



2020 THIRD QUARTER BUDGET IMPLEMENTATION REPORT



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

FOREWORD

It gives me great pleasure to present to you this Third Quarter Budget Implementation Report (BIR) for 2020. The Report provides detailed information on the distribution of public resources among contending socio-economic needs and utilisation by the Ministries, Departments and Agencies (MDAs) of Government during the period. The Report serves as mechanism through which the MDAs are held accountable for the resources provided to them, and the realization of the objectives of government as contained in the Economic Recovery and Growth Plan (ERGP). The 2020 Budget was titled “Budget of Sustaining Growth and Job Creation” and its key parameters and assumptions are as set out in the 2020-2022 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) drawn from the ERGP 2017-2020.

The publication of this report is required by Section 30 and 50 of the Fiscal Responsibility Act, 2007 which mandates the Budget Office of the Federation to prepare and submit Budget Implementation Reports quarterly to the Joint Finance Committee of the National Assembly (NASS) and the Fiscal Responsibility Commission (FRC). These reports are also circulated to all other stakeholders and the general public through electronic and other media. The 2020 First and Second Quarters Budget Implementation Reports (BIRs) were duly published earlier in the year.

This Third Quarter Budget Implementation Report is the product of careful planning, extensive monitoring and analytical work undertaken by the Budget Office of the Federation in collaboration with Ministries, Departments and Agencies (MDAs). I commend the team for their hard work and also wish to recognize the active roles of the National Assembly’s Joint Finance Committee and the Fiscal Responsibility Commission in adhering to best practices in public financial management through their collaborative efforts.

Lastly, I urge the general public and readers of this Report to maintain their active interest in tracking progress towards achievement of Government’s goals and objectives especially in the management of public resources. This will serve as the necessary stimulus for the efficient and effective management of government finances.

Zainab Shamsuna Ahmed (Mrs)

Honourable Minister of Finance, Budget and National Planning

PREFACE

Pursuant to Section 30 of the Fiscal Responsibility Act, 2007, the Budget Office of the Federation (BOF) produces Budget Implementation Reports on a quarterly basis. This 2020 Third Quarter Budget Implementation Report is one of many in-year reports prepared by the BOF. This Report is also part of the efforts of the Ministry of Finance, Budget and National Planning (MFBNP) in promoting budget transparency and accountability as a key element of Nigeria's commitment to the Open Government Partnership (OGP) and public financial management reform.

The third quarter of 2020 was characterized by weakening global economy due to the amplified negative effect of the Coronavirus disease (COVID-19) pandemic. In view of these, global economic growth forecast was further downgraded considering the extended lockdown periods and restrictions on economic activities. On the domestic scene, macroeconomic environment became strained following the impact of global economic downturn as well as domestic measures adopted to curtail the spread of COVID-19 in Nigeria.

Fiscal performance was below target largely on account of revenue shortfalls and rising expenditure pressures. As at the third quarter, Federal Government's actual aggregate revenue was ₦2.55 trillion, which is 63.43% of the prorated target. Of the prorated budgeted expenditure of ₦7.48 trillion, ₦7.13 trillion was spent. This represents 95.32% performance.

Government is placing greater emphasis on budget preparation, execution, monitoring and evaluation for improved performance. Critical performance enhancing initiatives have continued to be applied, leading to the budget increasingly being a critical tool for the delivery of government objectives. In view of this and despite the socio-economic challenges that continued to face the Nigerian economy, government had continued to maintain a robust share of the capital budget relative to the total budget. The careful crafting and cautious implementation of these budgets were key to Nigeria's exit from economic recession in 2017 and the sustained positive GDP growth witnessed in recent period before the recent advent of coronavirus.

The execution of the 2020 Budget in the third quarter of the year was very challenging mainly due to the negative impact of the COVID-19 which led to the amendment of the budget in response to fiscal pressures. However, as

at 30th September, 2020 the Government had released a total of ₦1,175.11 billion for capital development fund to the MDAs and had continued to meet its non-discretionary expenditures.

This Report is a product of the joint efforts of financial and statistical agencies of Government which provided necessary macro-economic and financial data, and the combined efforts of various departments of the BOF, particularly the Budget Monitoring and Evaluation Department. I applaud their efforts as they continue to perform this vital function.

Ben Akabueze

Director General (Budget Office of the Federation)

Table of Contents

FOREWORD	II
PREFACE	III
TABLE OF CONTENTS	V
TABLE OF ACRONYMS	VII
LIST OF TABLES	VIII
LIST OF FIGURES	IX
EXECUTIVE SUMMARY	1
1.0 INTRODUCTION	6
2.0 MACROECONOMIC DEVELOPMENTS AND ANALYSIS	9
2.1 PERFORMANCE OF THE GLOBAL ECONOMY.....	9
2.2 DOMESTIC MACROECONOMIC PERFORMANCE	10
2.2.1 <i>Developments in Real Sector</i>	10
2.2.1.1 <i>GDP Growth</i>	10
2.2.1.2 <i>Oil Sector</i>	11
2.2.1.3 <i>Non-Oil Sector</i>	12
2.2.2 <i>Price Developments</i>	13
2.2.3 <i>Money Market Developments</i>	14
2.2.4 <i>Developments in the External Sector</i>	17
2.2.4.1 <i>External Trade</i>	17
2.2.4.2 <i>Balance of Payment</i>	17
2.2.4.3 <i>Exchange Rates</i>	17
2.2.4.4 <i>External Reserves</i>	18
2.2.5 <i>Debt Stock</i>	19
2.2.5.1 <i>Total Public Debt Stock</i>	19
2.2.5.2 <i>Domestic Debt Stock</i>	20
2.2.5.3 <i>External Debt Stock</i>	21
3.0 FINANCIAL ANALYSIS OF THE 2020 BUDGET IMPLEMENTATION	22
3.1 KEY ASSUMPTIONS AND PROJECTIONS.....	22
3.1.1 <i>Budget Benchmark Oil Price and Production</i>	22
3.2 ANALYSIS OF REVENUE PERFORMANCE:.....	25
3.2.1 <i>Performance of Key Oil Revenue Parameters</i>	25
3.3 AGGREGATE REVENUE OF THE FEDERATION:.....	26

3.4 OIL REVENUE PERFORMANCE.....	26
3.4.1 <i>Net Oil Revenue</i>	27
3.4.2 Year to Date Oil Revenue Performance.....	27
3.5 NON-OIL REVENUE PERFORMANCE.....	29
3.5.1 Year to Date Non-Oil Revenue Performance.....	30
3.6 DISTRIBUTABLE REVENUE.....	34
3.7 EXCESS CRUDE ACCOUNT.....	35
3.8 FGN BUDGET REVENUE.....	36
3.8.1 Total Inflow of the Federal Government.....	40
3.9 EXPENDITURE DEVELOPMENTS.....	40
3.9.1 <i>Non-Debt Recurrent Expenditure</i>	41
3.9.2 <i>Debt Service</i>	42
3.9.3 <i>Statutory Transfers:</i>	44
3.9.4 <i>Capital Expenditure Performance</i>	44.
3.9.5 <i>Budget Deficit and Performance of the Financing Items</i>	47
4.0 CONCLUSION.....	48
5.0 CAPITAL PROJECT IMPLEMENTATION.....	49
APPENDIX I.....	157



TABLE OF ACRONYMS

A/C:	<i>Account</i>	MDAs:	<i>Ministries, Departments and Agencies</i>
AIE:	<i>Authority to Incur Expenditure</i>	MPR:	<i>Monetary Policy Rate</i>
AF:	<i>Alternative Funding</i>	MTEF:	<i>Medium Term Fiscal Framework</i>
AEs:	<i>Advanced Economies</i>	N:	<i>Naira</i>
B:	<i>Billion</i>	NBS:	<i>National Bureau of Statistics</i>
BDC:	<i>Bureau De-Change</i>	NDDC:	<i>Niger Delta Development Commission</i>
BOF:	<i>Budget Office of the Federation</i>	NHRC:	<i>National Human Rights Commission</i>
BREXIT:	<i>British Exit</i>	NJC:	<i>National Judiciary Commission</i>
CBN:	<i>Central Bank of Nigeria</i>	NNPC:	<i>Nigerian National Petroleum Corporation</i>
CIT:	<i>Company Income Tax</i>	NTB:	<i>Nigerian Treasury Bills</i>
COVID-19:	<i>Corona Virus Disease - 2019</i>	OAGF:	<i>Office of the Account General of the Federation</i>
DMO:	<i>Debt Management Office</i>	ONSA:	<i>Office of National Security Adviser</i>
ECA:	<i>Excess Crude Account</i>	OPEC:	<i>Organization of Petroleum Exporting Countries</i>
EMDEs:	<i>Emerging Markets and Developing Economies</i>	OTC-FMDQ-OTC:	<i>Over the Counter Financial Market Dealer Quotation</i>
EMEs:	<i>Emerging Markets Economies</i>	PCC:	<i>Public Complaint Commission</i>
FAAC:	<i>Federation Account Allocation Committee</i>	PPT:	<i>Petroleum Profit Tax</i>
FGN:	<i>Federal Government of Nigeria</i>	PSC:	<i>Production Sharing Contracts</i>
FMFBNP:	<i>Federal Ministry of Finance, Budget and National Planning</i>	SC:	<i>Service Contracts</i>
GDP:	<i>Gross Domestic Product</i>	SWF:	<i>Sovereign Wealth Fund</i>
IMF:	<i>International Monetary Fund</i>	TSA:	<i>Treasury Single Account</i>
INEC:	<i>Independent National Electoral Commission</i>	UBEC:	<i>Universal Basic Education Commission</i>
JVC:	<i>Joint Venture</i>	US:	<i>United States</i>
LNG:	<i>Liquefied Natural Gas</i>	VAT:	<i>Value Added Tax</i>
M2:	<i>Money Supply</i>	WEO:	<i>World Economic Outlook</i>
MB&NP:	<i>Ministry of Budget and National Planning</i>	ZBB:	<i>Zero Base Budgeting</i>
MBPD:	<i>Million Barrels Per Day</i>		

LIST OF TABLES

Table 3.1: Key Assumptions and Targets for 2016 - 2020 Budget	22
Table 3.2: Detailed Assumptions for Oil Production and Taxes (2018 - 2020)	24
Table 3.3: Performance of Revenue in the Third Quarter of 2020 Vs 2019	28
Table 3.4: Net Distributable Revenue as at September 2020 (Oil Revenue at Benchmark Assumptions).....	32
Table 3.5: Actual Performance of Non-Oil Revenue Categories (Third Quarter) 2010 – 2019.....	33
Table 3.6: Percentage Growth in Non-Oil Revenue Performances (Third Quarter) 2011 – 2019.....	33
Table 3.7: Net Excess Crude Account	36
Table 3.8: Inflows to the 2020 Federal Budget as at September 2020.....	38
Table 3.9: FGN Budget Expenditure and Fiscal Account (in N’ Billion) as at September 2020	43
Table 3.10: Capital Budget Utilization by MDAs (as at 30 th September, 2020).....	46

LIST OF FIGURES

Figure 2.1: GDP Percentage Growth (Q1 2015 – Q3 2020)	11
Figure 2.2: Quarterly Oil and Non-Oil Real GDP Growth Rate percent (Q1 2017 – Q3 2020).....	12
Figure 2.3: Inflation Rate (September 2019 – September 2020).....	14
Figure 2.4: M2 Growth Rate and Interest Rates Trend (September 2019 – September 2020).....	15
Figure 2.5: Naira/US\$ Exchange Rates Trend (September 2019 – September 2020).....	18
Figure 2.6: Level of External Reserves in Billion Dollars (September 2019 – September 2020).....	19
Figure 2.7: Total Public Debt Stock (Third Quarter 2020).....	20
Figure 3.1: Budget Oil Production by Business Arrangements 2009 – 2020	24
Figure 3.2: Oil Production and Lifting (September 2019 – September 2020).....	25
Figure 3.3: 2019 Vs 2020 Revenue Performance (Third Quarter)	29
Figure 3.4: Projected Vs Actual FAAC Revenue Receipts (as at September 2020)	34
Figure 3.5: Contributions to Distributable Revenue (in the 3 rd Quarter of 2020)	35
Figure 3.6: Contributions to FGN Budget in the Third Quarter of 2020.....	39
Figure 3.7: FGN Revenue (Budget Vs Actual as at September 2020)	40
Figure 3.8: 2009 – 2020 Budget Expenditure Profile	41
Figure 3.9: Personnel, Overhead and Capital Expenditure Trends (2008 – 2020).....	42
Figure 3.10: Pictorial Representation of Selected MDAs Capital Budget Utilization (as 30 th September, 2020).....	46

EXECUTIVE SUMMARY

The Federal Budget is a vital tool in achieving Government's strategic objectives and plans for the socio-economic development of the nation. The 2020 Budget titled "Budget of Sustaining Growth and Job Creation" was designed to strengthen the macroeconomic environment; invest in critical infrastructure, human capital development and enabling institutions, especially in key job creating sectors; incentivize private sector investment; and enhance social investment programs. The 2020-22 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) provides the economic framework for the 2020 Budget, along with fiscal policy objectives and spending priorities of the Government over the three-year period.

Nigeria's Gross Domestic Product (GDP) recorded a growth rate of -3.62 percent (year-on-year) in real terms in the third quarter of 2020. Cumulatively, the economy had contracted by -2.48 percent. While this represents an improvement of 2.48 percent points over the -6.10 percent growth rate recorded in the second quarter of 2020, it also indicated that the economy had recorded two consecutive quarters of negative growth in 2020 thereby pushing the economy into recession. Furthermore, growth in the third quarter of 2020 was lower by 5.90 percent points when compared with 2.28 percent year on year real growth rate recorded in the third quarter of 2019.

There were persistent increases in inflationary rate, growing from 12.13 percent in January to 13.71 percent in September 2020, this being the highest inflation rate recorded in 30 months. Headline inflation (year-on-year) increased from 12.56 percent in June to 12.82 percent, 13.22 percent and 13.71 percent in July, August and September 2020 respectively. Food Inflation increased from 15.18 percent in June to 15.48 percent, 16.0 percent and 16.66 percent in July, August and September 2020 respectively. On the other hand, Core Inflation declined from 10.13 percent in June to 10.10 percent in July before rising to 10.52 percent and 10.58 percent in August and September 2020 respectively.

Monetary aggregates increased in the review period relative to the second quarter of 2020. Broad Money Supply (M2) increased by ₦2,331.48 billion (7.15 percent) from ₦32,593.52 billion in June 2020 to ₦34,925.0 billion in September

2020. Net Domestic Credit (NDC) drove the expansion in Net Domestic Asset (NDA) growing by 2.43 percent (₦933.79 billion) from ₦38,453.94 billion in June 2020 to ₦39,387.73 billion in September 2020. Credit to Government improved by 8.73 percent (₦777.14 billion) from ₦8,898.42 billion in June 2020 to ₦9,675.56 billion in September 2020. Similarly, Credit to the Private Sector grew by 0.53 percent (₦156.66 billion) from ₦29,555.51 billion in June 2020 to ₦29,712.17 billion in September 2020.

The value of Nigeria's imports decreased to ₦1,726.28 billion in September from ₦1,842.19 billion in August of 2020. Nigeria imports mainly industrial supplies, capital goods, food and beverage, fuel and lubricants, transport equipment and parts and consumer goods. Nigeria exports in the third quarter also decreased to ₦896.20 billion in September from ₦991.99 billion in August of 2020. Nigeria recorded a trade deficit of ₦830.1 billion in September 2020 as against a surplus of ₦1,479.2 billion recorded in the same period of 2019. Exports plunged 59.6 percent to ₦896.2 billion, as crude oil exports tanked (-42.4 percent) due to lower oil prices and OPEC production cuts. Considering the third quarter of 2020, the trade account shifted to a ₦2,388.0 billion gaps compared to a surplus of ₦1,389.0 billion in 2019.

The Official, Investors' and Exporters' (I&E) Window and Bureau-de-Change (BDC) segments of the foreign exchange market witnessed some element of instability in third quarter of 2020. The Naira/Dollar exchange rate at the Official/Inter-Bank markets depreciated from ₦361.0/US\$ in June 2020 to ₦377.19/US\$ in July and ₦381.0/US\$ (August and September) 2020. On the other hand, the Naira/US\$ depreciated at the Investors' and Exporters' (I&E) FX Window segment from ₦386.39/US\$ in June 2020 to ₦387.48/US\$ in July 2020 before appreciating to ₦386.26/US\$ and ₦386.01/US\$ in August and September 2020 respectively. The Naira/US\$ exchange rate at the Bureau De-Change (BDC) depreciated from ₦447.71/US\$ in June 2020 to ₦464.71/US\$, ₦473.48/US\$ and ₦453.68/US\$ in July, August and September 2020 respectively. There was however, a marginal increase in level of Nigeria's gross official (external) reserves to US\$35.96 billion as at the end of September 2020 as against US\$35.78 billion recorded as at the end of June 2020.

The total public debt stock as at 30th September, 2020 stood at US\$84,574.18 million (₦32,222.76 billion). This represents an increase of ₦1,214.12 billion (3.92 percent) when compared to the (₦31,008.64 billion) reported at the end of

June 2020. The breakdown consisted of US\$31,985.17 million (~~₦~~12,186.35 billion) or 37.82 percent for external debt while the balance of US\$52,589.01 million (~~₦~~30,036.41 billion) or 62.18 percent was for domestic debt stock. The total public Debt/GDP remained sustainable at a ratio of 23.10 percent as at the end of September 2020, and was significantly below the country specific threshold of 25 percent and international threshold for comparator countries of 56 percent.

Revenue shortfalls impacted FGN Budget implementation in the third quarter of 2020. The price of crude oil in the international market averaged US\$43.0 per barrel in the review period, representing an increase of US\$13.80 per barrel (47.26 percent) from the US\$29.20 per barrel reported in the second quarter of 2020. This also reflects a decrease of US\$18.94 per barrel (30.58 percent) but an increase of US\$15.0 per barrel (53.57 percent) when compared to US\$61.94 per barrel recorded in the third quarters of 2019 and US\$28.0 amended budget benchmark, respectively.

Average oil production and lifting (including Condensates) in the third quarter of 2020 was 1.67mbpd. The oil production figure revealed a decrease of 0.13mbpd (7.22 percent) from the 1.80mbpd benchmark for the amended 2020 Budget. The volume of oil production in the period was also 0.14mbpd (7.73 percent) and 0.44mbpd (20.85 percent) below the 1.81mbpd and 2.11mbpd reported in the second quarter of 2020 and third quarter of 2019 respectively.

Gross Oil Revenue therefore stood at ~~₦~~3,112.07 billion representing a ~~₦~~837.04 billion (36.79 percent) increase above ~~₦~~2,275.02 billion projected three quarter of the year gross oil revenue in the 2020 Amended Budget. It was however, ~~₦~~1,334.98 billion (30.02 percent) below the three quarter of the year actual gross oil revenue of ~~₦~~4,447.05 billion recorded in 2019. Gross non-oil revenue of ~~₦~~2,821.21 billion received in the three quarter of 2020 signified a shortfall of ~~₦~~1,038.29 billion (26.90 percent) below the three-quarter year's estimate of ~~₦~~3,859.50 billion. A breakdown of the non-oil revenue items showed that all the non-oil revenue items were below their corresponding estimates. The net distributable revenue stood at ~~₦~~5,003.47 billion in the three quarter of 2020, representing a shortfall of ~~₦~~170.58 billion (3.30 percent).

The sum of ₦2,545.76 billion was received to fund the FGN budget in the three quarter of 2020. This comprises ₦1,150.68 billion (45.20 percent) oil revenue and ₦1,395.08 billion (54.80 percent) non-oil revenue. Total inflow for the period was ₦1,478.50 billion (36.74 percent) and ₦394.28 billion (13.41 percent) lower than the three quarter of the year projection of ₦4,024.26 billion for 2020 and ₦2,940.04 billion reported in the three quarter of 2019 respectively.

The FGN continued to pursue initiatives on public expenditure reforms during the period. This includes the roll-out of the Integrated Payroll and Personnel Information System (IPPIS) to higher institutions and the introduction of the Bottom-up Cash Plan Module. Total expenditure of Government in the three-quarter of 2020 stood at ₦7,131.91 billion representing ₦348.53 billion (4.66 percent) shortfall from the ₦7,480.44 billion projected for the review period. This was however, ₦1,387.20 billion (24.15 percent) higher than the actual expenditure of ₦5,744.71 billion recorded in the three quarter of 2019. A total of ₦3,301.01 billion was spent on non-debt recurrent expenditure in the three-quarter of 2020 representing a decrease of ₦405.70 billion (10.94 percent) from the three quarter of the year estimate of ₦3,706.71 billion. It was however above the non-debt recurrent expenditure of ₦3,168.68 billion spent as at three quarter of the year 2019 by ₦132.33 billion (4.18 percent). Statutory Transfers amounts to ₦372.87 billion during the review period.

Total Debt Service in the three-quarter of 2020 stood at ₦1,893.12 billion indicating a decrease of ₦115.99 billion (5.77 percent) from the ₦2,009.11 billion projected for the three quarter of the year period. The sum of ₦1,504.80 billion was used for domestic debt servicing while ₦388.32 billion was spent for external debt servicing during the period under review. The amount used for domestic debt servicing revealed a difference of ₦99.79 billion (7.10 percent) from its three quarter of the year projection.

The revenue and expenditure outturn of the Federal Government resulted in a fiscal deficit of ₦4,586.16 billion (13.13 percent of prorata GDP) in the three quarter of 2020. This was ₦1,129.98 billion (32.69 percent) above the projected three quarter of the year deficit of ₦3,456.18 billion. It was also, above the fiscal deficit of ₦2,804.67 billion recorded in the three quarter of 2019. The deficit was

financed through domestic borrowing of ₦2,032.54 billion, thereby reflecting a negative net financing of ₦2,553.62 billion in the period under review.

Overall, the macroeconomic environment in the third quarter of 2020 was fairly fragile. The situation was relatively better than the 2020 second quarter performance due to the effective measures put in place to curtail the negative impact of the COVID-19 pandemic on the economy. Nonetheless, owing to the recent rise in global economic activities, leading to the rise in crude oil demand and price and coupled with the various stimulus economic packages being implemented by the Federal Government, it is expected that things will continue to improve especially in the last quarter of the year.

1.0 INTRODUCTION

The Federal Budget remains an important instrument in realising Government's strategic objectives and plans for the socio-economic development of the nation. It shows the allocation of resources to different sectors/agencies by the Government in its bid to provide public goods/services to the people. The Federal Budget is not all about expenditure allocations as it is regularly perceived by many. Revenue remains a critical and important component of the FGN budget. In recent times revenue generation has become a major challenge affecting effective implementation of FGN budgets but this is being tackled vigorously.

The 2020 Budget titled "Budget of Sustaining Growth and Job Creation" was planned to strengthen macroeconomic environment, enhance Investment in critical infrastructure and human capital development and enable institutions, especially in key job creating sectors. It was also projected to incentivize private sector investments which are essential in complementing Government's efforts, and enhance social investment programs needed to further deepen their impact on the marginalized and the most vulnerable people.

The 2020-2022 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) provides the economic framework for the 2020 Budget, along with fiscal policy objectives and spending priorities of the Government over the three-year period. It also specifies the plans for achieving Government's defined objectives, and highlights the key assumptions behind revenue projections and fiscal targets as well as possible fiscal risks over the medium term. Furthermore, it articulates the nature of Federal Government's debt liabilities, their fiscal consequences, and measures aimed at reducing them. The MTEF also stipulates the basis for the preparation of revenue and expenditure estimates of the annual federal budget. Hence, the MTEF represent efforts towards multi-year perspective in budgeting.

Accompanying the 2020 Budget Proposal to the National Assembly was the Finance Bill 2019 which had been passed and signed into law. The Finance Act has five strategic objectives, vis: promoting fiscal equity by mitigating instances of regressive taxation; reforming domestic tax laws to align with global best practices; introducing tax incentives for investments in infrastructure and capital markets; supporting Micro, Small and Medium-sized businesses in line with the Ease of Doing Business reforms; and raising revenues for government. The Act increased the Value Added Tax (VAT) rate

from 5% to 7.5%. Hence, the 2020 Budget was based on this new VAT rate. The additional revenues are expected to be used to fund health, education and infrastructure programmes. As the States and Local Governments are allocated 85% of all VAT revenues, greater investment is expected from them in these areas as well.

Investing in critical infrastructure is a key component of the fiscal strategy under the 2020 Budget. Consequently, an aggregate sum of N2.49 trillion (exclusive of N196.77 billion in statutory transfers) was approved for capital projects in 2020. The main emphasis is the completion of as many ongoing projects as possible, rather than commencing new ones. Therefore, capital projects that were not likely to be fully funded by the end of 2019 were rolled over into the 2020 Budget. Some of the key sectors for capital spending allocations in the 2020 Budget included: Works and Housing; Power; Transportation; Defence; Agriculture and Rural Development; Water Resources; Niger Delta Development Commission; Education; Health; Industry, Trade and Investment; North East Development Commission; Interior; Social Investment Programmes; Federal Capital Territory; and Niger Delta Affairs Ministry.

Government remains committed to ensuring the equitable sharing of economic prosperity. The focus on inclusive growth and shared prosperity underscores the keen interest in catering for the poor and most vulnerable. The newly created Ministry of Humanitarian Affairs, Disaster Management and Social Development is expected to institutionalize and enhance the implementation of the National Social Investment Programme. The Programme is already creating jobs and economic opportunities for local farmers and cooks, providing funding to artisans, traders, youths, and supporting small businesses with business education and mentoring. The provision for the Presidential Amnesty Programme was retained in the 2020 Budget in addition to other strategic priorities.

The 2020 Budget was predicted to fast-track the pace of economic recovery, promote economic diversification, enhance competitiveness and ensure social inclusion. The Government is hopeful of attaining higher and more inclusive GDP growth in order to realise the objective of massive job creation and lifting of many citizens out of poverty. The efficiency of port operations will also be enhanced through effective implementation of a single customs window, speeding up vessel and cargo handling and issuing more licenses to build modern terminals in existing ports, especially outside Lagos.

This Report provides comprehensive information on the 2020 Third Quarter Budget Implementation. The other parts of the Report are organized as follows: Following this, Introductory Section, Section 2 reviews the macroeconomic performance, highlighting performance of the real, monetary and external sectors. Section 3 presents an analysis of Government's revenue receipts and expenditure in the quarter under review, while Section 4 is a brief conclusion of the Report.

2.0 MACROECONOMIC DEVELOPMENTS AND ANALYSIS

2.1 PERFORMANCE OF THE GLOBAL ECONOMY

The global economy witnessed a better-than-expected recovery in the second quarter of 2020. Nevertheless, it continued to be weighed down by the headwinds largely associated with the COVID-19 pandemic and weak crude oil prices. In the advanced economies, the persistence of weak aggregate demand, slow recovery in supply chain networks and the rebound in COVID-19 infection rates, have cast a new wave of uncertainty over their recovery in the short to medium term. In the Emerging Market and Developing Economies (EMDEs), China continues to lead the recovery, recording a stronger-than-expected growth in the second quarter of 2020. India, on the other hand, growth continued to be subdued as a result of increasing rates of COVID-19 infections and fatality. In general, this group of economies is set to contract less, compared with the advanced economies, led by the expected strong recovery in China. Accordingly, the International Monetary Fund (IMF) revised global growth forecast in 2020 to reflect a slower pace of contraction from 4.9 percent to 4.4 percent.

Inflation in most Advanced Economies is expected to remain subdued in the medium to long term as aggregate demand remains weak across several economies, reflecting the impact of the pandemic on income. The US economy has, however, maintained a steady pace of job creation, even though infection rates and total fatality continue to rise in that country. The threat of a rebound of the pandemic in several countries has resulted in second and third waves of lockdowns in these countries. This is expected to further reduce aggregate demand and slow the pace of price development. In several Emerging Market and Developing Economies (EMDES), inflation remained relatively high when compared with the Advanced Economies owing to the persistence of exchange rate pressures, declining capital flows and weak accretion to reserves as well as other structural issues.

In the financial markets, conditions remain relatively stable, sustained by continued monetary and fiscal stimulus. The huge level of monetary and fiscal injections has, however, increased the probability of a post-pandemic global financial crisis, especially when central banks commenced regulation of

monetary policy.

2.2 DOMESTIC MACROECONOMIC PERFORMANCE

2.2.1 Developments in Real Sector

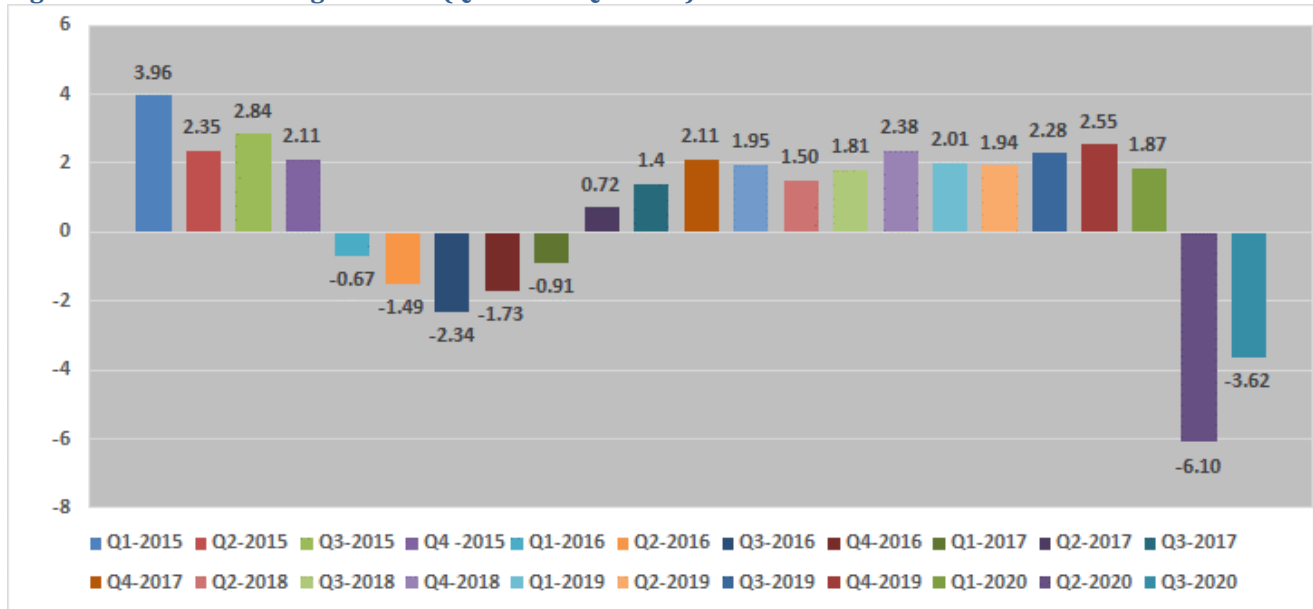
2.2.1.1 GDP Growth:

Nigeria's Gross Domestic Product (GDP) recorded a growth rate of -3.62 percent (year-on-year) in real terms in the third quarter of 2020. Cumulatively, the economy had contracted by -2.48 percent. While this represents an improvement of 2.48 percent points over the -6.10 percent growth rate recorded in the second quarter of 2020, it also indicated that the economy had recorded two consecutive quarters of negative growth in 2020 thereby pushing the economy into recession. Furthermore, growth in the third quarter of 2020 was lower by 5.90 percent points when compared with 2.28 percent year on year real growth rate recorded in the third quarter of 2019.

The performance of the economy in third quarter of 2020 reflected the outcome effects of the restrictions on movements and economic activities imposed across the country in the early period of second quarter of 2020 as a response to the spread of COVID-19 pandemic. However, when these restrictions were lifted, businesses re-opened and international travels as well as trading activities resumed. With this development, some economic activities returned to positive growth. A total of 18 economic activities recorded positive growth in the third quarter of 2020 as against 13 activities recorded in the second quarter of 2020.

During the quarter under review, aggregate GDP stood at N39,089,460.61 million in nominal terms. This performance was 3.39 percent higher than the aggregate figure of N37,806,924.41 million reported in the third quarter of 2019. The 2020 third aggregate nominal GDP was however, 9.91 percent points lower than the figure reported in the third quarter of 2020 and 6.19 percent points higher than the performance recorded in the preceding quarter of 2020. For clarity, the Nigerian economy has been broadly classified into oil and non-oil sectors.

Figure 2.1: GDP Percentage Growth (Q1 2015 – Q3 2020)



Source: National Bureau of Statistics, 2020

2.2.1.2 Oil Sector:

Nigeria recorded an average daily oil production of 1.67 million barrel per day (mbpd) in the third quarter of 2020. This performance was 0.44mbpd and 0.14mbpd lower than the figure reported in the same period of 2019 and the volume reported in the second quarter of 2020 respectively. Real growth for the oil sector was –13.89 percent (year-on-year) in the third quarter of 2020, indicating a sharp contraction of 20.38 percent points relative to the rate recorded in the corresponding quarter of 2019. Furthermore, real oil growth decreased by 7.26 percent points when compared with the -6.63 percent oil sector growth recorded in second quarter of 2020. Quarter on quarter however, the oil sector recorded a growth rate of 9.64 percent in the current quarter. The sector also contributed 8.73 percent to total real GDP in third quarter of 2020 as against 9.77 percent and 8.93 percent reported in the corresponding quarter of 2019 and the preceding quarter of 2020 respectively.

Figure 2.2: Quarterly Oil and Non-Oil Real GDP Growth Rate Percent (Q1 2017 – Q3 2020)



Source: National Bureau of Statistics, 2020

2.2.1.3 Non-Oil Sector:

The non-oil sector grew by –2.51 percent in real terms during the quarter under review. This was 4.36 percent lower than the figure recorded in the third quarter of 2019 and 3.54 percent higher than the points reported in the second quarter of 2020. The non-oil sector was driven mainly by Information and Communication (Telecommunications) with other drivers being Agriculture (Crop Production), Construction, Financial and Insurance (Financial Institutions), and Public Administration. In real terms, the non-oil sector contributed 91.27 percent to the nation’s GDP in the third quarter of 2020. This performance was higher than the 90.23 percent and 91.07 percent recorded in the third quarter of 2019 and the second quarter of 2020 respectively.

The Agricultural sector grew by 13.52 percent year-on-year in nominal terms in the third quarter of 2020, indicating a decline of 1.36 percent points and 6.38 percent points when compared with the same quarter of 2019 and the second quarter of 2020 respectively. Crop Production remained the major driver of the sector, accounting for 92.93 percent of overall nominal growth of the sector in third quarter 2020. Quarter on quarter growth stood at 36.45 percent in the third quarter of 2020. Agriculture contributed 28.41 percent to nominal GDP in the third quarter of 2020, which was higher than the 25.88

percent and 23.92 percent reported in the third quarter of 2019 and the second quarter of 2020 respectively.

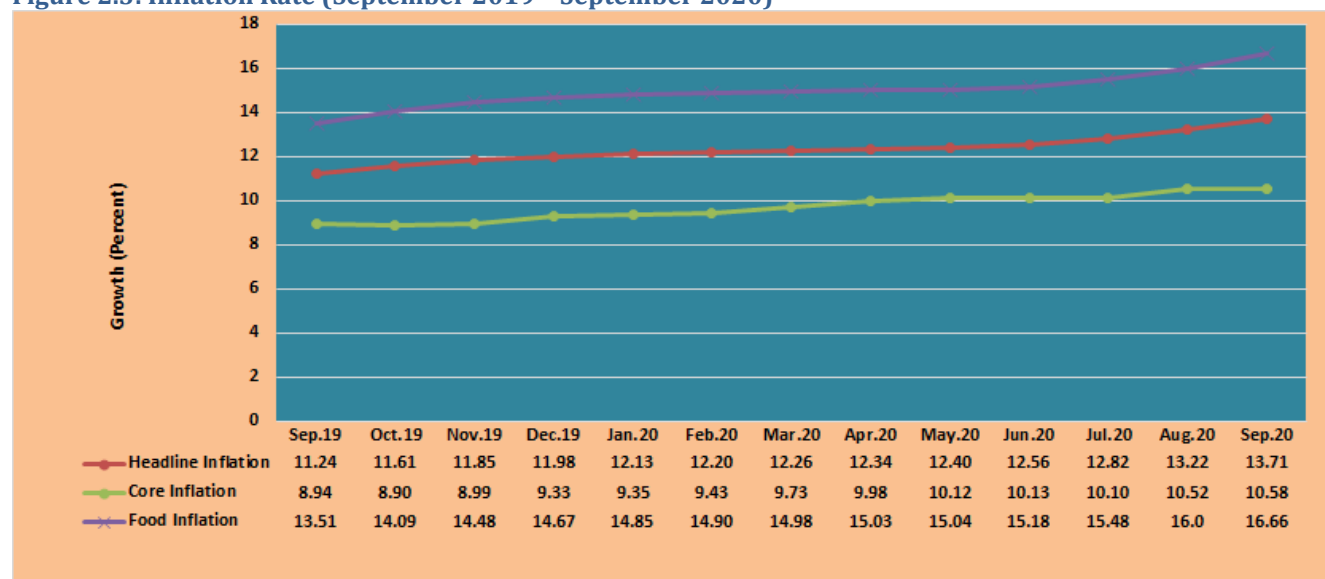
In real terms, the agriculture sector grew by 1.39 percent (year-on-year) in the third quarter of 2020, representing a drop of 0.89 percent and 0.19 percent points when compared with the figures recorded in the third quarter of 2019 and the second quarter of 2020 respectively. On a quarter-on-quarter basis, agriculture GDP grew 39.95 percent. In terms of contribution, the sector contributed 30.77 percent to overall GDP in real terms in the third quarter of 2020, which was higher than the 29.25 percent and 24.65 percent contributions recorded in the corresponding quarter of 2019 and the preceding quarter of 2020 respectively.

2.2.2 Developments in Prices

According to the report contained in the Consumer Price Index (CPI), released by the National Bureau of Statistics (NBS). Nigeria had suffered persistent increases in inflationary rate, growing from 12.13 percent in January to 13.71 percent in September 2020, this being the highest inflation rate recorded in 30 months. Headline inflation (year-on-year) increased from 12.56 percent in June to 12.82 percent, 13.22 percent and 13.71 percent in July, August and September 2020 respectively. The increase was attributed to the increases in both Food and Core Inflation components. Food Inflation increased from 15.18 percent in June to 15.48 percent, 16.0 percent and 16.66 percent in July, August and September 2020 respectively. On the other hand, Core Inflation declined from 10.13 percent in June to 10.10 percent in July before rising to 10.52 percent and 10.58 percent in August and September 2020 respectively.

The continued increases in food and core inflation were ascribed to the persistence of insecurity across the country as well as lingering structural deficiencies impacting on the logistics of moving food items to urban areas such as poor road networks, unstable power supply and a host of other infrastructural deficiencies. Other factors include the persisting impact of coronavirus-induced supply disruptions, recent hikes in the price of energy products (PMS and electricity) and weak crude oil prices.

Figure 2.3: Inflation Rate (September 2019 – September 2020)



Source: National Bureau of Statistics, 2020

It was however, noted that the rise in inflation will likely stop in the medium term, as domestic production is expected to recover, following the resumption of economic activities after COVID-19 lockdown. In addition to this, food inflation is expected to moderate as harvest season sets in. Monetary and fiscal policies are also expected to continue their broad-based stimulus support towards full recovery. This will involve fiscal measures to reduce unemployment, provide an enabling environment for private sector investment and necessary support to the health sector to cushion the impact of the coronavirus pandemic. In addition, the Central Bank of Nigeria (CBN) is expected to sustain its various intervention measures to boost consumer spending and support the recovery.

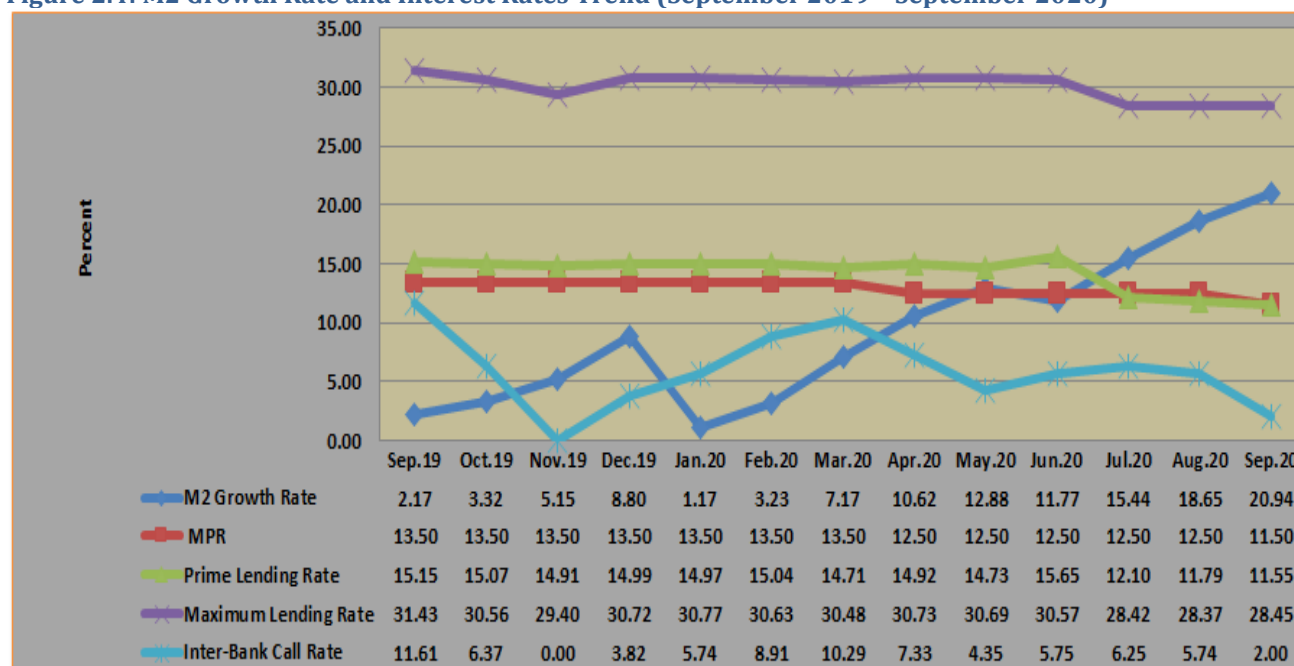
2.2.3 Developments in Money Market

Monetary aggregates increased in the review period relative to the second quarter of 2020. Broad Money Supply (M2) increased by ₦2,331.48 billion (7.15 percent) from ₦32,593.52 billion in June 2020 to ₦34,925.0 billion in September 2020. The growth in M2 was mainly driven by the expansion in the Net Domestic and Foreign Assets. Net Domestic Credit (NDC) drove the expansion in Net Domestic Asset (NDA) growing by 2.43 percent (₦933.79 billion) from ₦38,453.94 billion in June 2020 to ₦39,387.73 billion in September 2020. The

development in Net Domestic Credit was due to increases in Credit to Government and Private Sector. Credit to Government improved by 8.73 percent (₦777.14 billion) from ₦8,898.42 billion in June 2020 to ₦9,675.56 billion in September 2020. Similarly, Credit to the Private Sector grew by 0.53 percent (₦156.66 billion) from ₦29,555.51 billion in June 2020 to ₦29,712.17 billion in September 2020.

Relative to the second quarter of 2020, Narrow Money Supply (M1) increased in the third quarter of 2020. The M1 registered a 9.31 percent (₦1,152.85 billion) decline from ₦12,381.37 billion in June 2020 to ₦13,534.22 billion at the end of the third quarter 2020. The rise in M1 is traceable to the increases in both the Demand Deposit and the Currency Outside Bank as at September 2020 from June 2020 rates.

Figure 2.4: M2 Growth Rate and Interest Rates Trend (September 2019 – September 2020)



Source: Central Bank of Nigeria, 2020

Comparative to the second quarter of 2020, the Central Bank of Nigeria (CBN) reduced the Monetary Policy Rate (MPR) from 12.5 percent to 11.5 percent in the review period. The asymmetric corridor around the MPR was also adjusted from +200/-500 basis points to +100/-700 basis points. Other key monetary policy instruments were however retained during the period under

review as the Cash Reserve Ratio (CRR) and the Liquidity Ratio stayed at 27.5 percent and 30.0 percent respectively.

On easing the stance of policy, the MPC was of the view that this action would provide cheaper credit to improve aggregate demand, stimulate production, reduce unemployment and support the recovery of output growth. The Committee, however, observed that with inflation trending upwards, easing of the policy stance may exacerbate the current inflationary pressure through an increase in money supply. However, loosen option was adopted to complement the Bank's commitment to sustain the trajectory of the economic recovery and reduce the negative impact of COVID-19. In addition, the liquidity injections are expected to stimulate credit expansion to the critically impacted sectors of the economy and offer impetus for output growth and economic recovery.

The above developments led to across board variability in the deposit and lending rates in the economy. The average interbank call rate increased from 5.75 percent in June 2020 to 6.52 percent in July 2020 before reducing to 5.74 percent and 2.0 percent in August and September 2020 respectively. On the other hand, the average prime lending rate reduced slightly from 12.22 percent in June 2020 to 12.10 percent, 11.79 percent and 11.55 percent in July, August and September 2020 respectively. Similarly, the average maximum lending rate also reduced slightly coming down from 28.66 percent in June 2020 to 28.42 percent, 28.37 percent and 28.45 percent in July, August and September 2020 respectively (Figure 2.4).

2.2.4 Developments in the External Sector

2.2.4.1 External Trade

Imports in Nigeria decreased to N1,726.28 billion in September from N1,842.19 billion in August of 2020. Nigeria imports mainly industrial supplies, capital goods, food and beverage, fuel and lubricants, transport equipment and parts and consumer goods. Nigeria main imports come from Asia, Europe, America and Africa.

Exports in Nigeria decreased to N896.20 billion in September from N991.99 billion in August of 2020. Exports of commodities (oil and natural gas) is the main factor behind Nigeria's growth and accounts for more than 91 percent of total exports.

2.2.4.2 Balance of Trade

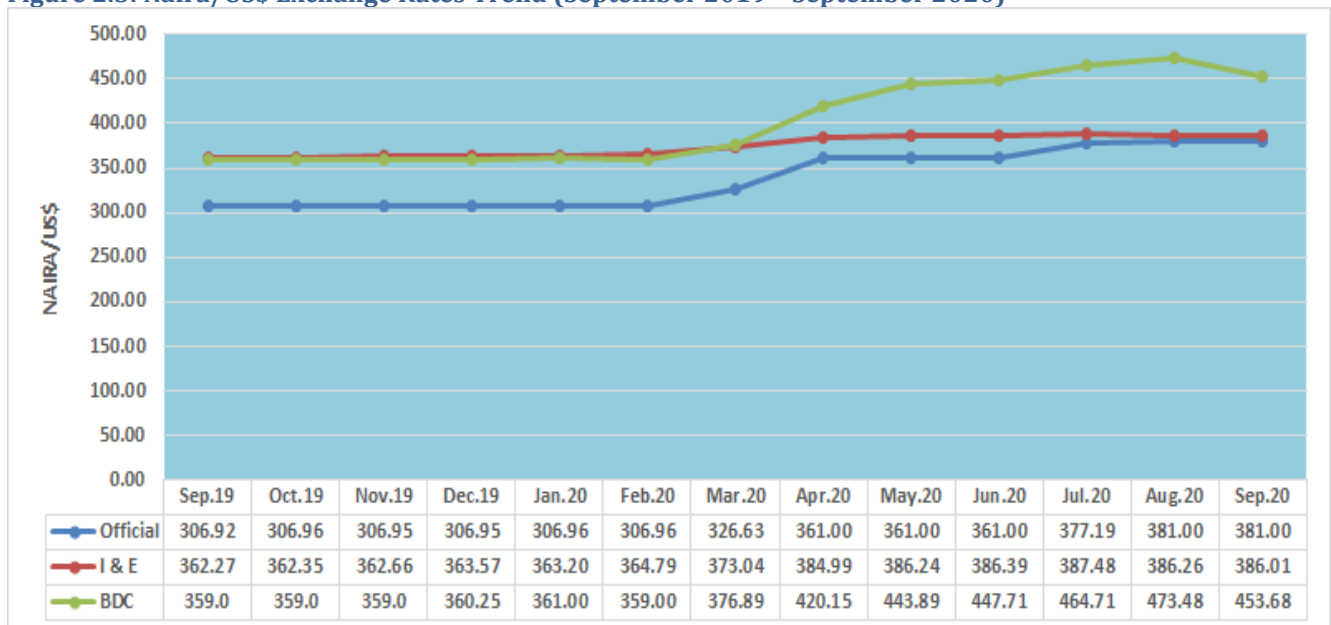
Nigeria recorded a trade deficit of N830.1 billion in September 2020 as against a surplus of N1,479.2 billion recorded in the same period of 2019. Exports plunged 59.6 percent to N896.2 billion, as crude oil exports tanked (-42.4 percent) due to lower oil prices and OPEC production cuts. Meanwhile, imports grew 51.5 percent to N1,726.3 billion. Considering the third quarter of 2020, the trade account shifted to a N2,388.0 billion gaps compared to a surplus of N1,389.0 billion in 2019.

2.2.4.3 Exchange Rates

The Official, Investors' and Exporters' (I&E) Window and Bureau-de-Change (BDC) segments of the foreign exchange market witnessed some element of instability in third quarter of 2020. This fluctuation could be attributed to the impact of the COVID-19 which continued to ravage the whole world. The Naira/Dollar exchange rate at the Official/Inter-Bank markets depreciated from ₦361.0/US\$ in June 2020 to ₦377.19/US\$ in July and ₦381.0/US\$ (August and September) 2020. On the other hand, the Naira/US\$ depreciated at the Investors' and Exporters' (I&E) FX Window segment from ₦386.39/US\$ in June 2020 to ₦387.48/US\$ in July 2020 before appreciating to ₦386.26/US\$ and ₦386.01/US\$ in August and September 2020 respectively. The Naira/US\$ exchange rate at the Bureau De-Change (BDC) depreciated from ₦447.71/US\$ in June 2020 to ₦464.71/US\$, ₦473.48/US\$ and

₦453.68/US\$ in July, August and September 2020 respectively.

Figure 2.5: Naira/US\$ Exchange Rates Trend (September 2019 – September 2020)

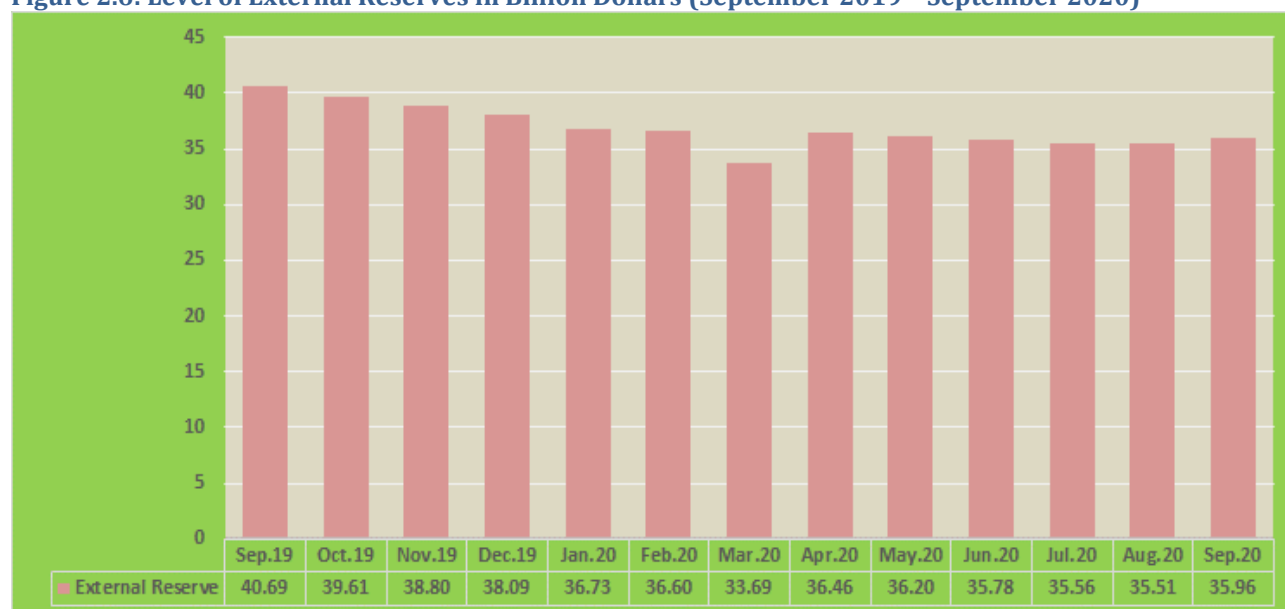


Source: Central Bank of Nigeria, 2020

2.2.4.4 External Reserves

Figures from the CBN showed that Nigeria's gross official (external) reserves increased at the end of the third quarter of 2020. It improved from US\$35.78 billion in June 2020 to US\$35.96 billion in September 2020. The performance at the end of September 2020 represented an increase of US\$0.18 billion (0.50 percent) above the figure reported at the end of June 2020. It however represents a significant fall by US\$4.73 billion (11.62 percent) relative to the end of third quarter of 2019 level of US\$40.69 billion. There are possibilities of further increase in the level of external reserves in the near term considering the improvement in the price of crude oil at the international market due to the gradual easing of the global lock down.

Figure 2.6: Level of External Reserves in Billion Dollars (September 2019 – September 2020)



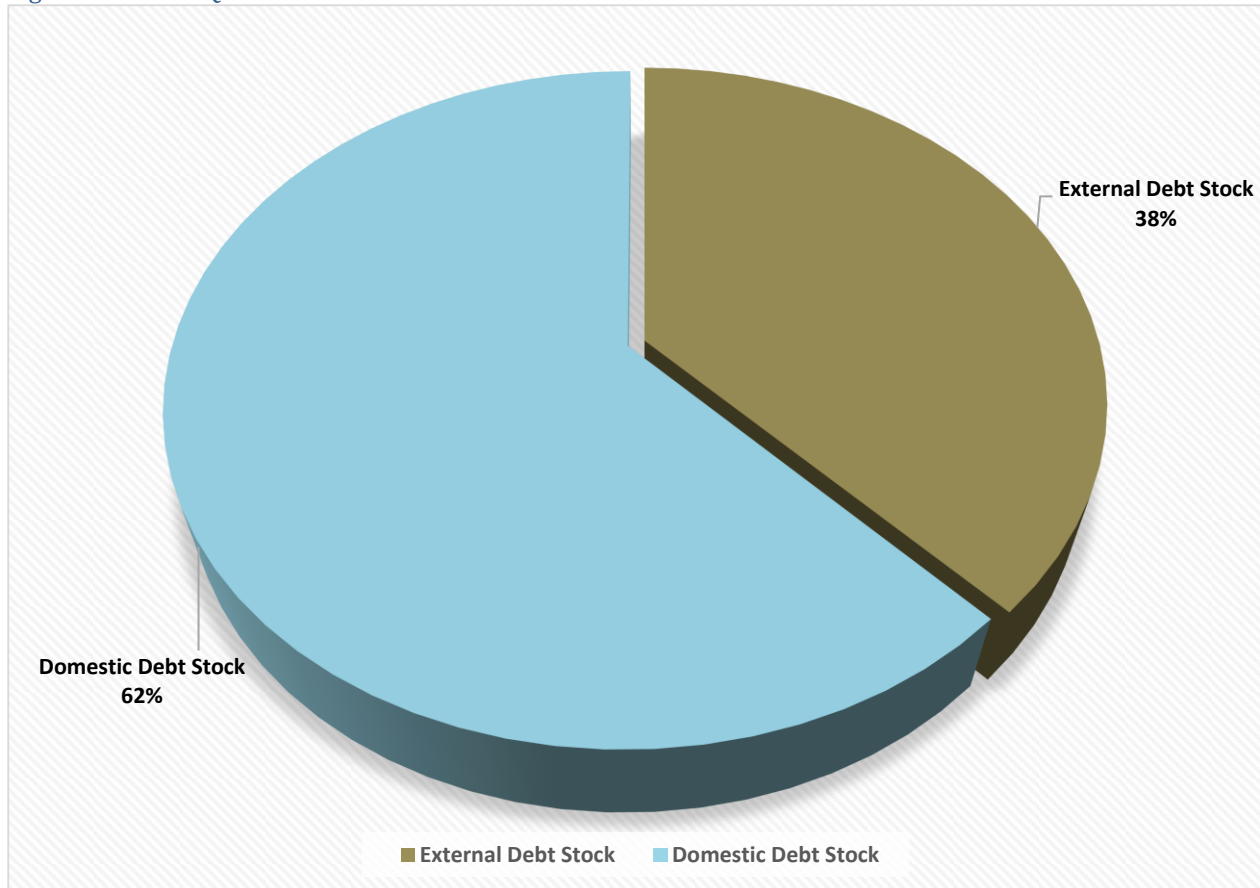
Source: Central Bank of Nigeria, 2020

2.2.5 Debt Stock

2.2.5.1 Total Public Debt Stock

The total public debt stock as at 30th September, 2020 stood at US\$84,574.18 million (₦32,222.76 billion). This represents an increase of ₦1,214.12 billion (3.92 percent) when compared to the (₦31,008.64 billion) reported at the end of June 2020. The breakdown consisted of US\$31,985.17 million (₦12,186.35 billion) or 37.82 percent for external debt while the balance of US\$52,589.01 million (₦30,036.41 billion) or 62.18 percent was for domestic debt stock. The total public Debt/GDP remained sustainable at a ratio of 23.10 percent as at the end of September 2020, and was significantly below the country specific threshold of 25 percent and international threshold for comparator countries of 56 percent.

Figure 2.7: Third Quarter 2020 Total Public Debt Stock



Source: Debt Management Office, 2020

2.2.5.2 Domestic Debt Stock

FGN Domestic debt stock as at 30th September, 2020 stood at ₦15,846.23 billion representing an increase of ₦390.53 billion (2.53 percent) above the ₦15,455.70 billion reported in the second quarter of 2020. The 2020 third quarter domestic debt figure was ₦2,097.71 billion (11.69 percent) below the ₦17,943.94 billion reported in the same period of 2019. The increase in the stock of domestic debt as against the second quarter of 2020 resulted from increases in the net issuances of Nigeria FGN Bonds and Promissory Notes. A breakdown of the domestic debt stock as at 30th September, 2020 showed that ₦11,652.12 billion (73.53 percent) is for FGN Bonds, ₦2,720.44 billion (17.17 percent) is for Nigeria Treasury Bills (NTBs), ₦100.99 billion (0.64 percent) is for Treasury Bonds, ₦12.56 billion (0.08 percent) is for FGN Savings Bonds, ₦362.56 billion (2.29 percent) is for FGN Sukuk, ₦25.69

billion (0.16 percent) is for Green Bond and ₦971.88 billion (6.13 percent) is for Promissory Notes.

2.2.5.3 External Debt Stock

Nigeria's external debt stock (mostly low interest funds from multilateral financial institutions) as at 30th September, 2020, stood at US\$31,985.17 million representing an increase of US\$508.03 million (1.61 percent) and US\$5,043.67 million (18.72 percent) above US\$31,477.14 million and US\$26,941.50 million recorded in the second quarter of 2020 and third quarter of 2019 respectively. A breakdown of the external debt stock as at 30th September, 2020 revealed that Multilateral Debts amounted to US\$16,741.82 million (52.34 percent), Non-Paris Club Bilateral Debts amounted to US\$4,075.0 million (12.74 percent) while Commercial (Euro-Bond) accounted for the balance of US\$11,168.35 million (34.92 percent).

3.0 FINANCIAL ANALYSIS OF THE 2020 BUDGET IMPLEMENTATION

3.1 Key Assumptions and Projections

The 2020 Budget was anchored on the 2020-2022 Medium Term Fiscal Framework and Fiscal Strategy Paper (MTFF/FSP) which was in line with the Government's ERGP. Table 3.1 presents the key assumptions and targets over the period 2016 - 2020.

Table 3.1: Key Budget Assumptions and Targets, 2016 - 2020

KEY ASSUMPTION & TARGETS	2016	2017	2018	2019	2020
Projected Production (in mbpd)	2.2	2.20	2.30	2.30	1.80
Budget Benchmark Price (per barrel in US)	38	44.50	51	60	28
Technical Cost of JVC Pbl to Oil Companies					
Operating Expenses (T1) in US \$	10.29	10.43	11.24	20.45	11.30
Capital Expenses (T2) in US \$	11.12	10.85	11.97	14.89	13.99
Petroleum Investment Allowance (10%)				0.51	0.34
Technical Cost of PSC Pbl to Oil Companies					
Operating Expenses (T1) in US \$	8.22	8.85	8.7	10.01	10.02
Capital Expenses (T2) in US \$	19.62	17.86	11.01	10.04	8.19
Investment Tax Credit	4.94	2.85	2.13	1.54	2.38
Technical Costs of SC pbl to Oil Company					
Operating Expenses (T1) in US \$	18.62	18.62	22.79	29.49	
Capital Expenses (T2) in US \$	2.44	2.05	2.05	5.49	
Investment Allowances	2.996	0.46	0.46	2.67	
Technical Costs of Independent pbl to Oil Company					
Operating Expenses (T1) in US \$					12.43
Capital Expenses (T2) in US \$					15.39
Investment Allowances					0.37
Weighted Average Rate of PPT - JV Oil	85%	85%	85%	85%	
Weighted Average Rate of PPT - PSC Oil	50.17%	50.2%	50.2%	50.1%	
Weighted Average Rate of PPT - SC Oil	85%	85%	85%	85%	
Weighted Average Rate of PPT - Independent (Indigenous)	85%	85%	85%	85%	
Weighted Average Rate of PPT - Marginal	51.6%	51.6%	85%	85%	
Royalty Rates					
Weighted Average Rate of Royalties - JV Oil	19.1%	19.1%	18.67%	18.67%	
Weighted Average Rate of Royalties - PSC	4.5%	4.5%	2.3%	2.83%	
Weighted Average Rate of Royalties - SC Oil	18.5%	18.5%	18.5%	18.50%	
Weighted Average Rate of Royalties -Independent	19.3%	19.3%	19.31%	19.31%	
Weighted Average Rate of Royalties - Marginal	9.3%	9.3%	9.3%	9.29%	
Average Exchange Rate (NGN/US\$)	197	305	305	305	360
VAT Rate	5%	5%	5%	5%	7.5%
CIT Rate	30%	30%	30%	30%	30%

Source: BOF, NNPC, FIRS and NCS, 2020

3.1.1 Budget Benchmark Oil Price and Production

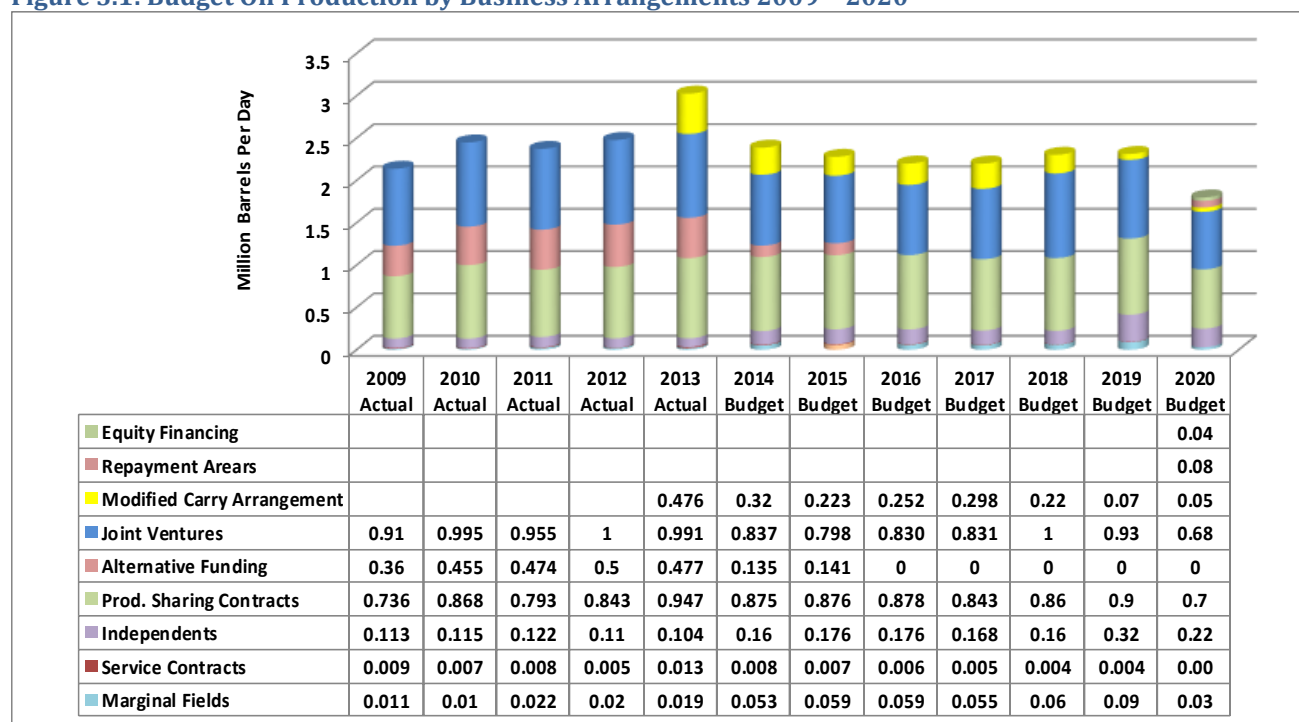
The benchmark price of oil for the 2020 Budget was initially fixed at US\$57.0/barrel while benchmark oil production was pegged at 2.18 million

barrels per day (mbpd). This aligns with Government's continued use of benchmark oil production and prices for its yearly budgets to protect budget expenditures from the instabilities in the price of oil at the global market. However, due to the impact of the COVID-19 on the global economic activities, the benchmark price and production for the 2020 Budget was adjusted to US\$28.0/barrel and 1.80 million barrels per day (mbpd) respectively in the 2020 Appropriation (Amendment) Act.

The productivity and consequently cost outlay in the oil sector was projected to improve significantly in the 2020 fiscal year. The Technical Cost comprising average of operating and capital expenses were adjusted downward in the 2020 fiscal year compared to the rates in 2019 for both the Joint Ventures (JVs) and the Production Sharing Contracts (PSCs). The average expenses [Capital (T1) and Operating (T2)] for the JVs production arrangement was reduced from US\$35.34 per barrel in 2019 to US\$25.63 per barrel in 2020 indicating a reduction of US\$9.71 per barrel over the period. The average expenses for the PSC were also reduced to US\$18.21 per barrel in 2020 from US\$20.05 per barrel in 2019. This was due to reduction in Capital Expenses for PSC.

The share of oil production by business arrangement remained relatively stable with the PSCs and JVs dominating at approximately 39.03 and 37.60 percent respectively. Information on expected contributions of oil production by business arrangement are presented in Figure 3.1 while the analysis of contributions and duties for key oil taxes that are projected to accrue to the Federation are also represented in *Table 3.2*. These rates remained largely unchanged with the rates in the 2019 budget framework.

Figure 3.1: Budget Oil Production by Business Arrangements 2009 – 2020



Source: NAPIMS/NNPC, 2020

Table 3.2: Detailed Assumptions for Oil Production and Taxes (2018 - 2020)

	2018 Production Volume	2018 Percentage	2019 Production Volume	2019 Percentage	2020 Production Volume	2020 Percentage
Share of Oil Production						
Joint Ventures	1.00	43.48%	0.93	37.8%	0.68	37.60%
Alternative Funding						
Modified Carry Arrangement	0.22	9.57%	0.07	2.8%	0.05	2.92%
Production Sharing Contracts	0.86	37.39%	0.90	36.7%	0.70	39.03%
Independents	0.16	6.96%	0.32	12.8%	0.22	11.96%
Service Contracts	0.004	0.17%	0.004	0.2%	0.00	0.18%
Marginal	0.06	2.61%	0.09	3.5%	0.03	1.86%
Base Production	2.30	100%	2.3	100%		
Repayment Arrears	0.21	8.37%	0.15	6.2%	0.08	4.26%
Equity Financing					0.04	2.18%
Total Oil Production	2.51	100%	2.45	100%	1.80	100%
PPT Rates						
Weighted Average -JV/AF/Independent/Marginal		85%	85%			85%
Weighted Average -PSC		50.2%	50.10%			50.10%
Weighted Average -SC		85%	85%			85%
Royalties Rates						
Weighted Average-JV		18.67%	18.67%			18.67%
Weighted Average-Independent						19.31%
Weighted Average-Marginal						9.29%
Weighted Average-PSC		2.3%	2.83%			3.15%
Weighted Average-SC Oil		19.31%	19.31%			18.50%

Source: NNPC and BOF, 2020

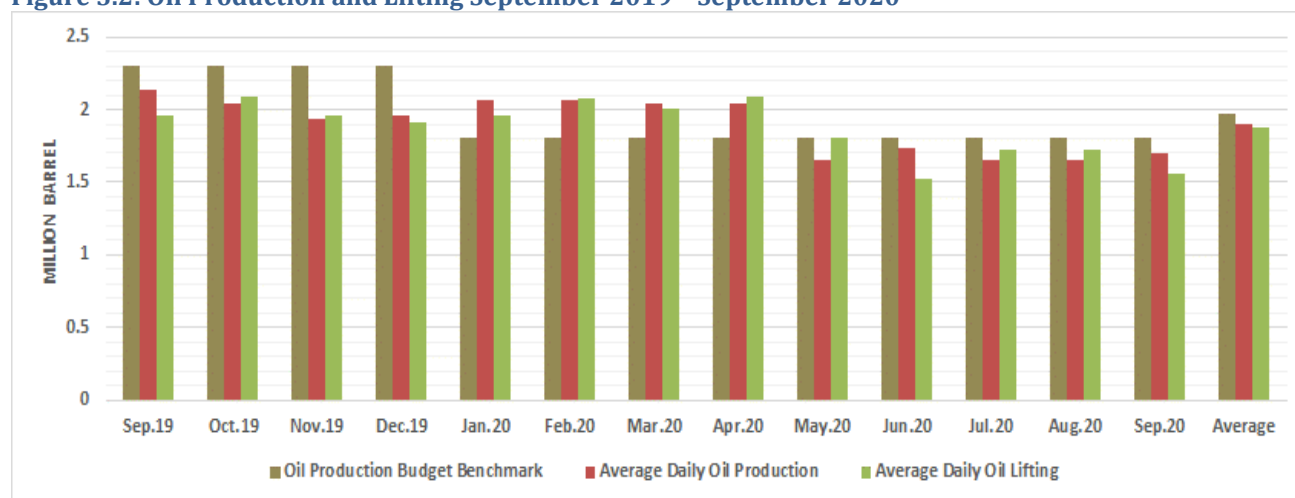
3.2 Analysis of Revenue Performance:

3.2.1 Performance of Key Oil Revenue Parameters:

The price of crude oil in the international market averaged US\$43.0 per barrel in the third quarter of 2020, representing an increase of US\$13.80 per barrel (47.26 percent) from the US\$29.20 per barrel reported in the second quarter of 2020. This also reflects a decrease of US\$18.94 per barrel (30.58 percent) but an increase of US\$15.0 per barrel (53.57 percent) when compared to US\$61.94 per barrel recorded in the third quarters of 2019 and US\$28.0 amended budget benchmark, respectively. The increase in crude oil price during the period could be credited to the gradual easing of the global lockdown due to the impact of COVID-19 which also resulted to the uptick in global economic activities during the period.

Provisional data from the Nigerian National Petroleum Corporation (NNPC) showed that both average oil production and lifting (including Condensates) in the third quarter of 2020 was 1.67mbpd. The oil production figure revealed a decrease of 0.13mbpd (7.22 percent) from the 1.80mbpd benchmark for the amended 2020 Budget. The volume of oil production in the period was also 0.14mbpd (7.73 percent) and 0.44mbpd (20.85 percent) below the 1.81mbpd and 2.11mbpd reported in the second quarter of 2020 and third quarter of 2019 respectively.

Figure 3.2: Oil Production and Lifting September 2019 – September 2020



Source: NNPC, 2020

The above translates to an average monthly oil production and lifting of 51.10 million barrels and 51.12 million barrels respectively in the third quarter of 2020. The decrease in the quantity of oil production during the quarter as against the projected budget figure could be ascribed to the increase in pipeline vandalization and other legacy issues in the sector.

3.3 Aggregate Revenue of the Federation:

The Amended 2020 Fiscal Framework projected a Gross Federally Collectible Revenue of ₦10,162.02 billion, comprising of ₦3,033.36 billion (29.85 percent) Gross Oil Revenue and ₦7,128.66 billion (70.15 percent) Gross Other Revenue.

3.4 Oil Revenue Performance:

Gross Oil Revenue stood at ₦813.59 billion in the third quarter of 2020. This translates to a ₦55.25 billion (7.29 percent) increase when compared with the 2020 quarterly budget estimate. The performance was however ₦204.14 billion (20.06 percent) and ₦799.85 billion (49.57 percent) below the ₦1,017.73 billion and ₦1,613.44 billion generated in the second quarter of 2020 and corresponding period of 2019 respectively.

A breakdown of the oil revenue performance in the third quarter of 2020 showed that Petroleum Profit and Gas Taxes of ₦378.45 billion, Royalties (Oil & Gas) of ₦307.49 billion, Concessional Rentals of ₦2.06 billion and Miscellaneous (Pipeline fees etc.) of ₦4.96 billion exceeded their quarterly estimate of ₦177.65 billion, ₦236.34 billion, ₦1.51 billion and ₦1.57 billion by ₦200.79 billion (113.02 percent), ₦71.15 billion (30.10 percent), ₦0.55 billion (36.57 percent) and ₦3.38 billion (214.98 percent) respectively. On the other hand, Crude Oil and Gas Sales of ₦63.97 billion, Gas Flared Penalty of ₦20.28 billion and Incidental Oil Revenue (Licenses & Early License Renewal) of ₦7.96 billion fell below their quarterly estimates of ₦164.22 billion, ₦25.88 billion and ₦151.17 billion by ₦100.25 billion (61.05 percent), ₦5.59 billion (21.62 percent) and ₦143.21 billion (94.73 percent) respectively. Exchange Gain (Based on Budget) which had zero projection yielded ₦28.42 billion in the quarter. Please see *Table 3.4*.

3.4.1 Net Oil Revenue:

The actual Net Oil Revenue that accrued into the Federation Account in the third quarter of 2020, was ₦669.39 billion, depicting an increase of ₦146.83 billion (28.10 percent) above the estimated quarterly budget of ₦522.56 billion. The inflow was however lower than the ₦781.43 billion and ₦711.02 billion net oil revenue recorded in the second quarter of 2020 and third quarter of 2019 by ₦112.04 billion (14.34 percent) and ₦41.63 billion (5.85 percent) respectively (Table 3.4). The high Net Oil Revenue performance in the third quarter of 2020 when compared with the quarterly projection could be attributed to the reduction in budget benchmark for oil price and production. These data are presented in *Table 3.3*.

3.4.2 Year to Date Oil Revenue Performance:

Gross Oil Revenue of ₦3,112.07 billion was collected in the three quarter of the year of 2020 as against ₦2,275.02 billion prorated budget projection for the period. This reflects an increase of ₦837.04 billion (36.79 percent) over the 2020 three quarter of the year budget estimate but ₦1,334.98 billion (30.02 percent) below the three quarter of the actual gross oil revenue reported in 2019. A breakdown of the revenue by sub-head indicates that only Petroleum Profit and Gas Taxes of ₦1,435.81 billion, Royalties (Oil & Gas) of ₦925.97 billion and Miscellaneous (Pipeline fees etc.) of ₦10.14 billion surpassed their three quarter of the year projections of ₦532.96 billion, ₦709.03 billion and ₦4.72 billion by ₦902.84 billion (169.40 percent), ₦216.94 billion (30.60 percent) and ₦5.42 billion (114.78 percent) respectively.

Other Oil Revenue items fell below their respective three quarter of the year projections. Crude Oil and Gas Sales of ₦342.38 billion, Concessional Rentals of ₦2.44 billion, Gas Flared Penalty of ₦69.95 billion and Incidental Oil Revenue (Licenses & Early License Renewal) of ₦128.34 billion fell below their three quarter of the year projections of ₦492.65 billion, ₦4.52 billion, ₦77.63 billion and ₦453.50 billion by ₦150.27 billion (30.50 percent), ₦2.08 billion (45.96 percent), ₦7.68 billion (9.89 percent) and ₦325.17 billion (71.70 percent)

respectively. Exchange Gain (Based on Budget) which had zero projection yielded ₦197.03 billion in the three quarters of the year (*Table 3.4*). These low performances were mainly as a result of the lower than projected oil production and higher fiscal deductions during the review period.

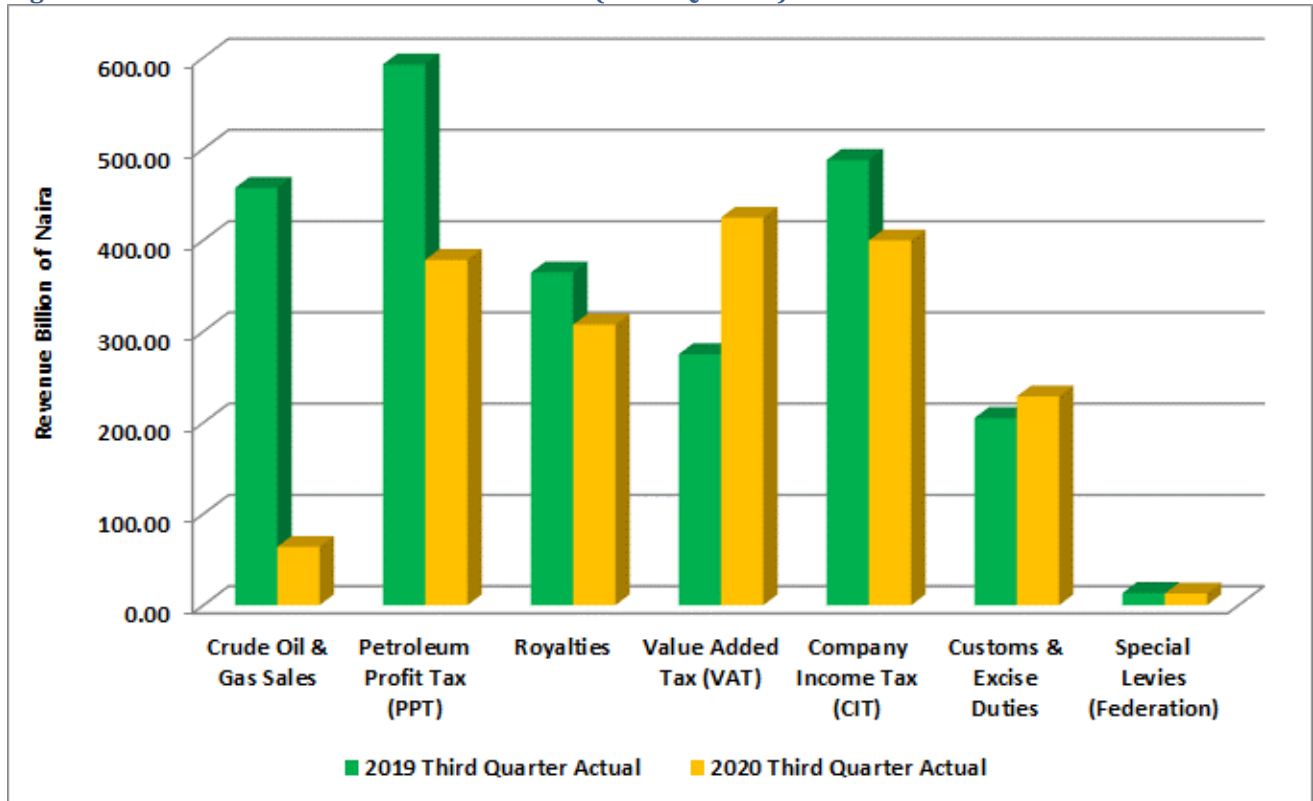
Table 3.3: Performance of Revenue in the Third Quarter of 2020 Vs 2019

Revenue Items	2019	2020	Variance	
	Third Quarter Actual	Third Quarter Actual	3rd Quarter 2020 Vs 3rd Quarter 2019	
Oil Revenue	N'bns	N'bns	N'bns	%
Crude Oil Sales	457.38	63.97	-393.41	-86.01
Petroleum Profit Tax (PPT)	592.55	378.45	-214.10	-36.13
Royalties	364.66	307.49	-57.17	-15.68
Gross Oil Revenue	1,613.44	813.59	-799.85	-49.57
Net Oil Receipts	711.02	669.39	-41.63	-5.85
Non-Oil Revenue				
Value Added Tax (VAT)	275.12	424.71	149.59	54.37
Company Income Tax (CIT)	487.90	399.72	-88.18	-18.07
Customs & Excise Duties	205.14	228.78	23.64	11.52
Special Levies	13.43	12.87	-0.56	-4.17
Gross Non-Oil Revenue	981.58	1,066.07	84.49	8.61
Net Non-Oil Receipts	925.60	995.36	69.76	7.54

Source: OAGF and Budget Office of the Federation, 2020

Revenue collections declined when compared to the level in 2019 for most of the oil revenue sources and broad category in the third quarter of 2020 (Figure 3.3). The same flow pattern was applicable to some of the non-oil revenue categories during the review period. The low performances of the oil and non-oil revenue items within the period can be attributed to the impact of COVID-19 on the global and national economies. It is expected that the situation will slowly improve in the succeeding quarters as the world continue to adjust and mitigate the impact of the virus.

Figure 3.3: 2019 Vs 2020 Revenue Performance (Third Quarter)



Source: OAGF and Budget Office of the Federation, 2020

3.5 Non-Oil Revenue Performance:

Gross non-oil revenue of ₦1,066.07 billion was received in the third quarter of 2020 signifying a shortfall of ₦220.43 billion (17.13 percent) below the quarterly estimate of ₦1,286.50 billion. A breakdown of the non-oil revenue items showed that all the non-oil revenue items fell below their respective quarterly expectations. Value Added Tax of ₦424.71 billion, Company Income Tax of ₦399.72 billion, Customs & Excise Duties of ₦228.78 billion and Special Levies of ₦12.87 billion were below their quarterly estimates of ₦547.65 billion, ₦449.65 billion, ₦251.06 billion and ₦38.13 billion by ₦122.95 billion (22.45 percent), ₦49.94 billion (11.11 percent), ₦22.28 billion (8.88 percent) and ₦25.26 billion (66.25 percent) respectively. Solid Minerals & Other Mining Revenue also recorded a revenue of ₦1.69 billion depicting an increase of ₦0.57 billion (50.14 percent) above the quarterly projection of ₦1.13 billion. On the other hand, Revenue Dividend by Companies / Investments Funded by

FAAC, which had quarterly projection of ₦40.19 billion yielded nothing in the quarter. The poor performances of all the non-oil revenue items in the quarter when compared with their quarterly budget projections can be attributed to gradual easing of economic activities after the global and national lock down due to the effect of COVID-19.

When compared with their corresponding second quarter performances, Value Added Tax, Company Income Tax, Customs & Excise Duties and Special Levies grew by ₦97.51 billion (29.80 percent), ₦12.19 billion (3.15 percent), ₦32.95 billion (16.83 percent) and ₦1.88 billion (17.13 percent) respectively. Solid Minerals & Other Mining Revenue also increased by ₦0.90 billion (113.39 percent). The improved performance of the non-oil revenue items in the quarter as against the preceding quarter can be ascribed to the steady opening up of economic activities after the global and national lock down necessitated by the impact of COVID-19. However, it is also anticipated that these returns will continue to improve in the succeeding quarter of 2020 as the global and national economic activities continue to open up.

3.5.1 Year to Date Non-Oil Revenue Performance:

The gross non-oil revenue in the three quarters of the year amounted to ₦2,821.21 billion depicting a shortfall of ₦1,038.29 billion (26.90 percent) from the three quarter of the year budget estimate of ₦3,859.50 billion. This results from the underperformance of all the non-oil revenue items compared to their corresponding budget estimates. Value Added Tax of ₦1,076.48 billion, Company Income Tax of ₦1,071.27 billion, Customs & Excise Duties of ₦637.50 billion and Special Levies of ₦35.96 billion respectively fell short by ₦566.48 billion (34.48 percent), ₦277.69 billion (20.59 percent), ₦115.68 billion (15.36 percent) and ₦78.44 billion (68.57 percent) when compared with their 2020 projected three quarter of the year estimates. Solid Minerals & Other Mining Revenue recorded a revenue of ₦3.95 billion indicating an increase of ₦0.56 billion (16.59 percent) above the three quarter of the year projection of ₦3.39 billion. On the other hand, there were no receipts from Revenue Dividend by

Companies / Investments Funded by FAAC for which ₦120.57 billion was projected for the three quarters.

Table 3.4: Net Distributable Revenue as at September, 2020 (Oil Revenue at Benchmark Assumptions)

S/NO	ITEMS	2020 AMENDED BUDGET			2020 ACTUAL				VARIANCE					
		Annual	Quarterly	3QRTS	First Quarter	Second Quarter	Third Quarter	3QRTS	3rd Quarter Actual Vs Quarterly Budget	3rd Quarter Vs 2nd Quarter (Actual)	Actual Vs Budget (3QRTS)			
A	OIL REVENUE	Nb	Nb	Nb	Nb	Nb	Nb	Nb	Nb	%	Nb	%	Nb	%
1	Profit Oil from Crude Oil & Gas Sales	656.86	164.22	492.65	172.05	106.36	63.97	342.38	-100.25	-61.05	-42.39	-39.86	-150.27	-30.50
2	PPT & Gas Income @30% CITA	710.62	177.65	532.96	539.35	518.01	378.45	1,435.81	200.79	113.02	-139.57	-26.94	902.84	169.40
3	Oil & Gas Royalties	945.37	236.34	709.03	370.60	247.88	307.49	925.97	71.15	30.10	59.61	24.05	216.94	30.60
4	Concessional Rentals	6.03	1.51	4.52	0.16	0.23	2.06	2.44	0.55	36.57	1.83	806.38	-2.08	-45.96
5	Gas Flared Penalty	103.51	25.88	77.63	31.04	18.63	20.28	69.95	-5.59	-21.62	1.65	8.85	-7.68	-9.89
6	Incidental Oil Revenue (Royalty Recovery & Marginal Field Licences)	604.67	151.17	453.50	67.05	53.33	7.96	128.34	-143.21	-94.73	-45.37	-85.08	-325.17	-71.70
7	Miscellaneous (Pipeline Fees etc)	6.30	1.57	4.72	2.48	2.70	4.96	10.14	3.38	214.98	2.26	83.57	5.42	114.78
8	Exchange Gain (Based on Budget)	0.00	0.00	0.00	98.03	70.58	28.42	197.03	28.42		-42.16	-59.73	197.03	
9	Sub-Total	3,033.36	758.34	2,275.02	1,280.75	1,017.73	813.59	3,112.07	55.25	7.29	-204.14	-20.06	837.04	36.79
10	Deductions												0.00	
11	Fiscal Deductions (Base JV Cash Call + EF + MCA + RA)	0.00	0.00	0.00	376.39	306.21	133.94	816.54	133.94		-172.27	-56.26	816.54	
12	Other Federally Funded Upstream Projects	424.23	106.06	318.17	227.19	106.12	29.03	362.33	-77.03	-72.63	-77.09	-72.65	44.16	13.88
13	DPR 4% Cost of Collection		0.00	0.00	13.17	7.64	11.52	32.34	11.52		3.88	50.72	32.34	
14	FIRS 4% Cost of Collection on Gas Income Tax		0.00	0.00	0.68	3.11	1.01	4.80	1.01		-2.10	-67.40	4.80	
15	Sub-Total	2,609.13	652.28	1,956.85	1,039.71	900.85	772.03	2,712.59	119.75	18.36	-128.82	-14.30	755.75	38.62
16	Special Federation Transfers:	169.20	42.30	126.90	0.00	0.00	0.00	0.00	-42.30	-100.00	0.00		-126.90	-100.00
17	13% Derivation	339.19	84.80	254.39	138.01	119.42	102.64	360.07	17.84	21.04	-16.78	-14.05	105.68	41.54
18	NET OIL REVENUE	2,100.74	525.19	1,575.56	901.71	781.43	669.39	2,352.53	144.21	27.46	-112.04	-14.34	776.97	49.31
19	TO FEDERATION ACCOUNT (OIL)	2,090.24	522.56	1,567.68	901.71	781.43	669.39	2,352.53	146.83	28.10	-112.04	-14.34	784.85	50.06
B	DIVIDEND BY COMPANIES/INVESTMENTS													
20	Dividend By Companies/Investments	160.75	40.19	120.57	0.00	0.00	0.00	0.00	-40.19	-100.00	0.00		-120.57	-100.00
C	SOLID MINERALS & OTHER MINING REVENUES													
21	Total Solid Minerals Revenue	4.52	1.13	3.39	1.46	0.79	1.69	3.95	0.57	50.14	0.90	113.39	0.56	16.59
22	Less 13% Derivation	0.59	0.15	0.44	0.19	0.10	0.22	0.51	0.07	50.14	0.12	113.39	0.07	16.59
23	TO FEDERATION ACCOUNT (SOLID MINERALS)	3.93	0.98	2.95	1.27	0.69	1.47	3.43	0.49	50.14	0.78	113.39	0.49	16.59
D	SIGNATURE BONUS	350.52	87.63	262.89	69.99	0.41	47.14	117.53	-40.49	-46.21	46.73	11,460.81	-145.36	-55.29
E	NON-OIL REVENUE													
24	Value-Added Tax	2,190.62	547.65	1,642.96	324.58	327.20	424.71	1,076.48	-122.95	-22.45	97.51	29.80	-566.48	-34.48
25	Corporate Tax	1,798.62	449.65	1,348.96	284.03	387.52	399.72	1,071.27	-49.94	-11.11	12.19	3.15	-277.69	-20.59
26	Customs (Imports, Excise & Fees)	1,004.24	251.06	753.18	212.90	195.82	228.78	637.50	-22.28	-8.88	32.95	16.83	-115.68	-15.36
27	Special Levies (Federation Account)	152.53	38.13	114.40	12.10	10.99	12.87	35.96	-25.26	-66.25	1.88	17.13	-78.44	-68.57
28	Sub-Total	5,146.00	1,286.50	3,859.50	833.62	921.53	1,066.07	2,821.21	-220.43	-17.13	144.54	15.69	-1,038.29	-26.90
29	4% Collection Cost (Value Added Tax)	87.62	21.91	65.72	12.98	13.09	16.99	43.06	-4.92	-22.45	3.90	29.80	-22.66	-34.48
30	3% Transfer to North East Development Commission (NEDC) from VAT	63.09	15.77	47.32	9.74	9.82	12.74	32.29	-3.03	-19.22	2.93	29.80	-15.02	-31.75
31	0.5% Transfer to Nigerian Police Trust Fund from VAT	10.51	2.63	7.89	8.27	6.99	7.07	22.32	4.44	168.85	0.08	1.14	14.44	183.07
32	Value-Added Tax Net of Cost of Collection and Transfers to NEDC and Police Trust Fund	2,029.39	507.35	1,522.04	301.86	308.16	407.72	1,017.73	-99.63	-19.64	99.56	32.31	-504.30	-33.13
33	4% Collection Cost (CIT, Stamp Duties & Capital Gains)	70.94	17.74	53.21	11.56	18.25	17.00	46.81	-0.73	-4.14	-1.25	-6.84	-6.39	-12.02
34	7% Cost of Collection (Duty, Excise & Fees)	70.30	17.57	52.72	14.90	13.71	16.01	44.63	-1.56	-8.88	2.31	16.83	-8.10	-15.36
35	7% Cost of Collection (Spec. Levies -Fed. Acct.)	10.68	2.67	8.01	0.85	0.77	0.90	2.52	-1.77	-66.25	0.13	17.13	-5.49	-68.57
36	FIRS Tax Refund	25.00	6.25	18.75	12.00	9.00	0.00	21.00	-6.25	-100.00	-9.00	-100.00	2.25	12.00
37	TO FEDERATION ACCOUNT (NON-OIL)	2,778.47	694.62	2,083.85	469.72	552.61	607.44	1,629.77	-87.17	-12.55	54.84	9.92	-454.08	-21.79
38	Total VAT Pool	2,029.39	507.35	1,522.04	301.86	308.16	407.72	1,017.73	-99.63	-19.64	99.56	32.31	-504.30	-33.13
39	Net Non-Oil	4,807.86	1,201.96	3,605.89	763.31	849.91	995.36	2,608.58	-206.61	-17.19	145.45	17.11	-997.31	-27.66
40	Sub-Total: FEDERATION ACCOUNT	4,883.14	1,220.79	3,662.36	1,372.70	1,334.73	1,278.31	3,985.74	57.52	4.71	-56.42	-4.23	323.38	8.83
41	Actual Balances in Special Accounts	10.68	2.67	8.01	0.00	0.00	0.00	0.00	-2.67	-100.00	0.00		-8.01	-100.00
42	TO FEDERATION ACCOUNT	4,893.82	1,223.45	3,670.36	1,372.70	1,334.73	1,278.31	3,985.74	54.86	4.48	-56.42	-4.23	315.37	8.59
43	Transfer to Police Trust Fund (0.5% of Fed. Acct.)	24.47	6.12	18.35	0.00	0.00	0.00	0.00	-6.12	-100.00	0.00		-18.35	-100.00
F	TOTAL DISTRIBUTION													
1	Federation Account	4,869.35	1,217.34	3,652.01	1,372.70	1,334.73	1,278.31	3,985.74	60.97	5.01	-56.42	-4.23	333.73	9.14
2	VAT Pool Account	2,029.39	507.35	1,522.04	301.86	308.16	407.72	1,017.73	-99.63	-19.64	99.56	32.31	-504.30	-33.13
3	GRAND TOTAL	6,898.74	1,724.68	5,174.05	1,674.56	1,642.88	1,686.03	5,003.47	-38.65	-2.24	43.15	2.63	-170.58	-3.30

Source: OAGF and Budget Office of the Federation, 2020

Table 3.5: Actual Performance of Non-Oil Revenue Categories (Third Quarter) 2010 – 2019

Description	THIRD QUARTER (ACTUAL)										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	10 - Year Average
	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b
Customs & Excise Duties	36.53	50.91	57.26	43.95	68.35	57.1	62.15	68.41	76.61	92.53	61.38
Company Income Tax	99.24	119.64	185.61	221.2	131.34	187.71	209.37	250.21	237.83	245.02	188.72
Value Added Tax	19.8	23.88	23.33	26.13	25.99	27.16	28.27	32.98	37.59	36.98	28.21
FGN Independent Revenue	15.63	45.06	-5.33	150.47	98.88	23.47	108.03	35.76	85.54	253.45	81.10

Source: OAGF and BOF, 2020

Further analysis of third quarter non-oil revenue performance reveal that key non-oil revenue sub-heads has improved especially between 2018 and 2019, notwithstanding the fluctuations in some years. Table 3.5 and 3.6.

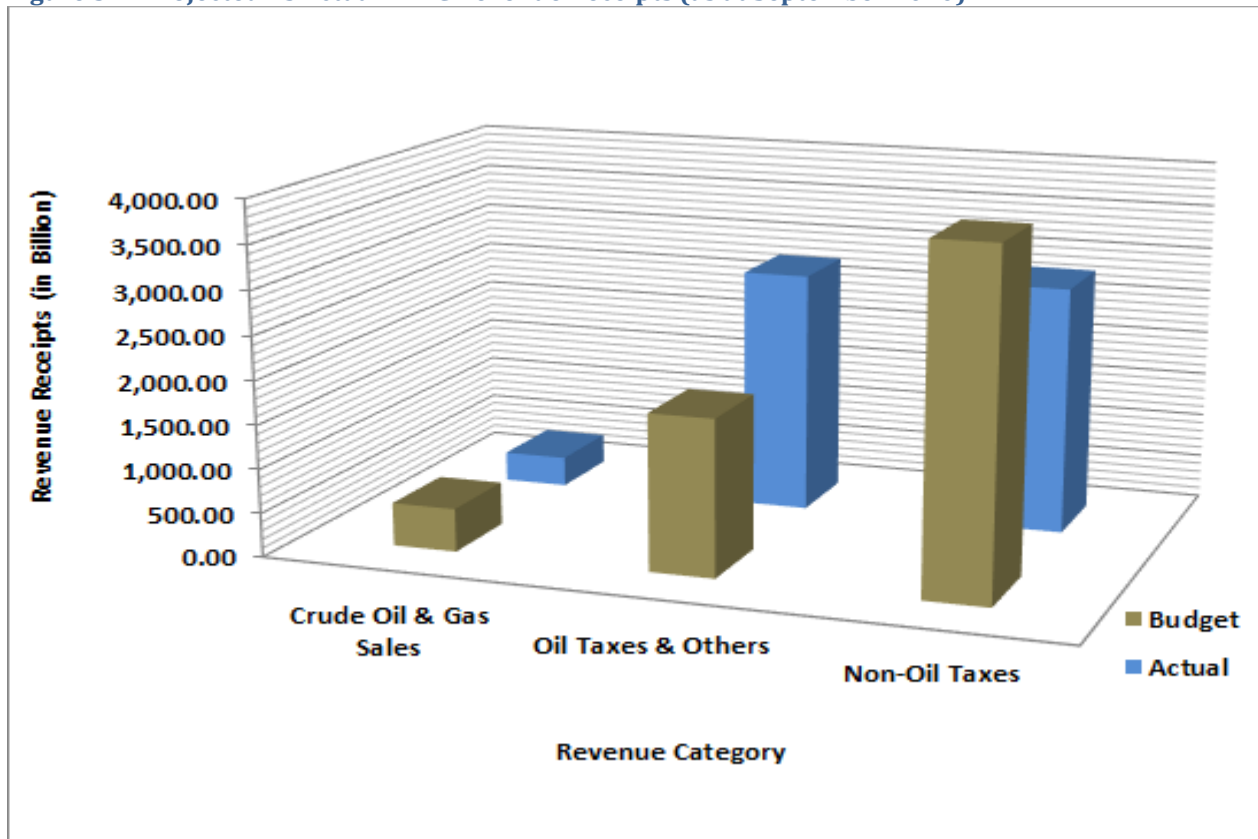
Table 3.6: Percentage Growth in Non-Oil Revenue Performances (Third Quarter) 2011 – 2019

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	9-Year Average
	%	%	%	%	%	%	%	%	%	%
Customs & Excise Duties	39.36	12.47	-23.24	55.52	-16.46	8.84	10.07	11.99	20.78	13.26
Company Income Tax	20.56	55.14	19.17	-40.62	42.92	11.54	19.51	-4.95	3.02	14.03
Value Added Tax	20.61	-2.30	12.00	-0.54	4.50	4.09	16.66	13.98	-1.62	7.49
FGN Independent Revenue	188.29	-111.83	-2923.08	-34.29	-76.26	360.29	-66.90	139.21	196.29	-258.70

Source: OAGF and BOF, 2020

Overall, with the exception of Petroleum Profit and Gas Taxes, Royalties (Oil & Gas) and Miscellaneous (Pipeline fees etc.), the performance of other revenue categories for the three quarters were below their 2020 budgeted figures. The underperformance was however, more severe for Non-Oil Taxes (Figure 3.4).

Figure 3.4: Projected Vs Actual FAAC Revenue Receipts (as at September 2020)

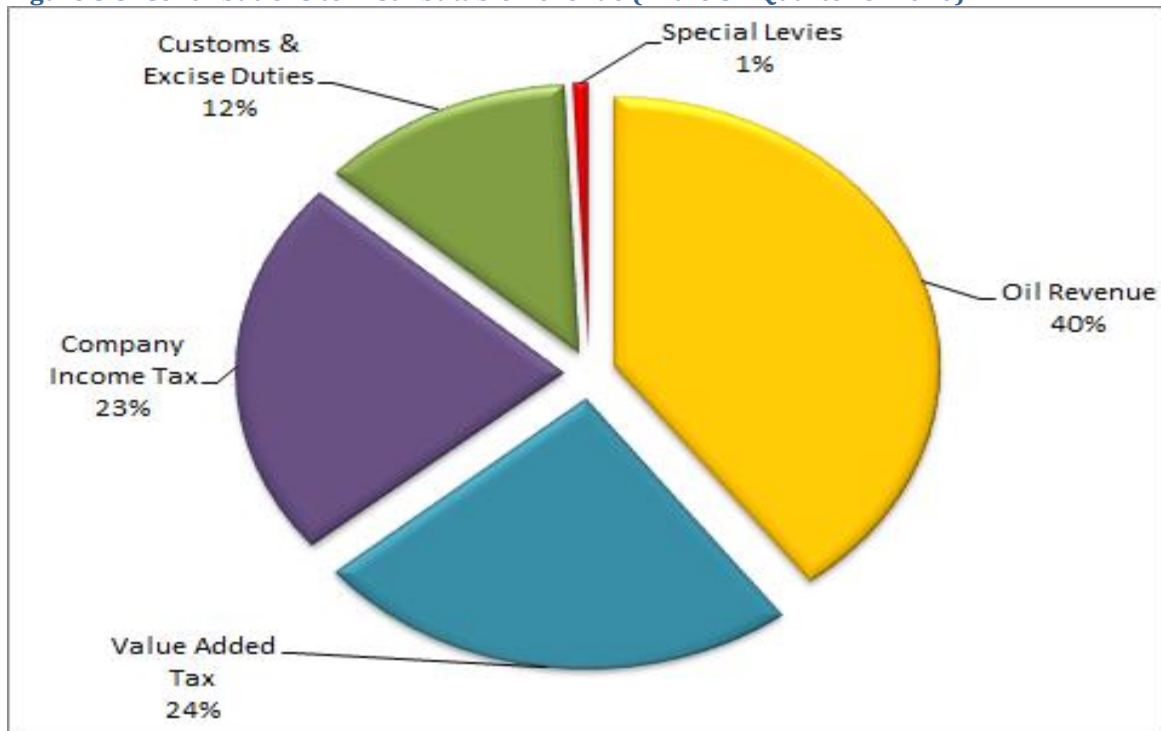


Source: Budget Office of the Federation, 2020

3.6 Distributable Revenue:

The net revenue available for sharing among the three tiers of government (after the deduction of all costs) stood at ₦1,686.03 billion in the third quarter of 2019. This represents a shortfall of ₦38.65 billion (2.24 percent) when compared with the quarterly projection of ₦1,724.68 billion. A breakdown by source indicates that oil revenue accounted for 39.70 percent of the distributable revenue (see Figure 3.5).

Figure 3.5: Contributions to Distributable Revenue (in the 3rd Quarter of 2020)



Source: Budget Office of the Federation, 2020

3.7 Excess Crude Account

Analysis of the reports of the Excess Crude Account (ECA) reveal an opening balance of US\$72.407 million as at 1st July, 2020. The sum of US\$0.002 million being accrued interest on fund investment (May – August 2020) was received into the account in the third quarter of 2020. No withdrawal was made from the account within the period under review. This resulted in a closing balance of US\$72.409 million as at 30th September, 2020 (Table 3.7).

Table 3.7: Net Excess Crude Account

Description	2019 Actual				2020 Actual			
	First Quarter	Second Quarter	Third Quarter	Jan - Sept	First Quarter	Second Quarter	Third Quarter	Jan - Sept
Inflows								
Transfer to Excess Crude Oil Account	0	US\$105.55 million	US\$340.14 million	US\$445.69 million	0	0	0	0
Accrued Interest on Fund Investment	US\$2.25 million	US\$0.21 million	US\$0.31 million	US\$2.77 million	US\$1.25 million	US\$0.19 million	US\$0.002 million	
Reconciliation of Inflow and Outflow	0	0	US\$10.15 million	US\$10.15 million	0	0	0	0
Total Inflow	US\$2.25 million	US\$105.76 million	US\$350.60 million	US\$458.61 million	US\$1.25 million	US\$0.19 million	US\$0.002 million	US\$1.442 million
Outflows								
Consultancy Fee & Litigation Expenses	US\$350.0 million	0	0	US\$350.0 million	US\$4.0 million	0	0	US\$4.0 million
NSIA Payment for Fertilizer Purchase	US\$14.55 million	0	0	US\$14.55 million	0	0	0	0
Payment of Commission/Exchange Rate Loss on Transfers	US\$1.28 million	0	0	US\$1.28 million	-	0	0	0
Amount approved by Mr. President as advance payment for the purchase of Super Tucano Aircraft	0	0	0	0	0	0	0	0
Amount approved by Mr. President for the first batch of procurement of critical equipment for the Nigerian Army, Navy and Defence Intelligence Agency	0	0	0	0	0	0	0	0
Paris Club Refund to States & FCT	US\$68.28 million	US\$225.22 million	US\$85.49 million	US\$378.99 million	0	0	0	0
Bank Charges	0	0	0	0	0	0	0	0
Charges for Breaking Investment	0	US\$0.30 million	0	US\$0.30 million	0	0	0	0
States Matching Grants to UBEC	US\$16.80 million	0	0	US\$16.80 million	0	0	0	0
Transfers to Nigerian Sovereign Investment Authority for Investment	0	0	0	0	US\$250.0 million	0	0	US\$250.0 million
Total Outflow	US\$450.92 million	US\$225.52 million	US\$85.49 million	US\$761.93 million	US\$254.0 million	0	0	US\$254.0 million
Net Excess Crude Account	(US\$448.67 million)	(US\$119.76 million)	US\$265.11 million	(US\$303.32 million)	(US\$252.75 million)	US\$0.19 million	US\$0.002 million	(US\$252.558 million)

Source: Office of the Accountant General of the Federation, 2020

3.8 FGN Budget Revenue

Based on the amended 2020 Budget Framework, the sum of ₦5,365.67 billion was projected to fund the federal budget, indicating a quarterly estimate of ₦1,341.42 billion. A total of ₦891.93 billion, excluding other funding sources, was received in the third quarter of 2020. This amount was ₦449.49 billion (33.51 percent) lower than the quarterly budget projection of ₦1,341.42 billion. It was also ₦114.54 billion (14.73 percent) higher than the ₦777.38 billion recorded in the preceding quarter of 2020. The total inflow available to fund the budget stood at ₦891.93 billion for the period.

The sum of ₦327.06 billion that was received from oil sources in the third quarter of 2020 was higher than the quarterly estimate of ₦253.44 billion by ₦73.62 billion (29.05 percent). FGN's share of Solid Minerals revenue stood at ₦0.72

billion indicating an increase of ₦0.24 billion (50.90 percent). All the non-oil revenue items equally fell below their quarterly budget projections. FGN's share of VAT of ₦57.08 billion, Company Income Tax of ₦185.62 billion, Customs of ₦103.19 billion, Special Levies (Federation Account) of ₦5.80 billion and Independent Revenue of ₦212.46 billion were below their corresponding quarterly budget estimates of ₦71.03 billion, ₦205.42 billion, ₦112.67 billion, ₦17.11 billion and ₦233.21 billion by ₦13.95 billion (19.64 percent), ₦19.80 billion (9.64 percent), ₦9.48 billion (8.42 percent), ₦11.31 billion (66.08 percent) and ₦20.75 billion (8.90 percent) respectively.

On the other hand, FGN's share of Company Investment by FAAC, Transfers from Special Accounts, Transfers from Special Levies Accounts, Share of Signature Bonus/Renewal, Domestic Recoveries, Stamp Duties, Grants & Donor Funding, Transfers from Special Accounts for COVID-19 Intervention Across the Federation and Grants and Donations for COVID-19 Crisis Intervention Fund yielded nothing in the quarter. This followed similar pattern of their respective performances in the Federation Account level (*Table 3.8*).

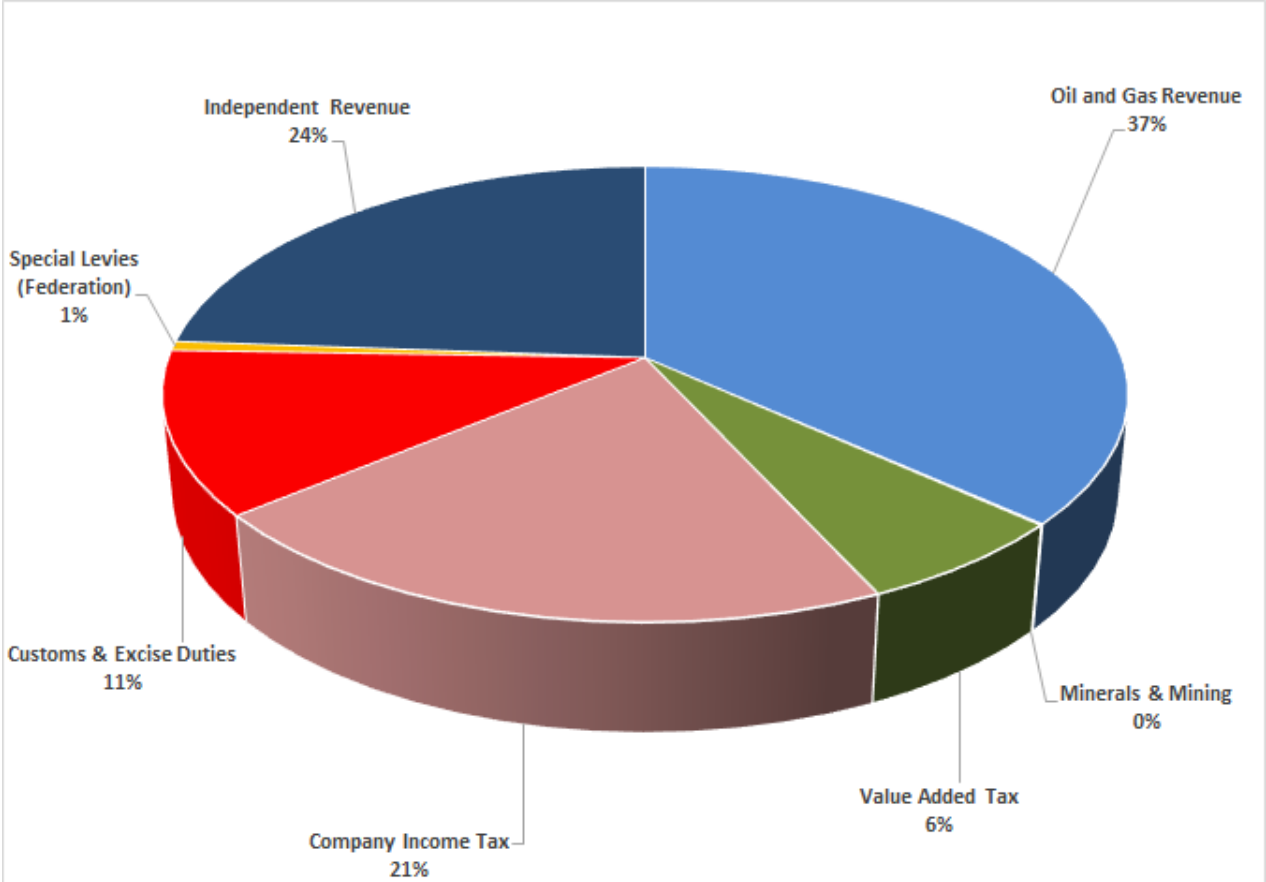
Table 3.8: Inflows to the 2020 Federal Budget as at September 2020

S/NO	ITEMS	2020 AMENDED BUDGET			ACTUAL				VARIANCE					
		Annual	Quarterly	3QRTS	First Quarter	Second Quarter	Third Quarter	3QRTS	3rd Quarter Actual Vs Quarterly Budget		3rd Quarter Vs 2nd Quarter (Actual)		Actual Vs Budget (3QRTS)	
1	Inflow to the Federal Budget (CRF)	Nb	Nb	Nb	Nb	Nb	Nb	Nb	Nb	%	Nb	%	Nb	%
2	FGN Share of Oil Revenue	1,013.77	253.44	760.32	441.22	382.40	327.06	1,150.68	73.62	29.05	-55.34	-14.47	390.36	51.34
3	FGN Share of Dividend (NLNG)	80.38	20.09	60.28	0.00	0.00	0.00	0.00	-20.09	-100.00	0.00		-60.28	-100.00
4	FGN Share of Minerals & Mining	1.90	0.47	1.42	0.62	0.34	0.72	1.67	0.24	50.90	0.38	113.39	0.24	17.17
5	FGN Share of Non-Oil	1,624.93	406.23	1,218.70	270.08	311.16	351.69	932.92	-54.54	-13.43	40.54	13.03	-285.78	-23.45
6	FGN Share of Value Added Tax (VAT)	284.11	71.03	213.09	42.26	43.14	57.08	142.48	-13.95	-19.64	13.94	32.31	-70.60	-33.13
7	FGN Share of Company Income Tax (CIT)	821.67	205.42	616.25	126.33	174.73	185.62	486.68	-19.80	-9.64	10.88	6.23	-129.57	-21.03
9	FGN Share of Customs	450.70	112.67	338.02	96.03	88.33	103.19	287.55	-9.48	-8.42	14.86	16.83	-50.48	-14.93
10	FGN Share of Special Levies (Federation Account)	68.46	17.11	51.34	5.46	4.96	5.80	16.22	-11.31	-66.08	0.85	17.13	-35.12	-68.41
11	Revenue from GOEs (Top 9 excluding NNPC)	990.11	247.53	742.59	0.00	0.00	0.00	0.00	-247.53	-100.00	0.00		-742.59	-100.00
12	Top 10 GOEs Operating Surplus (80% of which is captured in Independent Revenue)	-520.53	-130.13	-390.40	0.00	0.00	0.00	0.00	130.13	-100.00	0.00		390.40	-100.00
13	Independent Revenue	932.84	233.21	699.63	94.55	83.49	212.46	390.50	-20.75	-8.90	128.97	154.47	-309.13	-44.18
14	Transfers from Special Accounts	345.00	86.25	258.75	0.00	0.00	0.00	0.00	-86.25	-100.00	0.00		-258.75	-100.00
15	Transfers from Special Levies Accounts	300.00	75.00	225.00	0.00	0.00	0.00	0.00	-75.00	-100.00	0.00		-225.00	-100.00
16	FGN's Share of Signature Bonus/Renewals/Early Renewals	350.52	87.63	262.89	69.99	0.00	0.00	69.99	-87.63	-100.00	0.00		-192.90	-73.38
17	Domestic Recoveries + Assets + Fines	237.01	59.25	177.76	0.00	0.00	0.00	0.00	-59.25	-100.00	0.00		-177.76	-100.00
18	Stamp Duty	200.00	50.00	150.00	0.00	0.00	0.00	0.00	-50.00	-100.00	0.00		-150.00	-100.00
19	Grants and Donor Funding	42.96	10.74	32.22	0.00	0.00	0.00	0.00	-10.74	-100.00	0.00		-32.22	-100.00
20	Transfers from Special Accounts for COVID-19 Intervention across the Federation	186.37	46.59	139.78	0.00	0.00	0.00	0.00	-46.59	-100.00	0.00		-139.78	-100.00
21	Grants and Donations for COVID-19 Crisis Intervention Fund	50.00	12.50	37.50	0.00	0.00	0.00	0.00	-12.50	-100.00	0.00		-37.50	-100.00
22	AMOUNT AVAILABLE FOR FGN BUDGET (Excluding GOEs Budget & Project-tied Loans)	5,365.67	1,341.42	4,024.26	876.44	777.38	891.93	2,545.76	-449.49	-33.51	114.54	14.73	-1,478.50	-36.74
23	AMOUNT AVAILABLE FOR FGN BUDGET (Including GOEs Budget & Project-tied Loans)	5,835.26	1,458.81	4,376.44	876.44	777.38	891.93	2,545.76	-566.89	-38.86	114.54	14.73	-1,830.69	-41.83

Source: Budget Office of the Federation and OAGF, 2020

Oil and Gas revenue dominated revenue inflow of government accounting for 37 percent of total revenue in the review period. Other revenue sources are as depicted in figure 3.6.

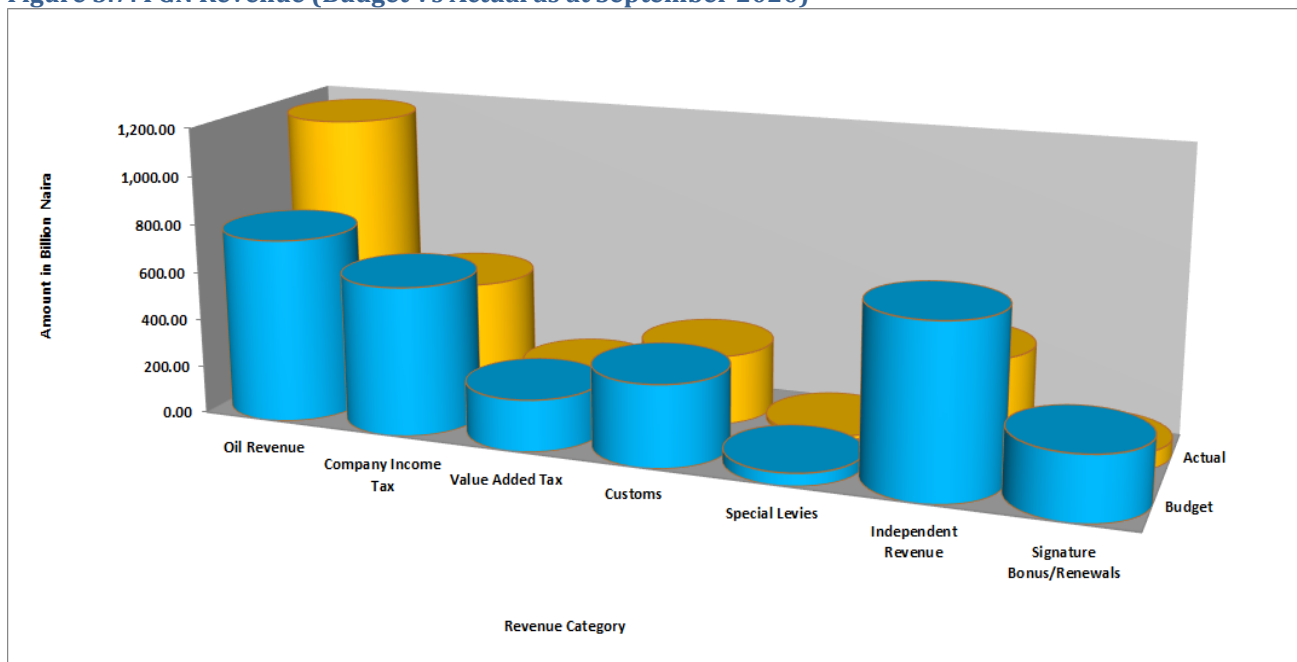
Figure 3.6: Contributions to the FGN Budget Revenue in the Third Quarter of 2020



Source: OAGF and Budget Office of the Federation, 2020

The Non-Oil, Transfers from Special Accounts and Share of Signature Bonus/Renewals/Early Renewal revenue contributed largely to the revenue shortfall experienced by FGN in the quarter under review accounting for ₦228.42 billion (50.82 percent) of the entire revenue shortfall. Other major contributors included Transfers from Special Levies Accounts, Domestic Recoveries and Stamp Duty which accounted for ₦75.0 billion (16.69 percent), ₦59.25 billion (13.18 percent) and ₦50.0 billion (11.12 percent) respectively.

Figure 3.7: FGN Revenue (Budget Vs Actual as at September 2020)



Source: OAGF and Budget Office of the Federation, 2020

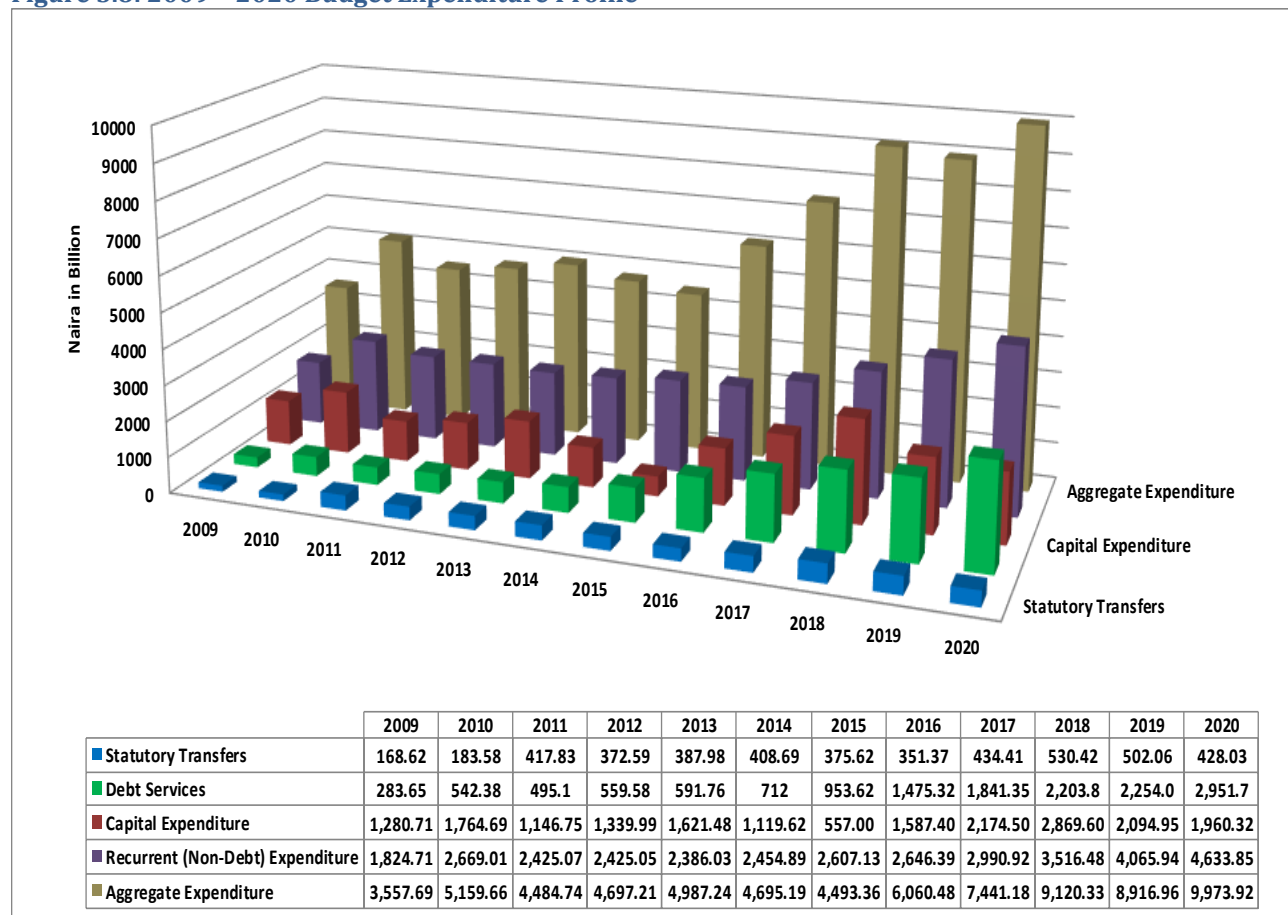
3.8.1 Total Inflow of the Federal Government

Total Revenue Inflow of the Federal Government stood at ~~₦2,545.76~~ billion in the first three quarters of 2020. This represents a ~~₦1,478.50~~ billion (36.74 percent) shortfall of the budget estimate.

3.9 Expenditure Developments:

A total of ~~₦9,973.92~~ billion (excluding GOEs Budget & Project-tied Loans) was appropriated for expenditure in the 2020 Amended Budget. This comprises of ~~₦4,633.85~~ billion (46.46 percent) for Recurrent (Non-Debt), ~~₦2,951.71~~ billion (29.59 percent) for Debt Service, ~~₦428.03~~ billion (4.29 percent) for Statutory Transfers and ~~₦1,960.32~~ billion (19.65 percent) for Capital Expenditure. This translates to prorate quarterly expenditure outlay of ~~₦2,493.48~~ billion in 2020. Actual expenditure amounts to ~~₦2,631.45~~ billion in the third quarter of 2020, translating to a ~~₦137.97~~ billion (5.53 percent) expenditure above the quarterly budget projection for the year. The detailed breakdown is presented below.

Figure 3.8: 2009 – 2020 Budget Expenditure Profile



Source: Budget Office of the Federation and OAGF, 2020

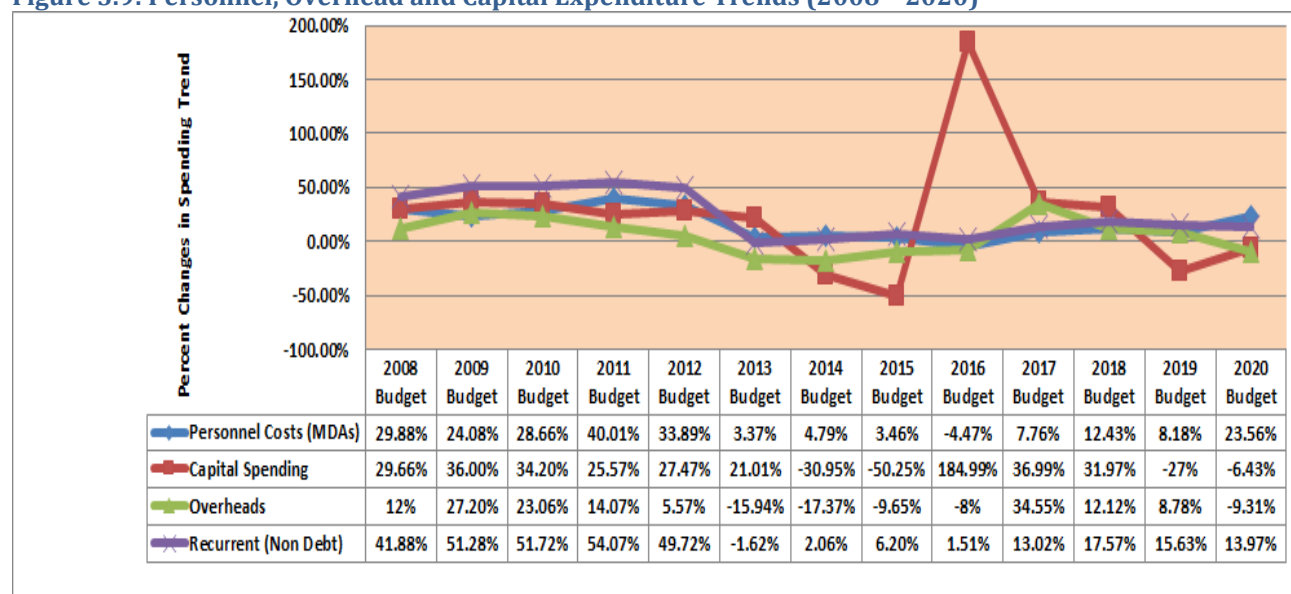
3.9.1 Non-Debt Recurrent Expenditure

The FGN continued to pursue its goal of reducing the share of recurrent to total expenditure in its annual budgets as stated in the 2020-2022 Amended Fiscal Framework and Fiscal Strategy Paper. Key initiatives aimed at cutting down recurrent costs were therefore pursued vigorously during the period. This includes the roll-out of the Integrated Payroll and Personnel Information System (IPPIS) to higher institutions of learning and the introduction of the Bottom-up Cash Plan Module. The effects of these efforts have however been moderated by the growing personnel cost as well as the lower revenue generation which necessitated higher borrowing and therefore high recurrent debt expenditure.

Total non-debt recurrent expenditure of ₦1,135.75 billion was spent in the third

quarter of 2020. This implies a decrease of ₦99.82 billion (8.08 percent) below quarterly estimate of ₦1,235.57 billion. It was also ₦117.78 billion (11.57 percent) and ₦17.93 billion (1.60 percent) above ₦1,017.97 billion and ₦1,117.82 billion levels of expenditure reported in the second quarter of 2020 and third quarter of 2019 respectively.

Figure 3.9: Personnel, Overhead and Capital Expenditure Trends (2008 - 2020)



Source: Budget Office of the Federation and OAGF, 2020

3.9.2 Debt Service:

Total Debt Service in the third quarter of 2020 stood at ₦972.96 billion indicating an increase of ₦235.03 billion (31.85 percent) above the ₦737.93 billion projected for the quarter. A total of ₦468.34 billion was proposed for domestic debt service in the quarter under review but ₦607.69 billion was actually used for the service of the FGN debt. This indicates a difference of ₦139.36 billion (29.76 percent) above the quarterly estimate.

The sum of ₦201.37 billion was proposed for the service of external debt in the quarter under review. Actual external debt service payment however amounted to ₦136.56 billion (US\$507.15 million) indicating a difference of ₦64.81 billion (32.18 percent) below the quarterly projection.

Table 3.9: FGN Budget Expenditure and Fiscal Account (in N' Billion) as at September 2020

S/NO	ITEMS	2020 AMENDED BUDGET			2020 ACTUAL				VARIANCE							
		Annual	Quarterly	3QRTS	First Quarter	Second Quarter	Third Quarter	3QRTS	3rd Quarter Actual Vs Quarterly Budget		3rd Quarter Vs 2nd Quarter (Actual)		Actual Vs Budget (3QRTS)			
		Nb	Nb	Nb	Nb	Nb	Nb	Nb	Nb	%	Nb	%	Nb	%		
A	RETAINED REVENUE															
B	AMOUNT AVAILABLE FOR FGN BUDGET (excluding GOEs Budget & Project-tied Loans)	5,365.67	1,341.42	4,024.26	876.44	777.38	891.93	2,545.75	(449.49)	(33.51)	114.55	14.74	(1,478.51)	(36.74)		
C	AMOUNT AVAILABLE FOR FGN BUDGET (including GOEs Budget & Project-tied Loans)	5,835.26	1,458.81	4,376.44	876.44	777.38	891.93	2,545.75	(566.88)	(38.86)	114.55	14.74	(1,830.69)	(41.83)		
D	EXPENDITURE:															
1	RECURRENT NON-DEBT:															
2	Personnel Costs (MDAs)	2,827.65	706.91	2,120.74	729.56	697.00	728.76	2,155.32	21.85	3.09	31.76	4.56	34.58	1.63		
3	Personnel Costs (GOEs)	218.81	54.70	164.11	0.00	0.00	0.00	0.00	(54.70)	(100.00)	0.00	0.00	(164.11)	(100.00)		
4	CRF Pensions	536.72	134.18	402.54	90.54	89.68	89.69	269.91	(44.49)	(33.16)	0.00	0.00	(132.63)	(32.95)		
5	Overhead Cost (MDAs)	243.18	60.79	182.38	79.67	123.15	105.03	307.85	44.24	72.77	(18.12)	(14.71)	125.47	68.79		
6	Overhead Cost (GOEs)	89.61	22.40	67.21	0.00	0.00	0.00	0.00	(22.40)	(100.00)	0.00	0.00	(67.21)	(100.00)		
7	Other Service Wide Votes (+ Gavi/Immunization)	397.33	99.33	298.00	0.00	0.00	92.69	92.69	(6.64)	(6.69)	92.69		(205.31)	(68.90)		
8	Other Service Wide Votes (+ COVID-19 Crisis Intervention Fund)	213.98	53.49	160.48	80.32	67.73	64.94	212.98	11.44	21.39	(2.79)	(4.12)	52.49	32.71		
9	Presidential Amnesty Programme	65.00	16.25	48.75	10.83	16.25	10.83	37.92	(5.42)	(33.33)	(5.42)	(33.33)	(10.83)	(22.22)		
10	Special Intervention (Recurrent)	350.00	87.50	262.50	0.00	0.00	0.00	0.00	(87.50)	(100.00)	0.00	0.00	(262.50)	(100.00)		
11	Payments from Special Accounts				156.38	24.16	43.81	224.35	43.81		19.65	81.34	224.35			
12	Total Non-Debt	4,942.28	1,235.57	3,706.71	1,147.30	1,017.97	1,135.75	3,301.01	(99.82)	(8.08)	117.78	11.57	(405.70)	(10.94)		
13	Domestic Debts Service	1,873.34	468.34	1,405.01	609.14	287.97	607.69	1,504.80	139.36	29.76	319.72	111.03	99.79	7.10		
14	Foreign Debts	805.47	201.37	604.10	129.51	122.25	136.56	388.32	(64.81)	(32.18)	14.32	11.71	(215.78)	(35.72)		
15	Total Debts Service	2,678.81	669.70	2,009.11	738.65	410.22	744.25	1,893.12	74.55	11.13	334.04	81.43	(115.99)	(5.77)		
16	Interest on Ways & Means				219.38	241.97	224.90	686.25	224.90		(17.07)	(7.05)	686.25			
17	Sinking Fund to Retire Maturing Loans	272.90	68.23	204.68	0.00	0.00	3.80	3.80	(64.43)	(94.43)	3.80		(200.88)	(98.14)		
18	Sub-Total (Debts)	2,951.71	737.93	2,213.78	958.02	652.19	972.96	2,583.17	235.03	31.85	320.77	49.18	369.39	16.89		
19	Total Recurrent Expenditure	7,893.99	1,973.50	5,920.49	2,105.32	1,670.16	2,108.70	5,884.18	135.20	6.85	438.54	26.26	(36.31)	(0.61)		
20	CAPITAL EXPENDITURE															
21	Capital Dev. Fund (Main)-2020	1,349.99	337.50	1,012.49	98.14	250.10	276.97	625.21	(60.53)	(17.93)	26.87	10.74	(387.29)	(38.25)		
22	Capital Supplementation	261.35	65.34	196.02	41.56	48.04	64.88	154.47	(0.46)	(0.70)	16.84	35.06	(41.54)	(21.19)		
23	Special Intervention (Capital)	20.00	5.00	15.00	0.00	6.92	22.48	29.40	17.48	349.52	15.55	224.66	14.40	95.99		
24	Covid-19 Crisis Intervention Fund-Incremental Capital	99.65	24.91	74.74	0.00	0.00	65.79	65.79	40.87	164.06	65.79		(8.95)	(11.98)		
25	Covid-19 Intervention Across the Federation	186.37	46.59	139.78	0.00	0.00	0.00	0.00	(46.59)	(100.00)	0.00		(139.78)	(100.00)		
26	Top 10 GOEs Capital Expenditure	141.17	35.29	105.88	0.00	0.00	0.00	0.00	(35.29)	(100.00)	0.00		(105.88)	(100.00)		
27	Capital Expenditure in Statutory Transfers	196.77	49.19	147.58	0.00	0.00	0.00	0.00	(49.19)	(100.00)	0.00		(147.58)	(100.00)		
28	Grants and Donor Funded Projects	42.96	10.74	32.22	0.00	0.00	0.00	0.00	(10.74)	(100.00)	0.00		(32.22)	(100.00)		
29	Multi-Lateral / Bi-Lateral Project-tied Loans	387.30	96.83	290.47	0.00	0.00	0.00	0.00	(96.83)	(100.00)	0.00		(290.47)	(100.00)		
30	Total Capital Expenditure	2,685.56	671.39	2,014.17	139.70	305.06	430.11	874.86	(241.28)	(35.94)	125.05	40.99	(1,139.31)	(56.56)		
31	Capital Expenditure (Exclusive of Transfers)	2,488.79	622.20	1,866.59	139.70	305.06	430.11	874.86	(192.09)	(30.87)	125.05	40.99	(991.73)	(53.13)		
32	STATUTORY TRANSFERS															
33	Statutory Transfers	428.03	107.01	321.02	140.12	140.12	92.64	372.87	(14.37)	(13.43)	(47.48)	(33.89)	51.85	16.15		
34	TOTAL FGN BUDGET (excluding GOEs Budget & Project-tied Loans)	9,973.92	2,493.48	7,480.44	2,385.14	2,115.33	2,631.45	7,131.91	137.97	5.53	516.11	24.40	(348.53)	(4.66)		
35	TOTAL FGN BUDGET (including GOEs Budget & Project-tied Loans)	10,810.81	2,702.70	8,108.11	2,385.14	2,115.33	2,631.45	7,131.91	(71.20)	(2.64)	516.11	24.40	(976.19)	(12.94)		
36	Fiscal Deficit (excluding GOEs Budget & Project-tied Loans)	(4,608.25)	(1,152.06)	(3,456.18)	(1,508.70)	(1,337.95)	(1,739.52)	(4,586.16)	(587.46)	50.99	(401.56)	30.01	(1,129.98)	32.69		
37	Fiscal Deficit (including GOEs Budget & Project-tied Loans)	(4,975.55)	(1,243.89)	(3,731.67)	(1,508.70)	(1,337.95)	(1,739.52)	(4,586.16)	(495.62)	39.84	(401.56)	30.01	(854.50)	22.90		
E	FINANCING ITEMS															
1	Privitization Proceeds	126.04	31.51	94.53	0.00	0.00	0.00	0.00	(31.51)	(100.00)	0.00		(94.53)	(100.00)		
2	Multi-lateral / Bi-lateral Project-tied Loans	387.30	96.82	290.47	0.00	0.00	0.00	0.00	(96.82)	(100.00)	0.00		(290.47)	(100.00)		
3	Borrowing from Special Accounts	263.63	65.91	197.72	0.00	0.00	0.00	0.00	(65.91)	(100.00)	0.00		(197.72)	(100.00)		
4	Foreign Borrowing	2,213.89	553.47	1,660.42	0.00	0.00	0.00	0.00	(553.47)	(100.00)	0.00		(1,660.42)	(100.00)		
5	Domestic Borrowing	1,984.68	496.17	1,488.51	560.00	859.99	612.56	2,032.54	116.39	23.46	(247.43)	(28.77)	544.03	36.55		
6	Sub-Total	4,975.54	1,243.89	3,731.66	560.00	859.99	612.56	2,032.54	(631.33)	(50.75)	(247.43)	(28.77)	(1,699.11)	(45.53)		
7	Sub-Total (exclusive of Project-tied Loans)	4,588.24	1,147.06	3,441.18	560.00	859.99	612.56	2,032.54	(534.50)	(46.60)	(247.43)	(28.77)	(1,408.64)	(40.93)		
8	Net Deficit/Surplus (excluding GOEs Budget & Project-tied Loans)	(20.01)	(5.00)	(15.00)	(948.70)	(477.97)	(1,126.96)	(2,553.62)	(1,121.96)	(44.33)	(132.85)	(9.12)	(3,329.80)	(43.93)		
9	Net Deficit/Surplus (including GOEs Budget & Project-tied Loans)	(0.01)	(0.01)	(0.01)	(948.70)	(477.97)	(1,126.96)	(2,553.62)	(1,126.95)	(44.33)	(132.85)	(9.12)	(3,329.80)	(43.93)		
10	Grand-Total (Revenue + Financing)	10,810.80	2,702.70	8,108.10	1,436.44	1,637.37	1,504.49	4,578.29	(1,199.21)	(44.33)	(132.85)	(9.12)	(3,329.80)	(43.93)		

Note: 1. The total Expenditure and the Financing items does not includes Multi/Bi-lateral Projected Loans
 2. The July figures for Domestic Debts Service is assumed for the month of August, 2020 since August Figures is yet to be reconciled

Source: OAGF and Budget Office of the Federation, 2020

3.9.3 Statutory Transfers:

Statutory Transfers stood at ₦92.64 billion in the third quarter of 2020 while ₦140.12 billion was released in both first and second quarters of 2020. The amount translates to ₦14.37 billion (13.43 percent) decrease below the quarterly estimate of ₦107.01 billion in the 2020 budget.

3.9.4 Capital Expenditure Performance:

Greater portion of Government's available financial resources were directed to structural reform of the economy and the provision of critical infrastructure in the roads, power, housing, rail and aviation sectors as well as the provision of physical and food security. In view of this, a total of ₦1,960.32 billion (excluding capital expenditure of statutory transfers, top 10 GOEs and project tied loans) was allocated to capital spending in the 2020 Budget.

MDAs' Capital Vote Utilization:

The national lock down due to the impact of COVID-19 affected the implementation of capital projects/programmes in the 2020 Budget in the period under review. Funds for capital expenditure were released to MDAs in batches based on the availability of resources and government priorities. An analysis of the data from the Office of the Accountant General of the Federation on 2020 capital performance for MDAs as at 30th September, 2020 showed that a total of ₦1,175.11 billion was released and cash backed to MDAs for their 2020 capital projects and programmes. The sum of ₦499.94 billion was released as First Releases, ₦244.56 billion as Second Releases, ₦137.45 billion as Additional Second Releases, ₦217.96 billion as Online Authority to Incur Expenditure (AIEs) and ₦75.20 billion as Manual AIEs.

Performance as at 30th September, 2020:

The data also revealed that ₦648.83 billion (55.21 percent) of the total amount released and cash-backed was utilized by MDAs as at 30th September, 2020.

Appendix 1 to this Report shows the funds released to and utilized by MDAs in the period. A breakdown of the forty-five (45) MDAs reported upon by the Office of the Accountant-General of the Federation (OAGF) indicated different levels of utilization among the MDAs. Fourteen (31.11 percent) of the MDAs including: Defence, ICPC, FCTA, Foreign & Inter Government Affairs, Communication Technology, Interior, Police Affairs, Justice, Power, Transportation, ONSA, Niger Delta, National Population Commission and RMFAC had utilized more than the overall average utilization rate of 55.21 percent of the amount cash-backed. Only two (4.44 percent) of them, ONSA and RMFAC had 100 percent utilization of their cash-backed funds, while five out of them which included Defence, Interior, Police Affairs, ONSA and RMFAC had above seventy percent utilization rate.

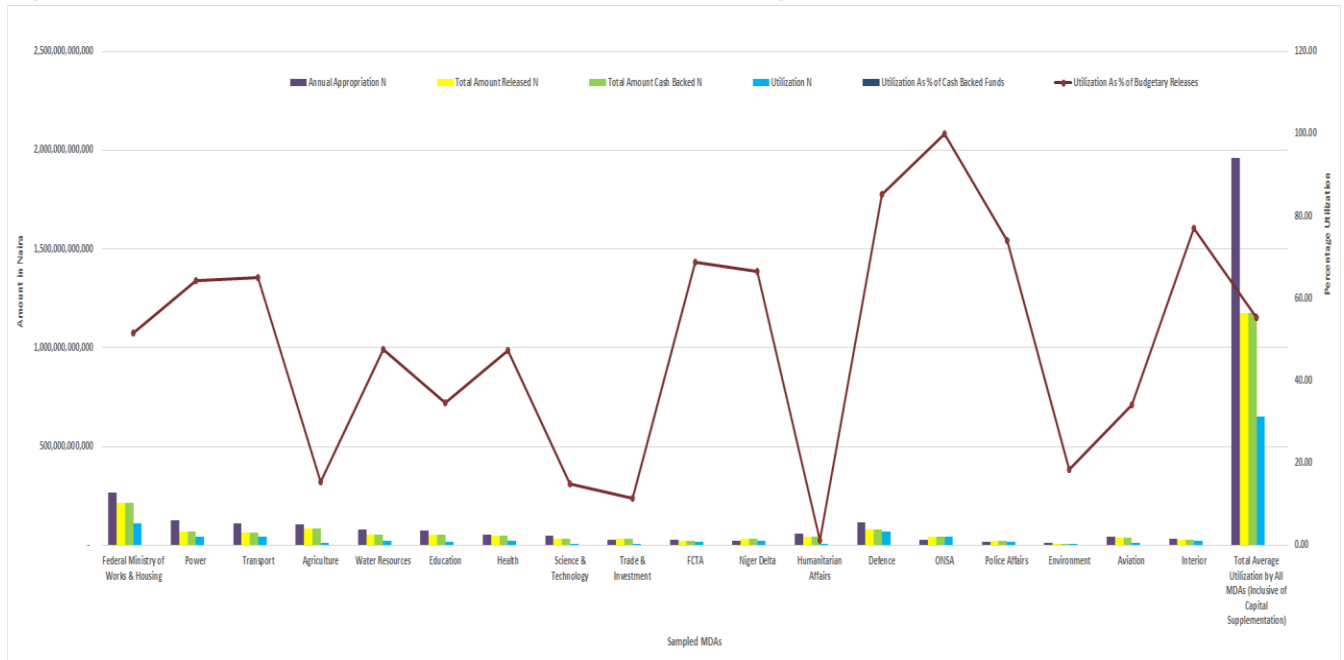
The utilization report also revealed that 23 MDAs (51.11 percent) which included: Special Duties, Women Affairs, Water Resources, Health, Information, Works & Housing, FRC, Presidency, OSGF, Youth Development, Agriculture, Education, Finance, Trade & Investment, OHCSF, Labour & Productivity, Science & Technology, Aviation, Mines & Steel, Environment, ICRC, Code of Conduct Bureau and Humanitarian Affairs utilized below the average utilization rate of 55.21 percent of their cash-backed funds. On the other hand, 6 MDAs (13.33 percent) which are Auditor General, Wages & Salaries, Code of Conduct Tribunal, FCSC, Police Service Commission and Federal Character Commission were yet to utilize their capital allocations. *Table 3.10* is an extract from *Appendix 1* highlighting the utilization rates of fourteen MDAs considered to be key to the realisation of the Federal Government's objectives.

Table 3.10: Capital Budget Utilization by MDAs (as at 30th September, 2020)

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
Federal Ministry of Works & Housing	265,868,039,092	216,437,663,727	216,437,663,727	111,664,172,546	42.00	51.59	51.59
Power	128,005,929,363	68,672,481,410	68,672,481,410	44,224,253,820	34.55	64.40	64.40
Transport	109,348,029,912	65,900,195,824	65,900,195,824	42,905,933,393	39.24	65.11	65.11
Agriculture	102,493,492,597	81,734,503,632	81,734,503,632	12,546,106,890	12.24	15.35	15.35
Water Resources	80,701,177,106	50,975,062,063	50,975,062,063	24,249,424,299	30.05	47.57	47.57
Education	75,173,387,778	53,954,309,982	53,954,309,982	18,645,235,159	24.80	34.56	34.56
Health	51,402,884,613	49,106,816,322	49,106,816,322	23,194,152,503	45.12	47.23	47.23
Science & Technology	45,663,279,672	31,188,966,279	31,188,966,279	4,607,781,026	10.09	14.77	14.77
Trade & Investment	26,006,447,689	33,857,070,742	33,857,070,742	3,830,429,708	14.73	11.31	11.31
FCTA	29,657,154,360	21,915,333,925	21,915,333,925	15,064,797,911	50.80	68.74	68.74
Niger Delta	21,712,850,399	30,531,425,200	30,531,425,200	20,330,010,973	93.63	66.59	66.59
Humanitarian Affairs	59,390,761,295	41,918,047,074	41,918,047,074	447,666,626	0.75	1.07	1.07
Defence	115,873,903,710	81,603,520,386	81,603,520,386	69,502,261,397	59.98	85.17	85.17
ONSA	25,922,169,323	40,088,583,008	40,088,583,008	40,088,177,711	154.65	100.00	100.00
Police Affairs	15,556,238,229	21,255,941,891	21,255,941,891	15,733,430,623	101.14	74.02	74.02
Environment	10,794,666,376	5,570,969,566	5,570,969,566	1,024,422,040	9.49	18.39	18.39
Aviation	44,272,830,824	37,909,544,731	37,909,544,731	12,961,090,723	29.28	34.19	34.19
Interior	32,925,118,431	25,722,465,528	25,722,465,528	19,794,521,121	60.12	76.95	76.95
Total Average Utilization by All MDAs (Inclusive of Capital Supplementation)	1,960,320,547,535	1,175,112,662,138	1,175,112,662,138	648,830,641,366	33.10	55.21	55.21

Source: OAGF and BOF, 2020

Figure 3.10: Pictorial Representation of Selected MDAs Capital Budget Utilization (as at 30th September, 2020)



Source: BOF and OAGF, 2020

3.9.5 Budget Deficit and Performance of the Financing Items:

The 2020 Fiscal Framework estimated a quarterly fiscal deficit of ₦1,152.06 billion (exclusive of Multi-lateral/Bi-lateral Project-tied Loan of ₦96.82 billion) to be financed through earnings from Privatization Proceeds of ₦31.51 billion, Borrowing from Special Accounts of ₦65.91 billion, Foreign Borrowing of ₦496.17 billion and Domestic Borrowing (FGN Bond) of ₦553.47 billion.

The inflow and outflow of fund for the Federal Government resulted in a fiscal deficit of ₦1,739.52 billion (4.98 percent of prorata GDP) in the third quarter of 2020. This represents a significant increase in deficit to the tune of ₦587.46 billion (50.99 percent) of the projected deficit for the period. However, only ₦612.56 billion was borrowed domestically (FGN Bond) while other sources of financing items did not materialize. This resulted in a ₦1,126.96 billion net deficit financing for the review period.

4.0 CONCLUSION

The macroeconomic setting in the review period was redefined by the impact of the unanticipated health and economic crisis as a result of the COVID-19 pandemic. The economy contracted by 3.62 percent in the third quarter of 2020 with the oil and non-oil sectors recording a real growth of -13.89 percent -2.25 percent (year-on-year) respectively. The non-oil sub-sector output which moderated the economy-wide decline were mainly the Information and Communication (Telecommunications) with other drivers being Agriculture (Crop Production), Construction, Financial and Insurance (Financial Institutions), and Public Administration.

The Federal Government continued to meet its non-discretionary expenditures even as budget implementation continued to be affected by poor revenue collections. Economic performance in the third quarter calls for serious worry. It is therefore imperative to implement measures to return the economy to its path of growth and increased government revenue. Enhancing revenue in the last quarter of the year is key for the successful implementation of the 2020 budget. Efforts to moderate the growth in recurrent expenditure and particularly personnel and recurrent debt is critical even as concerted efforts to contain the COVID-19 pandemic continues to be paramount.

The Federal Government remains committed to improved openness, transparency and accountability in budget preparation, implementation, monitoring & evaluation and feedback. In view of this, strict adherence to budget implementation guidelines and the governance framework on monitoring of capital budget implementation will continue to be followed. Efforts would also be directed at fostering efficiency in budget implementation, while stimulating effective and well-organized project management planning geared towards improving the level of capital budget implementation in 2020.

5.0 CAPITAL PROJECT IMPLEMENTATION

5.1 INTRODUCTION

The Third Quarter, 2020 capital budget monitoring exercise was conducted from Monday 2nd to Friday 27th November, 2020. The objective of the exercise was to assess the implementation of the budget as at the end of the Third Quarter and to ascertain the funds allocated to the various MDAs. Emphasis was also placed on assessing the financial commitments, the implementation status of the projects, observed outcomes as well as challenges affecting their prompt delivery. This Report provides the main highlights of the implementation of the projects in the 2020 Budget selected and monitored for the third quarter. Details of other projects implemented by the MDAs are attached as Annexure to the report.

1.0 FEDERAL MINISTRY OF WORKS & HOUSING

1.1 WORKS SECTOR

The sector was allocated the sum of N227.96 billion in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N152.15 billion was released and cash backed while, N58.10 billion was utilized as at the end of the third quarter of the fiscal year. The following projects were monitored:

- a) **Expansion of 5.4km Section of Abuja - Keffi Expressway and Dualization of Keffi - Akwanga - Lafia - Makurdi Road Section I - IV.**

Component I: (Section I)

The project involves the construction of 5.4km section of the Abuja – Keffi expressway starting from Kugbo west to the border of FCT and Nasarawa State in the west of Karu. The expansion of this section is to add 2-lane auxiliary roads on both sides of the existing 6-lane main road and to rehabilitate the existing 6-lane main road. The scope of the project includes:

site clearance, earthworks, pavement construction in 200mm each of sub base and laterite base courses, 60mm and 40mm of asphaltic concrete binder and wearing courses respectively. Others are: construction of 5nos box and 14nos pipe culverts of various sizes, 2nos overpass and bridges, filter drains and ancillary works, etc.

Component 2: (Section 2, 3, & 4) involves the construction of an additional carriageway and rehabilitation of the existing two-lane single carriageway to a double-lane dual carriageway along the alignment. It covers a total length of 221.8km commencing from 1.1km after the Keffi interchange and terminating at the River Benue Bridge in Makurdi, Benue State. These sections of the road fall under Nasarawa and Benue States.

The component of the works include: site clearance, earth and pavement work, stone base, 60mm and 40mm of asphaltic concrete binder and wearing courses respectively. Others include: construction of 68nos box and 269nos pipe culverts of various sizes, 42nos U-turns, 3nos intersections, 4nos toll gates, and provision of road furniture, etc.

The contract was awarded in May, 2015 to Messrs. China Harbour Engineering Company Limited at a cost of \$542.14million (equivalent to N166.36 billion). 85% of the contract sum (\$460.82 million) is to be financed through the China Exim Bank loan while FGN will provide 15% Counterpart funding (\$81.32 million) with an expected completion date of April, 2022. In the 2020 budget, the sum of N2.68 billion was allocated, released and utilized as at the end of third quarter of the year. A total of \$23.62 million (foreign component) plus N2.68 billion (local component) had been committed to the project since inception to achieve 33.19% level of completion. There are outstanding job completion certificates being processed by the China Exim Bank.

Findings:

At the time of monitoring, works completed in section (I) includes: payment for compensation, site clearance 80.68%, stone pitching 33.58%, rock excavation 94.25%, 5nos of box and 6nos pipe culverts. Works in progress include: filling of 3nos. bridges and retaining walls, earthworks from ch:0+000 to ch:40+100, filling and cutting between ch:40+100 to Ch:70+000, 2nos

bridges at ch:3+800 and rock blasting. However, construction of 9nos pipe culverts, rectangular and trapezoidal drain, binder and wearing courses are still outstanding. Similarly, in Sections 2, 3 and 4, the following had been achieved: earthworks: site clearance & subgrade 66.79%, pavement works: sub base, stone base, binder & wearing 19.46%, drainage facilities: 106nos box & 93nos pipe culverts 85.83% and bridge works 39.35%.



Picture1: On-going Earthworks and Bridge work between km70 – km145 (Keffi – Akwanga Axis)

Observed Outcomes:

Though the project is still ongoing, it has created job opportunities for 16 skilled and 209 other classes of workers who are currently involved in the construction work. When completed, it would reduce travel time, increase the value of land and properties along the road corridor and enhance the free-flow of vehicular movements, especially between Abuja – Keffi - Lafia and Makurdi axis linking the Eastern part of the Country.

Challenges:

The major challenges affecting the progress of work include; inadequate cash flow, relocation of utilities such as electric poles, water and telecommunication cables and the COVID 19 lockdown that lasted till May, 2020. Although compensation has been paid, a property owner by Nyanya market has rebuilt a property at the previous location it was sited before the demolition.

b) Dualisation of Sapele-Ewu Road Section 1: Sapele – Agbor Road = Contract No. 6249

The project covers a total of 110.63km starting from Amukpe/Sapele roundabout on the Benin-Warri expressway and terminating at Agbor. It involves the construction of 7.30m carriageway on the existing road and a separate parallel 7.30m wide carriageway at the opposite traffic. Scope of works include: site clearance, scarification and compacting of existing pavement, provision of 200mm sub-base, 150mm crushed stone base, 60mm asphalt binder and 40mm asphaltic concrete wearing courses. Others are: construction of 4nos bridges, 2nos overhead bridges for railway line, concrete line drains and pipe culverts.

It was awarded to Messrs. CGC Nig. Limited in January 2015 at a cost of N64.88 billion with an initial completion date of July 2017. However, the date was revised to July 2022 due to funding constraint. The sum of N1.51 billion was appropriated for the project in the 2020 budget, out of which N264.48 million was released and utilized as at the end of the third quarter. A total of N7.09 billion (N5.59 billion budgetary release and N1.50 billion SUKUK intervention) had been committed to the project since inception to achieve 11.06% level of completion.

Findings:

At the time of monitoring, there was no activity on site due to heavy rainfall. However, work done includes: 4km of dualized section, 23km of reconstructed single carriageway (at various sections), abutment works of 2nos bridges at km17 and km25, amongst others. The precast beams materials had been fabricated and awaiting launching. The team was informed by the project engineer that the progress of work achieved was facilitated by the SUKUK intervention funds and there is the need to prioritize the project for timely delivery.



Picture 2: Completed Portions of Dualised/Single Carriage and Abutment Works at Bridge 1 (17+0.50km) around Agalokpe Community of Sapele.

Observed Outcomes:

The project had created job opportunities to 619 skilled and other classes of workers of the area. It has also boosted economic activities along the road corridor thereby enhancing the economic life of the people. The completed portions of the road have eased movement of commuters along the route. On completion, it will reduce the rate of accident, travel time and vehicle operating cost.

Challenges:

The project engineer informed the team that unfavourable weather condition, community interruptions, inadequate budgetary allocations/releases, delay in relocation of electricity poles and payment of compensation had slowed the progress of work.

c) Dualization of Ibadan-Ilorin Road, Section II: Oyo-Ogbomosho Contract No. 1793A:

The project involves the construction of 52.0km dual carriage way starting from Oyo town (km 23) passing through Ibadan-Ilorin Road (Route 2A) and terminating at Ogbomosho town. Scope of works include: site clearance, earthworks, surface dressing on shoulders, construction of 5nos bridges and 12nos underpasses, reinforced concrete boxes and pipe culverts as well as subsoil drains in high water table zones. Others are: provision of 200mm thick sub-base and crushed stone base course, 60mm thick asphaltic concrete binder and 40mm wearing courses as well as stone pitching on the

embankments.

The Contract was awarded to Messrs. RCC Nigeria Limited in June 2010 at an initial cost of N47.50 billion and was scheduled to be completed by October 2013. However, the completion date was extended to November 2023 with a revised cost of N105.04 billion due to additional works such as construction of bridges and increase in thickness of asphaltic concrete. The sum of N1.63 billion was appropriated for the project in the 2020 budget but no fund has been released. However, N5.0 billion was released and utilized under the SUKUK intervention bringing total financial commitment to N31.59 billion since inception to achieve 43.16% level of completion.

Findings:

At the time of monitoring, the following works had been achieved: site clearance 67%, earthworks 60.54%, concrete work (sub-soil drain 97.19% and lined drain 11,640.38 Lm. Others are: 45nos of 900mm diameter pipe culverts, 4nos of triple 1,200mm diameter pipe culverts, 11nos underpass, priming 39.94% and asphaltic binder course 66.80%. While, 5nos bridges were also ongoing at various levels of completion.



Picture 3: Ongoing earthworks at Ibadan-Ilorin Road, Section II: Oyo-Ogbomosho

Observed Outcomes:

The completed portions of the road have improved the movement of goods and services, reduced accidents and travel time. On completion, it will reduce vehicles operating costs and boost economic activities along the road

corridor.

Challenges:

Inflation, excessive thickness of top soils, rock outcrops in some locations, and inadequate budgetary provisions were reported to have affected the timely delivery of the project. The team was also informed that some of the residents were trespassing into the right of way of the road despite the payment of compensation.

d) The Emergency Rehabilitation / Maintenance of Third Mainland Bridge C/NO 6238

The project involves the restoration of piles foundation, dynamic testing of the 11nos damaged expansion joints, hydro-demolition and replacement of the worn-out expansion joints, sealing of cracks and repairs of failed concrete surfaces on pile caps and piers. Others are: repairs of ancillary works such as guardrails, lighting system, desilting of the silted drains/manhole covers. The Contract was awarded to Messrs. Boroni Prono & Co. Nigeria Limited in May 2018 at a cost of N18.87 billion with an initial completion date of August 2020. However, the completion date was extended to November 2020 due to the Covid-19 pandemic. The sum of N893 million was appropriated to the project in the 2020 budget while N227 million was released and utilized. A total of N4.0 billion had been committed to the project since inception to achieve 20.2% level of completion.

Findings:

At the time of monitoring, work done include: dynamic testing of the 11nos. damage expansion joints, fixing of rubber joints, replacement of 5nos faulty hydro-demolition joints and replacement of the worn-out expansion joints by means of hydro-demolition machine.



Picture 4: On-going Rehabilitation/Maintenance of Third Mainland Bridge in Lagos State

Observed Outcomes:

The project will prolong the life span of the bridge and increase the free-flow of traffic and vehicular movement when completed.

Challenge:

The curfew imposed by Government as a result of the pandemic and the *Endsars* protests had slowed the progress of work.

e) Rehabilitation of Abuja-Kaduna-Kano Dual Carriageway Section 1-3 (Abuja-Kaduna-Zaria) Contract No. 6350

The project involves the rehabilitation of 375.4km dual carriageway from Abuja through Kaduna to Kano state. It is divided into three sections for effective management and supervision. Scope of work includes: site clearance, scarification, excavation works for culverts and line drains, provision of trapezoidal/rectangular lined drains, kerbs and chutes, 150mm recycled bitumen stabilized material (BSM) in carriageway and shoulders etc.

The contract was awarded to Messrs. Julius Berger Nigeria PLC. in May 2018 at a cost of N155.47 billion with a completion date of May 2021. The sum of N109.41million was appropriated for the project in the 2020 budget, but there was no release as at the time of the monitoring. However, a total of N84.05 billion had been committed to the project since inception to achieve 65.34% cumulative performance.

Findings:

At the time of the monitoring, about 110 km (Sections 1 to 3) of the road had been completed, these include: 48.93km concrete trapezoidal drain, 102.04km bitumen stabilized materials, 146.62km asphalt binder and 98.34km wearing courses. However, the construction of 73.67km median barriers, excavation for culverts and drains, 101.04 tact coat on BSM layer, 122.62km binder course, 112.34km tact coat on binder, 140.34 wearing course, 144.21km scarification (shoulder & carriageway) were in progress at various stages of completion. The construction of bridges and trailer parks were yet to commence.

The monitoring team was informed by the Engineer's representative that the project was also funded through the Nigeria Sovereign Investment Authority.



Picture 5: On-going rehabilitation works at Abuja-Kaduna-Kano dual carriageway.

Observed Outcomes:

Although the project is still ongoing, it has created job opportunities for over 630 workers. On completion, it will improve the flow of traffic on the route thereby reducing travel time and vehicle operating costs and boost economic activities along the route.

f) Rehabilitation of Sokoto-Tambuwal-Jega-Yauri Road Sokoto/Kebbi State Phase I Section II in (Jega – Yauri) Contract No. 6161

The project involves the rehabilitation of 171km length of 7.3m wide carriageway from Jega – Yauri. Scope of works include: site clearance, scarification, provision of laterite sub-base, pulverization of scarified failed

asphaltic surface, 60mm asphaltic concrete binding and 40mm wearing courses. Others are: construction of bridge at Keri town, culverts and drainage facilities, stone pitching of high embankment and slopes for protection.

The contract was awarded to Messrs. Triacta Nigeria Limited in January 2015 at an initial cost of N19.89 billion and was to be completed within thirty (36) months. This was later reviewed to N30.46 billion with an expected completion date of February 2018. However, the contractor had applied for a new completion date of March 2021 which is being processed. The sum of N1.75 billion was appropriated for the project in the 2020 budget, out of which N425.61 million was released and utilized bringing total commitment to N24.64 billion to achieve 68.52% cumulative performance.

Findings:

At the time of monitoring, a total of 156km of asphaltic concrete binder and wearing courses with surface dressed shoulders and a 2-span bridge at Keri town had been achieved. However, works in progress were: stone pitching of high embankments, patching of potholes, construction of drainages, culverts and concrete line drains and excavation works of about 15km.



Picture 6: Ongoing asphalt and scarification works at Yauri town

Observed Outcomes:

The project has provided employment opportunities to over 300 skilled and other classes of workers in the host community and its environs. On completion, it will open up more communities along the road corridor, reduce travel time and improve vehicular movement. In addition, it will enhance economic activities along the road corridor.

g) Rehabilitation of Alesi-Ugep (Iyamoyung-Ugep) Section in Cross River State C/No. 6263

This project involves the rehabilitation of the 67.1km Alesi – Ugep section single carriageway of the Iyamoyung-Ugep road in Cross River State. It comprises: asphalt overlay on the major road, construction of shoulders and drainages as well as kerbs etc. The contract was awarded to Messrs. Sermatech Nigeria Limited in December, 2014 at a cost of ₦11.22 billion with an initial completion date of January, 2017. However, the date was reviewed to June, 2020 due to funds constraint.

The sum of ₦1.10 billion was appropriated for the project in the 2020 budget. Out of this amount, ₦600 million was released and utilized as at the end of third quarter. A total of ₦8.91 billion had been committed to the project since inception to achieve 91% level of completion.

Findings:

At the time of monitoring, the asphalt overlay had been completed on the road and put to use. Work in progress includes: construction of shoulders on both sides of the road, channelization of drainages and construction of kerbs at some portions of the road.



Picture 7: Ongoing Rehabilitation of Alesi-Ugep Section in Cross River State

Observed Outcomes:

The project has improved economic activities along the route as well as reduce travel time. It has also facilitated the movement of farm produce in

the surrounding villages to their various off takers in the adjoining communities.

1.2 HOUSING SECTOR

a) Construction of Federal Secretariat Complex, Awka in Anambra State

The project involves the construction of a 3-Storey building complex comprising: 402nos offices, provision of conference and exhibition halls, post office, 4nos committee rooms, reception & banking halls and 132nos toilet facilities. Others are: parking spaces, provision of 48 generators of 5 - 10KVA units and provision of ramps to all floors for the physically challenged.

The project was awarded to Messrs. Cosco Investment Nigeria Limited at a cost of N2.56 billion in December 2011 with an initial completion date of May 2018. The completion date was later extended due to changes in project design. In the 2020 Budget, N4.27 billion was appropriated to the ongoing six (6) zonal secretariat projects, while N67.61 million was released and utilized on the Awka housing project. A total of N1.79 billion had been committed to the Awka project since inception to achieve 85% level of completion.

Findings:

At the time of monitoring, work had been suspended. However, structural works had been substantially completed. Outstanding works include: completion of painting, fixing of doors and air conditioners as well as external works which were at different stages of completion. The contractor informed the team that there was an outstanding payment of N522 million.



Picture 8: On-going Construction of Federal Secretariat Complex Awka, Anambra State

Observed Outcomes:

When completed, the project will provide conducive office accommodation for staff.

2.0 DEFENCE SECTOR

The mandate of this Ministry is to provide administrative and support services to the various security arms in order to ensure that timely and effective services in the maintenance of the territorial integrity of the country. To achieve this objective, a total of N115.87 billion was allocated to the sector in the 2020 budget. Out of this amount, N81.60 billion was released and cash backed while, N69.50 billion was utilized as at third quarter of the year. The following agencies were monitored:

2.1 DEFENCE RESEARCH AND DEVELOPMENT BUREAU (DRDB), ABUJA.

The mandate of the Bureau is to provide strategic intelligence on security technology through research and development while leveraging on the expertise of indigenous and international partners. The sum of N1.61 billion was appropriated in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N803.21 million was released and cash backed while, N649.51 million was utilized as at third quarter of the year. The following project was monitored:

a) Construction of DRDB office Complex

The project involves the construction of Permanent Headquarters which comprises of Annex 1 and Annex 2. Annex 1 involves the construction of the Gate House, Quarter Guard (Saluting Dais), Generator house, RSM office and Guard room while, Annex 2 which is divided into three phases, involves the construction of a 2-storey office complex. Components of works for phase 1 - 2 include: offices for the Director General and supporting staff, DG's waiting room, 4nos of offices for the Directors & supporting staff. Others include: Sick bay, Laboratories, IT Room, Research and discussion room for fellows, 3nos conference rooms, 3nos meeting rooms, reception, utility and 24nos conveniences.

The contract was executed through direct labour by officers of the Bureau in February, 2019 at a cost of N1.082 billion with an expected completion date of December 2020. The sum of N500 million was allocated to the project in the 2020 budget, out of which N250 was released, and utilized as at the end of third quarter of the year. A total of N860.099 million had been committed to the project since inception to achieve 79% cumulative performance.

Findings:

At the time of monitoring, the 2-storey building structure, RSM office, Quarter Guard, Generator house and the Guardhouse had been completed while, ceiling, fixing of doors and windows, electrical and mechanical works were in progress. However, landscaping and phase 3 of annex 2 were still outstanding.



Picture 9: The Completion of the construction for 2-storey complex DRDB headquarters Annex building and Gatehouse.

Observed Outcomes:

Presently, the agency is temporarily occupying a rented building. The completion of this complex will create room for research fellows and other partners to work together and also provide a conducive office accommodation for the principal officers and their supporting personnel thus, boosting their morale and enhancing their productivity.

2.2 NIGERIAN AIR FORCE (NAF)

The Institution was allocated a total of N26.91 billion in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N13.46 billion was released and N13.00 billion utilized to execute amongst others, the following projects:

a) **Infrastructural Development in Newly established NAF Bases**

The project which is located at Lawanti – Gombe Airport area is sub-divided into six (6) components. These are: Construction of a 2-storey Block of 30 x One Bedroom Airmen Transit accommodation, a block of 10 x One-Bedroom Single Officers' Quarters at 175 NAF Detachment Gombe, Ammo Dump (Bunker) and Construction of Engineering and Operations Wings at 203 Combat Reconnaissance Group Gombe. Others are: Construction of Rigid Pavement Apron (112m x 87m), and a 170m x 20m Link road from the existing airport runway to the Military Apron at 203 Combat Reconnaissance Group Gombe.

The contracts were awarded to a consortium of contractors namely: Messrs. Tilt Construction, Messrs. Pixa Global Concept and four (4) others at a total cost of N1.92 billion in August 2020 with an expected completion date of April 2021. In the 2020 budget, the sum of N1.92 billion was appropriated, out of which N1.10 billion was released and N848.28 million was utilized to achieve 44% level of completion.

Findings:

At the time of monitoring, all the contractors were on site and works were ongoing simultaneously at a progressive pace. The following works have

been achieved: construction of the rigid pavement for the Apron (65%), casting of the concrete panels/curing and construction of culverts and taxi way (for the link road), the superstructure for the 30 x One-bedroom Transit Accommodation (30%) and the superstructure works for the 10 x One-bedroom Single Officers' Quarters.



Picture 10: Construction of Transit Accommodation for Officers, Airmen and Airwomen at 175 NAF Detachment Gombe

Observed outcomes:

The project has created job opportunities to over 700-skilled and other classes of workers thereby reducing youths' restiveness in the area. When completed, it will facilitate the deployment of Aircrafts for intelligence gathering and coordination. It is also expected to diversify the Air force platforms in curtailing or combating insurgency and militancy activities in the North East and North West zones of the country. In addition, the residential facilities are expected to provide a transit accommodation for a minimum of ten (10) officers and one hundred and eighty (180) Airmen and Airwomen of the Nigerian Air force during operations.

b) Periodic Depot Maintenance of Aircrafts

The project entails the complete overhaul/maintenance of 2nos. (F7 fighter and F17 trainer) aircrafts at the Makurdi NAF Base. Major activities involve: disassembling, an in-dept inspection and packing of the aircrafts to factory in China, overhauling of the aircrafts armament system including injection seats, re-assembling and testing of flights as well as technical training of technicians.

The contract was awarded to Messrs. CATIC in April 2020 at a cost of N2.86 billion with an expected completion date of August 2021. In the 2020 budget, the sum of N1.36 billion was appropriated and released to the project while N432.15 million was utilized as at the end of third quarter of the year to achieve 20% level of completion.

Findings:

At the time of monitoring, the 2nos aircraft had been dismantled and one of them had been packaged in a container alongside five (5) others from the Ministry of Defence for shipment to the factory in China. The packaging of the second aircraft was at the stage of completion at the Makurdi NAF base.



Picture 11(a): A Team of Chinese Engineers Packaging one of the Aircraft at Makurdi for shipment to China



Picture 12(b): A sample Aircraft being dismantled for maintenance works in China

Observed Outcomes:

The project though not yet completed has helped to build the internal

capability of our local engineers who are involved in the project. On completion, it will enhance NAF's operational capabilities in fighting against insurgency and militancy. In addition, it will also provide a facility for the training of pilots and combat officers.

2.3 NIGERIAN DEFENCE ACADEMY (NDA)

The Academy had an allocation of N4.14 billion for the execution of its capital projects/programmes. Out of this amount, N2.27 billion was released while N2.17 billion was utilized as at the end of third quarter of the year. The following projects amongst others were monitored:

a) Construction of 1-Bedroom Transit Accommodation for Officers

The project is located within the premises of the Academy's permanent site at Sabon Birni in Kaduna. It entails the construction of 3nos blocks of 10nos apartments each. The contract was awarded to Messrs. Silver Ash Venture in January 2020 at a cost of N281.47 million with an expected completion date of December, 2020.

In the 2020 Budget, the sum of N300.0 million was appropriated and released for the project while N197.03 million was utilized. A total of N197.03 million had so far been committed to the project since inception to achieve 15% level of completion.

Findings:

At the time of monitoring, the substructure had been completed while block works were in progress. Outstanding works include completion of block works, roofing, electrical, plumbing, plastering, tiling, windows, doors, fittings and furnishing.



Picture 13: Ongoing Construction of 3nos Blocks of 1-Bedroom Transit Accommodation for Officers at Nigerian Defence Academy, Kaduna

Observed Outcomes:

Though the project was still ongoing, it had created employment opportunities for over 40 skilled and unskilled workers. When completed, it will provide a conducive accommodation for officers and instructors in the academy.

2.4 DEFENCE INDUSTRIES CORPORATION OF NIGERIA (DICON), KADUNA

The Corporation is responsible for the production of defence equipment, **material requirements of the Nigerian Armed Forces and other security agencies** as well as civilian products. In the 2020 budget, the Corporation was allocated a total of N1.68 billion to implement its capital projects/programmes. Out of this amount, N842.33 million was released and utilized to execute amongst others the following projects:

a) Rehabilitation of DICON Indoor Shooting Range

The project involves the renovation of the shooting range building, repairs/automation of tunnel, replacement and installation of all security lighting and sanitary systems, damaged roofs, ceilings, equipment and painting. Others are: furnishing with security gadgets, electrical fittings, and landscaping.

The contract was awarded to Messrs. Amilan Nigeria Limited in July 2020 at

a cost of N150.00 million and was scheduled to be completed in October 2020. The sum of N150.00 million was appropriated to the project in the 2020 budget out of which N149.40 million was released and utilized to achieve 99.6% level of completion.

Findings:

At the time of monitoring, the renovation of the shooting range with the associated components had been substantially completed.



Picture 14: The Rehabilitation of DICON Indoor Shooting Range almost completed.

Observed Outcomes:

The completion of the shooting range will facilitate a safe and conducive environment for trainees in DICON as well as other Agencies who are involved in the usage of arms and ammunition.

b) Construction and Furnishing of Auditorium and Library for DICON Institute of Technology

The project entails the construction and furnishing of a 762-capacity auditorium and a library. The Auditorium comprises: 2nos changing rooms, 12nos conveniences and 2nos offices. The 516-capacity library has 13 conveniences, a reception, an e-library, a conference room and technical section for the trainees of the Corporation.

The contract was awarded to Messrs. Sky Frost Nigeria Limited in August 2020 at a total cost of N848.97 million with an expected completion date of October 2021. In the 2020 Budget, the sum of N100 million was appropriated

to the project, out of which N99.27 million was released and utilized to achieve 20.47% level of performance.

Findings:

At the time of monitoring, the substructure had been completed while block works had reached the lintel level. In addition, significant quantum of materials was on ground for the project.



Picture 15: On-going construction and furnishing of Auditorium and Library for DICON Institute of Technology, Kaduna

Observed outcomes:

Although the project is still on-going, the construction works had created job opportunities for over sixty-five (65) skilled and unskilled workers. On completion, it is expected to enhance learning environment of the Corporation.

3.0 WATER RESOURCES SECTOR

The Sector was allocated a total of N80.7 billion in the 2020 budget to execute its capital projects and programmes. As at the end of third quarter, the sum of N50.97 billion was released and cash backed while N14.25 billion was utilized to execute amongst others the following projects.

3.1 SOKOTO MIDDLE RIMA VALLEY IRRIGATION PROJECT (SMRVIP)

The project entails channelling of water through the construction of canals from Goronyo Dam to the irrigation areas. The contract was divided into two phases: Phase I, which has a total area of 736ha had been completed and handed over. Phase II is part of a development plan for fertile lands for irrigation involving the development of about 4,333ha covering five (5) sectors. They are: Takakume, Maiyali, Salihu, Tsitse and Tuluski utilizing water from Goronyo Dam Reservoir.

The contract was awarded to Messrs. Gilmore Engineering Limited at an initial cost of N21.20 billion in May 2012 with planned completion date of June 2015. However, there was an upward review of the cost to N34.49 billion due to environmental issues and variation in cost of labour. The new completion date is June 2021. In the 2020 budget, the sum of N333.22 million was appropriated and released while N326.34 million was utilized as at the end of the third quarter. A total of N32.99 billion had been committed to the project since inception to achieve 85% level of performance.

Findings:

As at the time of visit, the construction of main canal and its ancillary structures such as junction boxes (sector turnout, field turnouts), distribution canals, filled canals and walk ways have been completed. Outstanding works include the turnout in Section 3 which is in the end of the main canal.



Picture 16: Completed Main Canal and its Ancillary Structures in Goronyo Dam, Sokoto State

Observed Outcomes:

The project had created employment opportunities across the rice value chain and other agro-allied produce in the host communities. In addition, it has increased economic activities especially in the areas of rice production with about 39,000 tons of rice and 195,000 tons of vegetables being produced yearly thereby promoting food security and poverty alleviation. On completion, it will provide potable water supply to the host community and environs.

3.2 LOWER NIGER RIVER BASIN DEVELOPMENT AUTHORITY

The mandate of the River Basin is to ensure effective and efficient implementation of the nation's water resources policies, through optimal exploitation, conservation and overall development of the nation's abundant surface and underground water resources potentials, with a view to improving the quality of life of every Nigerian.

The sum of N3.66 billion was appropriated in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N2.36 billion was released while N1.4 billion was utilized at the end of third quarter. The following projects amongst others was monitored.

a) Tada-Shonga Irrigation Project

The project is located at Edu LGA area of Kwara state. It involves: construction of 32km flood protection embankment (dyke) and 5nos bridges across Patriji river and tributaries. Others are: 15km access road and 49km farm roads, construction of 4nos. high-capacity pumping stations and intake works, drainages, clearing and levelling of 1,600 hectares of land and irrigation.

The contract was awarded to Messrs. Construction Product Nigerian Ltd. in July 2010 at a cost of N3.26 billion with an initial completion date of February, 2013. This was however reviewed to N10.18 billion with a new completion date of July 2022 due to changes in cost as well as the scope of works

including increase in quantity of earthwork, incorporation of 2MW Solar Power plan, among others. In the 2020 budget, the sum of N300.64 million was appropriated and released while N298.21 million was utilized. A total of N3.26 billion has been committed to the project since inception to achieve 48% level of completion.

Findings:

At the time of monitoring, the 15km access road and 32km dyke embankment had been completed with maintenance works and the solar power station ongoing. Outstanding works are: construction of pumping stations, irrigation canals and drains amongst others.



Picture 17: The completed 32km embankment (dyke) and 15km access road at Tada-Shonga Irrigation Project

Observed Outcomes:

Though the project is ongoing, it has created job opportunities for about 20,000 farmers who are engaged directly in the irrigation project. On completion, about 53,000 metric tons of rice and over 60,000 tons of sugar cane is expected to be produced yearly from the area.

3.3 ANAMBRA / IMO RIVER BASIN DEVELOPMENT AUTHORITY (AIRBDA)

The AIRBDA was allocated the sum of N3.81 billion in the 2020 budget for the implementation of its capital projects and programmes. Out of this amount, N2.53 billion was released while N96.49 million was utilized as at the end of third quarter. The following projects amongst others was

monitored:

a) Erosion Control & Road Construction / Amaudi road (Obizi / Amaudi) in Ezinihitte LGA, Imo State

The project entails the control of gully erosion, land reclamation, construction of 1.112km asphaltic road with culverts and drainages as well as channelization of the water into Imo River. The contract was awarded to Messrs. Flab Engineering Services Limited at a cost of N179.91 million in 2020 and was scheduled for completion in December, 2021.

In the 2020 budget, the sum of N66.50 million was appropriated for the project while N46.70 million was released and utilized to achieve 56% level of completion.

Findings:

As at the time of visit, the access road had been completed while the siltup/retention basin (a concrete massive chamber) through which water is to be discharged into the Imo River was still outstanding.



Picture 18: Erosion control and road construction at Amaudi road in Imo State

Observed Outcomes:

The completed access road has facilitated easy access and linkages to the neighbouring communities. In addition, it will ease movement of farm produce, improve their living condition as well as protect lives and properties of the people of Obizi/Amaudi communities.

3.4 UPPER BENUE RIVER BASIN DEVELOPMENT AUTHORITY, YOLA - ADAMAWA STATE

The Agency had an appropriation of N2.49 billion in the 2020 budget to execute its capital projects and programmes. Out of this amount, N1.99 billion was released and N1.29 billion was utilized as at the end of third quarter to implement amongst others the following projects.

a) Dadin Kowa Irrigation Project at Gombe State

This project involves the development of 40-hectares of land for irrigation activities at Dadin Kowa Dam Irrigation Area in Yamaltu- Deba LGA of Gombe State. It comprises: provision of 2nos submersible pumps, 4nos distribution boxes and regulation valve. Others are: dismantling and reinstallation of 2nos surface solar irrigation pumps from pilot farm at Dadin Kowa to Garin Rafi/Garin Dawaki irrigation area and rehabilitation of 12km of dam access road/600-metres Estate access road at Dadin Kowa Area office in Gombe State.

The contract was awarded to Messrs. Saidi Nigeria Ltd. and two (2) others at a total cost of N131.84 million in May 2020 and expected to be completed in December 2020. The sum of N91.82 million was appropriated and released in the 2020 budget while N88.03 million was utilized to achieve 81% level of completion.

Findings:

At the time of monitoring, the development of 40ha irrigation land and relocation/installation of solar irrigation pump had been completed. The rehabilitation of Estate and dam access roads have also been achieved up to 67% and 57% respectively.



Picture 19: Installed Irrigation pump and Solar plant at the Irrigation project site

Observed Outcomes:

On completion, the project is expected to provide over 5,000 gainful employments to farmers, pump operators, laborers and other artisans around the agriculture value chain at the irrigation area. An average of 12,000 bags of rice paddy across the seasons is expected to be cultivated in addition to guinea corn, millet and beans.

4.0 MINISTRY OF NIGER DELTA AFFAIRS

The Ministry has a total allocation of N21.71 billion in the 2020 budget for its capital projects and programmes. As at the end of the third quarter, a total of N30.53 billion (including additional second release) was released and cash backed while N20.34 billion was utilized to execute amongst others the following projects:

Dualization of East-West Road Section II-I (Port Harcourt – Ahoada), in Rivers State

The project involves the dualization of the 47km Road from Eleme junction in Port Harcourt to Ahoada in Rivers state. The scope of work includes: Expansion of the existing 47km length of road into a standard 2-lane dual carriageway with asphaltic concrete surfacing, 7.3m wide for each carriageway and construction of a new bridge over Choba River with a total

length of 261m in pre-stressed concrete beam. Others are: sub-base, cement stabilization, crushed stone base, 60mm asphaltic concrete binder and 40mm wearing courses.

The contract was awarded to Messrs. Setraco Nig. Ltd. in June, 2009 at a cost of ₦55 billion and was expected to be completed by February 2017. In the 2020 budget, there was no appropriation for the project. However, ₦927.9 million was released and utilized from the Nigerian Sovereign Investment Authority (NSIA) as at third quarter of the year. A total of ₦44.4 billion had been released to achieve 79% completion level.

Findings:

At the time of monitoring, the following had been achieved: 421nos culverts, wing walls and extensions, construction of concrete median walkway, sub base, cement stabilization, stone base course and asphaltic binder course on the new carriageway. However, asphaltting wearing course, work on the new bridge adjacent to the existing one at ch.20 + 000 (Choba Bridge), and construction of underdrain are ongoing and at various levels of completion.



Picture 21: Ongoing Dualization of East-West Road Section II-I (Port Harcourt – Ahoada), in Rivers State

Observed outcomes:

There had been an increase in traffic flow on the road following works. The project has so far reduced travel time and increase commercial activities along the road corridor. When completed, it will link the South - South Region with the South West.

5.0 TRANSPORT SECTOR

The Sector had an appropriation of N109.35 billion to execute its capital projects and programmes. Out of this amount, N65.90 billion was released while N42.91 billion was utilised as at the end of third quarter. The following Institutions/projects were monitored:

5.1 NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY (NITT), ZARIA.

The Institute had an appropriation of N13.21 billion in the 2020 budget for the implementation of its capital projects and programmes. Out of this amount, N8.24 billion was released and utilized to execute amongst others the following projects monitored:

a) Construction, Completion and Equipping of Director General / Chief Executive Office and Board Room

The project involves the construction and equipping of a 2-storey building for office accommodation. It comprises: 30nos offices, 2nos conference rooms, a reception room, board room, store, kitchen and 20nos conveniences. The contract was awarded to Messrs. Edil Nigeria Limited at a cost of N187.44 million in 2019 with a completion date of December 2021. The sum of N40.78 million was appropriated, released and utilized in the 2020 budget. A total of N68.03 million had been committed to the project since inception to achieve 75% level of completion.

Findings:

At the time of monitoring, the building had been roofed while plastering, fixing of doors and windows were in progress. Outstanding works include: painting, fixing of tiles, electrical and mechanical fittings, etc.



Picture 22: Ongoing construction of Director General/Chief Executive Office and Board Room at NITT Zaria

b). Garden and Parks Development, Landscaping and Upgrading of Lighting System

The project involves the construction of a Garden and Parks for staff relaxation and upgrading of lighting system in the Institute. It comprises of the construction 9nos traditional huts, 2nos kitchens and stores each, one suya spot area, 6nos conveniences, landscaping and horticulture.

The contract was awarded to Messrs. Hily Lash Nigeria Limited in July 2020 at a cost of N247.75 million with a completion date of December 2021. The sum of N100 million was appropriated in the 2020 budget, out of which N50 million was released and N37.16 million was utilized to achieve 70% level of completion.

Findings:

At the time of monitoring, the building had been roofed, windows and doors installed, electrical/plumbing materials fixed while painting and decoration were in progress and at different stages of completion.



Picture 23: Ongoing construction of Garden and Parks Development, Landscaping and Upgrading of Lighting System

6.0 AVIATION SECTOR

The mandate of the Ministry is to build a safe and efficient aviation industry in Nigeria by formulating, updating and implementing the National Aviation Master Plan. A total of N44.27 billion was allocated to this sector in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N37.91 billion (inclusive of N10.83 billion online AIE) was released and N1296 billion was utilized as at end of third quarter. The following projects were monitored:

6.1 Construction of Terminal Building at Enugu Airport

The project entails the construction of a new Terminal building and a cargo wing at the existing Airport in Enugu. Scope of work includes: construction of the main terminal halls, airline offices, arrival and departure halls, canonical area, installation of central chilling system (air conditioners) and conveyor belts. Others are: installation of 2nos. escalators, lifts, reception/customers desk, VIP lounge, security posts, landscaping and access road.

The contract was awarded in March 2013 to Messrs. CCECC Nig. Ltd. at a cost of N14.24 billion with an initial completion date of December, 2015. The cost was however reviewed upwards to N15.18 billion due to inflation with a new completion date of December, 2020. The sum of N1 billion was

appropriated, released and utilized in the 2020 budget. A total of N11.09 billion had been committed to the project since inception to attain 68% level of completion.

Findings:

At the time of monitoring, works completed include: roofing of the Terminal building, ceiling for the lobby, installation of 2nos. escalators and elevators, air conditioners ducts, firefighting equipment, water reticulation and floor tiling. Others are: painting of roof members, electrical and general mechanical wiring, floor conduct pipes and external works. Outstanding work includes: wall finishing, cargo finishing, provision of safety tank and sewage system.



Picture 24: The installed escalators and elevators at the Terminal building of Enugu Airport

Observed outcomes:

Though the project is still ongoing, it has generated employment for 340 skilled and other classes of workers. Upon completion, it will improve the movement of passengers and goods within and outside the country as well as boost economic activities within the Airport.

6.2 NIGERIAN METEOROLOGICAL AGENCY

The mandate of the Institution is to provide timely and reliable weather/climate information and services to all weather sensitive sectors of

the economy. It was allocated a total of N1.49 billion in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N1 billion was released while N205 million was utilized as at the end of third quarter. The following projects amongst others were monitored.

a) Completion and Installation of Nimet S-Band Doppler Weather Radar at Lagos and Upgrade of Nimet S-Band Doppler Weather Radar at Abuja and Port Harcourt.

The project involves the completion and installation of Nimet S-Band Doppler Weather Radar at Lagos and upgrade of same equipment in Abuja and Port Harcourt Airports. The contract was awarded to Messrs. Isgach Nig. Ltd. and 6-others in February 2020 at a total cost of ₦100 million with an expected completion date of December, 2020.

In the 2020 budget, the sum of ₦100 million was appropriated, out of which ₦78.1 million was released while ₦58.9 million was utilized to achieve 75% level of completion.

Findings:

At the time of monitoring, works completed include: acquisition of site, erection of the Radar on a tower, mechanical and electrical parts and training of operators in Port Harcourt and Abuja while installation works in Lagos is still ongoing.



Picture 25: Installed Weather Radar and monitor

Observed outcomes:

The completion of the project will provide early and accurate warnings for weather-related disasters and reliable wind information for aircraft operation during take-off and landing.

b) **Continuation Of Upgrade Of Satellite Weather Data Acquisition System (Retim, Msg And Sadis)**

The project involves the continuation of upgrade of satellite weather data acquisition system (Retim, Msg and Sadis) in hardware and software.

It was awarded to Messrs. CB Gora Nig. Ltd. and Messrs. Crystal Viewing Ltd. at a total cost of ₦50 million in June, 2020 with an expected completion date of December, 2020. In the 2020, budget the sum of ₦50 million was allocated to the project, out of which ₦49.47 million was released and utilized to achieve 99% level of completion.

Findings:

At the time of monitoring, the project has been completed.

Observed Outcomes:

The project has enhanced reliable wind information for the craft take-off and landing.

6.3 ACCIDENT INVESTIGATION BUREAU (AIB)

The Agency was allocated a total of N750.17 million in the 2020 budget to implement its capital project/programmes. Out of this amount, N375.06 million was released and N185.80 million was utilised to execute amongst others, the following projects:

a) **Equipping of wreckage Hangar**

The project involves equipping AIB wreckage Hangar to meet International Civil Aviation Organization (ICAO) standard and material analysis for further

accident investigation. The contract was awarded to Messrs. Adroit Land Style Ltd in August 2020 at a cost of N247.74 million with a completion date of January 2021. The sum of N215 million was appropriated and released in the 2020 budget while N185.81 million was utilised to achieve 75% level of completion.

Findings:

At the time of monitoring, the following works had been completed: sub structure, roof construction, walls partitioning, windows, doors, fitting and fixtures, floor and ceiling finishing at the hanger while wiring, tiling, fixing of windows were on ongoing during monitoring visit. Painting and landscaping were outstanding. However, equipping of the wreckage hangar is yet to commence.



Picture 26: Ongoing works at the material analysis of the Wreckage Hangar, Abuja

Observed Outcome

When completed, the project will enable prompt and timely removal of plane wreckage at crash site and enhance effective and efficient investigation of air crashes.

6.4 FEDERAL AIRPORT AUTHORITY OF NIGERIA

The Agency was allocated a total of N1.6 billion naira in the 2020 budget to implement its capital projects/programmes. Out of this amount, N1 billion naira was released and utilized to execute amongst others, the following:

a) Extension and Asphalt Overlay of MMIA Runway 18L/3 6R At Lagos Airport (Completion of outstanding Taxiway B)

The project involves the extension and asphalt overlay of MMIA runway 18L/3 6R at Lagos airport for safe operations of aircraft and manoeuvring for take-off. The contract was awarded to Messrs. PW Nigeria Ltd. at an initial cost of N3.31 billion in June 2007 with a completion date of December 2010. However, the cost was revised to N5.58 billion due to increase in the scope of work with a new completion date of Feb 2021.

The sum of N1.6 billion was appropriated in the 2020 budget out of which N1 billion was released and utilized. A total of N3.31 billion had been committed to the project to achieve 85% level of completion.

Findings:

At the time of monitoring, milling, asphalt overlay, and construction of access road were ongoing concurrently.



Picture 27: Extension and asphalt overlay of Runway in progress at MMIA, Lagos Airport

Observed Outcomes:

The project when completed, will enable safe flight operations and manoeuvrings for take-off at the Airport.

b) Upgrade and Rehabilitation of Terminal Building of Jos Airport

The project is located within the premises of Jos Airport in Plateau State. It entails the construction and upgrade of the terminal building at the existing airport. Components of work includes: provision of terminal halls, 150 capacity departure hall, 120 capacity arrival halls and 70 passenger capacity VIP lounge, canonical areas, offices, installation of central chilling system, lifts, conveyor belts, escalators, ticketing area, amongst others.

The contract was awarded to Messrs. PAACHE Construction Nig. Ltd. in November, 2011 at a cost of N489.43 million with an initial completion date of May, 2012. However, the cost was reviewed upwards to N851.32 million due to changes in the scope of contract by the BPP and the New Management (as a result of merger of Ministry of Transportation and Aviation) with a new completion date of December, 2019. In 2020 budget, the sum of N250 million was appropriated while N100 was released and utilized for the execution of the project as at third quarter. A total of N790.46 million has been committed to the project since inception to achieve 90% cumulative performance.

Findings:

At the time of monitoring, works completed include: demolition of existing structure, substructure works, frames and upper structure, steel roof structure, internal and external walls, stairs, floor finishing, wall finishing, mechanical & electrical installation, work drive way, external work, wall cladding and glazing work. Others include: ceiling finishing, windows and doors installation, electrical fittings, fire-fighting system & sprinkler. Outstanding works are: completion of screeding & painting works, installation of central air conditioning, completion of ticketing wing and walkway to the air site.



Picture 28: On-going Upgrade and Rehabilitation of Jos Airport Terminal Building.

Observed Outcomes:

The facility when completed is expected to accommodate more passengers and Airlines as new Airlines such as Max Air have indicated interest in the Jos to Abuja route because of its commercial potentials.

6.5 NIGERIAN COLLEGE OF AVIATION TECHNOLOGY (NCAT), ZARIA

The College was appropriated a total of N2.95 billion in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N1.86 billion was released and utilised to execute amongst others the following project:

a) Supply & Installation of DVOR/DME and ILS for Flight Training

The project involves the Supply & Installation of Doppler Very High Frequency Omnidirectional Radio Range/Distance Measuring Equipment and Instrument Landing System (DVOR/DME and ILS) and other accessories for flight training at the College.

The contract was awarded to Messrs. Merry Aviation Communication Electronics & Industries Nigeria Limited at a cost of N998.03 million in December 2014 with a completion date of December 2020. The sum of N49.90 million was appropriated, released and utilized in the 2020 budget. A total of N857.30 million had been committed to the project since inception to achieve 85% level of completion.

Findings:

At the time of monitoring, the DVOR/DME & ILS equipment installation and training of Instructors had been completed while flight calibration, supplies of test gears and spare parts were still outstanding.



Picture 29: Installed DVOR/DME and ILS at NCAT, Zaria

Observed Outcomes:

When completed, the project will enhance teaching and learning at the college.

7.0 POWER SECTOR

In the 2020 budget, a total of N128 billion was allocated to the Sector to execute its capital projects and programmes. Out of this amount, N68.67 (64.40%) billion had been released while N44.22 billion was utilized as at end of the third quarter. The following projects amongst others were monitored.

a) **Construction of Okpai-Kwale 132KV Double Circuit Transmission Line**

The project involves the engineering, procurement and construction of 132KV Double Circuit Transmission line from Okpai- Kwale in Delta state. The engineering component involves line routing, towers and foundations while procurement component comprises: tower members, stubs for tower foundation, conductors and accessories. The construction component

involves survey, soil investigation, bush clearing/ access roads, foundations, towers erection and stringing.

It was awarded to Messrs. Dextron Engineering Limited in March 2018 at an initial contract cost of \$1,596,069.50 and N235.12 million and was expected to be completed in September 2019. The contract cost was however revised upward to \$1,090,445.17 and N523.50 million due to changes in the scope of works. The sum of N300 million was appropriated in the 2020 budget but there was no release. However, the sum of \$239,410.43 and N37.03 million had been committed to the project since inception to achieve 43% level of completion.

Findings:

At the time of monitoring, the contractor was not on site. However, the engineering component, survey and soil investigation had been completed. In addition, 47nos. each of tower elements and stubs for tower foundation had been procured. Other materials such as conductors and accessories were also procured and waiting delivery. The team was informed that the decrease in the foreign cost (\$) and increase in the local cost (N) of the revised project cost was because one of the components (FET) for the foundation test which was initially costed in dollars (Off shore) was moved to local (Onshore).

Observed outcomes:

The project when completed is expected to provide a reliable power supply to Umusadege-Ogbe Kwale, Ndokwa west and Okpai Ndokwa East Local Government Areas of Delta state. Also, it will aid the stability of the national grid.

Challenges:

The project engineer informed the team that non-payment of compensation to the affected communities, lack of budgetary releases to the project and the water locked nature of the site has inhibited the contractor's remobilization to the site. Therefore, it is recommended that the Ministry of Power should prioritize the project to ensure its early completion.

b) Construction of Ikorodu-Odogunyan- Shagamu 132kv DC Line

The project involves the construction and upgrade of the single circuit to a new double circuit line. The line was scheduled to take off from Ikorodu transmission station via tubular lattice towers to accommodate a new double circuit line constructed in a vertical parallel line.

The contract was awarded to Messrs. Westcom Energy & Technologies Services Ltd. in December 2009 at a cost of €8.93 million + N888.07 million with a completion date of November, 2020. In the 2020 budget, there was no appropriation and release. However, a total of €7.35 million + N825.68 million had been committed since inception to achieve 100% level of completion.

Findings:

At the time of monitoring, 209 towers which spans across approximately 39km from Ikorodu to Sagamu had been constructed. The conductor on this line had also been upgraded from wolf (150mm ACSR) to bear conductor (250mm ACSR) with a loading capacity of approximately 240MW for both lines. The line has been strung completely from tower 1 to 209 and all the associated accessories installed. However, there is still an outstanding liability to be paid.



Picture 30: Completed tower lines at Ikorodu-Odogunyan-Sagamu

Observed Outcomes:

The project has provided power for steel factories and the communities within the corridor.

8.0 EDUCATION SECTOR

The sector is responsible for human capital development. It oversees the development of all the educational policies, tertiary institutions and their regulatory bodies in the country. A total of N75.17 billion was allocated to the sector in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N53.95 billion was released and N18.65 billion was utilized as at the end of third quarter of the fiscal year. The following institutions/projects amongst others were monitored:

8.1. UNIVERSITY OF JOS

The Institution was allocated a total of N104.50 million in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N80.01 million was released and cash backed while, N49.11 million was utilized to execute amongst others the following:

a) Construction of Access Road Linking to Econometric Laboratory:

The project entails the construction of 285m road starting from Administrative building and connecting the Econometric laboratory, Urban & Regional Planning Department, Arts & Culture and Faculty of Management Sciences. Components of works include; site clearance, earthwork, filling and cutting, laying of asphaltic concrete binder and wearing courses, surface dressing, construction of 4nos box and pipe culverts and concrete drainages.

The contract was awarded to Messrs. Jodalsam Global Ltd. in October 2020 at a cost of N47.27 million with an expected completion date of January, 2021. In the 2020 budget, the sum of N59.0 million was allocated to the project, while N34.51 million was released and utilized to achieve 61.38% level of completion.

Findings:

At the time of monitoring, works completed include: site clearance, earthworks, 2nos box culverts, 108m lined drains and surface dressing of first coat on both sides of the road. However, 177m line drains, 1no each of

box and pipe culverts were in progress while, construction of asphaltic concrete binder and wearing courses are still outstanding.



Picture 31: On-going construction of internal access road at the University of Jos

Observed Outcomes:

The team noted that though the project had not been completed, it has created job opportunities for sixty-two (62) skilled and other classes of workers from the host community. Upon completion, it will provide access to various faculties within the institution and also enhance a conducive learning/working environment.

8.2 NIGERIA MARITIME UNIVERSITY, OKERENKOKO – DELTA STATE

The University was established in May 2015 as a paramilitary university and maritime college to train and produce first rate mariners, professionals and investors in the maritime industry and economy. In the 2020 budget, the institution was allocated a total of N333.55 million to implement its capital projects/ programmes. Out of this amount, N233.23 million was released and N209.09 million was utilized to execute amongst others the following projects:

a) *One 30-seater Boat, One 50-seater Boat and one 70-seater Boat*

The project involves the supply and installation of one each of a customized and locally fabricated 30-seater, 50-seater and 70-seater boats respectively for the University. It is aimed at facilitating the conveyance of staff and students to and from the University from Warri coaster land.

The contract was awarded to Messrs. Phaine Business Enterprise in May 2019 at a total cost of N240 million and was expected to be completed within three (3) months. However, this was not achieved due to funding constraint. In the 2020 budget, N240 million was appropriated to the project, out of which N154 million was released and N153.19 million utilized to achieve 63.80% level of completion.

Findings:

At the time of monitoring, the 30-seater boat had been procured, delivered and put to use. The team was informed by the Registrar that the delivery of the remaining 50-seater and 70-seater boats was in process.



Picture 32: The procured 30-seater boat at Nigeria Maritime University, Okerenkoko

Observed Outcomes:

The procured 30-seater boat has eased movement and curtailed the need for the University to engage the services of private/commercial boats for conveying visiting dignitaries, staff and students.

b). Construction/Provision of Hostel

The project involves the construction of an 8-rooms self-contained apartment to provide accommodation for students on exchange programmes. It was awarded to Messrs. Voraj Constructions Ltd. in February 2020 at a cost of N87.55 million with an expected completion period of three (3) months. In the 2020 budget, the sum of N87.55 million was appropriated. Out of this amount, N48.23 million was released and N32.25 million utilized to achieve 30% level of completion.

Findings:

At the time of monitoring, the substructure works had been completed while block works for the superstructure was in progress.



Picture 33: Construction/Provision of Hostel in progress at Nigeria Maritime University, Okerenkoko

Observed Outcomes:

Though the project is still ongoing, it had created job opportunities for thirty-four (34) skilled and other classes of workers. On completion, the building is expected to provide additional accommodation for thirty-two (32) students particularly foreign officers on exchange programmes.

Challenges:

The team was informed by the site engineer that poor soil structure and the unsuitability of the water in the area for construction purposes is slowing down the progress of work.

8.3 FEDERAL UNIVERSITY OF TECHNOLOGY, OWERRI

The Institution was allocated a total of N70.68 million in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N40.18 million was released while N19.26 million was utilized as at the end of third quarter to implement, amongst others, the following project:

a) Completion and Furnishing of School of Science Complex Phase1

The project is located within the permanent site at Ihiagwa Eziobodo Obinze in Owerri. It comprises of the construction is a 2-storey complex with 12 classrooms and offices. It was awarded in October, 2013 to Messrs. Davoris Nigeria Limited at a cost of N310.19 million with an expected completion date of May 2014. However, this was not realized due to paucity of funds.

In the 2020 budget, the sum of N51.52 million was appropriated to the project while N19.26 million was released and utilized. A total of N207.83 million has been committed to the project since inception to achieve 85% level of completion.

Findings:

At the time of monitoring, works completed include: fixing of doors & windows and tiling of all floors while, internal plumbing work, installation of burglaries to all floors and electrical piping were on-going. Outstanding works include: painting, external plumbing works and landscaping.



Picture 34: Construction of School of Science Complex at Federal University of Technology, Owerri

Observed Outcomes:

Though the project is still ongoing, it has created job opportunities for over 200 skilled and other classes of workers. When completed, it will provide enough lecture rooms for over 1,200 students and office spaces for the Heads of Departments as well as other key staff of the university.

8.4 UNIVERSITY OF NIGERIA, NSUKKA

In the 2020 budget, the institution had an appropriation of N249.62 million for the implementation of its capital projects/ programmes. Out of this amount, N174.31 million was released while, N29.56 million was utilized as at the end of third quarter. The following projects were monitored:

a) Construction/provision of Infrastructure including Renovation of Sanitary Facilities.

The project involves the demolition, alteration and renovation of the existing sanitary facilities of a 3-storey students' hostel. It comprises: construction of 84nos of toilets and 4nos laundry facilities. The contract was awarded to Messrs. Pinna Tech. Engineering Nigeria Ltd. at a cost of N96.42 million in September 2020 with an expected completion date of November 2020. In the 2020 budget, the sum of N101 million was appropriated, out of which N14.76 million was released and utilized as the end of third quarter to achieve 15% level of completion.

Findings:

At the time of monitoring, the three wings of the existing toilets had been demolished and renovated while, internal plumbing work, electrical piping, plastering, fabrication of doors and windows were at finishing stage. In addition, materials required to complete the project were on ground.



Picture 35: Construction/Renovation of the three wings old existing toilets at UNN, Enugu

Observed Outcomes:

When completed, the project will add to the existing toilet facilities and improve sanitary conditions in the school.

8.5 FEDERAL COLLEGE OF EDUCATION (TECHNICAL) GOMBE

In the 2020 budget, the College was allocated a sum of N368.02 million to execute its capital projects and programmes. At the end of the third quarter, N205.95 million was released and N134.22 million utilised to execute amongst others the following projects:

a). **Construction of Agric Complex**

The project was designed to provide a storey building of three wings. Scope of works comprises: 20nos offices, 10nos classrooms, a lecture theatre, 4nos laboratories, a departmental library, conference room and 48nos toilets.

It was awarded to Messrs. Sauki Integrated Investment Ltd. in September 2010 at a cost of N213.62 million with an expected completion date of 2021. The sum of N8.02 million was appropriated in the 2020 budget, out of which N4.01 million was released and utilized. A total of N180.57 million had been committed to the project since inception to achieve 90% level of completion.

Findings:

At the time of monitoring, the following has been achieved: plumbing, piping, suspended ceiling, tiling and walkway while painting was in progress. The outstanding work includes: external painting, landscaping and electrical fittings.



Picture 36: Ongoing construction of Agric. Complex

Challenges:

The team was informed that the project has suffered lots of price fluctuation and variation due to time lapse.

Observed Outcomes:

The project has created job opportunities for 70 skilled and other classes of workers. When completed, it will provide more offices for staff and a more conducive atmosphere for learning.

b) Construction/Rehabilitation of College infrastructure

The project involves the rehabilitation of 500 seat capacity lecture theatre and other infrastructures in the college. Components of work includes: renovation of male and female hostels A-E, Math's laboratory and upgrading of sheltered workshop.

It was awarded to Messrs. Fasaha Excellent Business Enterprise Ltd. in April 2020 at a cost of N99.75 million with a completion date of December 2020. The sum of N100 million was appropriated in the 2020 budget, out of which N50 million was released and N49.88 million was utilized to achieve 85% level of completion.

Findings:

At the time of monitoring, work done includes: Rehabilitation of Male hostels

A, B & C with 44 toilets, Math's laboratory and 500 seat capacity theatre. Outstanding works include: rehabilitation of female hostels and upgrading of the sheltered workshop.



Picture 37: Completed Rehabilitation of Male Hostels

Observed Outcomes:

The project has enhanced the learning infrastructure and improved students' accommodation facilities in the institution.

8.6 FEDERAL COLLEGE OF EDUCATION, ZARIA

The College had an appropriation of N61.98 million for the execution of its capital projects/programme. Out of this amount, N30.99 million was released and cash backed while, N30.34 million was utilized. The following project amongst others, was monitored:

a) Construction of 1,500 Seating Capacity Lecture Theatre

The project entails the construction and furnishing of 1,500 seating capacity lecture theatre for students of the College. Components of the work includes: mezzanine and gallery floor, 2nos large and medium sized offices, 2nos changing rooms, 2nos back stages for events, a janitor room, a security room and 20nos conveniences.

The contract was awarded to Messrs. Arid Builders Nigeria Limited in March 2017 at a cost of N242.47 million with an expected completion date of July 2017. In the 2020 Budget, the sum of N61.98 million was appropriated to the project, out of which N30.99 million was released while, N30.34 million was

utilized. A total of N164.68 million had been committed to the project since inception to achieve 75% level of completion.

Findings:

At the time of the monitoring, works completed include: superstructure, plastering, doors, windows, burglary proofs, hand rails, suspended ceiling and electrical conduits. The fabrication of furniture was ongoing while, floor finishing, painting, installation of furniture and external works were still outstanding.



Picture 38: On-going Construction of 1,500 Seating Capacity Lecture Theatre at Federal College of Education Zaria

Challenges:

The team was informed that the project had lingered for too long due to inadequate budgetary provision/ releases.

Observed Outcomes:

Though the project is still ongoing, it has created job opportunities for over 200 skilled and other classes of workers. When completed, it is expected to host events of about 1,500 seating capacity and generate revenue for the Institution.

8.7 BAYERO UNIVERSITY, KANO

The University had an appropriation of N696.34 million for the implementation of its capital projects/programmes. Out of this amount, N450.98 million was released while, N272.92 million was utilised to execute

among others the following projects:

a) Rehabilitation, Expansion and Furnishing of Offices/Lecture Rooms at College of Health Sciences

The project entails the rehabilitation, expansion and furnishing of offices/lecture rooms at the College of Health Sciences. Components of work include: construction of a 2nos. of one-storey building with lecture halls, offices and conveniences.

The contract was awarded to Messrs. UGS and APD Associates in September 2018 at a cost of N450.91 million with an expected completion date of December, 2020. The sum of N90 million was appropriated and released to the project in the 2020 budget while, N45.37 million was utilized. A total of N425.66 million had been committed to the project since inception to achieve 100% completion.

Findings:

At the time of the monitoring, the two buildings had been completed and furnished while awaiting commissioning.

Observed Outcomes:

When commissioned, it is expected to provide office accommodation for staff and lecture halls for students of the institution.



Picture 39: One of the 2nos. completed offices/lecture halls at College of Health Sciences, Bayero University, Kano.

b) Construction and Furnishing of Faculty of Veterinary Medicine Building

The project entails the construction of four (4) blocks of one-storey building each with lecture halls, offices, laboratories and conveniences to accommodate staff and students of the college. The contract was awarded to Messrs. UYK Nigeria Limited and Messrs. MNM Nigeria Limited in December 2018 at a total cost of N515.40 million with an expected completion date of December 2020.

The sum of N90.0 million was appropriated and released to the project in the 2020 budget while, N68 million was utilized. A total of N479.71 million has been committed to the project since inception to achieve 100% level of completion.

Findings:

At the time of monitoring, all the buildings have been completed.

Observed Outcomes:

It is expected to provide a conducive teaching and learning environment for lecturers and students of the institution.



Picture 40: Completed 4-block buildings of Faculty of Veterinary Medicine at Bayero University, Kano

8.8 NATIONAL INSTITUTE FOR CONSTRUCTION TECHNOLOGY, UROMI, EDO STATE

The Institute was allocated a total of N126.36 million in the 2020 budget to implement its capital projects/ programmes. Out of this amount, the sum of N120.61 million was released and cash backed while, N84.05 million was utilised as at the end of the third quarter to execute amongst others the following project:

a) Construction/Provision of Skill Acquisition Workshop

The project entails the construction of a Centre for skill acquisition in water management at the permanent site of the Institution. The components include: 2nos halls of 100 and 40-seater capacity each, 3nos. staff offices and conveniences. Others are: a separate clock room building with 3nos offices, a stanchion of 300,000 litres' capacity and an overhead tank.

The contract was awarded to Messrs. Ernies Logistics Limited in November 2019 at a cost of N31.29 million and was expected to be completed within twelve (12) weeks. This was not achieved due to COVID-19 pandemic. The completion date was however revised to December 2020. In the 2020 budget, the sum of N11.50 million was appropriated out of which N10.71 million was released and utilized. A total of N15.40 million had been committed to the project since inception to achieve 87% level of completion.

Findings:

At the time of monitoring, the superstructures for the buildings had been completed and roofed. In addition, fixing of suspended ceilings, doors & windows, burglaries and electrical piping had substantially been achieved. However, the construction of the stanchion and landscaping works were in progress. Outstanding works include: painting, installation of the tank, laying of interlocks and clocking facilities. The team observed that there was significant quantum of interlock materials, sharp sand and cement on ground to complete the project.



Picture 41: Ongoing Construction/Provision of Skill Acquisition Workshop at NICT, Uromi in Edo State

Observed Outcomes:

Though the project is still ongoing, it has engaged more than fifty (50) skilled and other classes of workers at the site. On completion, it will facilitate acquisition of skills on water production, hydrology as well as provide portable water for consumption at the main campus of the Institution.

9.0 HEALTH SECTOR

The mandate of the Ministry is to design policies and programmes that will reduce the incidences of child & maternal mortality rate and promote qualitative & affordable health care delivery in the country. To this end, Government allocated a total of N51.40 billion to the sector in the 2020 budget to implement its capital projects and programmes. Out of this amount, N49.08 billion was released while, N23.17 billion (47.20%) was utilized. The following Institutions/projects were monitored:

9.1 FEDERAL MEDICAL CENTRE (FMC) KEFFI, NASARAWA STATE

The Centre had an appropriation of N294 million in the 2020 budget. Out of this amount, N248.82 million was released and cash backed, while N155.64 million was utilized for the implementation of its capital project/programmes. The following projects amongst others were monitored:

a) **Completion of ENT, Physiotherapy, Dental Ophthalmology (Specialty) Patients Ward II**

The project entails the construction of a storey building to accommodate ENT, Physiotherapy and Dental Ophthalmology (Specialty) patients for onward activities. Scope of works include: doctors consulting room, 4nos theatre rooms, 2nos laboratories, nurses' stations, 22nos offices, 15nos wards, 3nos conference halls, a central reception, 3nos stores and 42nos conveniences.

The contract was awarded to Messrs. Elektron Nigeria Ltd. in October, 2010 at a cost of N272.54 million with an expected completion date of December, 2021. The sum of N160.00 million was appropriated in the 2020 budget, out of which N118.82 million was released while N85.62 million has been utilized bringing total financial commitment to N201.37 million to achieve 74% level of completion.

Findings:

At the time of monitoring, the super structure had been completed including roofing, electrical and mechanical piping. However, fixing of doors & window frames, burglaries, internal plastering, and electrical wiring were currently ongoing. Outstanding works include: external plastering, floor finishing, fixing of toilets fitting, painting, landscaping, interlocks, and part of mechanical works.



Picture 42: On-going Construction of ENT, Physiotherapy, Dental, Ophthalmology (Specialty) Patients Ward II at FMC, Keffi

Observed Outcomes:

The hospital is currently experiencing congestion in the existing ENT department. When completed, the project will accommodate the Dental, Ophthalmology, Physiotherapy and Thremmatology departments. In addition, the facility is expected to tackle special disease related cases in line with the mandate of the aforementioned departments in the hospital.

b) Completion/Renovation of Medical Laboratory

The project is a storey building and it entails the completion/construction of medical laboratory extension. The scope of works includes; provision of 37nos offices for consultants & lab. scientist, 6nos laboratories (molecular and COVID-19 lab), 14nos conveniences and 1nos mini conference room. Other components include; landscaping and interlocking works.

The contract was awarded to Messrs. Taham Int'l Nig. Ent. Ltd. in October, 2010 at a cost of N163.57 million with an expected completion date of December, 2020. The sum of N35.00 million was appropriated, released and utilized in the 2020 budget as at third quarter of the year. A total of N163.57 million had been committed to the project since inception to achieve 100% cumulative performance.

Findings:

At the time of monitoring, the project had been completed and put to use.



Picture 43: The completed Medical Laboratory at FMC, Keffi.

Observed Outcomes:

The project had enhanced the capacity of the lab scientists to function optimally. The expanded facility has provided an enlarged accommodation for the laboratory scientist and consultants. It will aid researches into modern ailments thereby improving their efficiency in service delivery at the hospital.

9.2 FEDERAL MEDICAL CENTRE (FMC), YENAGOA – BAYELSA STATE

The Institution was appropriated a total of N589 million in the 2020 budget, to execute eight (8) capital projects and programmes out of which N395.35 million was released and N318.35 million utilized. The following projects amongst others were monitored:

a) **Completion of Medical Records Block**

The project is the completion of 2-storey building designed to house the medical records department, medical clinics and a library. It comprises of an Information Centre, clinics, consulting rooms, nurses changing station, a library, waiting halls, stores and conveniences. The project was initiated as a constituency project in 2010 but was thereafter stalled at foundation level (5% achieved) due to funding constraint. In 2019, the project was later taken over by the hospital and recaptured under the annual budget.

It was awarded to Messrs. Samygo Construction Nig. Limited in 2010 at a cost of N223.55 million and was expected to be completed within six (6) months. This was however not achieved due to abandonment. The sum of N143.27 million was appropriated to the project out of which N142.27 million was released and utilized thus bringing total financial commitment to N223.65 million to achieve 90% level of completion.

Findings:

At the time of monitoring, the superstructure had been completed and roofed. In addition, fixing of doors and windows, ceiling, electrical wiring and plastering were achieved. Works outstanding include: hand railing (stair

case), fixing of plumbing/electrical fittings and painting.



Picture 44: The Medical Records Block almost completed at FMC Yenagoa

Observed Outcomes:

On completion, the building will provide a conducive office accommodation for the medical records departments, hospital medical clinics and the library which are currently occupying a section of the stores facility which is highly congested. Consequently, it will increase access to health care service delivery.

b) **Expansion/Construction of Six (6) Theatre suites**

The Project is a one-storey building comprising of 6nos. theatre with offices, rest rooms, call room, doctors' changing rooms, a store and recovery room; all en-suites. It was initiated and started as a constituency project in 2010 but was stalled at DPC level due to lack of funding. However, the project was resuscitated by the hospital management in 2019 and now funded through the annual budgetary allocations.

It was re-awarded to Messrs. H.B. Oxley Nig. Ltd. In June 2019 at a cost of N150.74 million and is expected to be completed in 2021. The sum of N88 million was appropriated to the project in the 2020 budget out of which N50 million was released and utilized as the end of third quarter. A total of N93.44 million had been committed to the project to achieve 40% level of completion.

Findings:

At the time of monitoring, the contractor was not on site due to funding constraints. However, work done included: amendment/ completion of the foundations works, construction of ground floor slabs, columns and

suspended slabs. The team was informed that the process for upward review of the project cost is ongoing.



Picture 45: Ongoing construction of 6-theatre suites building at FMC Yenagoa

Observed Outcomes:

Though the project is still ongoing, it had provided temporary employment to 4-skilled and 300 unskilled labour of Apie-Itisa community and environs. On completion, an additional six (6) functional theatre ensuite will be made available to cater for the increasing operational/surgical demands at the hospital thereby enhancing access to medical health care services by the people.

9.3 FEDERAL MEDICAL CENTRE, AZARE

The Hospital had an allocation of N229 million in the 2020 budget for the execution of its capital projects and programmes. The sum of N163 million was released as at end of 3rd quarter while N60 million was utilized to execute among others the following projects monitored by the team.

a) Supply and Installation of ICU Medical Equipments

The project entails the supply and installation of 4nos. each of mechanical ventilators and ICU beds, patients' monitors, trollies and their accessories. The Project was awarded to Messrs. Socky Nigeria Limited in October, 2019 at a total cost of N25 million with an expected completion date of September, 2020.

In the 2020 budget, the sum of N5 million was appropriated to the project while, the sum of N3.7 million was released and utilized in the quarter. A total of N19.6 million has been committed to the project since inception to achieve 60% level of completion.

Findings:

At the time of monitoring, two (2) each the four (4) sets of equipment has been supplied installed while the remaining are yet to be procured.



Picture 46: 2-sets of ICU Medical Equipment Installed and ready for use at FMC Azare, Bauchi State.

Observed Outcomes:

With the equipment procured, The Centre will be able to handle intensive care patients with less stress and save more lives.

b) Construction of Road Networks, Walkways and Surrounding Landscaping

The project entails the Construction of 460m road network with 2.1m drainage, 518m walkway and landscaping to provide access road to and within the Permanent Site of the Hospital. The contract was awarded to Messrs Aldan Project Nigeria Limited in December, 2019 at a cost of N135.29 million with a completion date of May, 2020.

The sum of N40 million was appropriated in the 2020 budget, out of which N30million was released and utilized at the end of third quarter. A total of N124million had been expended on the project since inception to achieve

100% level of completion however with some outstanding certificates to settle.

Findings:

At the time of monitoring, the walkway and the dual carriage road leading to the main entrance gate and single lane road work within the hospital had been completed and put to use. Interlocking around some parts of the departments and planting of flowers and trees are on-going.



Pictures 47: Construction of Road Networks and Walk Ways at Federal Medical Centre, Azare

Observed Outcomes:

The project has provided job opportunities for skilled and unskilled labour in the area. On completion of the access road; it would facilitate the easy movement of goods and services, especially, patients during emergencies. The landscaping also would provide clean and beautiful environment within the Hospital

9.4 FEDERAL MEDICAL CENTER, OWERRI

The Federal Medical Centre, Owerri was allocated the sum of N435 million in the 2020 budget for the implementation of its capital project/programmes. Out of this amount, N272. 50 million was released while N154 million was utilized as at the end of the third quarter. The following projects were monitored:

a) **Upgrading, Restructuring, Equipping of Renal Dialysis Centre.**

The project entails the upgrading, restructuring, equipping of renal dialysis centre comprising of 4nos dialysis wards with ten (10) bed spaces, 8nos. children incubator rooms and crèche, doctors/consultants call offices, and nurse bay, 4nos. laboratories, 2nos ramps, etc.

The contract was awarded to Messrs. Amayaro Associates Limited and Messrs. Teecon Nig. Limited in 2018 at a total cost of N234.85 million and was scheduled for completion in December, 2020. In the 2020 budget, the sum of N120 million was appropriated to the project while N72.50 million was released and N62.74 million was utilised. A total of N 193.34 million has been committed to the project since inception to achieve 85% level of completion.

Findings:

As at the time of monitoring, the structure had been completed and roofed while mechanical and electrical works, fixing of doors, tilling and landscaping works were in progress. In addition, the equipment had been supplied and ready for installation.



Picture 48: Construction of Renal Dialysis Centre, at FMC, Owerri

Observed Outcomes:

The project has provided job opportunities to over 15 skilled and 200 unskilled labour in the community. On completion, the project will improve the capacity of the hospital to manage renal cases within Owerri and the adjoining states.

9.5 FEDERAL MEDICAL CENTRE (FMC), UMUAHIA

The hospital was allocated a total of N322 million in the 2020 Budget. Out of this amount, N187.52 million was released, and utilized as at the end of third quarter for the implementation of its capital projects/programmes. The following projects were monitored:

a) **Completion/Construction of Modern Accident and Emergency/Intensive Care Unit.**

The project involves the completion of the ongoing construction of 2-storey building of modern Accident and emergency/ Intensive Care Unit at the Centre. Scope of works include: Intensive Care Unit (ICU), 2nos. pharmacy, nurses' station, 2nos theatre halls and treatment rooms, records unit, 3nos. Consulting offices, Obstetrics and Gynaecology (O & G). Others are: Endoscopy room, recovery room, a laboratory, 2nos. wards, a call/changing room and an emergency ward at the ground floor,

The contract was awarded to Messrs. Home Option Developers Ltd. in September, 2019 at a cost of N242.03 million with an expected completion date of November, 2021. In the 2020 budget, the sum of N144 million was appropriated while N47.48 million was released and utilized. A total of N145.52 million had been committed to the project since inception to achieve 59% level of completion.

Findings:

At the time of monitoring, the sub-structure, decking of first floor, provision of lift shaft on the ground floor had been achieved. The reinforcement/beams and block work in second floor were in progress.



Picture 49: Ongoing works at the Accident and Emergency/ Intensive Care Unit at FMC Umuahia

Observed Outcomes:

Although the project is still ongoing, it has created job opportunities for over seventy (70) skilled and unskilled labour. On completion, it will enhance the capacity of the hospital to manage accident cases and other patients requiring intensive care.

9.6 FEDERAL MEDICAL CENTRE (FMC), GUSAU– ZAMFARA STATE

The Centre had a total allocation of N350 million in the 2020 Budget to implement its capital projects/programs. Out of this amount, N260.65 million was released at end of the third quarter. This project amongst others was monitored:

a) Purchase of Medical Equipment

The project involves the purchase of 3nos Ventilators, 2nos Monitors, 2nos Defibrillators and one Cardiograph. The contract was awarded to Messrs. Pekamol Ventures Nigeria Limited in December 2019 at a cost of N408.48 million and is expected to be completed in December 2021. The sum of N30 million was appropriated in the 2020 Budget, out of which N15.26 million was released and utilized. A total of N48.26 million had been committed to the project to achieve 30% level of completion.

Findings:

At the time of monitoring, all the equipment had been procured and put to use.



Picture 50: Some of the Medical Equipment Procured and Installed at the ICU, FMC Zamfara

Observed Outcomes:

The supply of the equipment has improved the quality of healthcare delivery in the Centre especially for patients with respiratory challenges. In addition, it had helped to save lives.

9.7 FEDERAL TEACHING HOSPITAL IDO-EKITI

In the 2020 budget, the sum of N257 million was allocated to the hospital for its capital projects and programmes. Out of this amount, N207 million was released and utilized. The following projects amongst others were monitored;

a) Construction of Modern Accidents and Emergency building

The project is a storey building comprising of children's ward, Accident & Emergency, Orthopaedic and labour wards. Other components are: gynaecology wing, administrative office, nurses' station and doctors call room. It is expected to house 33 beds for both male and female patients with an operating theatre.

The contract was awarded to Messrs. Atlantic Offshore Property Development Marketing Coy Ltd. in October 2018 at the cost of N234 million with an initial completion date of October 2019. In the 2020 budget, the sum of N50 million was appropriated, released, and utilized thus, bringing total financial commitment to N136 million to achieve 65% level of completion.

Findings:

As at the time of monitoring, the super structure including roofing, columns and beams, mechanical/electrical and flooring had been completed. Tiling, toilet fittings, railings and landscaping were still outstanding.



Picture 51: On-going Construction of Modern Accidents and Emergency Building at FTH Ido-Ekiti

Observed Outcomes:

The project when completed, it will enhance the capacity of the hospital to manage accident cases as well as enhancing medical service delivery.

9.8 ABUBAKAR TAFAWA BALEWA UNIVERSITY TEACHING HOSPITAL, BAUCHI

The hospital had an appropriation of N244 million in the 2020 budget. Out of this amount, a total of N92.2 million was released and same utilized to execute among others the following projects:

a) Construction of Psychiatric Clinic at ATBU Teaching Hospital

The project involves the construction of a bungalow consisting of 8nos.

consulting rooms, a large reception room, 2nos nurses changing room, a pharmacy with store, manager's office, and a recovery room, etc. The project was designed to upgrade the existing structure of psychiatric clinic in order to accommodate the increasing number of psychiatric cases in the area due to insurgency.

The contract was awarded in January 2018 to Messrs. Edil Nigeria limited at a cost of N100 million with an expected completion date of December 2021. In the 2020 budget, the sum of N60 million was appropriated while N37.2 million was released and utilized. A sum of N70.7 million had been committed to the project so far to achieve 72% level of completion.

Findings:

During the monitoring, the building structure including roofing, plastering, burglary and ceiling works had been completed. Works in progress were internal painting and POP ceiling works while installation of floor tiles, plumbing and electrical fittings, fixing of doors and windows were yet to commence.



Pictures 52: Ongoing Construction of Psychiatric Clinic at the ATBU Teaching Hospital, Bauchi State

Observed Outcomes:

When completed, the hospital will be equipped with residency training in psychiatry. In addition, the capacity of the hospital to manage psychiatric cases would be enhanced.

9.9 NATIONAL ORTHOPAEDIC HOSPITAL DALA KANO

The hospital was allocated a total of N120 million in the 2020 budget to implement its capital projects and programmes. Out of this amount, N72.50 million was released and utilized. The following project was monitored:

a) **Construction of New Operating Theatre Complex**

The project entails the construction of a storey building which comprises of 8nos theatre suits, 4nos common rooms, one sterilization unit, conference room and changing rooms. The contract for the project was awarded to Messrs. Assasco Nigeria Limited in November 2017 at a cost of N237.14 million and was expected to have been completed in May, 2019.

The sum of N50.0 million was appropriated to it in the 2020 Budget, out of which N37.70 million was released and utilized. A total of N210.44 million had been committed to the project since inception to achieve 80% level of completion.

Findings:

At the time of monitoring, the super-structure and roofing had been completed while plastering, tiling and painting were at different stages of completion. Outstanding works includes: mechanical/electrical fittings and external works.



Picture 53: On-going Construction of New Operating Theatre Complex at National Orthopaedic Hospital Dala Kano

Observed Outcomes:

On completion, the project will improve service delivery and operating capacity of the hospital.

9.10 UNIVERSITY OF PORT HARCOURT TEACHING HOSPITAL

The Institution had an appropriation of N70.67 million for the implementation of its capital projects/programmes. Out of this amount, N43.99 million was released while N12.43 million was utilised to execute amongst others the following project:

a) Construction of Psychiatric Building

The project entails the expansion of the old psychiatric ward to enhance access to mental health care in the hospital. It involves the construction of a 2-storey building with clinics, office accommodation, conveniences and others.

The contract was awarded to Messrs. Adacosa & Investment Co. Ltd. in November, 2011 at a cost of ₦245.56 million with a completion date of December 2021. The sum of ₦113.13 million was appropriated in the 2020 budget, out of which ₦67 million had been released and utilized. A total of ₦227.84 million had so far been expended on the project since inception to achieve 85% level of completion.

Findings:

At the time of monitoring, the super-structure, roofing, tilling, mechanical and electrical fittings had been completed. Internal painting and other finishing works were ongoing concurrently.



Picture 54: Ongoing Construction of Psychiatric Building at the University of Port Harcourt Teaching Hospital

Observed Outcomes:

Though the building is yet to be completed, it has provided employment for artisans and engineers. When completed, the facility will provide additional wards, offices and clinics.

9.11 JOS UNIVERSITY TEACHING HOSPITAL, PLATEAU STATE

The hospital had an appropriation of N370.00 million in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N245.87 million was released while N151.69 million was utilized as at end of third quarter. The following project amongst others was monitored:

a). Construction of Additional Ward (Amenity):

The project entails the construction of a storey building comprising: 32nos amenity wards, doctors consulting rooms, call duty office, nurses' stations, central reception, 42nos conveniences, 2nos stores, 2nos kitchen and a generator house.

The contract was awarded to Messrs. Andex Press and Allied Service Ltd. in June, 2017 at a cost of N437.70 million with an expected completion date of December, 2021. The sum of N150.00 million was appropriated and released in the 2020 budget while N123.48 million was utilized. A total of N310.01 million had been committed to the project since inception to achieve

83% cumulative performance.

Findings:

At the time of monitoring, work completed includes: sub-structure and superstructure works such as roofing, ceiling, electrical conduit piping, plumbing, wall screeding & tiling, aluminium grills, burglary proofs, fixing of doors & windows and staircases stainless steel railings. Work in progress includes: completion of internal wall partitioning, kitchen worktops, electrical cabling and fittings. While, painting (internal & external), external electrification, external works (soft and hard landscaping) and construction of access road amongst others are still outstanding.



Picture 55: On-going Construction of Additional Ward (Amenity) at Jos University Teaching Hospital

Observed Outcomes:

Though the project is still ongoing, it has created job opportunities for over 120 skilled and other classes of workers. Upon completion, it will provide additional staff offices and amenities suites for the patients at the hospital. In addition, it will improve access to the hospital facility and enhanced internally generated revenue.

10.0 AGRICULTURAL SECTOR

The Ministry is saddled with the responsibility of reducing the country's dependence on food importation, job creation through empowerment of farmers and to provide windows for export of agricultural products. To

achieve this, Government allocated a total of N102.49 billion to the sector in the 2020 budget to implement its capital projects/programmes. Out of this amount, N81.74 billion was released while, N12.55 billion (15.35%). The following Institutions/projects were monitored.

10.1 UNIVERSITY OF AGRICULTURE, MAKURDI

The University had an appropriation of N344.75 million in the 2020 budget. Out of this amount, N289.88 million was released and cash backed, while N150.85 million was utilized for the implementation its capital project/programmes. The following projects were monitored:

a) Construction of Access Road and Drainage System

The project involves the construction of 23km road starting from the Ring road within the Administrative block connecting the students' hostel, library, ICT Centre and terminating at the College of Forestry and Animal science.

The contract was awarded to Messrs. Centrefield Engineering Ltd. in December 2019 at a cost of N3.50 billion with a completion date of December, 2020. The sum of N64.43 million was appropriated, released and utilized in the 2020 budget. A total of N269.09 million had been committed to the project since inception to achieve 35% level of completion.

Findings:

At the time of monitoring, works done include: construction of re-enforced concrete drainage, 7nos box and ring culverts, laterite filling and laying of 7km asphalt. Work in progress includes: asphaltting of the ring road junction to the Department of Forestry & Animal science and construction of drainages amongst others.



Picture 56: A Section of the Completed Asphaltic Access Road Network and the Ongoing Graded Portion of the Road at University of Agriculture, Makurdi

Observed Outcomes:

The project has created job opportunities for over 100 skilled and other classes of workers in the area. Upon completion, it will create easy access for students, staff, public and vehicles between the North and South cores of the University.

10.2 FEDERAL COLLEGE OF AGRICULTURE, AKURE

The Institution was allocated a total of N201.97 million in 2020 budget to implement its capital projects and programmes. Out of this amount, N112.98 million was released and utilized to execute amongst others the following project:

a) Farm development project rehabilitation of 3-hectres crops; rehabilitation of livestock farms and provision of alternative power supply.

The project entails revamping of a number of farm units to improve the production capacities and aid delivery of quality training. Others include: renovation of goats' unit and the procurement/installation of alternative power supply (solar). The contract was awarded in August ,2020 to Messrs. FCA at a cost of N20.33 million with an expected completion date of December, 2020. The sum of N21.34 million was appropriated to the project in the 2020 budget while N20.23 million was released and N15.60 million

was utilized to achieve 77% level of completion.

Findings:

At the time of monitoring, 2,400 cocoa seedlings had been procured out of which 2,200 were planted while 200 oil palm seedlings had been procured. The rehabilitation of oil palm and rubber plantation, clearing of thick forest and pruning of 3-hectre oil palm were ongoing while the supply of 2,200 cocoa seedlings was still outstanding.



Picture 57: Procured Cocoa & Palm Oil Seedlings and Part of the Pruned Palm Oil Plantation.

Observed Outcomes:

The project had improved the existing farm facilities thereby meeting up with minimum NBTE requirements for accreditation. On completion, the project is expected to contribute to food security, job creation and improvement in the development of value chain.

10.3 FEDERAL COLLEGE OF AGRICULTURE ISIAGU, EBONYI STATE

The mandate of the Institute is to advance the frontiers of agricultural productivity for attainment of self – sustainable growth and food security in the economy. To achieve this, a total of N675.97 million was appropriated in the 2020 budget. Of this amount, N338.69 million was released while N235.37 was utilized as at the end of September, 2020 to execute amongst others the following monitored projects:

a) **Entrepreneurship / Vocational Training for 500 Unemployed Youth, Farmers and Women on Fish, Cassava, Rice and Honey Production.**

This involves vocational training of 500 unemployed youths, rural women and farmers in cassava, rice, honey and fisheries production. The project was jointly executed by Messrs. FECAI Ventures Ltd and the Training Unit of the College at a cost of N30 million in September, 2020 with a completion date of November, 2020. In the 2020 budget, the sum of N20 million was appropriated while N10.15 million was released and utilized to achieve 22% level of completion.

Findings:

At the time of visit, 110 participants had been trained on fish, cassava, rice and honey production.



Picture 58: A Cross Section of the Entrepreneurship/Vocational Training for Farmers, Unemployed Youth and Women.

Observed Outcomes:

On completion, it will empower the host communities in cash crop production thereby increasing the agricultural value chain.

b). **Construction of Farm Houses in the College to ease Teaching and Learning:**

The project entails the construction of residential accommodation for staff of the college. It comprises: 5nos. bungalow, a store and training hall with toilet facilities. The contract was awarded to Messrs. Gentor Stage Ltd. in August,

2020 at a cost of N106 million with an expected completion date of May, 2023. In the 2020 budget, the sum of N103 million was appropriated while N52 million was released and utilized to achieve 52% level of completion.

Findings:

At the time of monitoring, two (2) bungalows had been completed and block works for the third bungalow was ongoing at lintel level.



Picture 59: The Completed and Ongoing Farm Houses at FCA Isiagu

Observed Outcomes:

The project had provided employment opportunities for over 50 skilled and other classes of workers. On completion, it will be used for students' training/practical, accommodation and preservation of farm produce.

10.4 FEDERAL COLLEGE OF FISHERIES AND MARINE TECHNOLOGY, LAGOS

The Institute was allocated a total of N5.38 billion in the 2020 budget for the implementation of its capital projects/ programmes. The sum of N2.98 billion was released while N1.88 billion was utilised. The following project amongst others were monitored:

a) Completion and Furnishing of Students Hostel

The project entails the completion of 2nos of 2-storey students' hostel and furnishing. The contract was awarded to Messrs. Zadkofa Nigeria Ltd. in August 2016 at a cost of N242.81 million with a completion date of December

2022. In 2020 budget, the sum of N14.16 million was appropriated while N7.07 million was released and utilized. The sum of N 47.08 million had been committed to achieve 65% level of completion.

Findings:

At the time of monitoring, the two (2) hostels had been completed with 78nos. industrial fans installed.



Picture 60: *Completed Students' Hostel at FCFMT, Lagos*

Observed Outcomes:

When fully completed, it will provide adequate and conducive accommodation for students.

b) Development of Clarias Culture at College Campus

The project entails construction of cage for the breeding of clarias fish at natural water for students practical. The contract was awarded to Messrs. Edil Nig. Ltd. and Messrs. Adeola A. A Global Concept in May 2017 at a total cost of N350 million. In the 2020 budget, the sum of N154 million was appropriated out of which N77 million was released while N63.85 million was utilized bringing total financial commitment to N163 million to achieve 61% level of completion.

Findings:

At the time of monitoring, 8nos. cage cultured had been constructed and 70,000 clarias stocked in each cage with feeds. Navigational plotters and fishing aids procured, 6nos. earthing ponds constructed, 2nos. (15x15), 1no

(30x15) 40,000 juvenile stocked, 2nos. petrol pump (5HP diesel) nets and sundries. Others are: 2nos. cage deployed at Igbolomi jetty, 2,300 bags of fish feeds (2mm-8mm) 1no shallow borehole and construction of platform.



Picture 61: *On-going Construction and Development of Clarias Culture at College Campus*

11.0 PETROLEUM RESOURCES SECTOR

The Sector was appropriated the sum of N2.93 billion in the 2020 budget to implement its capital projects and programmes. Out of this amount, N1.47 billion was released while N489.92 million was utilized as at end of the third. The following Institutions amongst others were monitored:

11.1 PETROLEUM TRAINING INSTITUTE (PTI), EFFURUM IN DELTA STATE

In the 2020 budget, the sum of N982.25 million was allocated to the Institute to execute its capital projects and programmes. Out of this amount, N499.93 million was released and utilized to execute amongst others the following projects:

a) **Completion of Construction and External works on Oil and Gas Fire Academy**

The project entails the completion of the construction of a 300-seater capacity lecture theatre (Acquisition Skill Centre) and external works. It was

awarded to Messrs. Hequip Nigeria Ltd. and three (3) others in between February and December 2018 at a total cost of N408.33 million and is expected to be completed by December 2020.

In the 2020 budget, the sum of N101.92 million was appropriated out of which N58.10 million was released and N58.02 million utilized as at the end of third quarter. This brings the total financial commitment to N267.44 million to achieve a cumulative performance of 60%.

Findings:

At the time monitoring, there was no activity ongoing at the site due to the COVID-19 pandemic and the lockdown. However, structural works, roofing, screeding, tiling, plumbing, electrical wiring, fixing of windows and ceiling had been completed while substantial works was achieved on external works such as concrete pavement kerbs and drainages.



Picture 62: Construction of 300-Seater Lecture Theatre & External Works at PTI, Effurun

Observed Outcomes:

The project when completed will provide a lecture facility to a minimum of three hundred (300) students for skill acquisition in the Institution to build local capacity and expertise in the area of Oil and Gas.

12.0 INDUSTRY, TRADE AND INVESTMENT SECTOR

The Sector was allocated the sum of N26.01 billion in the 2020 budget to execute its capital projects and programmes. As at 30th September 2020, N33.86 billion was released while N3.83 billion was utilized. The following Agencies / projects were monitored:

12.1 FEDERAL PRODUCE INSPECTION SERVICE (FPIS)

The Service is an arm of the Ministry of Industry, Trade and Investment responsible for inspection and quality control of all Agricultural produce to ensure compliance with prescribed international grades and standards as precondition for export or local processing. The sum of N141.65 million was appropriated in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N90.18 million was released while N89.13 million was utilized to execute amongst others the following projects/programmes:

a) Organic pest control of selected Agro Commodity for export

The programme involves annual sensitization of stakeholders on organic pest control and the demonstration of Neem extract and their uses in fumigation. It was executed directly by the FPIS Headquarters in September 2020 at a cost of N33.96 million and was expected to be completed within a period of one week. The sum of N42.49 million was appropriated to the programme while N33.96 million was released and utilized to achieve 100% level of completion.

Findings:

At the time of monitoring, the programme had been completed.



Picture 63: Some Sessions of the Stakeholders' Forum Organized by FPIS, Abuja

Observed Outcomes:

The programme has trained farmers and exporters on grain preservation through the application of Neem extracts. In addition, the competitiveness of Nigerian agricultural commodities is expected to be enhanced in both the domestic and international markets thereby facilitation sustainable job and creation in the economy.

b) ***Sensitization of stakeholders on Federation of Cocoa Commerce (FCC) Rules and Regulations in Grading of Cocoa***

The programme entails sensitization of stakeholders on FCC grading techniques demonstration, testing and quality analysis and terminal grading techniques in four (4) selected states of South South and South West geopolitical zones namely: Akure, Lagos, Ekiti and Cross River.

The sensitization was carried out directly by the FIPS Headquarters in August 2020 at a cost of N28.47 million. The sum of N29.27 million was appropriated in the 2020 budget out of which N28.47 million was released and utilized to achieve 100% completion.

Findings:

At the time of monitoring, workshops had been held in all the selected states with more than three (300) participants in attendance.



Picture 64: A Cross Section of the Sensitization Forum of Cocoa Farmers/ Stakeholders

Observed outcomes:

The programme had enhanced the capacity of cocoa farmers to improve production.

12.2 TAFAWA BALEWA SQUARE MANAGEMENT BOARD, LAGOS

A total of N855.72 million was allocated to the Agency in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, the sum of N427.66 million was released and utilized at the end of the third quarter to execute amongst others, the following projects:

a) Supply of Single-Phase And 3-Phase Prepaid Meters

The project entails the supply and installation of 135nos of single phase and 65nos of 3-phase prepaid meters for offices and shops that were placed on estimated billing method as well as replacement of obsolete ones at the complex. The contract was awarded in January 2020 to Messrs. Bashabhen Ltd. at a cost of N41.79 million and is expected to be completed in May 2021. The sum of N42.75 million was appropriated and released to the project while N41.79 million was utilized to achieve 100% level of completion.

Findings:

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



Picture 65: Some of the purchased meters at the Tafawa Balewa Square Management Board, Lagos

Observed Outcomes:

The project has provided improved electricity supply to the complex as most of the offices and shops now enjoy electricity. In addition, it has increased energy efficiency and boost business activities at the complex, thereby enhancing internally generated revenue for the Management Board.

13.0 INTERIOR SECTOR

The Sector was appropriated a total of N32.93 billion in the 2020 budget to execute its capital projects/programmes. Out of this amount, N25.72 billion was released (including an online AIE of N4.26 billion), while N19.79 billion was utilized as at the end of the third quarter. The following Agencies/projects were monitored:

13.1 NIGERIAN CORRECTIONAL SERVICE (NCS), ABUJA

The Service had an appropriation of N13.90 billion in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N8.55 billion was released while N5.53 billion was utilized to execute amongst others, the following projects:

a) Construction of 3000 capacity maximum security custody centre Abuja (Phase 1)

The project involves fifty-six (56) sites comprising of different structures. Some of the components include: Dormitory custody cell block for 432 inmates; Medium Cell Block for 960 inmates, Maximum Cell Block for 360 inmates, an Administrative block and a Vocational centre.

The contract was awarded to a consortium of contractors (Messrs. Matrix Resources Ltd & Others) in August 2018 at a total cost of N2.42 billion with a completion date of December 2025. However, the contractors couldn't access the site until August 2019. The sum of N596.98 million was appropriated, released and utilized in the 2020 budget. A total of 1.82 billion had been committed to the project to achieve 65% level of completion.

Findings:

At the time of monitoring, the substructures and super-structures for one maximum and medium cells had been completed while dormitory and other components were ongoing at various levels of completion.



Picture 66: Ongoing Construction of Medium, Maximum and Dormitory Cells at Karshi-Abuja

Observed Outcomes:

The completion of the projects will enhance human custody and reformation facilities of the Service. In addition, it is expected to ease custodial congestion and improve security.

13.2 NIGERIAN IMMIGRATION SERVICE (NIS), ABUJA

The Service had an allocation of N5.3 billion in the 2020 budget for the execution of its capital projects and programmes. The sum of N4.9 billion was released while N3.3 million was utilized to execute among others the following projects:

a) **Construction of Technology Building**

The project involves the construction of a 2-storey building comprising: Comptroller General's (CG) meeting room and private lounge, a data control room, electrical panel and security control rooms respectively. Others are: a 100-seater auditorium, offices, and a general storage room.

The contract was awarded to Messrs. Julius Berger Nigeria Limited in November 2018 at a cost of N7.1 billion with a completion date of December, 2020. In the 2020 budget the sum of N1.4 billion was appropriated out of which N1.03 billion was released and utilized. The sum of N5.3 billion had been committed to the project since inception to achieve 97% level of completion.

Findings

At the time of monitoring, the main structure including landscaping, drainage wall has been achieved. In addition, equipment and facilities for data control room have been procured with installation on-going. The team was informed that there were outstanding certificates of payment to the contractor.



Picture 67: Construction of Technology Building at Nigerian Immigration Service Headquarters, Abuja

Observed Outcomes:

On completion, the project will enhance the security infrastructure of the Service for effective management of the national borders.

13.3 FEDERAL FIRE SERVICE (FFS), ABUJA

The Fire Service was allocated a total of N4.86 billion in the 2020 budget to execute its capital projects/programmes. Out of this amount, N6.55 billion was released while N6.03 billion was utilized (including AIEs of N3.56 billion). The following projects amongst others were monitored:

a) ***Design and Construction of 1no. B.A Gallery***

The project is the construction of a Breathing Apparatus (B.A) Gallery for training and retraining of officers in the use of firefighting equipment at the Fire Service Academy, Sheda. It comprises of 4nos. offices, 3nos. classrooms, a maintenance office, store and conveniences.

The contract was awarded to Messrs. Davitom Power and Energy Limited in June 2017 at a cost of N52.99 million with an initial completion date of December 2018. This was however not achieved due to lean budgetary provisions and poor releases over the years. In the 2020 budget, the sum of N9.72 million was appropriated, released and utilized. A total of N49.89 million had been committed since inception to achieve 94% level of completion.

Findings:

At the time of monitoring, the building had been substantially completed. However, painting was still outstanding.



Picture 68: Construction of B.A. Gallery almost completed at the Fire Service Academy, Sheda – Kwali

14.0 OFFICE OF THE SECRETARY TO THE GOVERNMENT OF THE FEDERATION

The OSGF had an allocation of N1.49 billion in the 2020 budget to execute its capital projects/programmes. Out of this amount, N744.67 million was released while N337.27 million was utilized as at end of third quarter. The following Agencies/ projects were monitored:

14.1 FEDERAL ROAD SAFETY CORPS (FRSC), ABUJA

The Corps is charged with the responsibility of eradicating road traffic crashes and create safe motoring environment in Nigeria. In the 2020 budget, the sum of N2.44 billion was allocated for the implementation of its capital projects/programmes. Out of this amount, N1.22 billion was released while N239.22 million was utilized to execute the following project amongst others.

a) Purchase of Patrol Bikes and Kits

The project entails the procurement of 14nos operational bikes and kits for patrol purposes. The contract was awarded to Messrs. Zharion International LTD at a cost of N70.6 million in October 2020 and scheduled to be completed in December 2020. In the 2020 budget, the sum of N72 million was appropriated, while N70.6 million was released and utilised to achieve

100% level of completion.



Picture 69: Procured patrol bikes and kits at the FRSC Headquarters, Abuja

Findings:

At the time of monitoring, all the operational bikes had been procured and put to use.

Observed Outcomes:

The project has improved the effective control and enforcement of highway regulations thereby reducing gridlock and accidents on the highways.

15.0 SCIENCE AND TECHNOLOGY SECTOR

A total of N45.56 billion was allocated to this sector in the 2020 budget to implement its capital projects /programmes. Out of this amount, N31.19 billion was released while N4.61 billion was utilized as at the end of the third quarter. The following Institutions/projects were monitored:

15.1 NATIONAL AGENCY FOR SCIENCE AND ENGINEERING INFRASTRUCTURE (NASENI), ABUJA

The Agency was allocated a total of N1.97 billion in the 2020 budget to implement its capital projects and programmes. The sum of N1.47 billion was released while N1.16 billion was utilized as at the end of third quarter to

execute amongst others the following projects:

a) **Procurement of two (2) Virtual Reality Workstations**

The project involves the procurement and installation of two (2) Virtual Reality (VR) workstations & software, and the establishment of a VR Laboratory and a VR Content studio at the NASENI Headquarters. It was awarded to Messrs. Babanla Property and Investment Ltd. in June 2018 at a cost of N250 million. Actual work commenced in January 2019 and is expected to be completed in December 2020.

The sum of N55.37 million was appropriated to the project in the 2020 budget out of which N69.22 million was released while N64.64 million was utilized. A total of N88.73 million had been committed to the project to achieve 80% level of completion.

Findings:

At the time monitoring, the two (2) Virtual Reality workstations have been procured and delivered at NASENI Headquarters. Presently, 2nos. laboratory spaces had been allocated within the new Administrative block for the establishment of the VR Laboratory and VR Content studio. The installation of VR workstations was still outstanding as the new Administrative block is yet to be completed. The team observed that the amount released was more than the appropriation. This was attributed to the fact that the MDA commenced implementation of the project based on the initial appropriation before it was revised.



Picture 70: The procured Virtual Reality Work stations in the store at NASENI H/qtrs. Abuja

Observed Outcomes:

The project when completed will facilitate the availability of engineering infrastructure for research and development using the Virtual Reality technology. The VR technology can also be used in the educational sector as training modules in schools and as well facilitate product marketing and improve manufacturing efficiency in the country.

15.2 SCIENTIFIC EQUIPMENT DEVELOPMENT INSTITUTE (SEDI), ENUGU

The Institute is one of NASENI engineering Infrastructural Development Centers charged with the responsibility of developing products and technology related items for local mass production and commercialization. To achieve this, a total of N582.97 million was allocated to the Institute in the 2020 budget. Out of this amount, N335.50 million was released while N308.55 million was utilized as at the end of third quarter to implement its capital projects/programmes. The following project amongst others was monitored:

a) Purchase of Scientific Equipment for Reverse Engineering

The project involves the purchase of machines which are further duplicated and localised. They include: Automated Lathe Machine, vulcanizing, welding, water pump and other household items.

The contract was awarded to Messrs. NAWN Global Concept Ltd. in October 2020 at a cost of N139.65 million with a completion date of November 2020. The sum of N111.72 million was appropriated in 2020 budget, out of which N58.75 million was released, while N58.60 million was utilized to achieve 69% level of completion.

Findings:

At the time of monitoring, soap making machine, Automated Lathe Machine, cutting plant, soap cooking pot and soap mixer had been procured while water pumping, vulcanizer machines were outstanding.



Picture 71: The Fabricated Soap Making Machine and the Cooking Pot at SEDI

Observed Outcomes:

On completion, the project is expected to improve the capacity of the Institution to fabricate locally made tools in mass production and transfer same to Small Scale Enterprise (SMEs).

15.3 NATIONAL RESEARCH INSTITUTE FOR CHEMICAL TECHNOLOGY (NARICT), ZARIA

The Research Institute had an appropriation of N3.23 billion in the 2020 budget to implement its capital projects/programmes. Out of this amount, N2.18 billion was released while N668.57 million was utilized as at the end of the third quarter to execute amongst others the following projects:

a) Construction of Pilot Plant for Production of Precipitated Calcium Carbonate (PCC) for Pharmaceutical and Allied Industries

The project entails the construction of a pilot plant for production of Precipitated Calcium Carbonate (PCC) for domestic pharmaceuticals and allied industries. It comprises: offices for quality control, supervisors, changing room, boiler room and utility section.

It was awarded to Messrs. Birch Grove Limited in September 2020 at a cost of N683.23 million with an expected completion period of six months. In the 2020 budget, the sum of N250.0 million was appropriated and released to

the project while N57.49 million was utilized to achieve 8.4% level of completion.

Findings:

At the time of the monitoring, work was ongoing at foundation level.



Picture 72: On-going Construction of Building for Pilot Plant for the Production of Precipitated Calcium Carbonate (PCC) at NARICT, Zaria

Observed Outcomes:

Though the project had just commenced, it has provided employment opportunities for about fifty (50) workers and opportunities for local suppliers of building materials at site.

b). Upgrading of Infrastructural Facilities in NARICT

The project involves the procurement and installation of transformers, perimeter fencing, provision of access roads, drainages, parking lots, street lights and culverts. It was awarded to Messrs. Fortified City Technologies Nigeria Limited in December 2017 at a cost of N607 million with an expected completion date of December 2020. In the 2020 budget, the sum of N140.03 million was appropriated and released to the project while N121.40 million was utilized. A total of N316.42 million had been committed to the project since inception to achieve 52.13% level of completion.

Findings:

At the time of the monitoring, about 450 meters of perimeter fencing and excavation of drainages had been achieved. The team was informed that payment had been made for parts of the transformers procured. Outstanding

works included procurement and installation of street lights, completion of perimeter fencing, culverts and fencing of the transformer.



Picture 73: Installed Transformer Parts and Perimeter Fencing at NARICT Zaria

Observed Outcomes:

Though the project is still ongoing, it has provided employment opportunities for over 200 skilled and other classes of workers. When completed, it is expected to improve the security situation of the Institution and provide an uninterrupted power supply for the Institute, thereby reducing the current running and maintenance cost of generator.

15.4 NIGERIA INSTITUTE OF LEATHER AND SCIENCE TECHNOLOGY, (NILEST) ZARIA, KADUNA STATE

The Institute was allocated a total of N352.70 million in the 2020 Budget for the implementation of its capital projects/programmes. Out of this amount, N226.12 million was released while N49.53 million was utilized as at the end of third quarter. The following project amongst others was monitored:

a) Development of Leather and Leather Product Entrepreneur Centre in the Headquarters Phase V

The project entails the construction of a three (3) storey office building at NILEST Headquarters in Zaria, Kaduna State. The contract was awarded to

Messrs. Fast Tack Nigeria Limited at a cost of N193.49 million in September 2018 and is scheduled for completion in December 2021. In the 2020 Budget, N25.33 million was appropriated while N11.66 million was released and utilized. A total of N179.94 million had been committed to the project since inception to achieve 85% level of completion.

Findings:

At the time of monitoring, works completed on the superstructure include: fabrication of balustrades and hand-rails, production of burglary proof for 50nos windows, fixing of doors and windows, roofing, plastering, electrical fittings and mechanical works. Outstanding works are: fixing of the balustrades and hand-rails.



Picture 74: The Entrepreneurship Centre in NILEST Headquarters, Zaria

Observed Outcomes:

Although the project is still on going, it had created job opportunities to about 70 unemployed youths within the environs. On completion, it expected to provide office building and promote entrepreneurship in leather and foot wear using computer aided designs.

16. ENVIRONMENT SECTOR

The sector had an allocation of N10.78 billion in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N5.57 billion was released while, N1.02 billion was utilized. The following institutions/projects were monitored:

16.1 NATIONAL PARK SERVICES

The Agency was allocated the sum of N416.35 million in the 2020 budget for the implementation of its capital projects/ programmes. Out of this amount, N208.18 million was released and cash backed as at the end of the third quarter while N158.48 million was utilized to execute amongst others the following projects:

a) Provision of Security/Patrol Equipment

The project involves the supply of a 4WD Toyota Hilux, printing of security documents, supply of 10nos. Honda Motor cycles and their insurance premiums as well as the Park Headquarters building.

The contract was awarded to Messrs. Kauna Motors Nig. Limited and Messrs. Vesterlyn International Ltd. in August 2020 at a total cost of N62.37 million and is expected to be completed by December 2020. In the 2020 budget, the sum of N65.80 million was appropriated, while N62.37 million was released and utilized to achieve 100% level of completion.

Findings:

At the time of monitoring, the project had been completed.



Picture 75: The 4WD Toyota Hilux and Some of the Honda Motor cycles procured at the National Park H/quarters, Abuja

Observed Outcomes:

The availability of the vehicles has facilitated effective anti-poaching patrols

and park protection activities nationwide.

16.2 FEDERAL COLLEGE OF FORESTRY, IBADAN

The Institution had an appropriation of N56.40 million in the 2020 budget for the implementation of its capital projects and programmes. Of this amount, N28.20 million was released and N27.92 million was utilized as at end of the third quarter. The following project amongst other was monitored.

a) Construction of Computer Laboratory

The project involves the construction of a standard computer laboratory with offices, conveniences and equipping. The contract was awarded to Messrs. Qualityton Group of Co. Nig. Limited in October 2019 at a cost of ₦192 million with a completion date of February 2020.

The sum of ₦56 million was appropriated to the project in the 2020 budget. Out of this amount, ₦28 million was released and utilized bringing the total financial commitment on the project to ₦116 million to achieve 60.4% level of completion.



Picture 76: On-going Construction of Computer Laboratory

Findings:

At the time of monitoring, the building was completed, while furnishing and landscaping were outstanding.

Observed outcomes:

When completed it would enhance the training of students and facilitate the accreditation of programmes for the institution by the NBTE.

17.0 MINES & STEEL DEVELOPMENT SECTOR

The Ministry was allocated a total of N7.62 billion in the 2020 budget to implement its capital projects/programmes. Out of this amount, the sum of N6.88 billion was released while N2.32 billion was utilized as at the end of third quarter.

17.1 NATIONAL IRON MINING PROJECT, ITAKPE

The mandate of the company is to provide basic materials for iron and steel production to Ajaokuta Steel Company. It has a total appropriation of N746.2 million in the 2020 budget for the implementation of its capital projects/programmes. Out of this amount, N597.2 million was released while N284.9 million was utilized execute amongst others the following projects:

a. Rehabilitation of NIOMCO Maingate and Driveway

The project scope includes: landscaping, reinforced concrete drainage (110m), entrance fence/reinforced concrete plinth (110m), gate and generator houses. The contract was awarded to Messrs. Onyido and Onyido Ltd. at the cost of N92.35 million in September, 2020 and expected to be completed in December, 2020.

The sum of N92.36 was appropriated to the project in the 2020 budget h N46.17 million was released while N27.02 million was utilized to achieve 30% level of completion.

Findings:

At the time of monitoring, the demolition of the old structure and reconstruction of the substructure for the main gate had been completed. Block work on the superstructure was in progress and at lintel level while the

drive way outstanding.



Picture 77: Ongoing construction of main gate at the National Iron Mining Project, Itakpe

Observed Outcomes:

Though the project is ongoing, it has provided employment opportunities for more than 10 skilled and 65 unskilled classes of workers who are currently involved in the construction work. When completed, it will give a good face lift to the company.

17.2 NIGERIAN GEOLOGICAL SURVEY AGENCY

In the 2020 budget, the sum of N780.69 million was appropriated and released to the Agency for the implementation of its capital projects/ programmes. Out of this amount, N727.39 million was utilized to execute amongst others the following project:

a) Purchase of Drilling Rigs

The project entails the procurement of 4nos drilling rigs and accessories. The contract was awarded to Messrs. Kabusu Int'l Exim Nigeria Ltd. in August 2017 at a cost of N1.39 billion with a completion date of December 2021. In the 2020 budget, the sum of N200 million was appropriated, released and utilized. The sum of N739.92 million had been committed to project to achieve 75% level of completion.

Findings:

At the time of monitoring, three (3) out of the four (4) rigs with a low bed rig carrier and accessories had been procured. The team was informed that the sum of N81.58 million was outstanding as payment to the contractor.



Picture 78: One of the procured Drilling rigs with accessories at the Nigerian Geological Survey Agency, Abuja

Observed Outcomes:

The procured rigs had improved the Agency's capacity for mining activities.

18.0 FEDERAL CAPITAL TERRITORY ADMINISTRATION

The FCTA is appropriated a total of N29.66 billion in the 2020 appropriation to execute its capital projects and programmes. Out of this amount, N21.92 billion was released while N15.06 billion was utilised as at the end of the third quarter to execute amongst others the following projects monitored by the teams:

a) The Construction of Southern Parkway from Christian Center (S8/9) to Ring Road1(RR1) Contract No: EC 35(12)8 Abuja.

The project entails the provision of 21.05km, consisting of three (3) lanes and two (2) service lanes on both sides of the road. Scope of works include: site investigation, site clearance, earth works, construction of the main carriageway, surface water drainage, 3nos culverts, 8nos bridges and

retaining walls. Others are: pedestrian underpass, power supply, street lights, telephone ducts, interlocking for walkway, storm water pipeline and manholes.

The contract was awarded to Messrs. Setraco Nig. Ltd. in 2010 at a total cost of N16.23 billion with completion period of 30 months. In the 2020 budget, the sum of N2.7 billion (N2 billion from the National budget and N700 million from the Statutory budget) was appropriated, released and utilized as at the end of third quarter. A total of N12.44 billion had been committed to the project since inception to attain a cumulative performance of 86% based on the original contract sum.

Findings:

At the time of monitoring, 3nos. bridges had been completed while bridge on Ring road 1 was at 12%. In addition, binder works had been achieved on FCDA entrance and spur, Capital road, CBN service road, service road to capital road and Ramps 1-5. Storm water pipe line/Manhole and interlocking walkway were at 55% and 40% levels of completion respectively. The team was informed that the contractor had applied for an upward review in the contract sum due to changes in the scope of work which is still being processed.



Picture 79: A completed bridge and a carriageway from FCDA to the Ecumenical Centre

Observed Outcomes:

The construction work has reduced travel time and improved vehicular movement within the City Centre. In addition, it has provided jobs

opportunities for 348 Nigerians and 5 expatriates.

b). Rehabilitation and Expansion of Outer Southern Expressway (OSEX) Phase 1.

The project entails the construction of 6.75km length which involves ten (10) lanes for both left- and right-hand side. Scope of works include: 4nos each of interchange structures and pedestrian bridges, street lighting, reinforcement concrete, crash barriers and kerbs stone. Others are: the provision of concrete line drains, trapezoidal drains and telecom duct.

The contract was awarded to Messrs. CGC Nig. Ltd. in December 2013 at a cost of N39.83 billion with initial completion date of December, 2016 (36 months). However, the completion date had been revised to December 2021 due to inflation and funding constraints. In the 2020 budget, the sum of N1.80 billion was appropriated, released and utilized as at the end of third quarter. A total of N19.89 billion had been committed to the project since inception to achieve 51% level of completion.

Findings:

At the time of monitoring, the following had been achieved: site clearance and earth work 77.8%, surface water drainage 11.0%, road works 12.6%, bridge construction 48.1%, retaining wall 67.7% and culverts 60%. Others are: pedestrian bridge 33.9%, Water distribution network 85.3% and conduit for post & telecommunication 7.81%.



Picture 80: Ongoing Earthworks at the Outer South Expressway (OSEX) Phase 1

Observed Outcomes:

The completed portion of the road project has improved the flow of traffic and

reduced travel time.

c) Extension of Inner Southern Expressway (ISEX) from Southern Park S8/S9 to Ring Road 2 Expressway (RR2)

The project entails construction of 9.89km expressway from Christian Centre/CBN to Galadimawa Roundabout in FCT linking Abuja-Keffi Road. Components of the project include: site clearance, confirmatory site test, storm water drainage systems, road works, development of 6nos interchanges bridge, 2nos river bridges, 4nos pedestrian bridges and a viaduct bridge. Others are: retaining walls, culverts, street lighting, conduit for telecommunication and provision of service ducts at crossings.

The contract was awarded in December 2014 to Messrs. C.G.C. Nig. Ltd. at the cost of N43.46 billion with an initial expected completion date of July, 2017. However, the completion date was rescheduled to December 2020 due to inflation in cost of materials and additional components to the project. In the 2020 budget, the sum of N2.03 billion was allocated, released and utilized as at the end of the third quarter. A total of N11.97 billion has been committed to the project since inception to achieve 25% level of completion.

Findings:

At the time of monitoring, site clearance, top soil removal and earth works had been completed while road pavement had been achieved up to 3.6km. Works in progress include: general excavation works, top soil removal for construction of river Parapata bridge, construction of culverts at different locations and casting of retaining wall at Galadimawa bridge, amongst others. The team was informed that the contractor was currently processing a variation request.



Picture 81: On-going bridge works at Inner Southern Expressway (ISEX) Project.

Observed Outcomes:

Although, the project is still ongoing, it had created employment opportunities for about 18-skilled and 83-others classes of workers. On completion, the traffic gridlock currently experienced on the southern expressway axis of the road will be eliminated while the interchange structures will provide easy link to other adjoining roads within the Federal Capital Territory.

Challenges:

The major challenge recorded on the project was problem of land acquisition, compensation and removal of the existing structure within the road corridor.

d). Construction of One Service Carriageway of Inner Northern Expressway (INEX) from Ring Road III (RR III) to Road IV (RR IV)

The project involves construction of a 14km service carriageway from Ring Road III (RR 3) to Road IV (RR 4) – Abuja Industrial Park. Scope of works include: site clearance, earthworks, surface water drainage, road works, construction of 4nos river bridges and confirmatory site investigation.

The contract was awarded to Messrs. Salini Nig. Ltd. in December, 2014 at an initial cost of ₦7.18 billion with a completion date of December 2016. However, there was an upward review of the project cost to N14.59 billion due to increase in the scope of work from 14km to 16km (ONEX), with an additional bridge. The new completion is rescheduled for December 2021. The sum of ₦950 million was appropriated in the 2020 budget, out of which ₦823 million was released and utilized in the third quarter. A total of ₦2.4 billion had been committed to the project since inception to achieve 15% level of completion.

Findings:

At the time of monitoring, site clearance of Right-Hand service carriageway and piling works for 3nos bridges had been completed. Payment of compensation for structures, crops and economic trees, amongst others were in progress.



Picture 82: Ongoing Earthworks at the Inner Northern Expressway (INEX) Project

Observed Outcomes:

Though, the project has not been completed, it has facilitated accessibility and eased movement along the road corridor. On completion, it will attract developments and commercial activities in the Industrial Zone as well as connects the Idu Railway station.



6.0 SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION

The FMFBNP teams inspected and evaluated MDAs' capital projects and programmes spread across the six (6) geo-political zones of the country to determine the actual performance viz-a-viz funds released. Several recurring challenges were observed and valuable lessons learnt in the course of implementation. Some of the key findings and recommendations are summarized as follows:

(A) OBSERVATIONS / FINDINGS:

- i. It was observed that Sectoral releases were more than the amount appropriated to some MDAs based on the reports from OAGF on MDAs' performances. Examples of such sectors include: Ministry of Industry, Trade and Investment with a release of N33.86 billion while appropriation was N26.01 billion and Ministry of Niger Delta Affairs which had a release of N30.53 billion as against the appropriation of N21.71 billion.
- ii. Some Agencies were unable to implement their projects as at end of the third quarter due to delays in their procurement processes thereby resulting in the low utilization of the funds released to them. As at the time of monitoring, most of these projects were just being advertised and awaiting awards/mobilizations. Examples of such MDAs include: Universal Basic Education Commission (UBEC), National Agricultural Land Development Authority (NALDA), Abuja; National Centre for Energy and Environment, University of Benin and Federal Polytechnic Ekowe in Bayelsa State, as well as National Metallurgical Training Institute, Onitsha. Others are: Project Development Institute (PRODA), Enugu; Electricity Development Institute (ELDI), Awka – Anambra state; National Engineering Design and Development Centre, Nnewi; National Biotechnology Development Agency, Abuja - all under the Ministry of Science & Technology;
- iii. Some of the big spending MDAs were not forthcoming with the details of their projects for which monies were spent. This makes tracking very

difficult. Some of these MDAs are: Ministries of Power, Transportation (Railway), Aviation, Interior and Water Resources for example, Lower Benue River basin Development Authority, Makurdi.

- iv. Some of the MDAs split their projects into many components which makes tracking very difficult. Some of these components qualify as major projects which were not reflected in their Appropriations. Examples are Agencies under the Ministry of Interior such as Nigeria Security and Civil Defence Corps (NSCDC), Nigeria Immigration Service (NIS), and Nigeria Correctional Service (NCS), Abuja; Petroleum Training Institute (PTI), Effurum; and many projects under the River Basin Authorities;
- v. Some MDAs still complained of insertion of constituency projects in their capital appropriations which were not planned in terms of needs assessment, MTSS, engineering design and bill of quantities. This has made it difficult for the MDAs to implement such projects. For example: Industrial Training Fund (ITF), Jos; and Universal Basic Education Commission (UBEC).
- vi. Projects implemented by some MDAs could not be accessed for monitoring due to civil unrests (ENDSARS protests) in some parts of the country like Lagos, Calabar, Benin and Port Harcourt. Also, the devastating effect of flood in Bayelsa state made it difficult for the monitoring teams to access project sites. Examples of such Institutions include: Federal Polytechnic, Ekowe and Bio-resources Development Centre, Odi.
- vii. It was observed that some projects were not properly titled. In many cases, the given titles do not give proper or adequate description of the projects. For example: Accident and Investigation Bureau (AIB) under the Ministry of Aviation where equipping of wreckage hangar was executed as a construction project. Often times, this gives room for manipulation in the budget implementation;

- viii. It was observed that many Agencies were on the fields performing similar monitoring functions at the same time. This tends to put too much pressures on the implementing Agencies;
- ix. Security challenges especially in the North East, North West and Niger Delta regions of the country makes it difficult for some MDAs in the regions to implement their projects and also for tracking of the projects executed;
- x. It was observed that there are too many ongoing projects in the country amidst scarce resources in the economy. This tends to promote the proliferation of abandoned projects. Examples of such projects are found in the Ministries of Transportation (Railway), Works & Housing, Water Resources and Power.

(B) RECOMMENDATIONS

- i. There should be synergy between the Budget Office of the Federation (BOF) and the Cash Management Office of the Ministry of Finance, Budget and National Planning in the allocation and disbursement of funds to the MDAs. This will help to reduce the observed cases of difference in appropriations and releases to the MDAs;
- ii. The Bureau for Public Procurement should organize sensitization workshops with a view to build capacity of MDAs on the procurement processes to fast tract their procurement plans. This will help to facilitate early implementation/ completion of projects with the necessary deliverables achieved;
- iii. Concerted efforts should be made to encourage the Chief Executives of MDAs to provide relevant data and information on their projects and apply sanctions where necessary;
- iv. Single line items should not be allowed to subsume other projects which on their own qualify as major projects e.g. “provision of infrastructure” which is vague in description of the project in focus

could have major projects like perimeter fencing, 500 seater auditorium, laboratories, equipping and construction of Administrative building and residential apartment for Chief Executive attached to it;

- v. There is need for a robust synergy between the NASS and Executive arm on the capturing of constituency projects during the MTSS to ensure that due process is adhered to before admittance of the projects into the budget. This will facilitate effective execution of projects and also ensure value for money;
- vi. There is need for proper categorisation of projects captured during the MTSS and budget preparation for ease of tracking;
- vii. There should be a coordinated approach in the monitoring and evaluation activities to streamline the responsibilities of OAGF, OAuGF, FRC, and Ministry of Finance, Budget and National Planning, amongst others. This will in the medium to long run clearly delineate the roles of these Bodies in the periodic monitoring exercises as well as reduce MDAs lethargy of monitoring visits from various government bodies;
- viii. Government should intensify effort in addressing the various security challenges currently experienced in the country. This will facilitate effective implementation and tracking of ongoing projects/programmes;
- ix. Prioritisation of ongoing projects to ensure their early completion.

(C) CONCLUSION

The Budget Office of the Federation will continue to enhance synergy with the implementing MDAs, Non-Governmental Organisations (NGOs), Civil Society Organisations (CSOs) and the Media to ensure good governance, transparency and accountability in service delivery. It is expected that by the end of the fourth quarter 2020, more achievements would be recorded by the MDAs in the implementation of their budgets.

APPENDIX I

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

SUMMARY OF 2020 CAPITAL PERFORMANCE FOR MINISTRIES DEPARTMENTS AND AGENCIES (MDAs) AS AT 30TH SEPTEMBER, 2020

MINISTRY	2020 APPROPRIATION	2020 1ST RELEASES =N=	2ND RELEASES =N=	ADDITIONAL 2ND RELEASES =N=	ONLINE AIEs =N=	MANUAL AIEs =N=	TOTAL RELEASES = N=	CASHBACKED =N=	MDAs BALANCE @ 30ST SEPT., 2020 =N=	UTILISATION %		
										UTILISATION =N=	RELEASES %	CASHBACK %
PRESIDENCY	15,383,317,626	6,367,916,442	1,000,000	-	4,097,767,873	-	10,466,684,315	10,466,684,315	8,947,881,342	1,518,802,973	14.51	14.51
SECRETARY TO GOVT. OF THE FEDERATION (SGF)	19,877,254,806	10,088,627,402.97	207,940,481.50				10,296,567,884.47	10,296,567,884.47	9,696,362,366.80	600,205,517.67	5.83	5.83
FEDERAL MINISTRY OF SPECIAL DUTIES SGF	1,486,327,292	743,163,646	1,503,828				744,667,474.00	744,667,474.00	407,400,650.13	337,266,823.87	45.29	45.29
YOUTH DEVELOPMENT	2,840,927,749	1,420,463,875	-	-	-	-	1,420,463,875	1,420,463,875	1,345,407,527	75,056,348	5.28	5.28
WOMEN AFFAIRS	6,662,300,966	3,601,150,483	275,000,000	-	21,676,555	-	3,897,827,038	3,897,827,038	2,287,360,380	1,610,466,658	41.32	41.32
AGRICULTURE	102,493,492,997	25,242,229,777	27,334,123,567	5,680,082,253	23,478,068,035	-	81,734,503,632	81,734,503,632	69,188,396,742	12,546,106,890	15.35	15.35
WATER RESOURCES	80,701,177,106	24,966,315,010	15,881,760,078	9,751,584,492	375,402,483	-	50,975,062,063	50,975,062,063	26,725,637,764	24,249,424,299	47.57	47.57
AUDITOR-GEN.	153,071,048	76,535,524	-	-	-	-	76,535,524	76,535,524	76,535,524	-	-	-
DEFENCE	115,873,903,710	59,676,951,855	4,064,123,391	-	17,862,445,140	-	81,603,520,386	81,603,520,386	12,101,258,990	69,502,261,397	85.17	85.17
ICPC	363,066,404	181,533,202	-	-	870,319,999	-	1,051,853,201	1,051,853,201	338,078,853	713,774,348	67.86	67.86
EDUCATION	75,173,387,778	27,539,229,730	10,962,309,294	11,877,469,574	3,575,301,385	-	53,954,309,982	53,954,309,982	35,309,074,823	18,645,235,159	34.56	34.56
FCTA	29,657,154,360	15,000,000,000	6,716,035,575	-	-	199,298,350	21,915,333,925	21,915,333,925	6,850,536,014	15,064,797,911	68.74	68.74
FOREIGN & INTER GOVT. AFFAIRS	6,638,510,086	3,612,755,043	20,000,000	-	-	-	3,632,755,043	3,632,755,043	1,560,684,487	2,072,070,556	57.04	57.04
FINANCE	3,608,421,569	1,291,949,503	-	-	2,759,043,452	-	4,050,992,955	4,050,992,955	2,642,741,224	1,408,251,731	34.76	34.76
HEALTH	51,402,884,613	31,895,919,517	3,016,303,663	8,882,687,968	5,311,905,175	-	49,106,816,322	49,106,816,322	25,912,663,819	23,194,152,503	47.23	47.23
TRADE & INVESTMENT	26,006,447,689	10,725,083,609	5,604,350,540	17,527,636,593	-	-	33,857,070,742	33,857,070,742	30,026,641,034.44	3,830,429,708	11.31	11.31
INFORMATION COMMUNICATION TECHNOLOGY	30,780,275,414	2,893,886,670	307,666,607	299,306,201	100,000,000	-	3,600,859,478	3,600,859,478	1,898,162,667	1,702,696,811	47.29	47.29
INTERIOR	4,731,032,692	2,841,121,226	541,200,000	-	-	-	3,382,321,226	3,382,321,226	1,382,837,131	1,999,484,095	59.12	59.12
POLICE AFFAIRS	32,925,118,431	10,751,125,528	10,711,139,879	-	4,260,200,122	-	25,722,465,528	25,722,465,528	5,927,944,407	19,794,521,121	76.95	76.95
HEAD OF SERVICE	15,556,238,229	4,760,864,082	1,342,577,853	-	15,152,499,957	-	21,255,941,891	21,255,941,891	5,822,511,268	15,733,430,623	74.02	74.02
HEAD OF SERVICE	1,470,798,510	755,399,255	-	-	-	-	755,399,255	755,399,255	581,710,320	173,688,935	22.99	22.99

JUSTICE	3,899,931,964	1,949,965,982	577,018,209	-	1,200,000,000	-	3,726,984,191	3,726,984,191	1,377,499,719	2,349,484,472	63.04	63.04
LABOUR & PRODUCTIVITY	20,035,148,672	10,037,574,336	124,893,000	-	-	-	10,162,467,336	10,162,467,336	9,981,628,097	180,839,239	1.78	1.78
POWER	128,005,929,363	26,603,078,168	37,278,886,514	4,790,516,729	-	-	68,672,481,410	68,672,481,410	24,448,227,590	44,224,253,820	64.40	64.40
WORKS AND HOUSING	265,868,039,092	100,287,637,440	32,780,791,707	53,369,234,580	30,000,000,000	-	216,437,663,727	216,437,663,727	104,773,491,181	111,664,172,546	51.59	51.59
SCIENCE AND TECH.	45,663,279,672	14,999,999,993	7,521,181,722	8,267,784,964	400,000,000	-	31,188,966,279	31,188,966,279	26,581,185,253	4,607,781,026	14.77	14.77
TRANSPORT	109,348,029,912	30,728,791,797	22,758,073,159	10,413,330,869	2,000,000,000	-	65,900,195,824	65,900,195,824	22,994,262,431	42,905,933,393	65.11	65.11
AVIATION	44,272,830,824	16,335,309,233	5,801,106,180	4,943,129,319	10,830,000,000	-	37,909,544,731	37,909,544,731	24,948,454,008	12,961,090,723	34.19	34.19
PETROLEUM	2,930,776,820	1,465,388,410	-	-	-	-	1,465,388,410	1,465,388,410	975,469,557	489,918,853		
MINES & STEEL	7,622,887,235	5,007,549,015	69,425,431	1,639,638,724	168,050,000	-	6,884,663,170	6,884,663,170	4,569,551,614	2,315,111,557	33.63	33.63
NATIONAL WAGES & SALARIES	95,058,399	47,529,199	-	-	-	-	47,529,199	47,529,199	47,529,199	-		
ENVIRONMENT	10,794,666,376	5,401,010,070	169,959,496	-	-	-	5,570,969,566	5,570,969,566	4,546,547,526	1,024,422,040	18.39	18.39
OFFICE OF NATIONAL SECURITY ADVISER	25,922,169,323	14,501,119,191	4,792,970,019	-	20,794,493,799	-	40,088,583,008	40,088,583,008	405,297	40,088,177,711	100.00	100.00
NIGER DELTA FISCAL RESPONSIBILITY COMMISSION	21,712,850,399	10,856,425,200	19,670,000,000	5,000,000	-	-	30,531,425,200	30,531,425,200	10,201,414,226	20,330,010,973	66.59	66.59
ICRC	115,579,020	57,789,510	-	-	-	-	57,789,510	57,789,510	26,483,358	31,306,152	54.17	54.17
NAT. POPULATION	90,351,688	75,175,844	-	-	-	-	75,175,844	75,175,844	53,155,202	22,020,642	29.29	29.29
CODE OF CONDUCT BUREAU	1,901,978,275	1,100,989,138	-	-	-	-	1,100,989,138	1,100,989,138	165,275,949	935,713,189	84.99	84.99
CODE OF CONDUCT TRIBUNAL PUBLIC COMPLAINTS COMMISSION	297,904,492	148,952,246	-	-	-	-	148,952,246	148,952,246	106,937,704	42,014,542	28.21	28.21
REV. MOB. ALL.	26,321,943	13,160,972	-	-	-	-	13,160,972	13,160,972	13,160,972	-	-	-
FCSC	-	-	-	-	-	-	-	-	-	-	-	-
POLICE SERVICE COMMISSION	93,895,011	24,158,328	22,789,177	-	-	-	46,947,505	46,947,505	163	46,947,342	100.00	100.00
FED. CHARACT. COMM.	23,062,977	11,531,489	-	-	-	-	11,531,489	11,531,489	11,531,489	-	-	-
HUMANITARIAN AFFAIRS.	377,500,835	188,750,418	-	-	-	-	188,750,418	188,750,418	188,750,418	-	-	-
CAPITAL SUPPLEMENTATION	141,704,074	70,852,037	-	-	-	-	70,852,037	70,852,037	70,852,037	-	-	-
CAPITAL SUPPLEMENTATION	59,390,761,295	15,594,573,571	26,010,067,349	-	313,406,154	-	41,918,047,074	41,918,047,074	41,470,380,448	447,666,626	1.07	1.07
GRAND TOTAL	601,768,929,333	-	-	-	74,391,652,115	75,000,000,000	149,391,652,115	149,391,652,115	-	149,391,652,115	100.00	100.00
GRAND TOTAL	1,974,184,695,667	499,939,532,962	244,564,196,718	137,447,401,864	217,962,232,244	75,199,298,350	1,175,112,662,138	1,175,112,662,138	526,282,020,772	648,830,641,366	55.21	55.21
SUKUK PROCEEDS												
GREEN BONDS												
GRAND TOTAL	1,960,320,547,535	499,939,532,962	244,564,196,718	137,447,401,864	217,962,232,244	75,199,298,350	1,175,112,662,138	1,175,112,662,138	526,282,020,772	648,830,641,366	55	55