The project though not yet completed, has created more than 70 jobs opportunities for both skilled and unskilled workers within Akure and neighbouring towns. On completion, it is expected to provide better accommodation, conducive learning atmosphere and enhance service delivery of staff in the university. Besides, the laboratory facilities will help in the training of students in the field of sciences who will in turn contribute to national economic development.

**4.9.3 UNIVERSITY OF NIGERIA, NSUKKA:**

214. This institution has a total of N314.65 million appropriated in the 2014 Budget for the implementation of its capital projects/programmes. Of this amount N119.52 million was released and utilized to execute among others the following project:

**i. Construction of Administrative Building in UNN, Enugu Campus**

215. The project involves the construction of a 3-storey building, comprising of staff offices, conference room and conveniences, among others. It was contracted to Messrs Akiota Works Limited at the cost of N790.67 million in December 2011 and was expected to have been completed in February 2013 but this could not be achieved due to funding

issues. However, the completion date has been rescheduled for December 2016.

216. In 2014 Budget, the sum of N150 million was allocated to the project while N88.07 million was released and utilized. A total of N555.25 million had so far been committed since inception to achieve 60% cumulative level of completion. This implies an improvement of 48% in year 2014 when compared to 2013 fiscal year which recorded 12% cumulative performance.

***Findings:***

217. At the time of this report, superstructure frame work for the first arm had been completed. The substructure, columns, beams and slab to the first floor are completed in 2<sup>nd</sup> segment.



Picture 28: Ongoing Construction of Administrative Building in UNN, Enugu Campus

***Socio-economic Impact:***

218. The project had employed about seventy (70) workers from the local community. When completed, the administrative building will accommodate more members of staff; enhance better working condition while other facilities contained in the building would enhance better service delivery in the institution.

**4.9.4 UNIVERSITY OF JOS**

219. In the 2014 Budget, a total of N295.1million was appropriated, out of which N112.1million was released and fully utilized as at the end of the year to execute amongst others the following project:



i. **Construction of Administrative Block/Senate Chamber**

220. The project entails the construction of a four-storey building comprising three(3) wings, 200 office complex at Narauguta campus comprising: a senate chamber, 4nos seminar rooms, 250 conveniences and other offices for the Vice Chancellors and other principal officers and their support staff.

221. The contract was awarded to Messrs ENL Consortium Ltd. in May 2009 at a cost of N914.92 million and was expected to have been completed by February 2011, but was extended to December 2015 due to funding constraints. In 2013 Budget, N300million was appropriated, while N71.83million was released and N107million committed since inception to attain 60% completion. However, in the 2014 Budget, N150 million was appropriated while N80 million was released bringing total financial commitment to N187million to attain 68% performance. This represents an increase of 8% performance compared to the previous implementation.

***Findings:***

222. At the time of monitoring, the superstructure had been completed and roofed while flooring, interior plastering, electrical fittings/plumbing, railings, fixing of doors/windows, etc were at various stages of completion.



Picture 29: *Construction of Administrative Block/Senate Chamber*

***Socio-economic Impact:***

223. The team noted that though the project had not been completed, it has generated employment for fifty-five (55) skilled and unskilled indigenes of the area. Upon completion, the project will provide a more conducive working environment and office accommodation for the principal officers and their supporting staff. This will facilitate and improve service delivery in the university.



**Challenges:**

224. The Director of works informed the team that the speedy completion of the project was marred by funding constraints coupled with the delay in the approval and payment of interim payment certificates of N6.02million.

**4.10 HEALTH SECTOR**

225. This Sector had a mandate to provide affordable access to qualitative health care delivery and prevent maternal and infant mortality rate. To achieve these broad objectives, a total of N49.52 billion was allocated to this sector in the 2014 budget. Of this amount, N20.47 billion had been released and cash backed while N18.69 billion (or 91%) was utilised for the implementation of its capital projects/programmes. The following projects were monitored:

**4.10.1 NATIONAL ORTHOPAEDIC HOSPITAL, IGBOBI-LAGOS**

226. The hospital was allocated the sum of N295.59million in the 2014 Budget to execute five (5) capital projects and programmes: Out of this amount, N116.87million was released and utilised at the end of the year to execute amongst others, the following projects:

**i. Provision of Health Centers**

227. The project involves the completion, furnishing and equipping of 1no. 2-storey operating theatre complex. This comprises: a fracture clinic, central sterilizing store department, Bio-medical engineering workshop, ICUs, resuscitation room and 6nos theatres. Others are: 30nos offices for consultants and HODs, common room and changing rooms, and 6nos. theatres at the second floor.

228. The contract was awarded to Messrs. Marrot Construction Company Ltd. in October 2009 at a cost of N422.04million and was scheduled for completion in June 2014. The sum of N109.39 million was appropriated in the 2014 Budget while N29.44million was released in the third quarter thus bringing total releases and utilisation to N38.34million at the end of the year. A total of N328.08million had so far been committed to the project to achieve a cumulative performance of 77.22%. This shows an increase performance of 9% compared to 68.65% recorded as at the end of 2013.

***Findings:***

229. At the time of this report, works completed included: the superstructure, tiling, fixing of windows and doors, electrical fittings and painting. Plumbing installations, lighting and other finishing works were in progress at various levels of completion.



Picture 30: the Operating Theatre Complex almost Completed at the Hospital

***Socio-economic Impact:***

230. Prior to this time, the old structure was inadequate to accommodate patients in the hospital. On completion, it will serve as a dedicated arthroplastic (specialist) centre i.e. for kneel replacement, spine, burns and plastering surgeries. In addition, the centre will help in reducing death rates and referral cases to overseas.

**4.10.2 *FEDERAL MEDICAL CENTRE (FMC), UMUAHIA***

231. The institution is among the hospitals charged with the responsibility of training manpower in the health sector of the country and also providing tertiary health care delivery services to the people. The sum of N253.30 million was appropriated to the hospital in the 2014 budget for the execution of its capital projects/programmes. A total of N158.99 million was released while N158.94 million was utilized to execute among others the following projects:

**i. Construction of Consulting Complex**

232. The project involves the construction of a storey building with 11 consulting suits, 28 offices and other support facilities. The contract was awarded to Messrs Finmacs Nigeria Limited at the cost of N240 million in September 2011 and is expected to be completed in November 2015. The sum of N78.85 million was appropriated in the 2014 Budget while N49.45 million was released and utilized to bring total financial commitment on the project to N196.55 million to achieve 75% cumulative performance. This shows an achievement of 25% in 2014 compared to 2013.

**Findings:**

233. At the time of monitoring, the superstructure had been completed while painting and furnishing were still outstanding.



Picture 31: On-going Construction of Consulting Complex at FMC Umuahia

**Socio-economic Impact:**

234. The completed part of the building is in use as temporary offices by some of the consultants. On completion, it will provide 11 additional consulting suits, 28 offices and other support facilities for the consultants and doctors in the hospital thereby enhancing service delivery in the hospital.

**4.10.3 NATIONAL HOSPITAL, ABUJA**

235. A total of N1.33billion was allocated to the hospital in the 2014 Budget. Of this amount, N795.6million was released, cash-backed and utilised in the implementation of its capital projects/programmes. The following projects were monitored:

**i. Completion, Equipping & Furnishing of Level I Trauma Centre**

236. The centre is the first in Nigeria and was designed to provide comprehensive emergency medical services to patients suffering from trauma injuries such as accidents, falls, assaults and burns. The scope of the contract involves the construction of a 4-storey complex comprising: a trauma unit (consulting rooms, nurses' bay, theatres, recovery rooms, etc), a helipad, basement and conference rooms. Others were the equipping and furnishing of the centre.

237. The project was awarded to Messrs Warams Nig Ltd at a cost of N2.45billion in November, 2012 with an expected completion date of January, 2014 which could not be achieved due to inadequate budgetary provisions. The sum of N400million was

appropriated in the 2014 Budget, out of which N217.8million was released and utilized in the year. This brings the total commitment to N2.114billion since inception to attain 89% completion.

***Findings:***

238. At the time of visit, the trauma complex (building) had been completed and commissioned. Equipments such as Tiologic advanced implant tray set, tiuset instrument tray, digital sphagmomano meter, bed pan and urinals, etc; as well as furnishing equipments (80nos. hospital machines beds, 20nos. ICU beds (electrical), central and split air conditioners, etc) had been delivered and in use. The team was informed that 40% of equipping and furnishing was still outstanding due to funding constraints.

***Socio-economic Impact:***

239. The centre had attracted patronage by eminent personalities in the country thereby saving Nigeria of scarce foreign exchange. It has also improved the nation's healthcare delivery by saving the precious lives of accident victims.

***ii. Development of Centre for Radiotherapy/Nuclear Medicine***

240. The project is in two phases. Phase I involves the construction of a 2-storey radiotherapy complex and provision of equipments such as the CT scan, Lineac Accelerator, treatment planning systems, etc. Phase II is the expansion of existing wards to carry 58beds and a nuclear centre.

241. The contract was awarded to Messrs Bishmur Nig Ltd in November, 2011 at a cost of N1.30billion and was expected to be completed in January 2015. The sum of N200million was appropriated in the 2014 Budget, out of which N174.48million was released and utilized at the end of the year. A total of N1.04billion had so far been committed to the project since inception to achieve 97% level of completion.

***Findings:***

242. At the time of inspection, the construction of phase one had been completed and awaiting the installation of the linear and treatment planning systems which were on ground. The Phase II of the project had also attained a 70% level of completion. However, painting, landscaping and installation of machines were still outstanding. The project engineer informed the team that the sum of N26million is being owed to the contractor.





Picture 32: Radiotherapy Complex almost Completed at National Hospital, Abuja

### ***Socio-economic Impact:***

243. On completion, the project is expected to provide the hospital with state of the art radiotherapy and nuclear medicine equipment and also facilitate teaching and training of cancer specialists. This will consequently boost health care delivery system of the country and help save foreign exchange from overseas medical trips.

## **4.11 DEFENCE SECTOR**

244. This sector was allocated a total of N35.36billion in the 2014 Budget to execute its projects and programmes. Of this amount, N24.66billion was released while N24.60billion (or 99.77%) was utilised as at the end of the year. The following projects/programmes were monitored:

### **4.11.1 NIGERIAN NAVY**

245. The Nigerian Navy (NN) is charged with the responsibility of defending the Nigerian maritime environment, trouble spots and the Gulf of Guinea for sustained economic prosperity. To achieve this objective, the sum of N8.99billion was allocated in the 2014 Budget. Out of this amount, N4.93billion was released and N4.91billion (or 99.53%) utilised at the end of the year for the execution of its capital projects and programmes. The following project was monitored.

#### ***i. Acquisition of 2no. Offshore Patrol Vessels***

246. The project is a 5-year acquisition programme of patrol vessels from China for search and rescue operations in the Nigerian maritime environment. The vessel has a length of 95.5metre, 12.2m breadth and draught of 3.3m which comprises of six (6) decks with facilities such as helicopter hanger, tanks for diesel and water. Others are: engine

room (2 engines and a Generator), cool room, officers' mess and accommodation. The vessel is fitted with navigation and communication equipment.

247. It was awarded to Messrs. China Ship Building & Offshore International Limited (CSOIL) in April 2012 at a cost of N24.59billion (i.e \$157.84million) with an expected completion date of December 2015. In 2014 Budget, the sum of N5.20billion was appropriated to the project out of which N4.93billion and N4.35billion were released and utilised respectively. A total of N21.21billion had been committed to the project since inception to achieve 80% level of completion.

***Findings:***

248. At the time of this report, one of the 2nos. vessels (tagged centenary vessel) had been delivered and commissioned by Mr. President. The second vessel was said to be at completion stage in China and is undergoing inspection by the Nigerian Navy engineers.



Picture 33: The Newly Acquired NNS Centenary Vessel in Lagos

***Challenges:***

249. The team was informed by the Naval Officers in-charge that high cost of diesel and lack of agreement with the shippers on the provision of spare parts for the maintenance of the ship constitutes a major challenge for the project. Moreover, a variation in the foreign exchange rates affects the effective implementation of the projects.

***Socio-economic Impact:***

250. The centenary vessel facilitates the conduct of maritime surveillance, exclusive economic zone patrol, response tasks, protection of offshore resources, search and rescue

operations, etc. This has helped in reducing illegal bunkering activities and other maritime crimes, as well as cost of insurance/freight for enhanced national economic development.

#### **4.11.2 NIGERIAN AIRFORCE**

251. The NAF is charged with the responsibility of providing air defense to the nation. In the 2014 Budget, the sum of N7.26 billion was appropriated, out of which N3.84 billion was released and utilized as at the end of the fiscal year. The following project was monitored.

##### ***i. Barracks Infrastructural Development in Yenagoa***

252. The project entails the provision of barrack accommodation for airmen and officers. It involves: construction of blocks of flats, Mobility Command HQ office accommodation / officers Mess, a Helipad for 4 nos. helicopters, a hospital and recreation facilities.

253. The project is being executed through direct labor by the NAF at a cost of N11.5 billion. Work commenced in March 2014 and is expected to be completed in December 2018. In 2014 Budget, the sum of N740.87million was appropriated, released and utilised to the project to achieve 6.4% level of completion.

##### ***Findings:***

254. At the time of this report, the following components had been completed and in use. These include: construction of three blocks of 36 nos. 2-bedroom flats for airmen, 24 flats of 1-bedroom for officers, and perimeter fencing. Others are: officers' mess, 2-storey Mobility Command HQ Office, a Helipad for 4nos. helicopters, a dedicated transformer and 100KVA generating set.



Picture 34: Completed NAF Barrack Residential Accommodation and Mobility Command HQ Office at Yenagoa



***Socio-economic Impact:***

255. The project though not completed had provided decent office and residential accommodation for officers and airmen; thereby reducing the difficulty experienced in rented apartments. Besides, the availability of water and stable power supply and is enhancing their performance and service delivery.

**4.11.3 DEFENCE HEADQUARTERS**

256. A total of N887.37 million was appropriated to the Headquarters in the 2014 Budget for the implementation of its capital projects and programmes. Out of this amount, N401.42 million was released and cash backed while N399.77 million was utilized as at 31<sup>st</sup> December to implement the following project:

***i. Extension of Defence Headquarters Complex***

257. The project consists of 40 offices and conveniences, a pent house, an ultramodern conference room (250-300 capacity), ICT Centre, etc. It was initiated to provide additional office accommodation for staff of the Defence Headquarters. The contract for the project was awarded to Messrs Shartake Investment Nigeria Limited at the cost of N120 million in June 2014 with a completion date of February 2015. The sum of N120 million was appropriated to the project in the 2014 Budget and same amount was released and committed to the project to achieve 100% completion.

***Findings:***

258. At the time of monitoring, the project had been completed, furnished and in use.



Picture 35: Completed Extension of Defence Headquarters Building



***Socio-economic Impact:***

259. The project has reduced the number of officers to office ratio, boosted their morale and also improved the efficiency with which they discharged their statutory responsibilities.

**4.11.4 NATIONAL DEFENCE COLLEGE:**

260. The college is the highest military training institution in Sub-Saharan Africa and was conceived to impart knowledge and develop the skills of selected senior military and civilian officers on national security, and also prepare them for higher responsibilities at operational and strategic levels. In the 2014 Budget, the sum of N3.04billion was appropriated for the execution of its capital projects and programmes. Out of this amount, N1.64billion was released and utilised to implement amongst others the following projects:

***i. Purchase of Coaster Buses & Cars***

261. The project involves the procurement of ninety eight (98) Peugeot cars and three (3) coaster buses for the college. The contract was awarded to Messrs Ziam Integrated Engrs Ltd at a cost of N503.4million in May 2011 and is expected to be completed in May 2015. In the 2014 Budget, the sum of N102million was appropriated released and utilized. A total of N306.9million had so far been committed to achieve 100% level of completion.

***Findings:***

262. As at the time of inspection, the vehicles had been fully supplied and were in use by the beneficiaries. The team gathered that though the project had been completed, the sum of N196.5 million was still being owed to the contractor.

***Socio-economic Impact:***

263. The project had facilitated the college participants' syndicate tours, excursions visits and movement of officers.



Picture 36: Purchased Coaster Buses/Cars at National Defence College, Abuja.

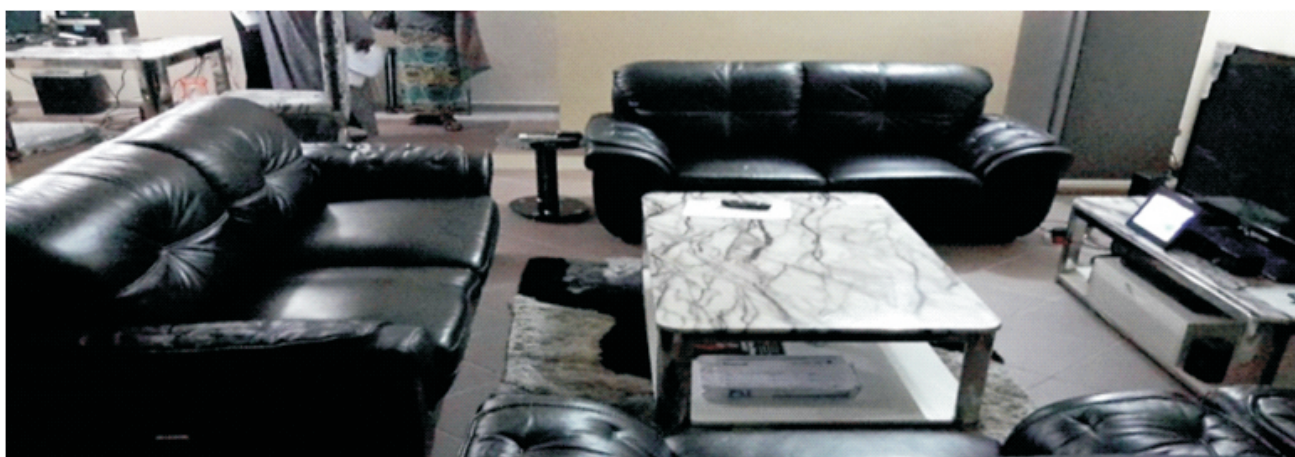
*ii. Furnishing of Participants Quarters 4, Piwoyi*

264. The project was designed to purchase and install household facilities and appliances in the hostel of local and foreign students during their one year programme of the College. It involves the furnishing of 56 participants' flats and 56 boys' room with standard upholstery, dining and plasma television sets and beddings. Others are: the furnishing of staff clinic, Officers' Mess, gift shop and laundry room.

265. The contract was awarded to Messrs Stabili Visioni Ltd at a cost of N800 million in August, 2014 and was expected to be completed in November, 2014. This was however not achieved due to funding constraints. In the 2014 Budget, the sum of N400 million was appropriated, released and utilised in the year to achieve a cumulative performance of 48%.

**Findings:**

266. At the time of visit, work completed include: furnishing of 20 participants one-bedroom flats, 20nos. boys' room and landscaping. In addition, furnishing had been substantially done in the officers' mess, clinic, gift shop and laundry. The remaining 36 participants' flats, 36 boys' room are yet to be equipped due to paucity of funds.



Picture 37: A Sample of the Installed Household Facilities in the Participants Quarters

***Socio-economic Impact:***

267. Prior to the furnishing of the housing complex, there was acute shortage of accommodation for the participants and their personal aides. This situation has improved as more than forty (40) officers have taken possession of the furnished apartments thereby ameliorating the current housing problem experienced by the College. In addition, the project has provided employment opportunities for twenty (20) houseboys attached to the participants. On completion, it is expected to provide more accommodation for 30 participants and generate additional jobs for 30 youths.

## 5.0 OBSERVATIONS AND RECOMMENDATIONS

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268. The Budget monitoring teams while carrying out the physical inspection and evaluation of MDA's projects in the year under review discovered several challenges in implementing their capital projects and programmes. The observations and recommendations are as follows:

### **OBSERVATIONS:**

269. Key observations from the monitoring and evaluation exercises include the following:

- i. Poor feasibility study and poor project design by some MDAs' were observed. These, in many cases, resulted to revisions in the scope of already awarded contracts and non-delivery of projects to budget and time specifications;
  - ii. The Teams observed recurrence of stalled projects at various implementation levels and which are awaiting approval for revisions to their scope, terms and conditions. This has the potential of absolute loss in capital fund investments by the government particularly where such approvals are delayed outside the contract terms or where they are not approved at all. A number of these were observed in the Works and Water Resources projects.
  - iii. The implementation of the 2014 capital budget was slowed down due to revenue shocks arising partly to the dwindling oil revenue and insurgency in the North Eastern part of the country and the relatively low level of capital budget releases in the year.
  - iv. Some MDAs were observed to be in the habit of splitting contracts into several unrelated projects and programmes outside the line items captured in the Appropriation Act thereby making them cumbersome for assessment.
270. Poor level of cooperation by MDAs not sending their representatives to lead the monitoring Teams to the project sites, [particularly those located in obscure and very distant locations], also posed critical challenge to successful exercises. This often made it impossible to locate the projects scheduled for monitoring.



## **5.2 RECOMMENDATIONS:**

271. Drawing from the above observations, the following recommendations are hereby proffered with the objective of enabling MDAs improve on their budget performance:

- MDAs should prioritize the completion of existing projects instead of introducing new ones which may not be completed within the budget year consequently, leading to a proliferation of abandoned projects.
- Government should study the necessity of empowering some peculiar MDAs to enable them engage in complementary ventures to boost their Internally Generated Revenue (IGR) so as to increase the overall government revenue profile.
- Project design and other consultancy reports which gulps substantial percentage of several projects' outlay should be carefully examined and approved by implementing MDAs before contracting any project for execution.

272. Finally, the Federal Ministry of Finance/Budget Office will continue to foster an environment within which openness, transparency and accountability that would enhance the delivery of dividends of democracy to all Nigerians.

# APPENDIX: MDAS' CAPITAL UTILIZATION

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

### 2014 CAPITAL PERFORMANCE FOR MDAS AS AT 31ST DECEMBER, 2014

| S/N | MINISTRY                                   | 2014 AMENDMENT APPROPRIATION | 1ST QUARTER WARRANT (ONLINE) =N= | 2ND QUARTER WARRANT (ONLINE) =N= | 3RD QUARTER WARRANT (ONLINE) =N= | 1ST, 2ND, 3RD QUARTER & AIEs TOTAL RELEASES =N= | 1ST, 2ND, 3RD QUARTER & AIEs AMOUNT CASHBACKED =N= | MDAs BALANCE @ 31ST DECEMBER, 2014 =N= | UTILISATION =N= | UTILISATION % |
|-----|--|------------------------------|----------------------------------|----------------------------------|----------------------------------|---|--|--|-----------------|---------------|
| 1   | PRESIDENCY                                 | 9,099,001,806                | 19,041,368,579                   | 20,409,176,000                   | 11,041,419,341                   | 54,996,721,419                                  | 54,996,721,419                                     | 25,980,796                             | 54,970,740,623  | 99.95         |
| 2   | SECRETARY TO GOVT. OF THE FEDERATION (SGF) | 22,795,206,242               | 1,046,979,432                    | 5,700,968,431                    | 2,660,538,569                    | 10,739,145,308                                  | 10,739,145,308                                     | 451,646,177                            | 10,287,499,131  | 95.79         |
| 3   | YOUTH DEVELOPMENT                          | 5,036,186,656                | 247,583,177                      | 1,278,154,078                    | 573,879,411                      | 82,904,046                                      | 2,182,520,712                                      | 58,662,752                             | 2,123,857,960   | 97.31         |
| 4   | POLICE AFFAIRS                             | 3,439,131,188                | 140,177,790                      | 875,326,992                      | 363,003,566                      | -   | 1,378,508,348                                      | 43,436,386                             | 1,335,071,962   | 96.85         |
| 5   | POLICE FORMATION                           | 7,340,000,000                | 1,697,500,000                    | 1,004,161,449                    | 737,327,739                      | -   | 3,438,989,188                                      | 1,507,437                              | 3,437,481,751   | 99.96         |
| 6   | WOMEN AFFAIRS                              | 2,992,311,641                | 350,389,353                      | 623,287,461                      | 299,848,439                      | 35,686,000                                      | 1,309,211,253                                      | 3,570,793                              | 1,305,640,461   | 99.73         |
| 7   | AGRICULTURE                                | 35,551,172,583               | 7,024,428,062                    | 5,790,249,943                    | 2,648,550,943                    | -   | 15,463,228,948                                     | 341,429,533                            | 15,121,799,415  | 97.79         |
| 8   | WATER RESOURCES                            | 44,570,772,579               | 8,000,000,000                    | 7,446,808,952                    | 3,232,041,413                    | 140,617,000                                     | 18,819,467,365                                     | 1,144,959,719                          | 17,674,507,646  | 93.92         |
| 9   | AUDITOR-GEN.                               | 1,943,134,021                | 300,000,000                      | 347,155,496                      | 245,420,967                      | -   | 892,576,463  | 1                                      | 892,576,462     | 100.00        |
| 10  | DEFENCE                                    | 35,360,000,000               | 10,023,803,840                   | 5,039,653,649                    | 3,347,734,104                    | 6,251,096,559                                   | 24,662,288,152                                     | 55,785,182                             | 24,606,502,970  | 99.77         |
| 11  | ICPC                                       | 132,897,643                  | 33,244,221                       | 16,903,817                       | 24,284,911                       | -   | 74,432,949   | 815,396                                | 73,617,554      | 98.90         |
| 12  | EDUCATION                                  | 51,281,035,231               | 2,489,611,097                    | 13,196,986,964                   | 6,082,810,366                    | -   | 21,769,408,427                                     | 969,364,104                            | 20,743,569,845  | 95.58         |
| 13  | FCTA                                       | 30,410,000,000               | 10,000,000,000                   | 2,149,764,433                    | 1,225,886,706                    | -   | 13,375,651,139                                     | 66,490,313                             | 13,309,160,826  | 99.50         |
| 14  | FOREIGN & INTER GOVT. AFFAIRS              | 16,928,076,545               | 1,688,731,481                    | 4,042,246,250                    | 1,503,531,991                    | 407,193,434                                     | 7,641,703,156                                      | 433,100,898                            | 7,208,602,258   | 94.33         |
| 15  | FINANCE                                    | 3,531,276,268                | 277,476,953                      | 2,056,233,583                    | 375,356,636                      | -   | 2,709,067,172                                      | 12,558,923                             | 2,696,508,249   | 99.54         |
| 16  | HEALTH                                     | 49,517,380,725               | 5,072,571,445                    | 10,662,483,782                   | 4,590,702,726                    | 146,964,811                                     | 20,472,722,764                                     | 1,784,342,877                          | 18,688,379,887  | 91.28         |
| 17  | TRADE & INVESTMENT                         | 3,664,494,962                | 110,912,085                      | 977,470,181                      | 445,448,512                      | -   | 1,533,830,778                                      | 23,205,791                             | 1,510,624,987   | 98.49         |

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

2014 CAPITAL PERFORMANCE FOR MDAs AS AT 31ST DECEMBER, 2014

| S/N | MINISTRY                                | 2014 AMENDMENT APPROPRIATION | 1ST QUARTER WARRANT (ONLINE) =N= | 2ND QUARTER WARRANT (ONLINE) =N= | 3RD QUARTER WARRANT (ONLINE) =N= | 1ST, 2ND, 3RD QUARTER & AIEs =N= | 1ST, 2ND, 3RD QUARTER & AIEs TOTAL RELEASES =N= | 1ST, 2ND, 3RD QUARTER & AIEs AMOUNT CASHBACKED =N= | MDAs BALANCE @ 31ST DECEMBER, 2014 =N= | UTILISATION =N= | UTILISATION % |
|-----|---|------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---|--|--|-----------------|---------------|
| 18  | INFORMATION                             | 3,830,414,506                | 200,956,915                      | 943,819,304                      | 433,846,693                      | 100,000,000                      | 1,678,622,912                                   | 1,678,622,912                                      | 51,441,700                             | 1,627,181,212   | 96.94         |
| 19  | COMMUNICATION TECHNOLOGY                | 4,065,032,066                | 202,041,128                      | 1,352,098,746                    | 441,884,898                      | 3,015,000,000                    | 5,011,024,772                                   | 5,011,024,772                                      | 837,796                                | 5,010,186,976   | 99.98         |
| 20  | INTERIOR                                | 6,949,311,467                | 554,394,489                      | 2,039,788,292                    | 740,344,919                      | 250,000,000                      | 3,584,527,700                                   | 3,584,527,700                                      | 188,097,133                            | 3,396,430,567   | 94.75         |
| 21  | HEAD OF SERVICE                         | 4,139,125,454                | 708,026,593                      | 693,131,609                      | 332,811,590                      | -                                | 1,733,969,792                                   | 1,733,969,792                                      | 175,498,026                            | 1,558,471,766   | 89.88         |
| 22  | JUSTICE                                 | 1,073,600,135                | 53,952,599                       | 336,702,069                      | 123,781,485                      | 148,526,814                      | 662,962,967                                     | 662,962,967  | 21,632,143                             | 641,330,824     | 96.74         |
| 23  | LABOUR & PRODUCTIVITY                   | 1,801,548,597                | 77,978,639                       | 462,485,940                      | 199,568,289                      | -                                | 740,032,868                                     | 740,032,868  | 501,625                                | 739,531,243     | 99.93         |
| 24  | POWER                                   | 59,814,290,389               | 13,921,990,413                   | 8,208,385,429                    | 3,908,155,496                    | 22,288,260,372                   | 48,326,791,710                                  | 48,326,791,710                                     | 737,318,560                            | 47,589,473,150  | 98.47         |
| 25  | SCIENCE AND TECH.                       | 13,014,788,701               | 560,120,539                      | 4,193,299,302                    | 1,518,537,625                    | -                                | 6,271,957,466                                   | 6,271,957,466                                      | 388,027,601                            | 5,883,929,865   | 93.81         |
| 26  | TRANSPORT                               | 31,808,108,913               | 1,474,290,841                    | 8,904,202,627                    | 3,206,379,405                    | -                                | 13,584,872,873                                  | 13,584,872,873                                     | 338,536,083                            | 13,246,336,790  | 97.51         |
| 27  | PETROLEUM                               | 6,221,948,219                | 312,706,321                      | 1,734,543,796                    | 748,476,672                      | -                                | 2,795,726,789                                   | 2,795,726,789                                      | 157,975,841                            | 2,637,750,948   | 94.35         |
| 28  | WORKS                                   | 106,321,203,055              | 29,477,699,881                   | 13,040,828,237                   | 6,811,837,020                    | 1,327,513,750                    | 50,657,878,888                                  | 50,657,878,888                                     | 28,519,359                             | 50,629,359,529  | 99.94         |
| 29  | HOUSING                                 | 15,756,721,003               | 1,000,000,000                    | 4,501,639,772                    | 1,942,512,123                    | -                                | 7,444,151,895                                   | 7,444,151,895                                      | 24,122,375                             | 7,420,029,520   | 99.68         |
| 30  | MINES & STEEL                           | 2,176,868,615                | 101,867,551                      | 832,241,980                      | 219,498,803                      | 17,000,000                       | 1,170,608,334                                   | 1,170,608,334                                      | 90,238,538                             | 1,080,369,796   | 92.29         |
| 31  | AVIATION                                | 26,157,892,040               | 1,314,658,672                    | 6,522,485,738                    | 2,947,672,754                    | 74,686,619                       | 10,859,503,783                                  | 10,859,503,783                                     | 713,892,382                            | 10,145,611,401  | 93.43         |
| 32  | NATIONAL WAGES & SALARIES               | 173,438,793                  | 8,716,789                        | 78,009,613                       | 21,258,195                       | -                                | 107,984,597                                     | 107,984,597  | 2,864                                  | 107,981,733     | 100.00        |
| 33  | ENVIRONMENT                             | 8,974,898,681                | 521,707,411                      | 2,471,343,698                    | 1,495,612,830                    | 45,150,000                       | 4,533,813,939                                   | 4,533,813,939                                      | 85,638,429                             | 4,448,175,509   | 98.11         |
| 34  | TOURISM, CULTURE & NATIONAL ORIENTATION | 4,243,941,052                | 186,406,134                      | 1,214,896,763                    | 546,877,450                      | 197,069,064                      | 2,145,249,411                                   | 2,145,249,411                                      | 47,928,382                             | 2,097,321,029   | 97.77         |

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

2014 CAPITAL PERFORMANCE FOR MDAs AS AT 31ST DECEMBER, 2014

| S/N | MINISTRY                            | 2014 AMENDMENT APPROPRIATION | 1ST QUARTER WARRANT (ONLINE) =N= | 2ND QUARTER WARRANT (ONLINE) =N= | 3RD QUARTER WARRANT (ONLINE) =N= | 1ST, 2ND, 3RD QUARTER & AIES =N= | 1ST, 2ND, 3RD QUARTER & AIES TOTAL RELEASES =N= | 1ST, 2ND, 3RD QUARTER & AIES AMOUNT CASHBACKED =N= | MDAs BALANCE @ 31ST DECEMBER, 2014 =N= | UTILISATION =N= | UTILISATION % |        |
|-----|-------------------------------------|------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|---|--|--|-----------------|---------------|--------|
|     |                                     |                              |                                  |                                  |                                  |                                  |   |  |  | RELEASES        | CASHBACK      |        |
| 35  | NAT. PLANNING                       | 2,018,068,871                | 93,886,500                       | 511,534,162                      | 235,934,186                      | 1,288,638,100                    | 2,129,992,948                                   | 2,129,992,948                                      | 216,703                                | 2,129,776,245   | 99.99         | 99.99  |
| 36  | NATIONAL SPORTS COMMISSION          | 1,764,028,442                | 74,931,811                       | 720,767,168                      | 179,840,084                      | 4,975,413,896                    | 5,950,952,959                                   | 5,950,952,959                                      | 47,466,393                             | 5,903,486,566   | 99.20         | 99.20  |
| 37  | OFFICE OF NATIONAL SECURITY ADVISER | 51,100,000,000               | 11,356,488,604                   | 8,325,641,092                    | 3,266,294,374                    | -                                | 22,948,424,030                                  | 22,948,424,030                                     | 1,778,519,471                          | 21,169,904,559  | 92.25         | 92.25  |
| 38  | NIGER DELTA                         | 49,403,704,194               | 10,400,000,000                   | 6,780,795,199                    | 3,452,096,964                    | -                                | 20,632,892,163                                  | 20,632,892,163                                     | 897,463                                | 20,631,994,700  | 100.00        | 100.00 |
| 39  | SPECIAL DUTIES                      | 53,212,473                   | 2,674,384                        | 15,163,241                       | 6,561,763                        | -                                | 24,409,378                                      | 24,409,378   | 5,485,278                              | 18,924,100      | 77.53         | 77.53  |
| 39  | SPECIAL DUTIES                      | 200,405,367                  | -                                | 51,011,241                       | 17,265,335                       | 1,431,068,692                    | 1,499,345,268                                   | 1,499,345,268                                      | 630,000                                | 1,498,715,268   | 99.96         | 99.96  |
| 40  | FISCAL RESPONSIBILITY COMMISSION    | 53,835,005                   | 2,705,671                        | 15,444,831                       | 6,664,632                        | -                                | 24,815,134                                      | 24,815,134   | 48,884                                 | 24,766,250      | 99.80         | 99.80  |
| 41  | ICRC                                | 47,878,526                   | 2,406,307                        | 11,957,251                       | 5,159,699                        | -                                | 19,523,257                                      | 19,523,257   | 2,843,628                              | 16,679,629      | 85.43         | 85.43  |
| 42  | NAT. POPULATION                     | 1,203,588,087                | 100,438,918                      | 255,230,159                      | 174,469,442                      | 500,000,000                      | 1,030,138,519                                   | 1,030,138,519                                      | 500,272,710                            | 529,865,809     | 51.44         | 51.44  |
| 43  | CODE OF CONDUCT BUREAU              | 1,006,147,091                | 251,686,761                      | 127,976,136                      | 107,878,030                      | -                                | 487,540,917                                     | 487,540,917  | -                                      | 487,540,917     | 100.00        | 100.00 |
| 44  | CODE OF CONDUCT TRIBUNAL            | 252,440,642                  | 15,500,000                       | 60,232,193                       | 49,037,591                       | -                                | 124,769,784                                     | 124,769,784  | -                                      | 124,769,784     | 100.00        | 100.00 |
| 45  | PUBLIC COMPLAINTS COMMISSION        | -                            | -                                | -                                | -                                | -                                | -   | -  | -                                      | -               | -             | -      |
| 46  | REV. MOB. ALL.                      | 1,100,722,408                | 155,320,752                      | 201,107,423                      | 107,924,385                      | -                                | 464,352,560                                     | 464,352,560  | 3,605,207                              | 460,747,353     | 99.22         | 99.22  |
| 47  | FCSC                                | 254,136,819                  | 50,000,000                       | 39,234,031                       | 33,043,417                       | -                                | 122,277,448                                     | 122,277,448  | 3,471,760                              | 118,805,688     | 97.16         | 97.16  |
| 48  | POLICE SERVICE COMMISSION           | 1,013,220,850                | 50,923,047                       | 253,043,208                      | 101,384,354                      | -                                | 405,350,609                                     | 405,350,609  | 363,356                                | 404,987,253     | 99.91         | 99.91  |
| 49  | FED. CHARACT. COMM.                 | 311,143,466                  | 10,000,000                       | 83,343,040                       | 41,713,678                       | -                                | 135,056,718                                     | 135,056,718  | 76,358                                 | 134,980,360     | 99.94         | 99.94  |
| 49  | MINISTRY OF SPECIAL DUTIES          | -                            | 20,000,000,000                   | 15,000,000,000                   | 11,583,617,862                   | 3,416,382,137                    | 49,999,999,999                                  | 49,999,999,999                                     | -                                      | 49,999,999,999  | 100.00        | 100.00 |
| 50  | CAPITAL SUPPLEMENTATION             | 394,439,612,357              | 125,640,465                      | 702,386,562                      | -                                | 32,188,531,893                   | 33,016,558,910                                  | 33,016,558,910                                     | -                                      | 33,016,558,910  | 100.00        | 100.00 |
|     | Grand Total                         | 1,124,337,254,374            | 160,914,895,640                  | 172,301,821,263                  | 84,405,718,373                   | 84,163,119,562                   | 501,785,554,838                                 | 501,719,080,360                                    | 10,800,963,123                         | 490,918,117,237 | 97.83         | 97.85  |





