2022 FOURTH QUARTER
BUDGET IMPLEMENTATION REPORT

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

FOREWORD

I am delighted to present to you Fourth Quarter and Consolidated 2022 Budget Implementation Report (BIR). The Report provides comprehensive information on the allocation of public resources among competing needs as well as its utilisation by the Ministries, Departments and Agencies (MDAs) of Government during the period. The Report serves as a means through which the MDAs are held accountable for the resources provided to them, and an assessment of the realization of the objectives of government as contained in the National Development Plan (NDP) 2021-2025.

The 2022 Budget was titled "Budget of Economic Growth and Sustainability". Its key parameters and assumptions are as set out in the 2022-2024 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) drawn from the National Development Plan, which are: Diversifying the economy, with robust MSME growth; Investing in critical infrastructure; Strengthening security and ensuring good governance; Enabling a vibrant, educated and healthy populace; Reducing poverty; and minimizing regional, economic and social disparities.

The publication of this report is mandated by Sections 30 and 50 of the Fiscal Responsibility Act, 2007 which requires the Budget Office of the Federation to prepare Budget Implementation Reports quarterly and submit to the Joint Finance Committee of the National Assembly (NASS) and the Fiscal Responsibility Commission (FRC). These reports are also circulated to other stakeholders and the general public through electronic and other media.

This Fourth Quarter BIR is an outcome of cautious planning, comprehensive monitoring and analytical work undertaken by the Budget Office of the Federation in collaboration with 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 FRC in adhering to best practices in public financial management through their concerted efforts.

Lastly, I urge the general public and readers of this Report to sustain their interest in tracking progress towards the achievement of Government's goals and objectives thereby promoting efficient and effective management of public resources.

Mrs (Dr) Zainab Shamsuna Ahmed
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 BIRs on a quarterly basis. This 2022 Fourth Quarter and Consolidated BIR is one of many in-year reports prepared by the BOF. It is also part of the efforts of the Ministry of Finance, Budget and National Planning (MFBNP) in ensuring budget transparency and accountability as a key element of Nigeria's commitment to the Open Government Partnership (OGP) and Public Financial Management Reform.

The fourth quarter of 2022 was characterized by broad-based and sharper-than-expected global economic slowdown, with inflationary pressure higher than seen in several decades due largely to cost-of-living crisis, tightening financial conditions and the Russia-Ukraine war. In view of these, global economic growth is projected to slow from 6.0 percent in 2021 to 3.2 percent in 2022. On the domestic scene, the macroeconomic environment has improved due to the different measures adopted by the government to support economic growth in Nigeria. Fiscal performance was below target largely on account of revenue shortfalls and rising expenditure pressures. As at the fourth quarter, Federal Government's actual aggregate revenue was ₦7.76 trillion, which is 77.80% of the prorate target. Of the total projected budgeted expenditure of ₦18.14 trillion, ₦14.79 trillion was spent reflecting a decrease of 18.48%.

Government has continued to place emphasis on improving budget preparation, execution, monitoring and evaluation for an improved performance. Appropriate technologies and frameworks are being introduced to ensure timely and accurate budget preparation, implementation and monitoring, towards improving the contributions of the budget to the delivery of government's objectives. In spite of the challenging fiscal situation, the government has continued to allocate a robust share of the total budget to capital expenditures. The careful preparation and effective implementation of FGN budget were key to the sustained GDP growth recorded since the exit from economic recession in 2020.

The execution of the 2022 Budget in the fourth quarter was very challenging mainly due to significant revenue mobilisation challenges. However, as at 31st December, 2022 the Government had released and cash backed a total of ₦2,437.14 billion for capital spending by MDAs and has continued to meet its non-discretional expenditures.

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

Ben Akabueze
Director General, Budget Office of the Federation

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A/C: *Account*

AIE: *Authority to Incur Expenditure*

AF: *Alternative Funding*

AEs: *Advanced Economies*

B: *Billion*

BDC: *Bureau De-Change*

BOF: *Budget Office of the Federation*

BREXIT: *British Exit*

CBN: *Central Bank of Nigeria*

CIT: *Company Income Tax*

COVID-*19:* *Corona Virus Disease - 2019*

DMO: *Debt Management Office*

ECA: *Excess Crude Account*

EMDEs: *Emerging Markets and Developing Economies*

EMEs: *Emerging Markets Economies*

FAAC: *Federation Account Allocation Committee*

FGN: *Federal Government of Nigeria*

FMFBNP: *Federal Ministry of Finance, Budget and National Planning*

GDP: *Gross Domestic Product*

IMF: *International Monetary Fund*

INEC: *Independent National Electoral Commission*

JVC: *Joint Venture*

LNG: *Liquefied Natural Gas*

M2: *Money Supply*

MB&NP: *Ministry of Budget and National Planning*

MBPD: *Million Barrels Per Day*

MDAs: *Ministries, Departments and Agencies*

MPR: *Monetary Policy Rate*

MSMS: *Micro, Small and Medium Scale*

MTFF: *Medium Term Fiscal Framework*

N: *Naira*

NBS: *National Bureau of Statistics*

NDDC: *Niger Delta Development Commission*

NHRC: *National Human Rights Commission*

NJC: *National Judiciary Commission*

NNPC: *Nigerian National Petroleum Corporation*

NTB: *Nigerian Treasury Bills*

OAGF: *Office of the Account General of the Federation*

ONSA: *Office of National Security Adviser*

OPEC: *Organization of Petroleum Exporting Countries*

OTC-FMDQ-OTC: *Over the Counter Financial Market Dealer Quotation*

PCC: *Public Complaint Commission*

PPT: *Petroleum Profit Tax*

PSC: *Production Sharing Contracts*

SC: *Service Contracts*

SITC: Standard International Trade Classification

SWF: *Sovereign Wealth Fund*

TSA: *Treasury Single Account*

UBEC: *Universal Basic Education Commission*

US: *United States*

VAT: *Value Added Tax*

WEO: *World Economic Outlook*

ZBB: *Zero Base Budgeting*

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EXECUTIVE SUMMARY

The 2022 Appropriation Act is an important tool for achieving Government's strategic objectives and the socio-economic development of the nation. It contains the allocation of resources to different sectors/agencies by the Government in its effort to deliver public goods/services to the people. The 2022 Budget was titled "Budget of Economic Growth and Sustainability". The allocations to MDAs were based on the strategic objectives of the National Development Plan 2021-2025, which are: Diversifying the economy, with robust MSME growth; Investing in critical infrastructure; Strengthening security and ensuring good governance; Enabling a vibrant, educated and healthy populace; Reducing poverty; and minimizing regional, economic and social disparities.

The 2022-2024 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) provided the economic framework for the 2022 Budget, along with fiscal policy objectives and spending priorities of the Government over the three-year period. It also provides the foundation for the preparation of revenue and expenditure estimates of the annual federal budget. Hence, the MTEF represents efforts towards multi-year perspective in budgeting.

Nigeria's Gross Domestic Product (GDP) grew by 3.52 percent (year-on-year) in real terms in the fourth quarter of 2022. This growth rate implies a decline of 0.46 percentage points when compared with the 3.98 percent reported in the fourth quarter of 2021. The reduction in growth rate could be attributed to the base effects from the recession and the challenging economic conditions that have obstructed productive activities. The growth rate was 0.12 percentage points higher than the 3.40 percent recorded in the fourth quarter of 2021 and also 1.27 percentage points higher than the 2.25 percent recorded in the third quarter of 2022. However, quarter-on-quarter, real GDP grew by 15.18 percent in fourth quarter of 2022, indicating a higher economic activity in the period than in the preceding quarter.

Inflation continued to trend upward for the tenth consecutive month during the quarter. Headline inflation rose to 21.47 percent (year-on-year) in November, 2022 from 21.09 percent, 20.77 percent, 20.52 percent, 19.64

percent and 18.60 percent in October, September, August, July and June 2022 respectively before declining to 21.34 percent in December 2022. The December decline could be attributed to marginal decline in the food component (improved harvest and the food supply chain). Food inflation increased for five consecutive months to 24.13 percent in November, 2022 from 20.02 percent, 23.12 percent, 23.34 percent and 23.72 percent in July, August, September and October 2022 and then declined to 23.75 percent in December 2022. Similarly, core inflation increased to 18.24 percent in December 2022 from 15.75 percent, 16.26 percent, 17.20 percent,17.60 percent, 17.76 percent and 18.24 percent in June, July, August, September, October and November 2022 respectively.

Monetary aggregates increased in the review period relative to the second quarter of 2021. Broad Money Supply (M2) increased by ₦2,430.40 billion (4.93 percent) from ₦49,316.90 billion in September 2022 to ₦51,747.30 billion in December 2022. This was mainly driven by the Net Domestic Asset (NDA) which rose by 6.81 percent (₦3,055.46 billion) from ₦44,847.93 billion in September 2022 to ₦47,903.38 billion in December 2022. The development in NDA was due to the increases in Net Domestic Credit (NDC) during the period. Net Domestic Credit rose by 4.92 percent (₦3,116.83 billion) from ₦63,329.15 billion in September 2022 to ₦66,458.43 billion in December 2022. This was driven by the increase in Net Credit to Government by 8.02 percent (₦1,829.92 billion) as well as Credit to Private Sector which also increased by 3.18 percent (₦1,286.91 billion) in the review period.

The Central Bank of Nigeria increased the Monetary Policy Rate (MPR) from 15.5 percent to 16.5 percent in the review period. However, the asymmetric corridor around the MPR was retained at +100/-700 basis points. The Cash Reserve Ratio (CRR) was also reviewed from 27.5 percent to 32.5 percent during the period. The Liquidity Ratio was however retained at 30.0 percent. The Investors and Exporters segment of the foreign exchange market unlike in the third quarter of 2022, depreciated from ₦435.57/US$ in September, 2022 to ₦4440.85/US$, ₦445.58/US$ and ₦450.71/US$ in October, November and December 2022 respectively. There was no data for the Official/Inter-Bank segment and Bureau-de-Change (BDC) segments of the foreign exchange market following the suspension of the operations of the Bureau-de-Change segment by Central Bank of Nigeria.

The total public debt stock as at 31st December, 2022 stood at US$103,110.84 million (₦46,250.37 billion). This indicates an increase of US$7,331.2 million (₦6,694.34 billion or 16.92 percent) when compared to the ₦39,556.03 billion (US$95,779.64 million) recorded at the end of December 2021. The breakdown comprised of US$61,415.93 million (₦27,548,116.06 billion or 59.56 percent) for domestic debt stock while the balance of US$41,694.91 million (₦18,702,251.88 billion or 40.44 percent) was for external debt stock. This translates to a net present value of total public debt/GDP ratio of 23.20 percent as at the end of December 2022. This was below the country specific threshold of 25 percent and also significantly below the 56 percent international threshold for comparator countries.

Nigeria's foreign trade, largely driven by significant improvements in exports continued to rebound in the review period. Total trade rose by ₦12.64 trillion or 31.79 percent to ₦52.39 trillion in 2022, from ₦39.75 trillion in 2021. This represents a significant trade expansion but is below the rebound of 57.60 percent growth recorded in 2021. The rebound in trade follows the continued recovery in the global economic activities including foreign trade and travels from the lockdown of 2020 occasioned by the advent of COVID-19. The development in total trade was driven by significant expansion in export as well as in imports in the review period. Exports increased by ₦7.89 trillion or 41.72 percent to ₦26.80 trillion in 2022, from ₦18.91 trillion recorded in the corresponding period of 2021. Imports also expanded albeit by a lower figure of ₦4.75 trillion or 22.77 percent from ₦20.84 trillion in 2021, to ₦25.59 trillion in the review period.

FGN Budget implementation in the quarter was positively affected by the price of crude oil in the international market which averaged US$100.93 per barrel in the fourth quarter of 2022, representing an increase of US$1.44 per barrel (1.45 percent) above the US$99.43 per barrel reported in the third quarter of 2022. The performance also reflects an increase of US$21.20 per barrel (26.59 percent) and US$27.93 per barrel (38.26 percent) when compared to US$79.73 per barrel recorded in the fourth quarter of 2021 and the US$73 per barrel budget benchmark, respectively.

Average oil production and lifting (including Condensates) in the fourth quarter of 2022 was however 1.40mbpd and 1.30mbpd respectively. The oil production figure indicates a decrease of 0.20mbpd (12.50 percent) from the 1.60mbpd benchmark for the 2022 Budget. The volume of oil production in the period was also 0.20mbpd (16.67 percent) and 0.16mbpd (10.26 percent) below the 1.20mbpd and 1.56mbpd recorded in the third quarter of 2022 and fourth quarter of 2021 respectively.

Gross Oil Revenue stood at ₦6,222.47 billion representing a ₦3,147.49 billion (33.59 percent) decline from ₦9,369.96 billion projected in 2022 Budget. It was however ₦1,519.67 billion (32.31 percent) above the actual gross oil revenue of ₦4,702.80 generated in the corresponding period of 2021. Gross non-oil revenue of ₦7,145.57 billion received in 2022 represents an increase of ₦486.23 billion (7.30 percent) above the annual estimate of ₦6,659.34 billion. A breakdown of the non-oil revenue items showed that, only Company Income Tax contributed to the surplus figure.

Total Revenue Inflow of the Federal Government stood at ₦7,756.07 billion at the end of December 2022. This represents an ₦3,580.92 billion (85.77 percent) increase when compared to what was reported at the end of 2021 but ₦2,213.09 billion (22.20 percent) shortfall from 2022 annual budget estimate.

Total expenditure of the Federal Government stood at ₦14,786.28 billion in the review period representing an ₦3,352.96 billion (18.48 percent) decrease from the ₦18,139.24 billion prorate budget projection for the review period. It was however, ₦3,999.54 billion (37.08 percent) higher than the actual expenditure of ₦10,786.74 billion recorded at the end of 2021. A total of ₦6,116.50 billion was spent on non-debt recurrent expenditure in the review period representing a decrease of ₦1,658.52 billion (37.20 percent) from the budget estimate of ₦7,108.61 billion for the period. It was however above the non-debt recurrent expenditure of ₦4,457.98 billion spent at the end of 2021 by ₦1,658.52 billion

(37.20 percent). Statutory Transfers amounted to ₦810.12 billion during the review period.

Total Recurrent Debt in the fourth quarter of 2022 stood at ₦1,422.78 billion indicating an increase of ₦428.22 billion (43.06 percent) above the ₦994.52 billion projected for the quarter. This was mainly as a result of the ₦684.60 billion paid as interest on Ways and Means which did not have any budgetary provision in the review period. A total of ₦417.49 billion was used to service FGN domestic debt during the quarter. This indicates a difference of ₦223.08 billion (34.83 percent) below the budgeted quarterly estimate. A total of ₦5.656.58 billion was committed as total debt expenditure for the year, 42.19 percent above the ₦3,978.09 billion budgeted for the period.

A total of ₦2,437.14 billion was released and cash-backed to MDAs for their 2022 capital projects and programmes in 2022 fiscal year. Available fiscal data revealed that only ₦1,904.35 billion (78.14 percent) of the total amount released and cash-backed was utilized by MDAs as at 31st December, 2022.

The revenue and expenditure outturn of the Federal Government resulted in a fiscal deficit of ₦7,030.22 billion (3.53 percent of GDP) in the 2022 fiscal year. This was ₦1,139.85 billion (13.95 percent) below the projected budget deficit estimate for the year of ₦8,170.07 billion. It was also above the ₦6,611.59 billion deficit recorded in the corresponding period of 2021._The deficit was financed through domestic borrowing (inclusive of CBN borrowings) of ₦6,520.00 billion and foreign borrowing of ₦510.21 billion in the period under review.

Overall, the nation’s economy grew by 3.52 percent in the fourth quarter of 2022, a sign that the Nigerian economy has continued to recover from the second recession in five years. The positive growth performance in the quarter under review was mostly due to the effect of some measures put in place to curtail the negative impact of the Russia – Ukraine war, the resurgence of COVID-19 Pandemic in some countries, rising inflation and crude oil theft. Specifically, the recent rise in global economic activities, the associated rise in international crude oil demand and price, as well as the various incentive packages being executed by the Federal Government significantly impacted developments during the review period.

1.0 INTRODUCTION

The Federal Budget is a vital instrument used in achieving 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 effort to deliver public goods/services to the people. The Federal Budget is however not all just about expenditure allocations as it is often presumed by many. Revenue remains a critical and an important part of the FGN budget. The 2022 Budget was titled "Budget of Economic Growth and Sustainability". The allocations to MDAs were based on the strategic objectives of the 2021-2025 National Development Plan, which are: Diversifying the economy, with robust MSME growth; Investing in critical infrastructure; Strengthening security and ensuring good governance; Enabling a vibrant, educated and healthy populace; Reducing poverty; and Minimizing regional, economic and social disparities.

The 2022 Budget seeks to continue the reflationary plans of the 2020 and 2021 Budgets, which helped to put the economy back on the track of recovery and growth. It was prepared taking into consideration the policies/strategies contained in the 2022–2024 Medium Term Expenditure Framework and Fiscal Strategy Paper (MTEF/FSP). The Budget was also prepared using the Zero-Based Budgeting (ZBB) approach and in line with the government's development priorities, as outlined in the National Development Plan (NDP) 2021-2025.

The 2022-2024 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) provided the economic framework for the 2022 Budget, along with fiscal policy objectives and spending priorities of the Government over the three-year period. It also reveals the plans for attaining Government's defined objectives, and highlights the key assumptions behind revenue estimates and fiscal targets as well as possible fiscal risks over the medium term. In addition, it articulates the nature of the Federal Government's debt obligations, their fiscal consequences, and measures aimed at reducing them. The MTEF also provides the foundation for the preparation of revenue and expenditure estimates of the annual federal budget. Hence, the MTEF represents efforts towards multi-year perspective in budgeting.

Revenue generation remains the main fiscal challenge of the Federal Government. The systemic resource mobilization problem has been compounded by recent economic recessions. Several measures are however being employed under the Administration's Strategic Revenue Growth Initiatives to increase revenue and create fiscal prudence with emphasis on achieving value for money. These measures include: Improving the tax administration framework including tax filing and payment compliance enhancements; Evaluation of the process and policy effectiveness of Fiscal Incentives, including; Review of Sectors eligible for Pioneer Tax Holiday Incentives under the Industrial Development Income Tax Relief Act ('IDITRA'); Dimensioning the cost of tax waivers/concessions, and evaluating their policy effectiveness; Setting annual ceilings on Tax Expenditures to better manage their impact on already constrained government revenues; Ensuring that MDAs appropriately account for and remit their internally generated revenue.

Others measures include: Identifying and plugging existing revenue leakages to enhance tax compliance and reduce tax evasion; Leveraging technology and automation; plugging fiscal drainers like subsidies; Optimizing the operational efficiencies and revenue remittance of GOEs to further improve Independent Revenue collection; and Introduction of new pro heath taxes such as excise on carbonated drinks and review of existing rates.

Strategies to improve revenue mobilization are being sustained in the near term with the goal of achieving the following objectives: Enhancing tax and excise revenues through policy reforms and tax administration measures; Reviewing the policy effectiveness of tax waivers and concessions; Boosting customs revenue through the e-Customs and Single Window initiatives; and Safeguarding revenues from the oil and gas sector. The target over the medium term is to grow the Revenue-to-GDP ratio from about 8 percent currently to 15 percent by 2025. At that level of revenues, the Debt-Service-to-Revenue ratio will cease to be worrying. In a simple term, Nigeria does not have a debt sustainability problem, but a revenue challenge which the present government is determined to tackle so as to ensure that public debts remain sustainable.

Very importantly, the government is augmenting available resources with loans to finance critical development projects and programmes aimed at improving the economic environment and ensuring effective delivery of public services to the people. Focus has been on: the completion of major road and rail projects; the effective implementation of power sector projects; the provision of potable water; construction of irrigation infrastructure and dams across the country; and critical health projects such as the strengthening of national emergency medical services and ambulance system, procurement of vaccines, polio eradication and upgrading of Primary Health Care Centres across the six geopolitical zones.

Defence and internal security continue to be top priority of the FGN due to its promise to ensure the security of life, property and investment nationwide by assuring that our gallant men and women in the armed forces, police and paramilitary units are properly equipped, remunerated and well-motivated. The 2022 budget is also the first in our history, where MDAs were clearly advised on gender responsive budgeting. These are part of the critical steps in FGN's efforts to distribute resources equitably and also to reach out to the vulnerable groups of our society.

In 2022, Government continues to strengthen the frameworks for concessions and Public Private Partnerships (PPPs). Capital projects that are good candidates for PPP by their nature are being developed for private sector participation. Government also continues to explore available opportunities in the existing ecosystem of green finance including the implementation of the Sovereign Green Bond Programme and leveraging debt-for-climate swap mechanisms.

This Report provides detailed information on the 2022 Fourth Quarter Budget Implementation. The other parts of the Report are organised as follows: Following this introductory section, Section 2 reviews macroeconomic performance, highlighting the performance of the real, monetary and external sectors. Section 3 presents an analysis of Government's revenue receipts and expenditure in the period 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 ongoing Russia-Ukraine war caused severe commodity and energy price shocks and trade disruptions, with significant impact across many economies. More contagious COVID-19 variants also emerged and spread widely affecting activity, particularly in economies in which populations had lower levels of immunity and in which strict lockdowns were implemented. Although these developments imperiled the recovery, activity in many economies turned out better than expected in the second half of 2022, typically reflecting stronger-than-anticipated domestic conditions.

Global growth declined from 6.2 percent in 2021 to 3.4 percent in the review period. This reflects moderation in growth for the Advanced Economies to 2.7 percent in 2022 from 7.4 percent in 2021 as well as for the Emerging Markets and Developing Economies (EMDEs) from 6.7 percent in 2021 to 3.9 percent in 2022.

Global headline inflation moderated since mid-2022, largely reflecting the decline in fuel and energy commodity prices, as well as the increase in interest rates by central banks around the world since 2021. This notwithstanding, both headline and core inflation rates remain at about double their pre-2021 levels on average, and far above target among almost all inflation-targeting countries. Specifically, world inflation rose by 4.1 percentage points from 4.7 percent in 2021 to 8.8 percent in 2022.

The global indebtedness has also worsened with private and public debt reaching levels not seen in decades in most economies. As a result, there are increasing concerns about the sustainability of some countries' debts, considering monetary policy tightening particularly by major advanced economies, which led to sharp increases in borrowing costs.

As a result of the above, uncertainty remains high, and the balance of risks has shifted firmly to the downside. Global output growth is therefore forecast to moderate further to 2.8 percent in 2023 before rising to 3.0 percent in 2024. The downward forecast reflects recent financial sector turmoil, sharper contractionary effects than expected from the synchronous central bank rate hikes, systemic debt distress in EMDE, faltering China's post–COVID-19 recovery, escalation of the war in Ukraine, geoeconomic fragmentation and limited space to offset new negative shocks, especially in low-income countries.

2.2 DOMESTIC MACROECONOMIC PERFORMANCE

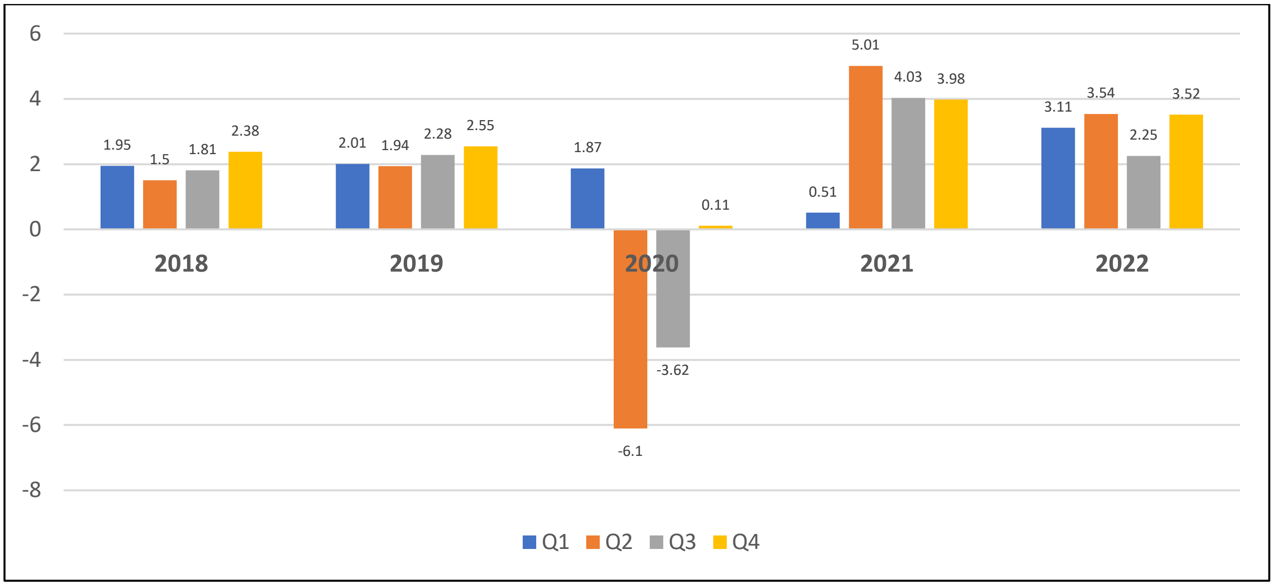
2.2.1 Developments in Real Sector

2.2.1.1 GDP Growth:

Nigeria's Gross Domestic Product (GDP) grew by 3.52 percent (year-on-year) in real terms in the fourth quarter of 2022, following a growth of 2.25 percent in the third quarter of 2022 and 3.98 percent in the fourth quarter of 2021. The performance of the GDP in the fourth quarter of 2022 was driven mainly by the Services sector, which recorded a growth of 5.69 percent and contributed 56.27 percent to the aggregate GDP. Although the Agriculture sector grew by 2.05 percent in the reference period, its performance was significantly hampered by severe incidences of flood experienced across the country, accounting for lesser growth relative to the fourth quarter of 2021 which was 3.58 percent. Moreover, the Industry sector was yet challenged recording -0.94 percent growth and contributing less to the aggregate GDP relative to the third quarter of 2022 and the fourth quarter of 2021. Overall, the annual real GDP growth rate in 2022 expanded by 3.52 percent to N74,639.47 billion**,** from the 3.40 percent reported in 2021.

In the quarter under review, aggregate GDP stood at N56,757,889.95 million in nominal terms. This performance is higher when compared to the fourth quarter of 2021 which recorded aggregate GDP of N49,276,018.23 million, indicating a year-on-year nominal growth of 15.18 percent. The nominal GDP growth rate in the fourth quarter of 2022 was higher when compared with the 13.92 percent growth recorded in the fourth quarter of 2021 but lower than the 15.83 percent growth recorded in the third quarter of 2022. Annual nominal GDP growth for 2022 stood at 14.87 percent.

Figure 2.1 GDP Percentage Growth (Q1 2018 – Q4 2022)



Source: National Bureau of Statistics

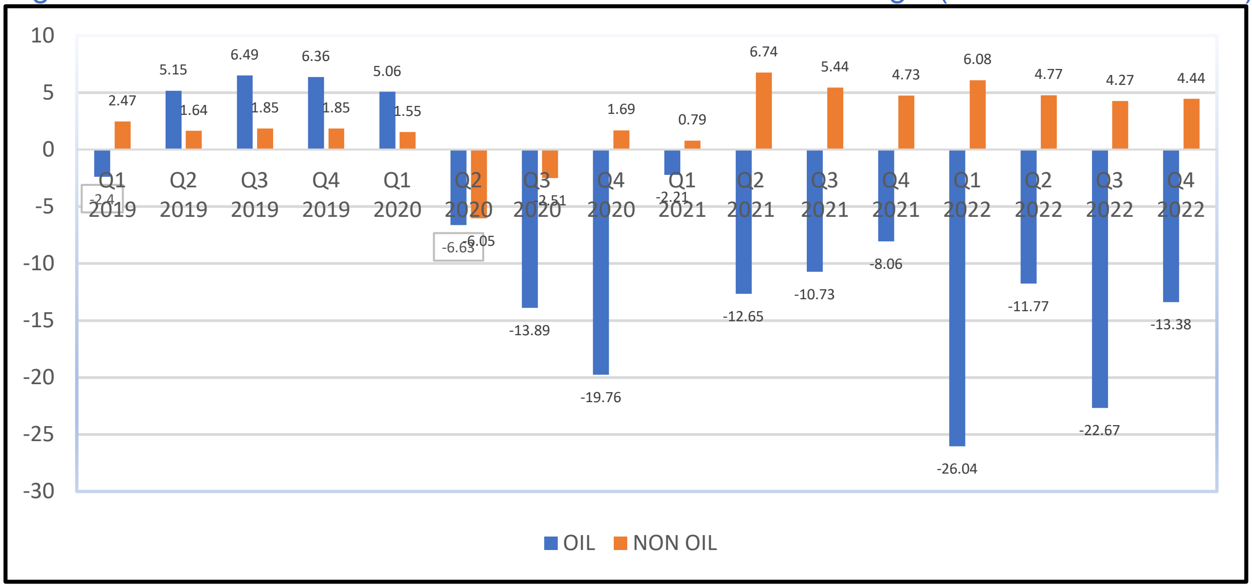
2.2.1.2 Oil Sector

Nigeria recorded an average daily oil production of 1.34 million barrels per day (mbpd) in the fourth quarter of 2022. This was 0.16mbpd lower than the daily average oil production of 1.50mbpd recorded in the same quarter of 2021 and lower than the oil production benchmark of 1.60mbpd. It is however higher than the third quarter of 2022 production volume of 1.20 mbpd by 0.14mbpd.

The real growth of the oil sector was –13.38 percent (year-on-year) in fourth quarter of 2022 indicating a decrease of 5.09 percentage points relative to the rate recorded in the corresponding quarter of 2021. Growth increased by 9.29 percentage points when compared to Q3 2022 which was –22.67 percent. On a Quarter-on-Quarter, the oil sector recorded a growth rate of -14.93 percent in the fourth quarter of 2022.

However, the annual growth rate of oil stood at -19.22 percent compared to the -8.30 percent recorded in 2021. The Oil sector contributed 4.34 percent to the total real GDP in fourth quarter 2022, down from the figures recorded in the corresponding period of 2021 and the preceding quarter, where it contributed 5.19 percent and 5.66 percent respectively. However, the total annual contribution of oil to aggregate GDP in 2022 was 5.67 percent.

Figure 2.2 Oil and Non-Oil Real GDP Growth Rate Percentage (Q1 2019 – Q4 2022)



Source: National Bureau of Statistics, 2022

2.2.1.3 The Non-Oil Sector

The non-oil sector grew by 4.44 percent in real terms during the fourth quarter of 2022. This rate was lower by 0.29 percentage points compared to the rate recorded same quarter of 2021 and 0.18 percentage points higher than the third quarter of 2022. This sector was driven in the fourth quarter of 2022 mainly by Information and Communication (Telecommunication); Trade; Agriculture (Crop Production); Financial and Insurance (Financial Institutions); Manufacturing (Food, Beverage & Tobacco); Real Estate and Construction, accounting for positive GDP growth. In real terms, the non-Oil sector contributed 95.66 percent to the nation's GDP in the fourth quarter of 2022, higher than the share recorded in the fourth quarter of 2021 which was 94.81 percent and higher than the third quarter of 2022 recorded as 94.34 percent. Moreover, on aggregate 94.33 percent was contributed in 2022, higher than the 92.76 percent reported in 2021.

Four sub-activities make up the Agricultural sector: Crop Production, Livestock, Forestry and Fishing. The sector grew by 18.67 percent year-on-year in nominal terms in Q4 2022, showing an increase of 5.81 percentage points from the same quarter of 2021. Looking at the preceding quarter's growth rate of 20.07 percent, there was a decrease of 1.40 percentage points. Crop Production remained the major driver of the sector. This is evident as it accounts for 91.58 percent of the overall nominal value of the sector in the fourth quarter of 2022.

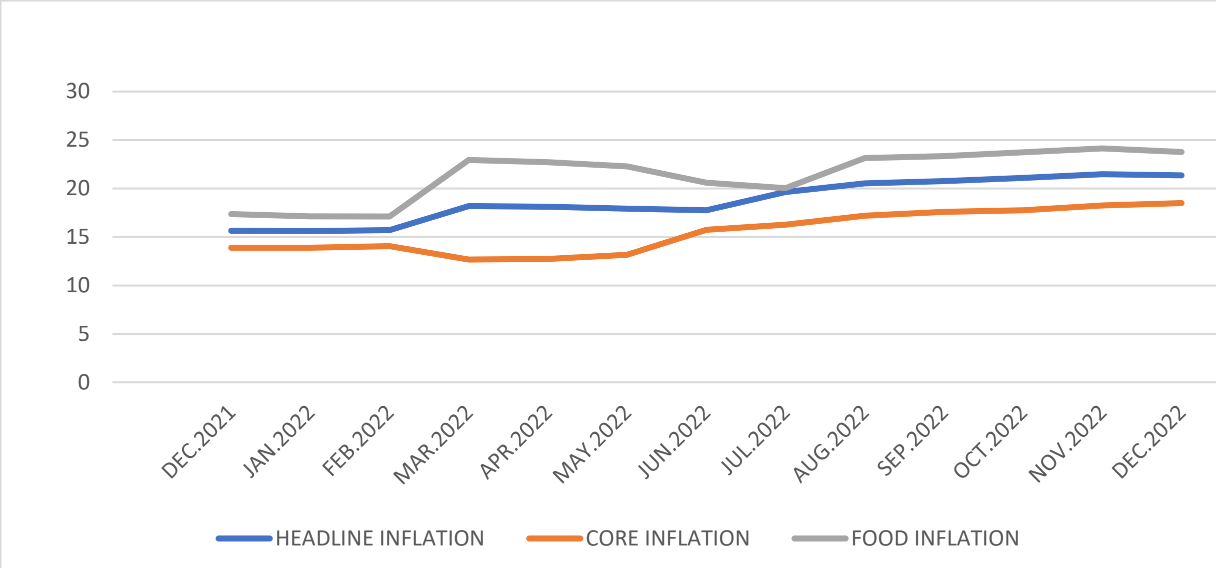
Quarter-on-Quarter growth stood at -1.81 percent in the fourth quarter of 2022. Agriculture contributed 24.90 percent to nominal GDP in the fourth quarter of 2022. This figure was higher than the rate recorded in the fourth quarter of 2021 but lower than the third quarter of 2022 which recorded 24.17 percent and 27.55 percent respectively. Overall, in real terms, the sector recorded the contribution of 24.05 percent in 2022.

2.2.2 Price Developments

Headline inflation (year-on-year) stood at 21.34 percent in December 2022, 5.72 percentage, points higher when compared to the 15.63 percent recorded in December 2021. It increased from 20.77 percent in September to 21.09 percent in October before and further to 21.47 percent in November before declining to 21.34 percent in December 2022. The increases could be attributed to increase in energy cost, transportation cost, exchange rate depreciation etc.

Food inflation rose from 23.34 percent in September to 23.73 percent in October and 24.13 percent in November respectively before declining to 23.75 percent in December 2022. This was caused by increases in prices of Bread and cereals, Oil and fat, Potatoes, Yam/other tubers and Fish Food Products. Core inflation followed a similar trend rising from 17.60 percent in September to 17.76 percent, 18.24 percent and 18.49 percent in October, November and December 2022. This constant rise was as a result of increases recorded in the prices of Gas, Liquid fuel, Passenger transport by Air, Vehicles spare parts, Fuels and lubricants for personal transport equipment, and Solid fuel.

Figure 2.3: Inflation Rate (December 2021 – December 2022)



Source: National Bureau of Statistics, 2022

The above indicates that the inflation rate remains very high in the review period. However, it is good to note that the Federal Government is making progress in the effort to address the issue of insecurity to enable farming and other business activities return to normalcy. Infrastructural gaps are also being addressed to minimize the upward price pressure, particularly on transportation, while the subsidy on the Premium Motor Spirit (PMS) was extended to moderate the pressure on core inflation.

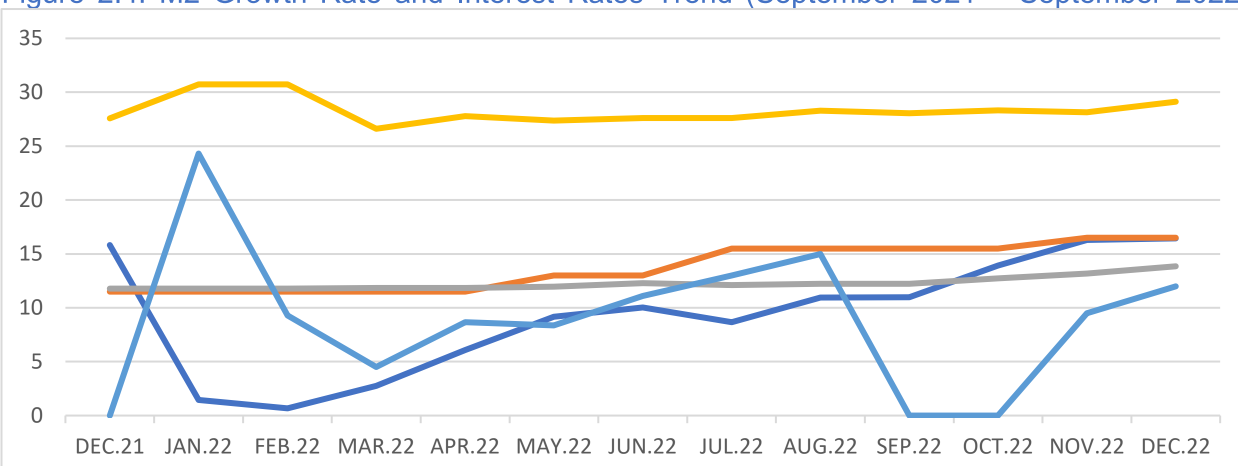
2.2.3 Developments in Money Market:

Monetary aggregates increased in the review period relative to the third quarter of 2022. Broad Money Supply (M2) increased by ₦2,415.47 million (4.90 percent) from ₦49,331.84 million in September, 2022 to ₦51,747.30 million in December 2022. The growth in M2 was mainly driven by the expansions in the Net Domestic Assets (NDA). Net Domestic Asset (NDA) rose by 6.81 percent (₦3,055.38 billion) from ₦44,848.00 billion in September to ₦47,903.38 billion in December 2022. Net Foreign Assets (NFA) however fell by by 54.53 percent (₦5,100.12 million) in the review period. The development in NDA was due to the expansions in Net Domestic Credit (NDC) during the period. Net Domestic Credit (NDC) rose by 4.92

percent (₦3,116.82 million) from ₦63,341.60 million in September, 2022 to ₦66,458.42 in December, 2022.

Similarly, the expansion in Net Domestic Credit was due to the increases in both Net Credit to Government and Credit to Private Sector during the period under review. Net Credit to Government increased by 8.02 percent (₦1,829.92 million) from ₦22,826.32 million in September, 2022 to ₦24,656.23 million in December 2022. Credit to Private Sector also increased by 3.18 percent (₦1,286.91 million) from ₦40,835.32 million in September, 2022 to ₦24,656.23 million in December, 2022. When compared to the level at the end of fourth quarter of 2021, broad money supply expanded by ₦7,929.73 million (18.09 percent) in December 2022.

Figure 2.4: M2 Growth Rate and Interest Rates Trend (September 2021 – September 2022)



Source: Central Bank of Nigeria, 2022

The Central Bank of Nigeria increased the Monetary Policy Rate (MPR) from 15.5 percent to 16.5 percent in the review period. However, the asymmetric corridor around the MPR was retained at +100/-700 basis points. The Cash Reserve Ratio (CRR) was also reviewed from 27.5 percent to 32.5 percent during the period. While the Liquidity Ratio was retained at 30.0 percent.

The above developments led to increases in the deposit and lending rates in the economy. The average interbank call-rate remained at zero percent in September and October but increased to 9.50 percent and 11.99 percent in November and December, 2022 respectively. The average prime lending rate also increased from 12.54 percent in June 2022 to 12.74 percent, 13.17 percent and 13.85 percent in October, November and December 2022 respectively. Similarly, the average maximum lending rate increased from 28.06 percent in September to 28.33 percent in October but declined to 28.14 percent and 28.13 percent in November and December 2022 respectively, (Figure 2.4)

2.2.4 Developments in the External Sector:

2.2.4.1 External Trade:

The value of imports in the fourth quarter of 2022 stood at ₦5,362.83 billion. This reflects a declined of 15.46 percent compared to the value recorded in the third quarter of 2022 (N6,343.53 billion) and a reduction by 9.73% when compared to the value recorded in the corresponding quarter of 2021 (N5,940.58 billion).

Nigeria's foreign trade, largely driven by significant improvements in Exports continued to rebound in the review period. Total trade rose by ₦12.64 trillion or 31.79 percent to ₦52.39 trillion in 2022, from ₦39.75 trillion in 2021. This represents a significant trade expansion but is below the rebound of 57.60 percent growth recorded in 2021. The rebound in trade follows the continued recovery in the global economic activities including foreign trade and travels from the lockdown of 2020 occasioned by the advent of COVID-19.

The development in total trade was driven by significant expansion in export as well as in imports in the review period. Exports jumped by ₦7.89 trillion or 41.72 percent to ₦26.80 trillion in 2022, from ₦18.91 trillion recorded in the corresponding period of 2021. Imports also expanded albeit by a lower figure of ₦4.75 trillion or 22.77 percent from ₦20.84 trillion in 2021, to ₦25.59 trillion in the review period.

Analysis by export components indicates that the dominance of crude oil in the nation's exports in the review period increased by 2.52 percentage points from 76.22 percent in 2021 to 78.74 percent of total exports in 2022. Non-crude and crude oil exports sub-components continued to recovered in the review period rising by ₦1.20 trillion or 26.70 percent and ₦6.69 trillion or 46.41 percent to ₦5.70 trillion and ₦21.10 trillion respectively during the review period. They both stood at from ₦4.50 trillion and ₦14.41 trillion respectively in 2021. The non-oil exports also recovered during the review period though at a slower pace than in the 2021 fiscal year. The export component rose by ₦0.42 trillion or 19.43 percent, to ₦2.56 trillion in 2022, from ₦2.14 trillion it posted in 2021. This indicates a sustenance of momentum from the impact and aftershocks of the COVID-19 as well as the effects of the war in Ukraine.

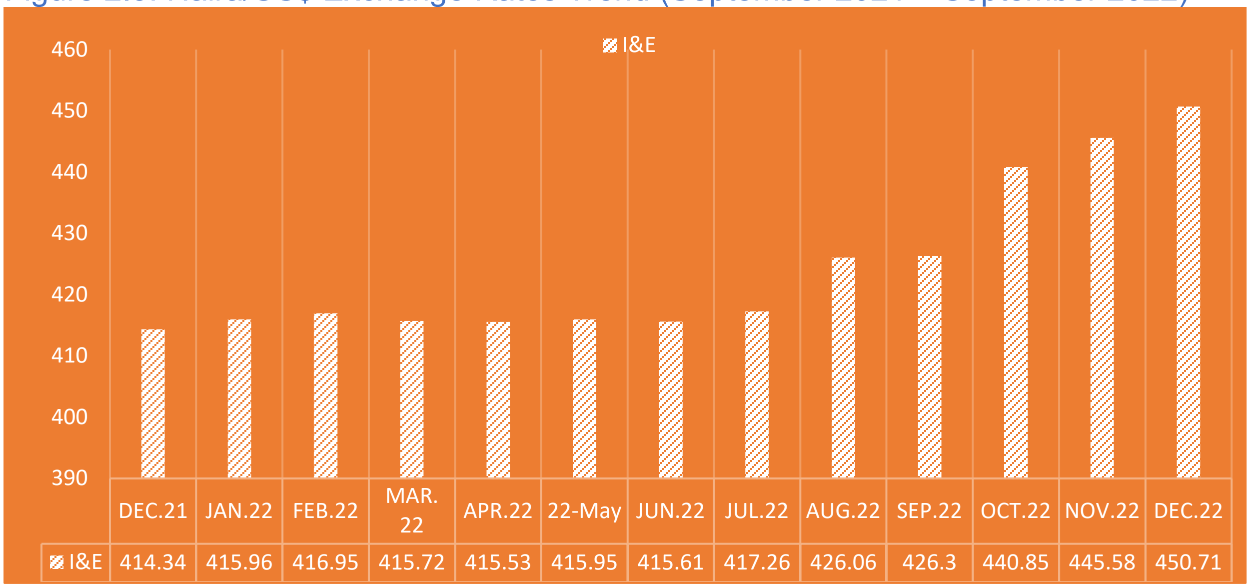
2.2.4.2 Balance of Trade:

The above developments helped to stem the deterioration in Nigerian's trade balance. The Nigerian trade balance improved to ₦996.78 billion in the fourth quarter of 2022, indicating ₦727.44 billion or 270.08 percent and ₦822.82 billion or 472.99 percent higher when compared with the values recorded in third quarter 2022 and fourth quarter of 2021 respectively. On annual basis, it stood at ₦1.21 trillion indicating a ₦3.14 trillion or 162.30 percent improvement in net trade from ₦-1.94 trillion in 2021. The improvement in trade balance was driven by the sharp increase in exports driven mostly by recovery in Crude Exports and Non-Crude Exports.

2.2.4.3 Exchange Rates:

The Investors and Exporters segment of the foreign exchange market unlike in the third quarter of 2022, depreciated from ₦435.57/US$ in September, 2022 to ₦440.85/US$, ₦445.58/US$ and ₦450.71/US$ in October, November and December 2022 respectively. There was no data for the Official/Inter-Bank segment and the Bureau-de-Change (BDC) segments of the foreign exchange market following the suspension of the operations of the Bureau-de-Change segment by Central Bank of Nigeria.

Figure 2.5: Naira/US$ Exchange Rates Trend (September 2021 – September 2022)



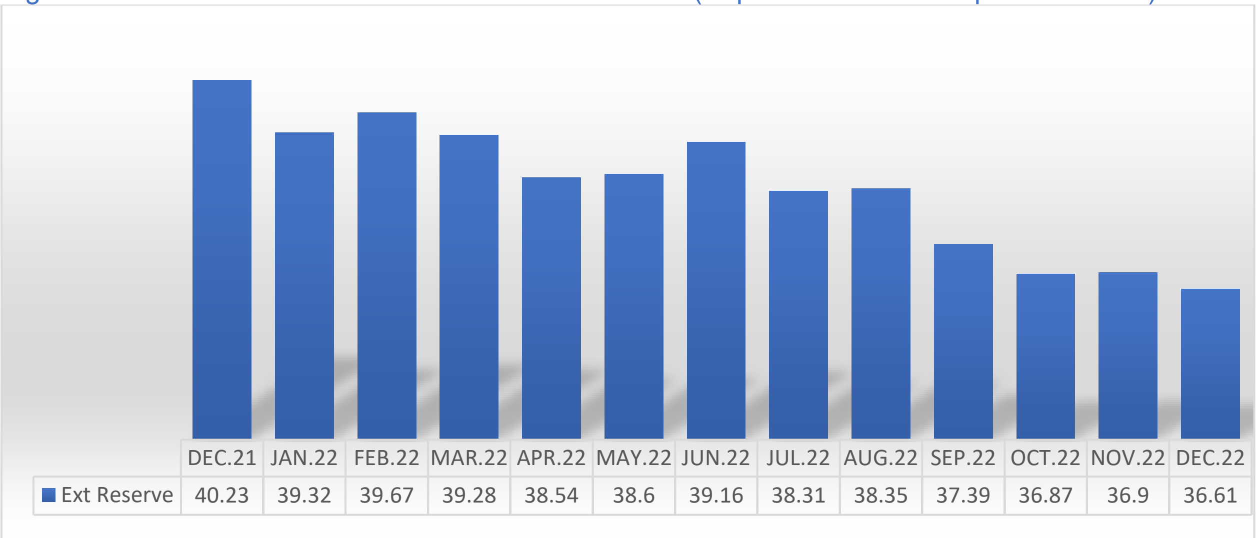
Source: Central Bank of Nigeria, 2022

2.2.4.4 External Reserves:

Data from the CBN showed that Nigeria's gross external reserve decreased at the end of the fourth quarter of 2022. The reserve position declined from US$37.39 billion in September 2022 to US$36.87 billion, US$36.90 billion and US$36.61 billion in October, November and December 2022 respectively. The decline reflected the significant demand pressure witnessed in the foreign exchange market, general drop in export proceeds and the high cost of importation of refined petroleum products.

The performance at the end of December 2022 represented a decrease of US$0.78 billion (2.09 percent) below the figure reported at the end of September 2022. It was also US$3.62 billion (9.00 percent) below the US$40.23 billion recorded at the end of fourth quarter of 2021. This led to the deterioration of the external reserve in months of imports from 9.66 months in 2021 to 7.74 months in 2022. This, however remain above the ECOWAS convergence criteria threshold of 3 months of imports cover. The level of external reserves is however expected to increase in subsequent quarters due to expected improvement in crude oil production and prices in the near term.

Figure 2.6: Level of External Reserves in Billion Dollars (September 2021 – September 2022)



Source: Central Bank of Nigeria, 2022

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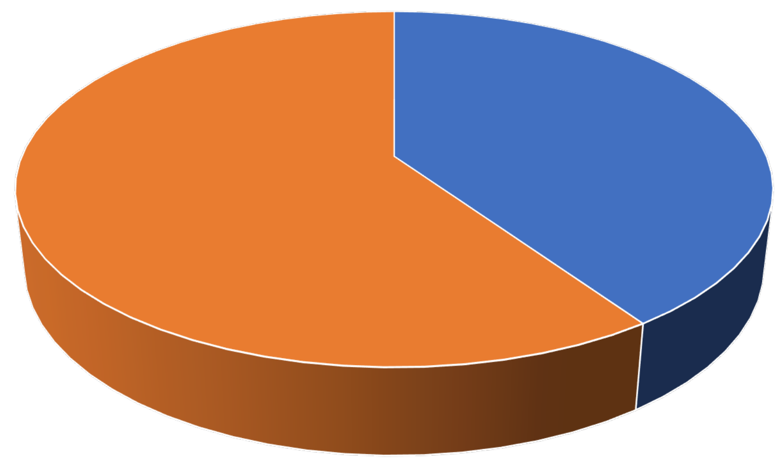
2.2.5 Debt Stock

2.2.5.1 Total Public Debt Stock

The total public debt stock as at 31st December, 2022 stood at US$103,110.84 million (₦46,250.37 billion). This indicates an increase 0f US$7,331.2 million (₦6,694.34 billion or 16.92 percent) when compared to the ₦39,556.03 billion (US$95,779.64 million) recorded at the end of December 2021. The breakdown comprised of US$61,415.93 million (₦27,548,116.06 billion or 59.56 percent) for domestic debt stock while the balance of US$41,694.91 million (₦18,702,251.88 billion or 40.44 percent) was for external debt stock. This translates to a net present value of total public debt/GDP ratio of 23.20 percent as at the end of December 2022. This was below the country specific threshold of 25 percent and also significantly below the 56 percent international threshold for comparator countries.

Figure 2.7: Fourth quarter 2022 Total Public Debt Stock



Source: Debt Management Office, 2022

2.2.5.2 Domestic Debt Stock

The federal Government’s domestic debt stock stood at ₦22,210.36 billion as at the end of December 2022, representing an increase of ₦658.41 billion (3.05 percent) above the ₦21,551.95 billion recorded in the third quarter of 2022. It was also ₦2,967.8 billion (15.42 percent) above the ₦19,242.56 reported in the same period of 2021. The increase in domestic debt relative to the third quarter of 2022 was mainly due the new issuance of FGN bonds, as well as moderate increases in FGN Savings Bond, SUKUK and Green Bonds during the period.

A breakdown of the domestic debt stock as at 31st December, 2022 reveal that ₦16,421.56 billion (73.94 percent) is for FGN Bonds, ₦4,422.72 billion (19.91 percent) is for Nigerian Treasury Bills (NTBs), 50.99 billion (0.23 percent) is for Nigerian Treasury Bonds, 27.51 billion (0.12 percent) is for FGN Savings Bonds, 742.56 billion (3.34 percent) is for FGN Sukuk, 15. 00 billion (0.07 percent) is for Green Bond and 530. 03 billion (2.39 percent) for Promissory Notes.

2.2.5.3 External Debt Stock

Nigeria's external debt stock as at 31st December, 2022 stood at US$41,694.91 million indicating an increase of US$2,033.19 million (5.13 percent) and US$3,303.59 million (8.61 percent) above the US$39,661.72 million and US$38,391.32 million reported in the in the third quarter of 2022 and fourth quarter of 2021 respectively.

A breakdown of the external debt stock as at 31st December, 2022 revealed that Multilateral Debts amounted to US$20,201.46 million (48.45 percent), commercial (Euro-Bond) amounted to US$15,618.36 million (37.46 percent), Bilateral Debts amounted to US$5,067.19 million (12.15 percent), Promissory notes amounted to US$547.91 million (1.31 percent) while Syndicated Loan accounted for US$260.00 million (0.62 percent).

3.0 FINANCIAL ANALYSIS OF THE 2022 BUDGET IMPLEMENTATION

3.1 Key Assumptions and Projections

The 2022 Budget was based on the 2022-2024 Medium Term Fiscal Framework and Fiscal Strategy Paper (MTFF/FSP) which was in line with the nation's National Development Plan 2021-2025. Table 3.1 presents the key assumptions and targets over the period 2016-2022.

Table 3.1: Key Budget Assumptions and Targets, 2016 - 2022

KEY ASSUMPTION & TARGETS	2016	2017	2018	2019	2020	2021	2022
Projected Production (in mbpd)	2.2	2.20	2.30	2.30	1.80	1.86	1.60
Budget Benchmark Price (per barrel in US)	38	44.50	51	60	28	40	73
Technical Cost of JVC Pbl to Oil Companies							
Operating Expenses (T1) in US $	10.29	10.43	11.24	20.45	11.30	10.68	14.30
Capital Expenses (T2) in US $	11.12	10.85	11.97	14.89	13.99	13.16	11.56
Petroleum Investment Allowance (10%)				0.51	0.34	0.25	0.35
Technical Cost of PSC Pbl to Oil Companies							
Operating Expenses (T1) in US $	8.22	8.85	8.7	10.01	10.02	15.02	12.02
Capital Expenses (T2) in US $	19.62	17.86	11.01	10.04	8.19	8.27	7.51
Investment Tax Credit	4.94	2.85	2.13	1.54	2.38	2.26	1.28
Technical Costs of SC pbl to Oil Company							
Operating Expenses (T1) in US $	18.62	18.62	22.79	29.49			27.08
Capital Expenses (T2) in US $	2.44	2.05	2.05	5.49			5.8
Investment Allowances	2.996	0.46	0.46	2.67			1.03
Technical Costs of Independent pbl to Oil Company							
Operating Expenses (T1) in US $					12.43	11.74	15.73
Capital Expenses (T2) in US $					15.39	14.48	12.71
Investment Allowances					0.37	0.27	0.44
Weighted Average Rate of PPT - JV Oil	85%	85%	85%	85%			85%
Weighted Average Rate of PPT - PSC Oil	50.17%	50.2%	50.2%	50.1%			50.1%
Weighted Average Rate of PPT - SC Oil	85%	85%	85%	85%			85%
Weighted Average Rate of PPT - Independent (Indigenou	85%	85%	85%	85%			85%
Weighted Average Rate of PPT - Marginal	51.6%	51.6%	85%	85%			85%
Royalty Rates							
Weighted Average Rate of Royalties - JV Oil	19.1%	19.1%	18.67%	18.67%			19.7%
Weighted Average Rate of Royalties - PSC	4.5%	4.5%	2.3%	2.83%			10.4%
Weighted Average Rate of Royalties - SC Oil	18.5%	18.5%	18.5%	18.50%			20%
Weighted Average Rate of Royalties -Independent	19.3%	19.3%	19.31%	19.31%			17.7%
Weighted Average Rate of Royalties - Marginal	9.3%	9.3%	9.3%	9.29%			4.1%
Average Exchange Rate (NGN/US$)	197	305	305	305	360	379	410.15
VAT Rate	5%	5%	5%	5%	7.5%	7.5%	7.5%
CIT Rate	30%	30%	30%	30%	30%	30%	30%

Source: BOF, NNPC, FIRS and NCS, 2022

3.1.1 Budget Benchmark Oil Price and Production

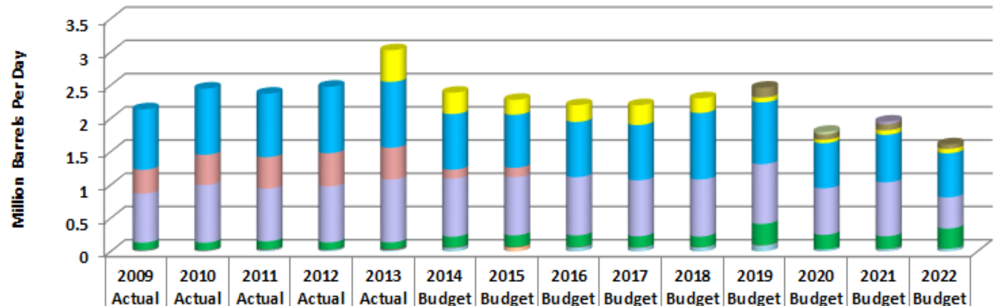
The benchmark price of oil for the 2022 Budget was pegged at US$73/barrel while benchmark oil production was estimated at 1.6mbpd. Government continues to use benchmark oil production and price for the yearly budget so as to insulate budget expenditures from the instabilities in domestic production and the price of oil in the global market.

Budgeted crude oil output was projected downward from 1.86mbpd in 2021 to 1.60mbpd in 2022 while the cost outlay was projected to increase in 2022 as against 2021. The Technical Cost comprising average of operating and capital expenses were reviewed upward in the 2022 fiscal year when compared to the rates in 2021 for both the Joint Ventures (JVs) and the Independent Contracts. The average expenses [Capital (T1) and Operating (T2)] for the JVs production arrangement increased from US$23.84 per barrel in 2021 to US$25.86 per barrel in 2022 indicating an increase of US$2.02 per barrel in the period.

The average expenses for the Independent Contracts also increased to US$28.44 per barrel in 2022 from US$26.22 per barrel in 2021. This was due to increase in Operating Expenses for Independent Contract. On the other hand, the average expenses [Capital (T1) and Operating (T2)] for the Production Sharing Contracts were adjusted downward from U$23.29 per barrel in 2021 to U$19.53 per barrel in 2022.

The share of oil production by business arrangement remained relatively stable with the JVs and PSCs dominating at approximately 39.8 and 28.1 percent respectively. The share of Independent Contract almost doubled from 9.72 percent in 2021 to 18.1 percent in 2022. 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 2021 budget framework.

Figure 3.1: Budget Oil Production by Business Arrangements 2009 – 2022



	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
External Financing													0.041	
Equity Financing												0.04		
Repayment Arears											0.15	0.08	0.09	0.067
Modified Carry Arrangement					0.476	0.32	0.223	0.252	0.298	0.22	0.07	0.05	0.067	0.067
Joint Ventures	0.91	0.995	0.955	1	0.991	0.837	0.798	0.830	0.831	1	0.93	0.68	0.716	0.664
Alternative Funding	0.36	0.455	0.474	0.5	0.477	0.135	0.141	0	0	0	0	0	0	0
Prod. Sharing Contracts	0.736	0.868	0.793	0.843	0.947	0.875	0.876	0.878	0.843	0.86	0.9	0.7	0.812	0.469
Independents	0.113	0.115	0.122	0.11	0.104	0.16	0.176	0.176	0.168	0.16	0.32	0.22	0.19	0.302
Service Contracts	0.009	0.007	0.008	0.005	0.013	0.008	0.007	0.006	0.005	0.004	0.004	0.00	0.003	0.002
Marginal Fields	0.011	0.01	0.022	0.02	0.019	0.053	0.059	0.059	0.055	0.06	0.09	0.03	0.035	0.04

Source: NAPIMS/NNPC, 2022

Table 3.2: Detailed Assumptions for Oil Production and Taxes (2018 - 2022)

Share of Oil Production	2018 Production Volume	2018 Percentage	2019 Production Volume	2019 Percentage	2020 Production Volume	2020 Percentage	2021 Production Volume	2021 Percentage	2022 Production Volume	2022 Percentage
Joint Ventures	1.00	43.48%	0.93	37.8%	0.68	37.60%	0.716	36.64%	0.664	39.8%
Alternative Funding									0	0.0%
External Financing							0.041	2.10%	0.056	3.4%
Modified Carry Arrangement	0.22	9.57%	0.07	2.8%	0.05	2.92%	0.067	3.43%	0.067	4.0%
Production Sharing Contracts	0.86	37.39%	0.90	36.7%	0.70	39.03%	0.812	41.56%	0.469	28.1%
Independents	0.16	6.96%	0.32	12.8%	0.22	11.96%	0.190	9.72%	0.302	18.1%
Service Contracts	0.004	0.17%	0.004	0.2%	0.00	0.18%	0.003	0.15%	0.002	0.1%
Marginal	0.06	2.61%	0.09	3.5%	0.03	1.86%	0.035	1.79%	0.04	2.4%
Base Production	2.30	100%	2.3	100%					1.6	
Repayment Arrears	0.21	8.37%	0.15	6.2%	0.08	4.26%	0.090	4.61%	0.067	4%
Equity Financing					0.04	2.18%				
Total Oil Production	2.51	100%	2.45	100%	1.80	100%	1.954	100.00%	1.667	100%
PPT Rates										
Weigthed Average -JV/AF/Independent/Marginal		85%	85%			85%		85.00%		85%
Weigthed Average -PSC		50.2%	50.10%			50.10%		50.12%		50.1%
Weigthed Average -SC		85%	85%			85%		85.00%		85%
Royalties Rates										
Weighted Average-JV		18.67%	18.67%			18.67%		18.67%		19.7%
Weighted Average-Independent						19.31%		19.31%		17.7%
Weighted Average-Marginal						9.29%		9.29%		4.1%
Weigthed Average-PSC		2.3%	2.83%			3.15%		10.00%		10.4%
Weigthed Average-SC Oil		19.31%	19.31%			18.50%		18.50%		20%

Source: NNPC and BOF, 2022

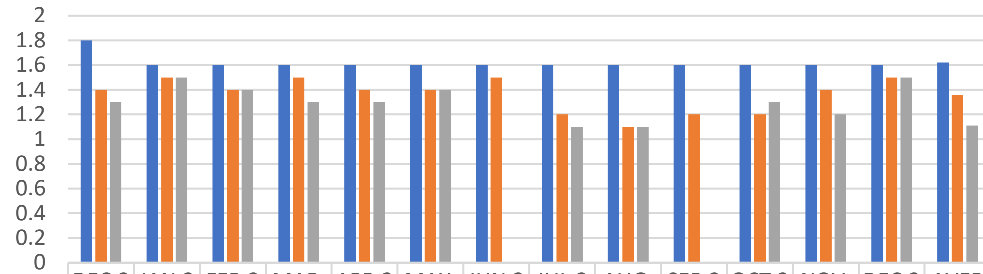
3.2 Analysis of Revenue Performance:

3.2.1 Performance of Key Oil Revenue Parameters:

The price of crude oil in the international market averaged US$100.93 per barrel in 2022. It also stood at an average of US$88.71 per barrel in the fourth quarter, indicating a decrease of US$10.78 per barrel (10.84 percent) and an increase of US$8.98 per barrel (10.12 percent) from the US$99.49 per barrel reported in the third quarter of 2022 and US$79.73 per barrel recorded in the fourth quarter of 2021 respectively. The performance also reflects an increase of US$15.71 per barrel (21.50 percent) above the US$73.0 per barrel oil price benchmark for the 2022 budget. The increase in crude oil price during the period could be attributed to the Russia-Ukraine war and the impact of the numerous sanctions imposed by the United States and its allies against Russia which disrupted global oil production/supply. It was also influenced by the improvement in global economic activities after easing of the different phases of COVID-19 lockdown.

Provisional data from the Nigerian National Petroleum Company (NNPC) showed that the average oil production and lifting (including Condensates) in the fourth quarter of 2022 was 1.37mbpd and 1.33mbpd respectively. The oil production figure indicates a decrease of 0.23mbpd (14.38 percent) and 0.27mbpd (16.67 percent) below the 1.60mbpd benchmark for the 2022 Budget. The volume of oil production in the period was also 0.17mbpd (14.17 percent) above the 1.20mbp reported in third quarter 2022 and 0.05mbpd (3.02 percent) below the 1.42mbpd recorded in the fourth quarter of 2021.

Figure 3.2: Oil Production and Lifting December 2021 – December 2022



	DEC.21	JAN.22	FEB.22	MAR.22	APR.22	MAY.22	JUN.22	JUL.22	AUG.22	SEP.22	OCT.22	NOV.22	DEC.22	AVERAGE
OIL PRO. BENCHMARK	1.8	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.62
AV. DAILY PRO.	1.4	1.5	1.4	1.5	1.4	1.4	1.5	1.2	1.1	1.2	1.2	1.4	1.5	1.36
AV. DAILY OIL LIFTING	1.3	1.5	1.4	1.3	1.3	1.4	0	1.1	1.1	0	1.3	1.2	1.5	1.11

Source: NNPC, 2022

The above translates to an average monthly oil production and lifting of 42.16 million barrels and 40.71 million barrels respectively in the fourth quarter of 2022. The decrease in the quantity of oil production during the quarter as against the projected budget figure could be ascribed to crude oil theft, vandalization of pipelines and other legacy issues in the sector.

3.3 Aggregate Revenue of the Federation:

In the 2022 Fiscal Framework, Gross Federally Collectible Revenue is projected at ₦18,470.13 billion, comprising of ₦9,369.96 billion (50.73 percent) Oil Revenue and ₦9,100.17 billion (49.27 percent) Other Revenue.

3.4 Oil Revenue Performance:

Gross Oil Revenue stood at ₦1,847.29 billion in the fourth quarter of 2022. This translates to a ₦495.20 billion (21.14 percent) shortfall when compared with the 2022 quarterly budget estimate. The performance was however ₦72.59 billion (4.09 percent) and ₦638.60 billion (52.84 percent) above the ₦1,774.70 billion and ₦1,208.60 billion generated in the third quarter of 2022 and corresponding period of 2021 respectively.

A breakdown of the oil revenue performance in the fourth quarter of 2022 showed that Royalties (Oil & Gas) of ₦737.07 billion and Concessional Rentals of ₦2.30 billion exceeded their quarterly estimate of ₦638.50 billion and ₦1.60 billion by ₦98.57 billion (15.44 percent) and ₦0.7 billion (43.75

percent) respectively. Exchange Gain which had zero projection, yielded ₦53.24 billion in the quarter under review. On the other hand, Crude Oil and Gas Sales of ₦102.78 billion, Petroleum Profit and Gas Taxes of ₦896.18 billion, Gas Flared Penalty of ₦18.12 billion, Incidental Oil Revenue (Licenses & Early License Renewal) of ₦34.78 billion and Miscellaneous (Pipeline fees etc.) of ₦2.93 billion fell below their quarterly estimates of ₦218.52 billion, ₦1,393.08 billion, ₦27.63 billion, ₦48.77 billion and ₦14.39 billion by ₦115.74 billion (52.97 percent), ₦496.90 billion (35.67 percent), ₦9.51 billion (34.42 percent), ₦13.99 billion (28.69 percent) and ₦11.41 billion (79.29 percent), respectively. Please see *Table 3.4*.

3.4.1 Net Oil Revenue:

The actual Net Oil Revenue that accrued into the Federation Account in the fourth quarter of 2022 was ₦567.53 billion, depicting a decrease of ₦567.20 billion (49.99 percent) below the estimated quarterly budget of ₦1,134.78 billion. The inflow was however, higher than the ₦398.69 billion and ₦199.75 net oil revenue recorded in the third quarter of 2022 and fourth quarter of 2021 by ₦168.84 billion (42.35 percent) and ₦227.22 billion (113.75 percent) respectively (Table 3.4). The low Net Oil Revenue performance in the fourth quarter of 2022 when compared with the quarterly projection could be ascribed to the fall in production and lifting volume due to crude oil theft and vandalization of pipe lines during the period as well as the rising fiscal deductions in the period under review. The revenue data are presented in *Table 3.3*.

3.4.2 Year to Date Oil Revenue Performance:

A total of ₦6,222.47 billion Gross Oil Revenue was collected in the year as against ₦9,369.96 billion projected for 2022 budget. This represented a decrease of ₦3,147.49 billion (33.59 percent) below the 2022 budget estimate but ₦1,519.58 billion (32.31 percent) above the actual gross oil revenue of ₦4,702.80 billion collected in 2021. A breakdown of the revenue by sub-head indicates that only Incidental Oil Revenue (Licenses & Early License Renewal) of ₦215.72 billion surpassed its annual projections of

₦195.09 billion by ₦20.63 billion (10.57 percent). Exchange Gain which had zero projection, also yielded ₦179.79 billion in the review period.

Other Oil Revenue items fell below their respective 2022 projections. Crude Oil and Gas Sales ₦851.94 billion, Petroleum Profit and Gas Taxes of ₦2,437.75 billion, Royalties (Oil & Gas) of ₦2,447.19 billion, Concessional Rentals of ₦6.23 billion, Gas Flared Penalty of ₦70.42 billion and Miscellaneous (Pipeline fees etc.) of ₦13.60 billion fell below their yearly projections of ₦847.06 billion, ₦5,572.31 billion, ₦2,554.00 billion, ₦6.41 billion, ₦110.54 billion and ₦57.56 billion by ₦22.12 billion (2.53 percent), ₦3,134.56 billion (56.23 percent), ₦106.80 billion (4.18percent), ₦0.18 billion (2.81 percent), ₦40.12 billion (36.29 percent) and ₦43.96 billion (76.37 percent) respectively. (*Table 3.4)*. These low performances were mainly as a result of the lower than projected oil production.

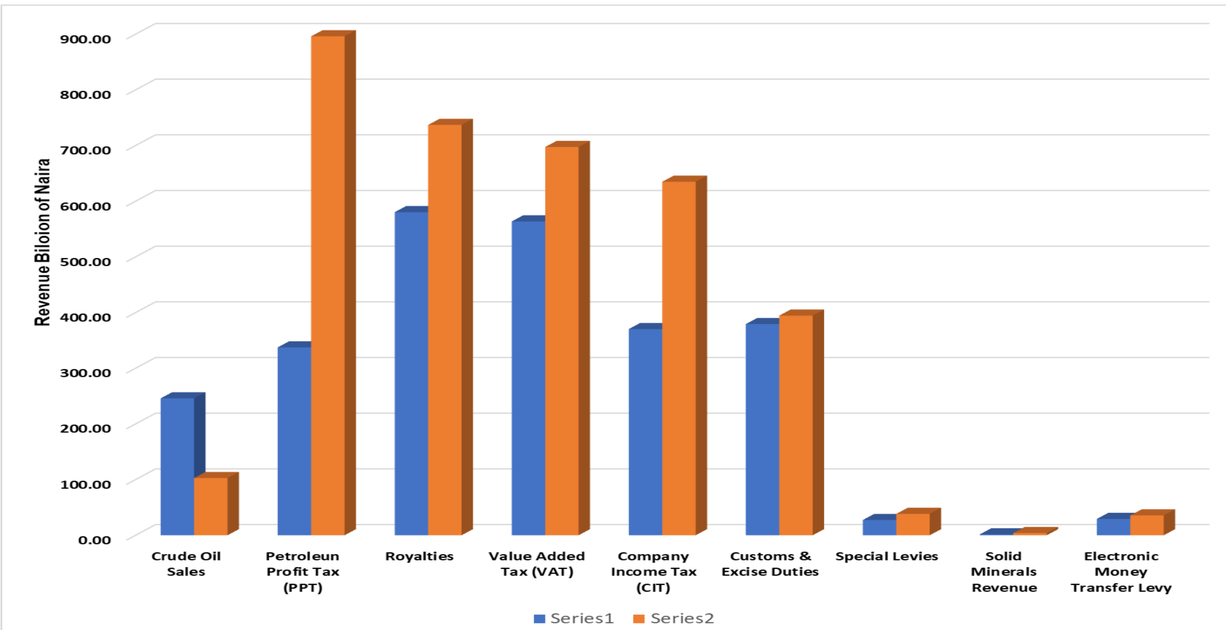
Table 3.3: Performance of Revenue in the Fourth Quarter of 2022 Vs 2021

Revenue Items	2021	2022	Variance	
	Fourth Quarter Actual	Fourth Quarter Actual	4th Quarter 2022 Vs 4th Quarter 2021	
Oil Revenue	N'bns	N'bns	N'bns	%
Crude Oil Sales	245.95	102.78	-143.17	-58.21
Petroleun Profit Tax (PPT)	337.48	896.18	558.7	165.55
Royalties	580.37	737.07	156.7	27.00
Gross Oil Receipts	1,208.60	1,847.20	638.60	52.84
Net Oil Receipts	**200.76**	**426.97**	**226.21**	**112.68**
Non-Oil Revenue				
Value Added Tax (VAT)	563.72	697.38	133.66	23.71
Company Income Tax (CIT)	370.36	634.90	264.54	71.43
Customs & Excise Duties	379.30	394.52	15.22	4.01
Special Levies	27.41	38.43	11.02	40.20
Gross Non-Oil Revenue	1,340.79	1,800.92	460.13	34.32
Net Non-Oil Receipts	**1,250.23**	**1,684.29**	**434.06**	**34.72**

Source: OAGF and Budget Office of the Federation, 2022

Revenue collections increased when compared to the level in 2021 for most of the oil revenue sources and broad category in the fourth quarter of 2022 (Figure 3.3). The same flow pattern was applicable to all of the non-oil revenue categories during the review period. The increase in performance of the oil revenue items within the period can be attributed to the increase in the price of crude in the international market due to the ongoing Russia and Ukraine war which disrupted production/supply chain. On the other hand, the increase in non-oil revenue sources could be ascribe to inflation and increases in economic activities after the phases of lockdowns due to the different waves of COVID-19.

Figure 3.3: 2021 Vs 2022 Revenue Performance (Fourth Quarter)



Source: OAGF and Budget Office of the Federation, 2022

3.5 Non-Oil Revenue Performance:

Gross non-oil revenue of ₦1,800.92 billion was collected in the fourth quarter of 2022 signifying an increase of ₦136.08 billion (8.17 percent) above the quarterly estimate of ₦1,664.83 billion. A breakdown of the non-oil revenue items showed that only Company Income Tax of ₦634.90 billion and Value Added Tax of ₦697.38 billion exceeded their respective quarterly projections of ₦496.95 billion and ₦610.45 billion by ₦137.95 billion (27.76 percent) and ₦86.93 billion (14.24 percent) respectively. Solid Minerals & Other Mining Revenue also recorded a revenue of ₦4.01 billion portraying an increase of ₦2.27 billion (130.46 percent) above its quarterly projection of ₦1.74 billion.

The remaining non-oil revenue items however fell below their respective quarterly estimates. Electronic Money Transfer Levy of ₦35.68 billion, Customs & Excise Duties of ₦394.52 billion and Special Levies (Federation Account) of ₦38.43 billion were below their respective quarterly projections of ₦52.70 billion, ₦464.64 billion and ₦40.09 billion by ₦17.02 billion (32.30 percent), ₦70.12 billion (10.84 percent) and ₦1.66 billion (4.14 percent) respectively.

When compared with their corresponding third quarter performances, Value Added Tax and Electronic Money Transfer Levy, grew by ₦71.99 billion (11.51 percent) and ₦3.45 billion (10.70 percent) respectively while Company Income Tax fell by ₦152.12 billion (19.33 percent), Customs & Excise Duties ₦12.48 billion (3.07 percent) and Special Levies ₦0.94 billion (2.39 percent). Solid Minerals & Other Mining Revenue also increased by ₦1.32 billion (49.07 percent). The improved performances of some of the non-oil revenue items in the fourth quarter of 2022 could be attributed to the effective implementation of revenue growth initiatives, the recovery of the economy and the improved performances of the various revenue generating agencies while the decline in performances could be ascribed to the slowdown in economic activities towards the end of the year.

3.5.1 Year to Date Non-Oil Revenue Performance:

The gross non-oil revenue in the year amounted to ₦7,145.57 billion portraying an overperformance of ₦136.08 billion (8.17 percent) above the annual estimate of ₦6,659.34 billion. This results from the improved performance of some of the non-oil revenue items compared to their corresponding annual budget estimates. Company Income Tax of ₦2,821.50 billion and Value Added Tax of ₦2,511.52 billion respectively increased by ₦833.72 billion (41.94 percent) and ₦69.72 billion (2.86 percent). Electronic Money Transfer Levy of ₦125.59 billion, Customs & Excise Duties of ₦1,554.69 billion and Special Levies (Federation Account) of ₦132.27 billion however fell below their corresponding yearly estimates of ₦210.82 billion, ₦1,858.57 billion and ₦160.37 billion by ₦85.23 billion (40.43 percent), ₦303.88 billion (16.35 percent) and ₦28.10 billion (17.52 percent) respectively. Solid Minerals & Other Mining Revenue also recorded a revenue of ₦11.29 billion indicating an increase of ₦4.35 billion (62.68

percent) above the projection for the year. On the other hand, Revenue Dividend by Companies / Investments Funded by FAAC which had annual projection of ₦185.71 billion yielded nothing in the period.

Table 3.4: Net Distributable Revenue as at December 2022

S/NO	DESCRIPTION	2022 BUDGET		2022 ACTUAL					2021 ACTUAL	VARIANCE							
		Annual	Quarterly	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual	Annual	4th Quarter Actual Vs Quarterly Budget		4th Quarter Vs 3rd Quarter (Actual)		Actual Vs Budget (Annual)		2022 Vs 2021 (Actual)	
A	OIL REVENUE	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	%	₦b	%	₦b	%	₦b	%
1	Gross Profit Oil from Crude Oil & Gas Sales	874.06	218.52	239.43	249.95	259.78	102.78	851.94	835.23	-115.73	-52.96	-157.00	-60.44	-22.12	-2.53	16.71	2.00
2	PPT & Gas Income @ 30% CITA	5,572.31	1,393.08	338.66	570.90	632.01	896.18	2,437.76	1,392.09	-496.89	-35.67	264.17	41.80	-3,134.55	-56.25	1,045.67	75.12
3	Oil & Gas Royalties	2,554.00	638.50	462.72	583.73	663.68	737.07	2,447.20	2,307.31	98.58	15.44	73.40	11.06	-106.81		139.89	6.06
4	Concessional Rentals	6.41	1.60	1.36	0.53	2.04	2.30	6.22	3.74	0.70	43.80	0.27	13.17	-0.19	-2.91	2.48	66.46
5	Gas Flared Penalty	110.54	27.63	18.76	20.43	13.11	18.12	70.42	98.55	42.79	154.84	5.01	38.21	-40.11	-36.29	-28.13	-28.54
6	Incidental Oil Revenue (Royalty Recovery & Marginal Field Licences)	195.09	48.77	10.44	11.60	158.90	34.78	215.72	15.81	-13.99	-28.68	-124.12	-78.11	20.63	10.57	199.91	1,264.72
7	Miscellaneous (Pipeline Fees etc)	57.56	14.39	5.01	2.94	2.67	2.80	13.42	22.50	-11.59	-80.56	0.12	4.56	-44.14	-76.69	-9.08	-40.37
8	Exchange Gain	0.00	0.00	39.00	45.04	42.51	53.24	179.78	27.57	53.24		10.74	25.26	179.78		152.21	552.00
9	**Sub-Total**	**9,369.96**	**2,342.49**	**1,115.38**	**1,485.10**	**1,774.70**	**1,847.29**	**6,222.47**	4,702.80	**-495.20**	**-21.14**	**72.59**	**4.09**	**-3,147.49**	**-33.59**	**1,519.67**	**32.31**
10	**Deductions**																
11	Fiscal Deductions (Base JV Cash Call + EF + MCA + RA)	0.00	0.00	306.80	352.17	0.00	424.94	1,083.90	1,112.49	424.94		424.94		1,083.90		-28.59	-2.57
12	Other Federally Funded Upstream Projects	4,152.80	1,038.20	724.01	1,005.11	1,316.43	1,194.96	4,240.51	1,775.87	156.76	15.10	-121.48	-9.23	87.71	2.11	2,464.64	138.78
13	NUPRC 4% Cost of Collection (Royalty,Concessional,Gas Flared & Miscellanous)		0.00	0.00	0.00	0.00	0.00	0.00	76.51	0.00		0.00		0.00		-76.51	-100.00
14	FIRS 4% Cost of Collection on Gas Income Tax		0.00	0.00	0.00	0.00	0.00	0.00	4.58	0.00		0.00		0.00		-4.58	-100.00
15	13% Derivation	678.23	169.56	50.88	62.40	59.57	84.80	257.65	380.50	88.10	51.96	25.23	42.35	-420.58	-62.01	-122.85	-32.29
16	Net Oil Revenue	**4,538.93**	**1,134.73**	**340.49**	**417.59**	**398.69**	**567.53**	**1,724.30**	**2,465.34**	**-567.20**	**-49.99**	**168.84**	**42.35**	**-2,814.62**	**-62.01**	**-741.03**	**-30.06**
17	**TO FEDERATION ACCOUNT (*OIL)***	**4,538.93**	**1,134.73**	**340.49**	**417.59**	**398.69**	**567.53**	**1,724.30**	**2,465.34**	**-567.20**	**-49.99**	**168.84**	**42.35**	**-2,814.62**	**-62.01**	**-741.03**	**-30.06**
B	**SOLID MINERAL & OTHER MINING REVENUES**																
18	Total Solid Minerals Revenue	6.94	1.74	2.19	2.40	2.69	4.01	11.29	7.85	2.28	131.06	1.33	49.38	4.35	62.62	3.44	43.88
19	Less 13% Derivation	0.90	0.23	0.28	0.31	0.35	0.52	1.47	1.02	1.24	550.46	0.17	49.38	0.57	62.62	0.45	43.88
20	**Net Solid Minerals after Derivation**	**6.04**	**1.51**	1.91	2.09	2.34	3.49	9.82	6.83	1.98	131.06	1.15	49.38	3.78	62.62	3.00	43.88
C	**NON-OIL REVENUE**																
21	Corporate Tax	1,987.78	496.95	762.89	636.69	787.03	634.90	2,821.50	1,721.41	137.95	27.76	-152.13	-19.33	833.72	41.94	1,100.09	63.91
22	Value-Added Tax	2,441.80	610.45	588.60	600.15	625.39	697.38	2,511.52	2,072.85	86.93	14.24	71.99	11.51	69.72	2.86	438.67	21.16
23	Electronic Money Transfer Levy (EMTL)	210.82	52.70	28.88	31.24	29.79	35.68	125.59	111.84	72.89	138.29	5.89	19.77	-85.23	-40.43	13.76	12.30
24	Customs (Main Federation Account)	1,858.57	464.64	367.38	385.79	407.00	394.52	1,554.69	1,246.32	-70.12	-15.09	-12.48	-3.07	-303.88	-16.35	308.37	24.74
25	Special Levies (Federation Account)	160.37	40.09	27.32	27.15	39.37	38.43	132.27	93.94	-1.66	-4.14	-0.94	-2.38	-28.10	-17.52	38.33	40.80
26	**Sub-Total**	**6,659.34**	**1,664.83**	**1,775.07**	**1,681.01**	**1,888.58**	**1,800.92**	**7,145.57**	**5,246.36**	**136.08**	**8.17**	**-87.66**	**-4.64**	**486.23**	**7.30**	**1,899.21**	**36.20**
27	FIRS Tax Refunds	25.00	6.25	12.00	5.00	12.00	9.00	38.00	17.00	2.75	44.00	-3.00	-25.00	13.00	52.00	21.00	123.53
28	4% Collection Cost (CIT, Stamp Duties & Capital Gains)	78.51	19.63	22.12	29.32	32.90	26.64	110.98	72.76	91.35	465.42	-6.25	-19.01	32.47	41.36	38.22	52.53
29	4% Collection Cost (VAT & Surcharge on Luxury Items)	97.67	24.42	23.54	24.01	25.02	27.90	100.46	82.91	3.48	14.24	2.88	11.51	2.79	2.86	17.55	21.16
30	3% Transfer to North East Development Commission (NEDC) from VAT	70.32	17.58	16.95	17.28	18.01	20.08	72.33	61.09	2.50	14.24	2.07	11.51	2.01	2.86	11.24	18.40
31	0.5% Transfer to Nigerian Police Trust Fund from VAT	11.72	2.93	0.00	0.00	0.00	0.00	0.00	33.93	-2.93	-100.00	0.00		-11.72	-100.00	-33.93	-100.00
32	Value-Added Tax & Luxury Surcharge Net of Cost of Collection, and transfers to NEDC and Police Trust Fund	2,262.08	565.52	548.10	558.86	582.36	649.40	2,338.73	1,894.92	83.88	14.83	67.04	11.51	76.65	3.39	443.80	23.42
33	7% Cost of Collection (Duty, Excise & Fees)	130.10	32.52	25.72	28.44	31.25	30.31	115.71	87.24	83.19	255.76	-0.94	-3.01	-14.39	-11.06	28.47	32.63
34	7% Cost of Collection (Spec. Levies -Fed. Acct.)	11.23	2.81	1.91	1.90	2.76	2.69	9.26	6.58	-0.12	-4.14	-0.07	-2.38	-1.97	-17.52	2.68	40.81
35	**TO FEDERATION ACCOUNT (NON-OIL)**	**3,972.71**	**993.18**	**1,124.72**	**1,016.20**	**1,184.29**	**1,034.90**	**4,360.10**	**2,989.93**	**41.72**	**4.20**	**-149.39**	**-12.61**	**387.40**	**9.75**	**1,370.17**	**45.83**
36	**Total VAT Pool**	2,262.08	565.52	548.10	558.86	582.36	649.40	2,338.73	1,894.92	83.88	14.83	67.04	11.51	76.65	3.39	443.80	23.42
37	**Net Non-Oil**	**6,234.78**	**1,558.70**	**1,672.83**	**1,575.06**	**1,766.65**	**1,684.29**	**6,698.83**	**4,884.85**	**125.60**	**8.06**	**-82.35**	**-4.66**	**464.04**	**7.44**	**1,813.97**	**37.13**
38	**TO FEDERATION ACCOUNT**	**8,517.67**	**2,129.42**	**1,467.12**	**1,435.88**	**1,585.31**	**1,605.91**	**6,094.23**	**5,462.10**	**-523.51**	**-24.58**	**20.60**	**1.30**	**-2,423.44**	**-28.45**	**632.14**	**11.57**
D	**TOTAL DISTRIBUTABLE**																
1	Federation Account	8,517.67	2,129.42	1,467.12	1,435.88	1,585.31	1,605.91	6,094.23	5,462.10	-523.51	-24.58	20.60	1.30	-106.82	-1.25	632.14	11.57
2	VAT Pool Account	2,262.08	565.52	548.10	558.86	582.36	649.40	2,338.73	1,894.92	83.88	14.83	67.04	11.51	76.65	3.39	443.80	23.42
3	**GRAND TOTAL**	**10,779.75**	**2,694.94**	**2,015.23**	**1,994.74**	**2,167.67**	**2,255.31**	**8,432.96**	**7,357.02**	**5,738.02**	**212.92**	**87.64**	**4.04**	**-2,346.79**	**-21.77**	**1,075.94**	**14.62**

Note: Oil Revenue at Benchmark Assumptions

Source: OAGF and Budget Office of the Federation, 2022 (PRMRC)

Table 3.5: Actual Performance of Non-Oil Revenue Categories (Fourth Quarter) 2013 – 2022

Description	FOURTH QUARTER (ACTUAL)										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	10 - Year Average
	N'bn	N'bn	N'bn	N'bn	N'bn	N'bn	N'bn	N'bn	N'bn	N'bn	N'bn
Custom & Excise Duties	57.70	70.72	58.95	64.02	156.82	181.88	202.76	237.83	379.30	394.52	180.45
Company Income Tax	78.72	91.89	129.96	86.57	297.56	347.15	360.53	327.85	370.36	634.90	272.549
Value Added Tax	29.84	25.92	23.89	28.15	246.53	176.41	308.48	454.61	563.72	697.38	255.493
FGN Independent Revenue	41.68	62.44	8.97	23.09	37.50	90.03	130.38	235.77	443.84	317.94	139.164

Source: OAGF and BOF, 2022

Further analysis of the fourth quarter non-oil revenue performance revealed that key non-oil revenue sub-heads improved significantly, especially from 2017 and 2022, notwithstanding some few years of fluctuations. Table 3.5 and 3.6.

Table 3.6: Percentage Growth in Non-Oil Revenue Performances (Fourth Quarter) 2014 – 2022

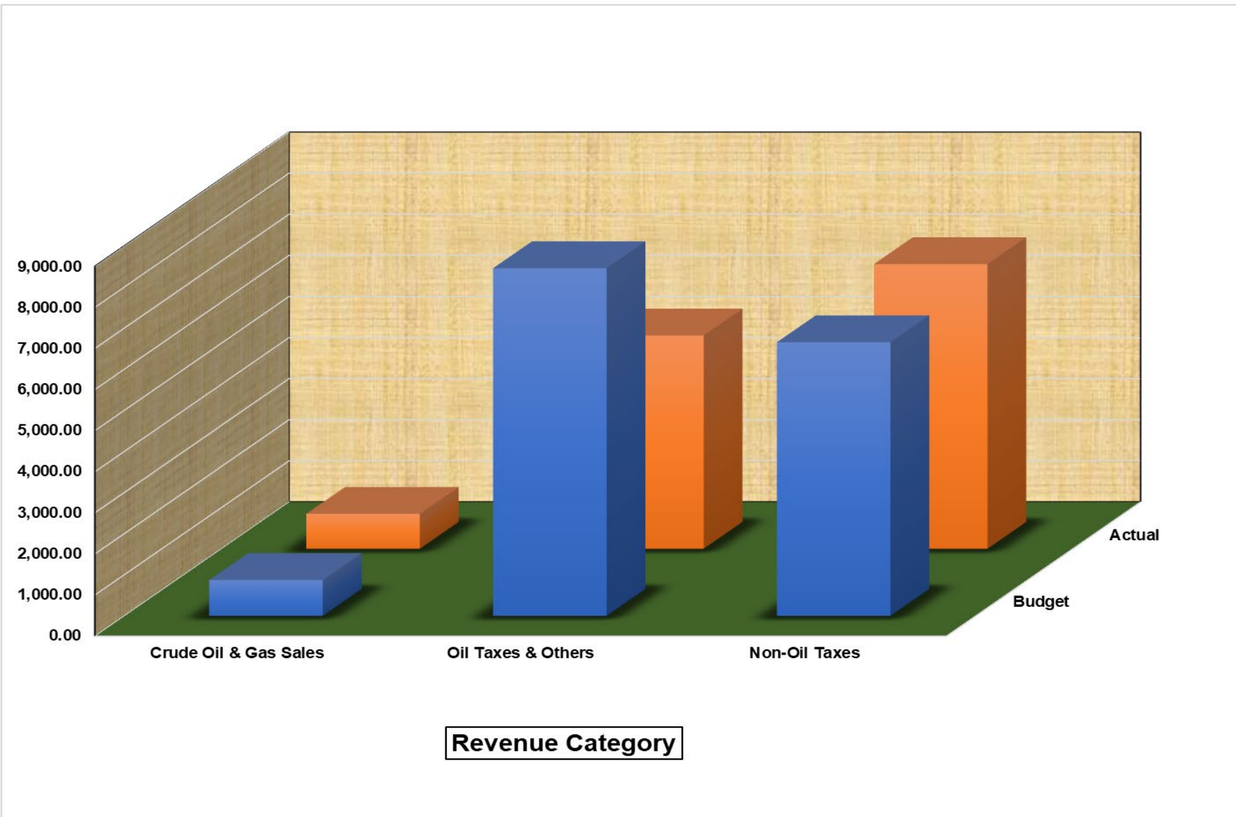
Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	9-Year Average
	%	%	%	%	%	%	%	%	%	%
Custom & Excise Duties	22.56	-16.64	8.60	144.95	15.98	11.99	17.30	59.48	4.01	29.80
Company Income Tax	16.73	41.43	-33.39	243.72	16.67	3.83	-9.06	12.97	71.43	40.41
Value Added Tax	-13.14	-7.83	17.83	775.77	12.12	11.60	47.37	24.00	23.71	99.05
FGN Independent Revenue	49.81	-85.63	157.41	62.41	140.08	44.82	80.83	88.25	-28.37	56.62

Source: OAGF and BOF, 2022

3.6 Comparative Revenue Performance Analysis:

Overall, with the exception of Crude Oil & Gas Sales, Petroleum Profits Tax & Gas Income, Royalties (Oil & Gas), Concessional Rentals, Gas Flared Penalty and Miscellaneous (Pipelines Fees etc.), the actual performance of other oil revenue categories were below their 2021 annual budgeted figures. On the other hand, there were significant improvements in the Non-Oil Taxes in 2022 when compared to the 2021 annual figures (Figure 3.4).

Figure 3.4: Projected Vs Actual FAAC Revenue Receipts (as at December, 2022)



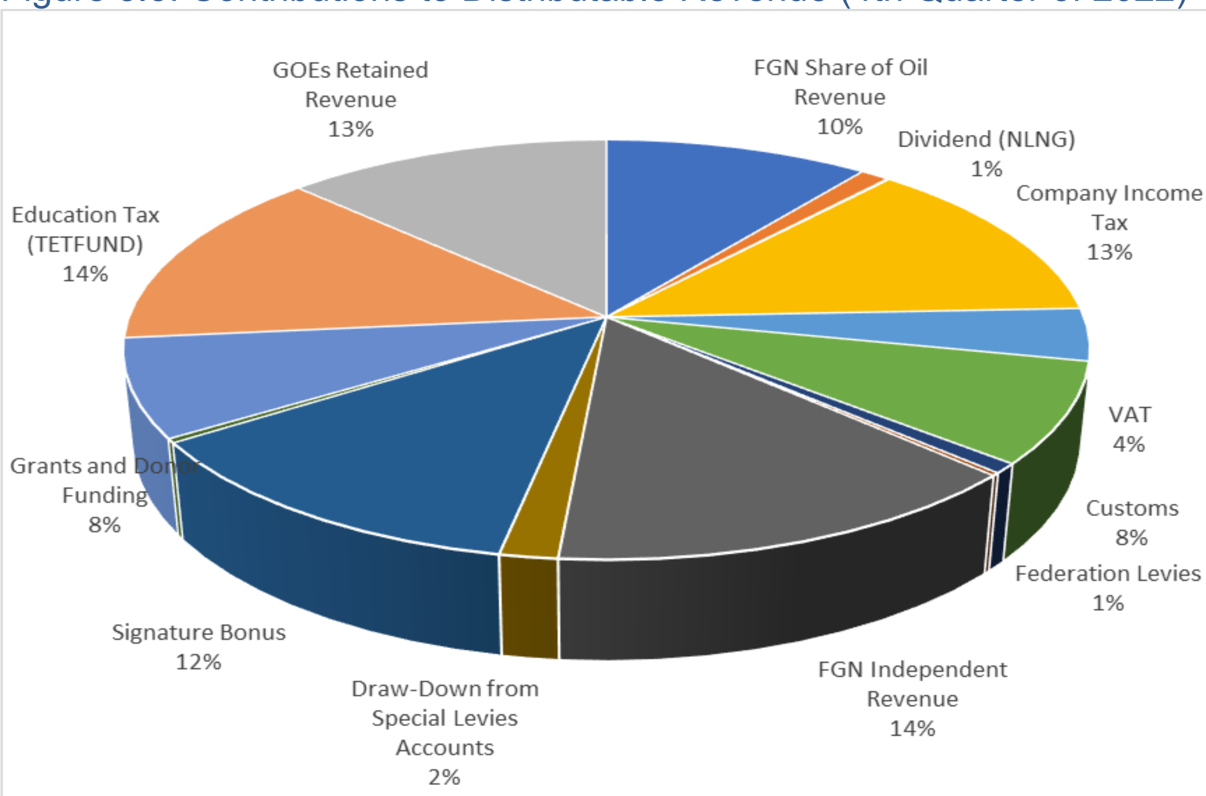
Source: Budget Office of the Federation, 2022

3.7 Distributable Revenue:

The net distributable revenue available for sharing among the three tiers of government (after the deduction of all costs) stood at ₦2,255.31 billion in the fourth quarter of 2022. This represents an increase of ₦439.63 billion (16.31 percent) when compared with the quarterly projection of ₦2,694.94 billion. The reduction was driven largely by the substantial decrease in the inflow into the Federation Account from the oil sector. The non-oil revenue accruing to the Federation Account increased by ₦41.72 billion (4.20 percent) and largely augmented for the oil sector which fell by ₦567.20 billion (49.99 percent) during the review period.

The percentage contribution of the different revenue classifications to distributable revenue in the fourth quarter of 2022 is presented in Figure 3.5. Oil Revenue, VAT, CIT, Customs & excise Duties, Special Levy, Electronic Money Transfer Levy and Solid Minerals contributed 24 percent, 29 percent, 27 percent, 16 percent, 2 percent and 2 percent respectively.

Figure 3.5: Contributions to Distributable Revenue (4th Quarter of 2022)



Source: Budget Office of the Federation, 2022

3.8 Excess Crude Account:

Analysis of the reports of the Excess Crude Account (ECA) revealed that the Excess Crude Account had an opening balance of US$0.472 million as at 1st October, 2022. The sum of US$0.002 million being accrued interest on fund investment (October – December, 2022) was received into the account in the fourth quarter of 2022. There was no outflow/withdrawal from the account during the period under review. This resulted to a closing balance of US$0.474 million as at 31st December, 2022 (Table 3.7).

Table 3.7: Net Excess Crude Account

Description	2021 Actual					2022 Actual				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Jan - Dec	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Jan - Dec
Inflows										
Accrued Interest on Fund Investment	US$0.002 million	US$0.002 million	US$0.007 million	US$0.008 million	US$0.019 million	US$0.006 million	US$0.005 million	US$0.095 million	US$0.002 million	US$0.108 million
Total Inflow	US$0.002 million	US$0.002 million	US$0.007 million	US$0.008 million	US$0.019 million	US$0.006 million	US$0.005 million	US$0.095 million	US$0.002 million	US$0.108 million
Outflows				0						
Refurbishing and Remodelling of 107Amoured Personnel Carrier (APC) Vehicles donated by Hashmite Kingdom of Jordan	0	US$11.563 million	0	0	US$11.563 million				0	
Procurement of 2X High Endurance Offshore Patrol Vessels	0	0	0	US$25.50 million	US$25.50 million	0	US$35.00 million	0	0	US$35.00 million
Total Outflows	0	US$11.563 million	0	US$25.50 million	US$37.063 million	0	US$35.00million	0	0	0
Net Excess Crude Account	US$0.002 million	(US$11.561 million)	US$0.007 million	(US$25.492 million)	(US$37.044 million)	US$0.006 million	US$35.00 million	US$0.095 million	US$0.002 million	(US$34.892 million)

Source: Office of the Accountant General of the Federation, 2022

3.9 FGN Budget Revenue:

Based on the 2022 Budget Framework, the sum of ₦9,969.17 billion was projected to fund the Federal Budget, indicating a quarterly share of ₦2,492.29 billion. A total of ₦2,248.18 billion was received in the fourth quarter of 2022. This amount was ₦244.11 billion, (9.79 percent) lower than the ₦2,492.29 billion quarterly budget projection but ₦1,125.11 billion, (100.18 percent) higher than ₦1,123.07 billion recorded in the corresponding quarter of 2021.

The sum of ₦231.74 billion that was received from oil sources in the fourth quarter of 2022 was lower than the quarterly estimate of ₦840.50 billion by ₦608.76 billion (72.43 percent). FGN's share of Solid Minerals revenue stood at ₦1.68 billion, indicating an increase of ₦0.95 billion (131.06 percent). On the other hand, FGN's share of Dividend (NLNG) amounted to ₦25.43 billion which is 48.04 percent short of it budget projection.

A breakdown of the non-oil revenue indicates that FGN's share of Company Income Tax of ₦289.19 billion and VAT of ₦90.92 billion were above their corresponding quarterly budget estimates of ₦227.33 billion and ₦79.17 billion by ₦61.86 billion (27.21 percent) and ₦11.75 billion (14.84 percent) respectively.

FGN's share of Customs of ₦175.76 billion, Federation Accounts Levies of ₦17.25 billion, Electronics Money Transfer (Stamp Duties) of ₦5.00 billion, Independent Revenue of ₦320.38 billion and Draw Down from Special Levy Accounts of ₦38.00 billion were, on the other hand, below their corresponding quarterly budget estimates of ₦208.53 billion, ₦17.99 billion, ₦7.34 billion, ₦554.05 billion and ₦75.00 billion by ₦32.77 billion (15.71 percent), ₦0.74 billion (4.11 percent), ₦2.35 billion (31.88 percent), ₦333.67 billion (51.02 percent) and ₦37.00 billion (49.33 percent) respectively. There were no contributions from FGN's Share of Oil Price Royalty while Signature Bonus, Domestic Recoveries, Grants & Donor Funding and Education Tax (TETFUND) recorded ₦280.86 billion, ₦7.15 billion, ₦170.62 billion and ₦313.13 billion respectively towards funding the budget during the quarter (Table 3.8*).*

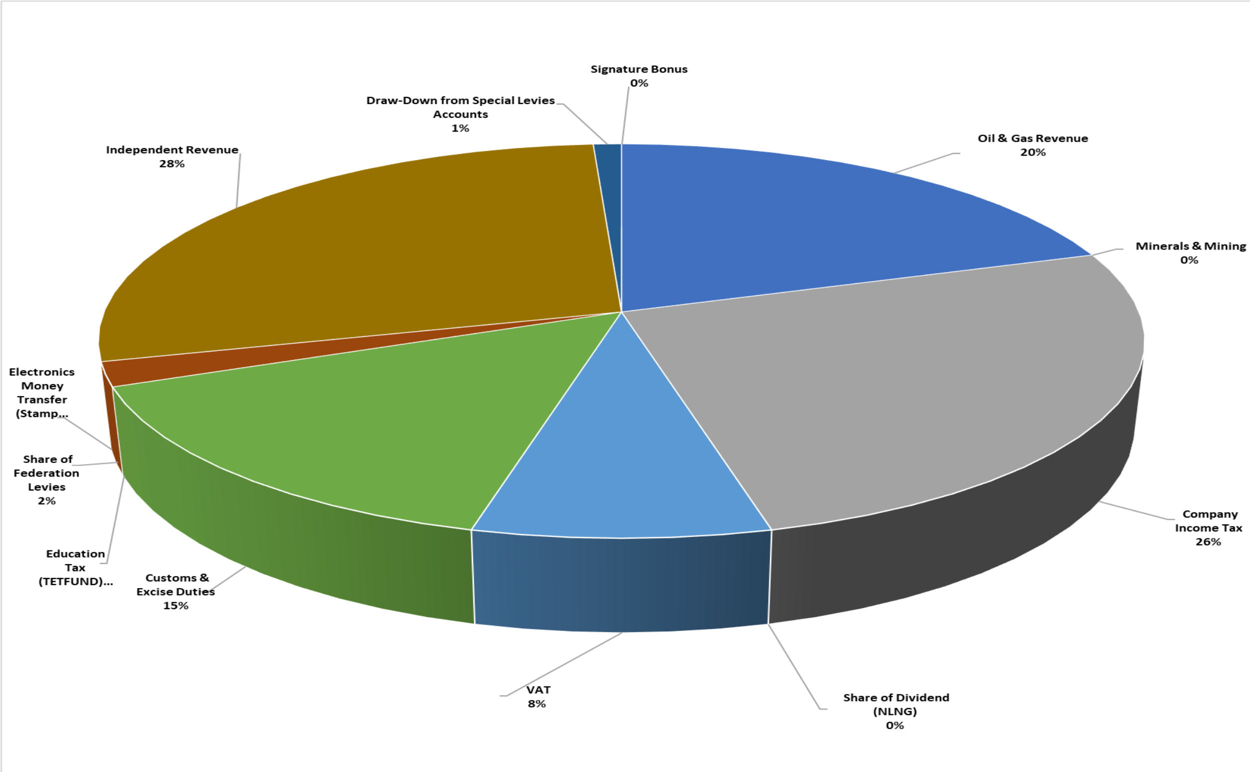
Table 3.8: Federal Government Revenue Inflows as at December 2022

S/No	ITEMS	2022 BUDGET		2022 ACTUAL					2021 ACTUAL	Variance							
		Annual	Quarterly	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual	Annual	4th Quarter Actual Vs Quarterly Budget		4th Quarter Vs 3rd Quarterly (Actual)		Actual Vs Budget (Annual)		2022 Vs 2021 (Actual)	
1	**Inflow for the Federal Budget (CRF)**	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	%	₦b	%	₦b	%	₦b	%
2	FGN Share of Oil Revenue	2,190.37	547.59	156.71	205.10	182.79	231.74	776.35	990.00	-315.85	-57.68	48.95	26.78	-1,414.02	-64.56	-213.65	-21.58
3	FGN Share of Dividend (NLNG) & Bank of Industry	195.72	48.93	25.43	25.43	25.43	25.43	101.70	0.00	-23.50	-48.04	**0.00**		-94.02	-48.04	101.70	0.00
4	FGN Share of Minerals & Mining	2.92	0.73	0.92	1.01	1.13	1.68	4.74	3.30	0.96	131.06	0.56	49.38	1.83	62.62	1.45	43.88
5	FGN Share of Non-Oil	2,258.39	564.60	605.92	553.65	638.66	573.11	2,388.91	1,792.58	8.51	1.51	-65.55	-10.26	130.52	5.78	596.33	33.27
6	FGN Share of Company Income Tax	909.30	227.33	351.69	290.69	358.13	289.19	1,289.69	787.39	61.86	27.21	-68.95	-19.25	380.39	41.83	502.30	63.79
7	FGN Share of VAT	316.69	79.17	77.09	78.33	81.53	90.92	327.87	403.68	11.74	14.83	9.39	11.51	11.17	3.53	-75.82	-18.78
8	FGN Share of Customs	834.12	208.53	164.88	172.45	181.33	175.76	694.42	559.34	-32.77	-15.71	-5.57	-3.07	-139.70	-16.75	135.07	24.15
9	FGN Share of Federation Levies	71.97	17.99	12.26	12.18	17.67	17.25	59.36	42.16	-0.74	-4.14	-0.42	-2.38	-12.61	-17.52	17.20	40.80
10	Electronics Money Transfer (Stamp Duty)	29.37	7.34	4.04	4.37	4.17	5.00	17.58	0.00	-2.35	-31.96	0.82	19.77	-11.79	-40.15	17.58	0.00
11	Share of Oil Price Royalty	96.94	24.24	0.00	0.00	0.00	0.00	0.00	0.00	-24.24	-100.00	0.00	0.00	-96.94	-100.00	**0.00**	0.00
12	FGN Independent Revenue	2,616.22	654.05	222.73	381.71	477.62	320.38	1,402.44	1,251.28	-333.67	-51.02	-157.24	-32.92	-1,213.78	-46.39	151.16	12.08
13	Draw-Down from Special Levies Accounts	300.00	75.00	32.14	33.00	72.65	38.00	175.79	138.00	-37.00	-49.33	-34.65	-47.69	-124.21	-41.40	37.79	27.38
14	FGN Share of Signature Bonus	280.86	70.21	0.00	0.00	0.00	280.86	280.86	0.00	210.64	300.00	280.86	0.00	0.00	0.00	280.86	0.00
15	Domestic Recoveries+Assets+Fines	26.93	6.73	0.00	0.00	0.00	7.15	7.15	0.00	0.41	6.11	7.15	0.00	-19.79	-73.47	7.15	0.00
16	Grants and Donor Funding	63.38	15.84	455.09	271.11	248.29	170.62	1,145.11	0.00	154.78	976.88	-77.67	-31.28	1,081.74	1,706.83	1,145.11	0.00
17	Education Tax (TETFUND)	306.00	76.50	10.64	4.90	0.00	313.13	328.67	0.00	236.63	309.32	313.13	0.00	22.68	7.41	328.67	0.00
18	**AMOUNT AVAILABLE FOR FGN BUDGET (excluding GEOs)**	**8,240.78**	**2,060.19**	**1,509.57**	**1,475.91**	**1,646.56**	**1,962.09**	**6,611.72**	**4,175.15**	-98.10	-4.76	315.54	19.16	-1,629.06	-19.77	2,436.56	58.36
19	GOEs Retained Revenue	1,728.39	432.10	286.09	286.09	286.09	286.09	1,144.36	0.00	-146.01	-33.79	0.00	0.00	-584.03	-33.79	1,144.36	0.00
20	**AGGREGATE FEDERAL GOVERNMENT REVENUE**	**9,969.17**	**2,492.29**	**1,795.66**	**1,762.00**	**1,932.65**	**2,248.18**	**7,756.07**	**4,175.15**	-244.11	-9.79	315.54	16.33	-2,213.09	-22.20	3,580.92	85.77

Source: OAGF and Budget Office of the Federation, 2022

Oil and Gas revenue accounted for a paltry 10.31 percent of total FGN revenue in the Q4 2022. The breakdown of the contribution by revenue sources is as depicted in Figure 3.6.

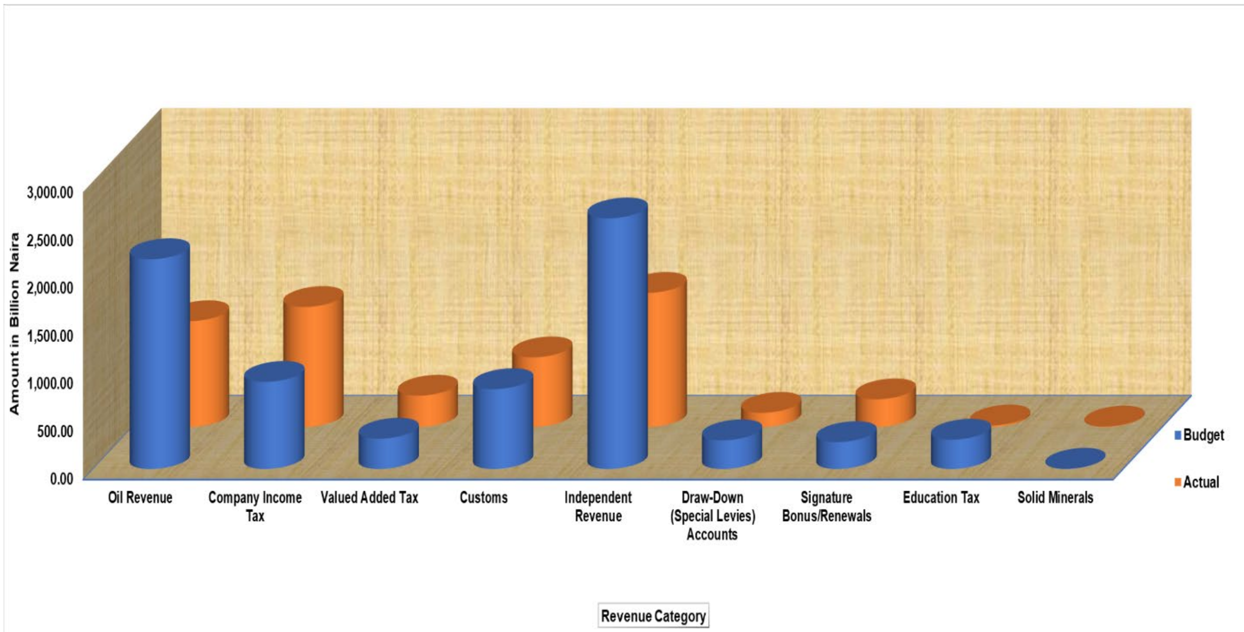
Figure 3.6: Contributions to the FGN Budget Revenue in the Fourth Quarter of 2022



Source: OAGF and Budget Office of the Federation, 2022

Specifically, FGN Share of Oil revenue, Independent Revenue, and Retained GOEs Revenue contributed largely to the revenue shortfall experienced by FGN in the quarter under review accounting for ₦795.53 billion of the entire revenue shortfall. Other major contributors include Share of Customs, Draw-Down from Special Levies Accounts, Stamp Duty and Grants and Oil Price Royalty which accounted for ₦32.77, ₦37.00 billion, ₦2.35 billion and ₦24.24 billion respectively.

Figure 3.7: FGN Revenue (Budget Vs Actual as at December 2022)



Source: OAGF and Budget Office of the Federation, 2022

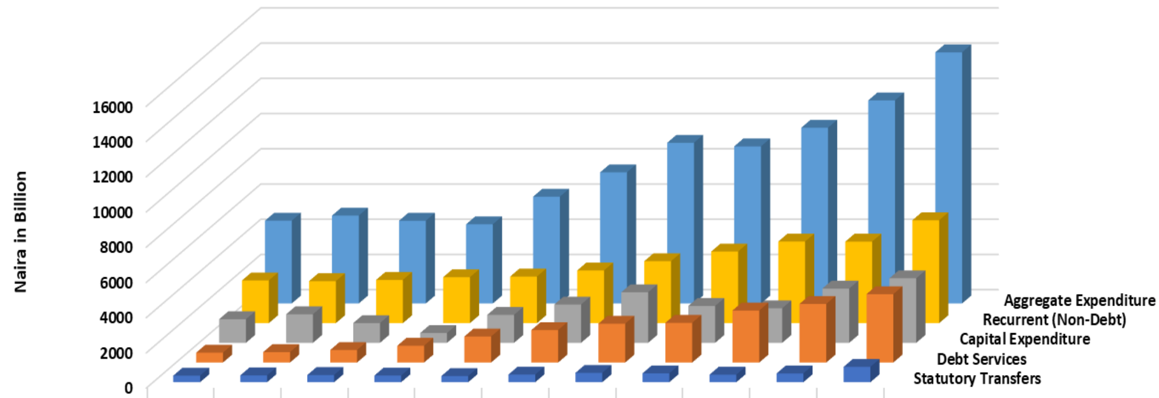
3.9.1 Total Inflow of the Federal Government:

Total Revenue Inflow of the Federal Government stood at ₦7,756.07 billion at the end of December 2022. This represents a ₦2,213.09 billion (22.20 percent) shortfall from 2022 annual budget estimate.

3.10 Expenditure Developments:

A total of ₦15,267.61 billion (excluding GOEs Budget & Project-tied Loans) was appropriated for expenditure in the 2022 Budget. Aggregate FGN Expenditure of ₦18,139.24 billion was projected to be spent in the 2022 fiscal year. This comprises of ₦7,108.61 billion (39.19 percent) for Recurrent (Non-Debt), ₦3,978.09 billion (21.93 percent) for Recurrent (Debt), ₦817.70 billion (4.51 percent) for Statutory Transfers and ₦6,234.83 billion (34.7 percent) for Capital Expenditure. This also translates to a prorate quarterly expenditure outlay of ₦4,534.81 billion in 2022. Actual expenditure amounts to ₦3,566.42 billion in the fourth quarter of 2022, translating to a ₦968.39 billion (21.35 percent) expenditure below the budgeted estimate projection for the period. Actual expenditure for the year however amounts to ₦14,786.28 billion which is ₦3,352.96 billion (18.48 percent) below the budget estimate for the fiscal year. The detailed breakdown is presented in Table 3.9.

Figure 3.8: 2012 – 2022 Budget Expenditure Profile



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Statutory Transfers	372.59	387.98	408.69	375.62	351.37	434.41	530.42	502.06	428.03	496.53	869.67
Debt Services	559.58	591.76	712.00	953.62	1,475.32	1,841.35	2,203.84	2,254.01	2,951.71	3,324.33	3,879.95
Capital Expenditure	1,339.99	1,621.48	1,119.62	557.00	1,587.40	2,174.50	2,869.60	2,094.95	1,960.32	3,079.92	3,664.50
Recurrent (Non-Debt)	2,425.05	2,386.03	2,454.89	2,607.13	2,646.39	2,990.92	3,516.48	4,065.94	4,633.85	4,628.73	5,841.12
Aggregate Expenditure	4,697.21	4,987.25	4,695.19	4,493.36	6,060.48	7,441.18	9,120.33	8,916.96	9,973.92	11,529.51	14,255.24

Source: Budget Office of the Federation, 2022

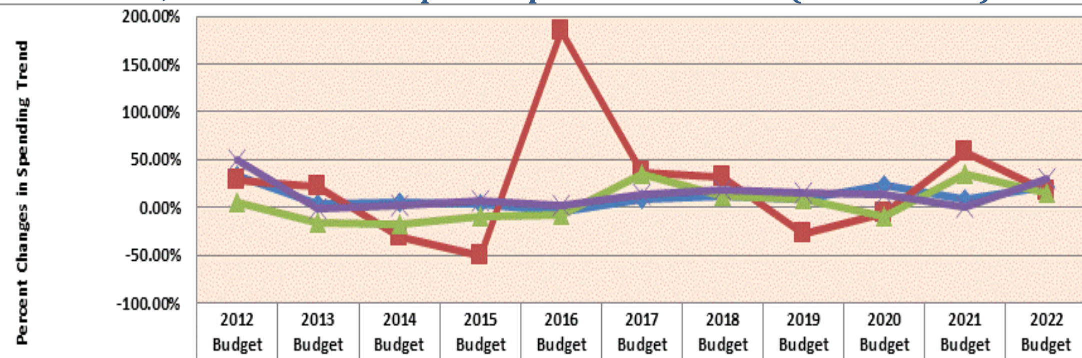
3.10.1 Non-Debt Recurrent Expenditure:

The FGN continued to pursue on its goal of reducing the growth in its recurrent expenditure as stated in the 2022-2024 MTEF/FSP. Key initiatives aimed at cutting down recurrent costs were therefore pursued vigorously during the period. This includes the embargo on unauthorised recruitment by MDAs. All requests for recruitment and enrolment of staff into the FGN payroll are therefore required to among others seek clearance from the Budget Office of the Federation. Another is the continuous roll out of the Integrated Payroll and Personnel Information System (IPPIS) to MDAs that are yet to be covered by the scheme as well as the IPPIS audit.

A total of ₦1,661.87 billion was spent on non-debt recurrent expenditure in the fourth quarter of 2022. This amount revealed a decrease of ₦115.28 billion (6.49 percent) from the quarterly estimate of ₦1,777.15 billion (details in Figure 3.8). The performance was however ₦140.89 billion (9.26 percent) above ₦1,520.98 billion level of expenditure reported in the third quarter of

2022. It was however ₦1,249.41 billion (42.92 percent) above ₦2,911.28 billion expenditure reported in the corresponding quarter of 2021.

Figure 3.9: Personnel, Overhead and Capital Expenditure Trends (2012 – 2022)



	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
Personnel Costs (MDAs)	33.89%	3.37%	4.79%	3.46%	-4.47%	7.76%	12.43%	8.18%	23.56%	7.74%	22.02%
Capital Spending	27.47%	21.01%	-30.95%	-50.25%	184.99%	36.99%	31.97%	-27%	-6.43%	57.13%	17.29%
Overheads	5.57%	-15.94%	-17.37%	-9.65%	-8%	34.55%	12.12%	8.78%	-9.31%	34.01%	15.50%
Recurrent (Non Debt)	49.72%	-1.62%	2.06%	6.20%	1.51%	13.02%	17.57%	15.63%	13.97%	-0.11%	30.49%

Source: BOF and OAGF, 2022

3.10.2 Debt Service:

Total Recurrent Debt in the fourth quarter of 2022 stood at ₦1,422.74 billion, indicating an increase of ₦428.22 billion (43.06 percent) above the ₦994.52 billion projected for the quarter. This was mainly as a result of the ₦684.60 billion paid as interest on Ways and Means which did not have any budgetary provision in the review period. A total of ₦417.46 billion was used to service FGN domestic debt during the quarter. This indicates a difference of ₦223.08 billion (34.83 percent) below the budgeted quarterly estimate.

The prorated sum of external debt service was ₦280.81 billion during the quarter under review. Actual external debt service payment however amounted to ₦320.69 billion (US$799.78 million) indicating a difference of ₦39.88 billion (14.20 percent) above the prorated sum.

Table 3.9: FGN Budget Expenditure and Fiscal Account (N' Billion) as at December 2022

S/No	ITEMS	2022 BUDGET		2022 ACTUAL					2021	VARIANCE							
		Annual	Quarterly	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual	Annual Actual	4th Quarter Actual Vs Quarterly Budget		4th Quarter Vs 3rd Quarter (Actual)		Actual Vs Budget (Annual)		2022 Vs 2021 (Annual)	
		₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	₦b	%	₦b	%	₦b	%	₦b	%
A	**AMOUNT AVAILABLE FOR FGN BUDGET (excluding GOEs)**	8,240.78	2,060.19	1,509.57	1,475.91	1,646.56	1,962.09	6,611.72	4,175.15	-98.10	-4.76	315.54	19.16	-1,629.06	-19.77	2,436.56	58.36
1	*GOEs Retained Revenue*	1,728.39	432.10	286.09	286.09	286.09	286.09	1,144.36	0.00	-146.01		0.00		-584.03		1,144.36	0.00
2	**AGGREGATE FEDERAL GOVERNMENT REVENUE**	**9,969.17**	**2,492.29**	**1,795.66**	**1,762.00**	**1,932.65**	**2,248.18**	**7,756.07**	**4,175.15**	**-244.11**	**-9.79**	**315.54**	**16.33**	**-2,213.09**	**-22.20**	**3,580.92**	**85.77**
B	**EXPENDITURE:**																
1	**RECURRENT NON-DEBT:**																
2	*Personnel Cost (MDAs)*	3,717.43	929.36	861.51	854.86	928.69	849.31	3,494.37	3,046.47	-80.05	-8.61	-79.38	-8.55	-223.07	-6.00	447.90	14.70
3	*Personnel Cost (GOEs)*	617.72	154.43	155.76	155.76	155.76	155.76	623.03									
4	*CRF Pensions*	577.86	144.47	92.93	98.13	98.13	98.14	387.32	356.12	-46.33	-32.07	0.01	0.01	-190.54	-32.97	31.20	8.76
5	*Overhead Cost (MDAs)*	376.38	94.09	62.66	138.37	99.49	71.20	371.73	375.41	-22.89	-24.33	-28.29	-28.43	-4.65	-1.24	-3.68	-0.98
6	*Overhead Cost (GOEs)*	451.00	112.75	110.83	110.83	110.83	110.83	443.32									
7	Other Service Wide Votes (+ Gavi/Immunization)	937.92	234.48	95.58	163.95	111.83	343.96	715.31	403.79	109.48	46.69	232.13	207.58	-222.61	-23.73	311.52	77.15
8	Presidential Amnesty Programme	65.00	16.25	16.25	16.25	16.25	16.25	65.00	59.59	-0.00	-0.01	-0.00	-0.01	0.00	0.00	5.41	9.08
9	Tetfund-Recurrent	15.30	3.83	0.00	0.00	0.00	16.43	16.43	0.00	12.61	329.54	.		1.13	7.39	.	
10	Special Intervention (Recurrent)	350.00	87.50	0.00	0.00	0.00	0.00	0.00	216.60	-87.50	-100.00	.		-350.00	-100.00	-216.60	-100.00
11	**Sub-Total (Non-Debt)**	**7,108.61**	**1,777.15**	**1,395.51**	**1,538.14**	**1,520.98**	**1,661.87**	**6,116.50**	**4,457.98**	-115.28	-6.49	140.90	9.26	-992.11	-13.96	1,658.52	37.20
12	Domestic Debts Service	2,562.15	640.54	668.69	664.73	820.59	417.46	2,571.47	2,054.44	-223.08	-34.83	-403.13	-49.13	9.32	0.36	517.03	25.17
13	Foreign Debts	1,123.23	280.81	228.35	321.36	321.27	320.69	1,191.66	946.29	39.88	14.20	-0.58	-0.18	68.43	6.09	245.37	25.93
14	**Total Debt Service**	**3,685.38**	921.34	**897.03**	**986.09**	**1,141.86**	**738.15**	**3,763.13**	**3,000.73**	-183.20	-19.88	-403.71	-35.36	77.75	2.11	762.40	25.41
15	Interest on Ways & Means	0.00	0.00	348.92	365.82	494.12	684.60	1,893.45	1,220.33	684.60		190.47	38.55	1,893.45		673.12	55.16
16	Sinking Fund to Retire Maturing Loans	292.71	73.18	0.00	0.00	0.00	0.00	0.00	0.60	-73.18	-100.00	.		-292.71	-100.00	-0.60	-100.00
17	**Sub-Total Debt**	3,978.09	994.52	1,245.95	1,351.90	1,635.99	1,422.74	5,656.58	4,221.66	428.22	43.06	-213.24	-13.03	1,678.49	42.19	1,434.92	33.99
18	**Total Recurrent Expenditure**	**11,086.70**	**2,771.68**	**2,641.46**	**2,890.04**	3,156.96	**3,084.62**	**11,773.08**	**8,679.64**	312.94	11.29	-72.35	-2.29	686.38	6.19	3,093.44	35.64
19	**CAPITAL EXPENDITURE**																
20	Capital Expenditure (MDAs and Others)	4,431.93	1,107.98	632.74	572.62	478.74	209.41	1,893.51	618.92	0.00		.		-2,538.42		1,274.59	205.94
21	Capital Expenditure (GOEs)	647.08	161.77	77.39	77.39	77.39	77.39	309.57	1,610.58	-84.38	-52.16	0.00	0.00	-337.51	-52.16	-1,301.01	-80.78
22	Multi-lateral / Bi-lateral Project-tied Loans	1,155.82	288.96	0.00	0.00	0.00	0.00	0.00	0.00	-288.96	-100.00	.		-1,155.82	-100.00	.	
23	***Total Capital Expenditure***	**6,234.83**	**1,558.71**	**710.13**	**650.01**	556.13	**286.80**	**2,203.07**	**1,610.58**	**-1,271.90**	-81.60	-269.33	-48.43	-4,031.76	-64.67	592.49	36.79
24	**TRANSFERS**																
25	Statutory Transfers	817.70	204.42	217.42	202.57	195.14	194.99	810.12	496.52	-9.43	-4.61	-0.15	-0.08	-7.58	-0.93	313.60	63.16
26	***TOTAL FGN BUDGET (excl. GOEs & Project Tied Loans)***	**15,267.61**	**3,816.90**	3,225.02	3,398.64	3,564.26	3,222.44	13,410.36	**10,786.74**	-594.47	-15.57	-341.82	-9.59	-1,857.25	-12.16	2,623.62	24.32
27	***AGGREGATE FGN EXPENDITURE***	**18,139.24**	**4,534.81**	**3,569.00**	**3,742.62**	3,908.24	**3,566.42**	14,786.28	**10,786.74**	-968.39	-21.35	-341.82	-8.75	-3,352.96	-18.48	3,999.54	37.08
28	**Fiscal Deficit**	-8,170.07	-2,042.52	-1,773.34	-1,980.62	-1,975.59	-1,318.23	-7,030.22	-6,611.59	724.29	-35.46	657.36	-33.27	1,139.85	-13.95	-418.63	6.33
C	**FINANCING ITEMS**																
1	Privitization Proceeds	90.73	22.68	0.00	0.00	0.00	0.00	0.00	0.00	-22.68	-100.00	.		-90.73	-100.00	.	
2	Multi-lateral / Bi-lateral Project-tied Loans	1,155.82	288.96	0.00	0.00	0.00	0.00	0.00	0.00	-288.96	-100.00	.		-1,155.82	-100.00	.	
3	Foreign Borrowing	2,569.93	642.48	0.00	510.21	0.00	0.00	510.21	0.00	-642.48	-100.00	.		-2,059.72	-80.15	.	
4	Domestic Borrowing (including CBN)	4,353.59	1,088.40	1,541.92	1,958.82	1,337.12	1,682.14	6,520.00	2,057.54	593.74	54.55	345.02	25.80	2,166.41	49.76	4,462.46	216.88
5	**Sub-Total**	**8,170.07**	**2,042.52**	**1,541.92**	**2,469.03**	**1,337.12**	**1,682.14**	7,060.22	**2,057.54**	593.74	29.07	345.02	25.80	-1,109.85	-13.58	5,002.68	243.14

Source: OAGF and Budget Office of the Federation, 2022

3.10.3 Statutory Transfers:

A total of ₦194.99 billion was released as Statutory Transfers in the fourth quarter of 2022 which was ₦9.43 billion (4.61 percent) below the quarterly projection of ₦204.42 billion. It is important to note that funds under this subhead are released quarterly to beneficiaries subject to budgetary provisions, needs and availability of funds.

3.10.4 Capital Expenditure Performance

Significant portion of Government's available financial resources was allocated for capital expenditure needed for structural reform of the economy through 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 ₦6,234.83 billion was allocated to capital spending in the 2022 Budget.

Capital Release

The release of funds to MDAs for capital expenditure as at the fourth quarter of 2022 was done in tranches based on availability of resources and government priorities. Data from the OAGF on 2022 capital performance for MDAs as at 31st December, 2022 showed that a total of ₦2,437.14 billion (inclusive of capital supplementation and in the supplementary budget but inclusive of 2022 capital budget spent in 2023) was released to MDAs and cash-backed for 2022 capital projects and programmes. The sum of ₦1,133.15 billion was released as First Tranche, ₦787.08 billion was released as Second Tranche, ₦116.39 billion was released as Third Tranche and ₦32.50 billion was released as Fourth Tranche. A total of ₦955.50 billion was released as AIEs MDAs Budget and ₦367.07 billion as AIEs Service Wide.

Performance as at 31st December, 2022*:*

Available fiscal data revealed that ₦2,437.14 billion (78.14 percent) of the total amount released and cash-backed was utilized by MDAs as at 31st December, 2023. *Appendix 1* to this Report shows the funds released to the MDAs and utilized during the period. A breakdown of the sixty-one (61) MDAs included in the report of the Office of the Accountant General of the Federation (OAGF) indicates different levels of utilization. Thirty-two (52.46 percent) of the MDAs had utilized more than the overall average utilization rate of 76 percent of the amount cash-backed. Out of them, only five (8.20 percent) had 100 percent utilization rates while seventeen (27.87 percent) had above 90 percent utilization rates of their cash-backed funds. Fifteen (24.59 percent) of the MDAs had above fifty percent utilization rates. The utilization report also revealed that only seven (11.48 percent) of the MDAs had utilization rates below forty percent of their cash-backed funds.

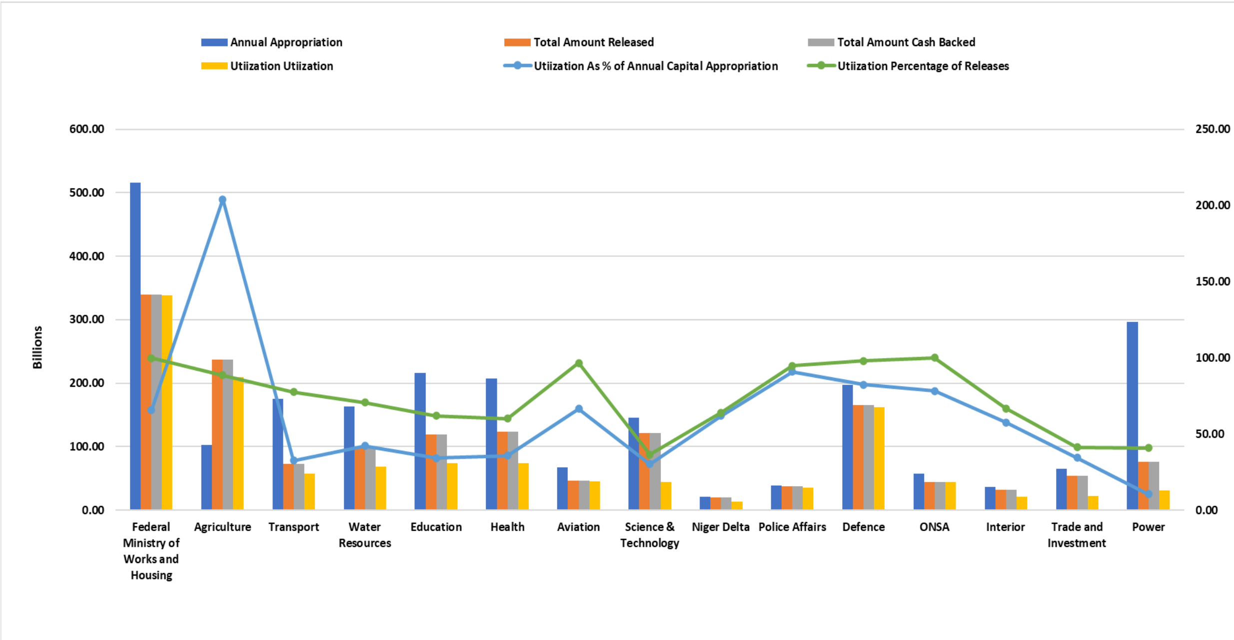
Table 3.10: 2022 Capital Budget Utilization by MDAs (as at 31st December, 2022)

MDA	Annual Appropriation	Total Amount Released	Total Amount Cash Backed	Utiization		
				Utiization	As % of Annual Capital Appropriation	Percentage of Releases
Federal Ministry of Works and Housing	515,951,169,699	339,003,623,474	339,003,623,474	338,323,497,350	65.57	99.80
Agriculture	102,493,492,597	236,431,512,754	236,431,512,754	209,069,171,854	203.98	88.43
Transport	174,938,226,326	73,329,397,328	73,329,397,328	56,867,145,250	32.51	77.55
Water Resources	163,569,538,676	97,539,107,612	97,539,107,612	68,891,877,264	42.12	70.63
Education	216,330,080,734	119,594,003,298	119,594,003,298	74,001,184,528	34.21	61.88
Health	207,389,943,865	123,770,856,549	123,770,856,549	74,229,381,450	35.79	59.97
Aviation	67,805,263,715	46,603,522,519	46,603,522,519	45,040,916,043	66.43	96.65
Science & Technology	145,054,765,766	120,750,588,894	120,750,588,894	43,898,692,764	30.26	36.35
Niger Delta	21,149,342,457	20,404,142,554	20,404,142,554	13,069,363,306	61.80	64.05
Police Affairs	38,925,739,398	37,299,235,190	37,299,235,190	35,322,899,231	90.74	94.7
Defence	197,049,920,338	165,400,795,016	165,400,795,016	162,150,826,920	82.29	98.04
ONSA	56,943,978,836	44,480,739,827	44,480,739,827	44,479,948,055	78.11	100
Interior	36,918,676,100	31,763,146,277	31,763,146,277	21,218,585,645	57.47	66.8
Trade and Investment	65,290,309,038	54,607,617,112	54,607,617,112	22,474,278,554	34.42	41.16
Power	296,637,424,104	75,744,685,641	75,744,685,641	30,867,418,173	10.41	40.75
Total Average by all MDAs (Inclusive of Capital Supplementation)	**4,096,761,413,882**	**2,437,135,550,027**	**2,437,135,550,027**	**1,904,350,687,968**	**59.49**	**78.14**

Source: OAGF and BOF, 2022

Please note that the Ministries of Agriculture, Science & Technology, Defence and Office of the National Security Adviser benefited from additional funds from the Service Wide Vote (SWV)

Figure 3.10: Pictorial Representation of Selected MDAs Capital Utilization



Source: OAGF and BOF, 2022

3.10.5 Budget Deficit and Performance of the Financing Items:

The estimated quarterly fiscal deficit in the 2022 Budget amounts to ₦2,042.52 billion. However, with the addition of the 2022 The deficit in the 2022 Fiscal Framework is expected to be financed through earnings from Privatization Proceeds of ₦22.68 billion, Multi-lateral/Bi-lateral project-tied loans of ₦288.96 billion, Foreign Borrowing of ₦642.48 billion and Domestic Borrowing (inclusive of CBN borrowing) of ₦1,088.40 billion on prorate basis.

The inflow and outflow of funds resulted in ₦1,318.23 billion deficit (2.32 percent of prorate GDP) in the fourth quarter of 2022. This was ₦724.29 billion (35.46 percent) lower than the prorate projected budget deficit for the quarter. The deficit was financed through ₦1,682.14 billion domestic borrowings (FGN Bond). This resulted in a ₦593.74 (54.55 percent) net surplus financing for the review period.

Overall, a total of ₦7,030.22 billion deficit was recorded in 2022, representing in a budget to GDP ratio of 3.53 percent which is slightly above the target rate of 3.0 percent as stipulated in the FRA 2007. The deficit was financed in part through ₦510.21 billion foreign borrowing and ₦6,520.00 billion domestic borrowing (inclusive of borrowings from CBN).

4.0 CAPITAL PROJECT/PROGRAMME IMPLEMENTATION

4.1 INTRODUCTION

The full year, 2022 capital budget monitoring exercise was held between **Monday 7th and 25th August, 2023** across the six (6) Geo-political Zones of the country. In continuation of the practice of transparency and accountability as well as strengthening the objectivity of the assessment, the BOF teams collaborated with representatives of Supervising Ministries (MDAs) to undertake the assignment.

The inspection covered sampled projects and programmes executed in large spending and critical sectors of the economy. A total of twenty-six (26) MDAs were selected for monitoring. The sectors covered include: Agriculture and Rural Development; Defence; Health; Education; Finance, Budget and National Planning; Science and Technology; Environment; Aviation and Works. Others are: OSGF, Information, Housing, Mines and Steel Development, Labour and Employment, Humanitarian and Police Affairs.

The emphasis was placed on assessing the level of project completion relative to the funds released, its judicious utilization, the expected outcomes and challenges to the prompt and effective delivery of the projects. The Report is as follow:

4.2 FEDERAL MINISTRY OF WORKS AND HOUSING

The sum of N515.95 billion was appropriated to the sector in the 2022 budget for the implementation of its capital projects. Out of this amount, N377.48 billion was released while N377.33 billion was utilised as at the end of the fourth quarter of the fiscal year. The following projects, amongst others were monitored:

4.2.1 WORKS SECTOR

a). Rehabilitation of Old Enugu- Port-Harcourt Road (Agbogugu – Abia Border Spur to Mmaku) in Enugu State

The project entails the rehabilitation of 51.69 km Old Enugu – Port-Harcourt Road between Agbogugu and Abia State border with three spurs to Mmaku, Ugbo Village and Agbudu in Enugu State. Scope of works include: site clearance, earthworks, excavation, scarification of bituminous surface on the existing failed asphalt, provision of 200mm laterite sub-base and 200mm crushed stone base, prime coat on the carriageway and shoulders. Others are: provision of 60mm binder course, surface dressing on shoulders, 40mm wearing course, construction of concrete lined drains and 1no. bridge on Spur 3.

The contract was awarded to Messrs Setraco Nigeria Limited in September, 2018 at a cost of N13.9 billion with a completion date of May, 2024. In the 2022 budget, the sum of N1.26 billion was appropriated while N349.99 million was released and utilized bringing total commitment to N4.14 billion to achieve 44.21% level of completion.

Findings:

At the time of monitoring, works completed include: site clearance, earthworks, reinforced concrete lined drain, 8nos box culverts and 19km binder course. However, works in progress include: 27km wearing course with surface dressed shoulders and excavation works in other parts of the road.

Picture 1: *Rehabilitated portion of Old Enugu- Port-Harcourt Road (Agbogugu – Abia Border Spur to Mmaku), Enugu*

Expected Outcome:

On completion, it is expected to reduce travel time and improve vehicular movement. In addition, it will open up more communities and enhance economic activities along the road corridor.

b). Rehabilitation of Kaduna-Pambequwa-Jos Road and Plateau State, Contract No: 6904

The project involves rehabilitation of existing 199.50 km road starting from Maraban Jos (Katabu town) to Tudor Fulani at Plateau State boarder (189.9km) with a spur of 9.6 km from Samimaka Junction to Bauchi State boarder. Components of work include: site clearance, scarification, filling, provision of laterite sub base, stone base, prime coats and surface dressing on the shoulders. Others are: provision of 60mm/40mm asphaltic binder and wearing courses, maintenance of existing bridge, culverts and drainage facilities, stone pitching and road markings.

The contract was awarded in January, 2021 at the sum of N38.70 billion with a completion date of January, 2023. In the 2022 budget, the sum of N50 million was appropriated but there was no release to the project. A total of N7.91 billion (N3.30 billion Sukuk, N1.90 billion national budget and N2.51 billion NNPC intervention) had been committed to the project since inception to achieve 20.44% level of completion.

Findings:

At the time of monitoring, 27 km of the road had been rehabilitated by Sukkuk intervention from Mararaba - Jos main alignment to chainage 000-189 km. Other components completed are: site clearing 31.5 km, stone base course 33.65km, binder course 33.65 km, surface dressing on shoulder 31.54km-trapezoidal drain 2.1 km, rectangular drain 6.16 km and box culvert 0.3 km.

Picture 2: Ongoing Rehabilitation of Kaduna-Pambeguwa-Jos Road in Kaduna and Plateau States.

Expected Outcome:

On completion, it would enhance the movement of agricultural produce and improve the transportation of goods and passengers in the area.

c). Rehabilitation of Koko Mahuta Road (87km) In Kebbi State (C/ NO.6889)

The project involves the rehabilitation of 87km road from Koko-Mahuta in Kebbi state. Scope of works include: site clearance, scarification of existing failed carriage way, provision of lateritic sub-base, prime coat on shoulders and carriageways, binder and wearing courses. Others are: concrete kerbs, provision of street light and lane marking.

The contract was awarded to Messrs Great North international construction Limited in January, 2021 at a cost of N19.71 billion with a completion date of July, 2023. In the 2022 budget, the sum of N3 billion was appropriated while N259.73 million was released and utilized. A total of N2.25 billion had been committed to the project since inception to achieve 10.89% level of completion.

Findings:

At the time of monitoring, work completed includes: site clearance, filling, construction of box culverts, lateritic sub-base, crushed stone base, priming, 2.9 km binder and wearing courses. The team was informed by the Engineer's representative that the contractor was not on site because of inadequate funding and insecurity.

Picture 3: Ongoing Rehabilitation of Koko Mahuta Road (87km) in Kebbi State

Expected Outcome:

On completion, it is expected to reduce vehicle operating costs and boost economic activities along the road corridor

d). Dualization/Reconstruction of Kano-Kwanar-Danja-Hadeija Road in Kano/Jigawa States, Phase II.

The project with coordinate Lat.12.0577309 and Long.8.7353826 involves dualization and reconstruction of an existing 82 km road starting from Yankaba roundabout in Kano city and terminating at Tsalle village linking Kano and Jigawa states. Scope of work includes: site clearance, provision of sub-base, crushed stone base, prime coat, 60mm binder course, tack coat and 40mm wearing course. Others are: provision of concrete line drains, culverts, median barrier and road furniture (kilometer post, road and reflective signs).

The contract was awarded to Messrs CCECC Nig. Ltd. in November, 2022 at a cost of N94.14 billion with a completion date of November, 2024. In the 2022 budget, the sum of N35.00 billion was appropriated, while N3 billion was released and utilized to achieved 30.80% level of completion.

Findings:

At the time of monitoring, works completed include: 69 km site clearance, 58.63 km earthworks, 64.7 km pulverization, 62.1 km stone base, 60.5 km asphaltic binder course, 43 km wearing course, 45 km surface dressing and 9.1 km drains. Ongoing works were: laying of drainage covers at CH25+200 on both sides and laying of wearing course at CH75+100. The team was informed that the contractor had outstanding payment for certified works.

Picture 4: Ongoing dualization/reconstruction of kano-kwanar-danja-hadeija road

Expected Outcome:

When completed, it is expected to ease flow of traffic and improve economic activities along the road corridor.

e). Rehabilitation of Nguru-Gashua-Bayamari Section II Phase II: (Gashua-Bayamari) Road in Yobe State (Contract No 6479).

The project involves the rehabilitation of 37km Nguru-Gashua-Bayamari road to Damaturu in Yobe State. Scope of works include: site clearance, earthwork, excavation, scarification, binder and wearing courses. Others are: construction of culverts, line drains structures, provision of kerbs and chutes, stone pitching, laterite sub-base in carriageway and shoulders.

The contract was awarded to Messrs Ric Rock Construction (RRC) Nigeria Limited in October 2018 at an initial cost of N11.78 billion with an initial completion date of October, 2020. However, the cost of the project was later reviewed to N11.91 billion due to increase in the price of materials in the market with a new completion date of June, 2024. The sum of N1.77 billion was appropriated, released and utilized in the 2022 budget bringing total commitment to N4.82 billion to achieve 28.61% level of completion.

Findings:

At the time of monitoring, 22 km out of 37km (section II phase II) rehabilitation of the existing road had been completed. Works in progress include: site clearing, earthwork, surface dressing on shoulders, stone base on Chainage 22+000 - 44+000 LHS/RHS, binder and wearing courses on Chainage

22+000 - 32+000. However, the team was informed that insecurity had affected the progress of work on the project.

***Picture 5**: Completed portion and on-going works at Nguru-Gashua-Bayamari Section II Phase II:(Gashua-Bayamari) Road in Yobe State Contract No. 6479*.

Expected Outcome:

Although the project is still ongoing, it has created job opportunities for over 190 different classes of workers. Upon completion, it will improve the flow of traffic, reduce travel time, vehicle operating cost and boost economic activities along the route.

f). Rehabilitation of Alesi-Ugep (Iyamoyung-Alesi) Road Section C/N0.6263 in Cross River State

The project involves the overlay of 67.1Km asphaltic concrete wearing course (40mm thickness) and binder course (60mm thickness) of road pavement. Scope of works include: provision of 200mm lateritic sub-base on shoulders, 200mm crushed stone base on carriageway, 12mm and 18mm double coat surface dressing on shoulders. Others include: construction of reinforced concrete culverts and lined drains, sub-soil filtration drains, site clearing, earthworks and other necessary ancillary works.

The contract was awarded to Messrs Sermatech Nigeria limited in January, 2015 at a cost of N11.22 billion with a completion date of January, 2019. The contract cost was later revised to N14.74 billion due to inflation, with a new completion date of January, 2023. In the 2022 budget, the sum of N100 million was appropriated, released and utilised. A total of N14.40 billion had been committed to the project since inception to achieve 100% completion.

Findings:

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

Picture 6: *Rehabilitated Alesi-Ugep (Iyamoyung-Alesi) Road Section C/No. 6263 in Cross River State.*

Expected Outcome:

The project has improved economic activities within the road corridor, enhance the movement of agricultural produce and reduced travel time.

g). Emergency Repair of the Marine Bridge: Contract NO. 6636

The project with GPS coordinate Lat: N 6^0 27' 46'' & Long: E 3^0 21' 51'' involves the rehabilitation of the bridge connecting Ijora/Igamu and Apapa port. Component of works include: replacement of bridge bearings and damaged expansion joints as well as concrete skin repairs and jacketing. Others include: milling and asphalting, resurfacing & reinstatement of failed ramp.

The contract was awarded to Messrs. Buildwell Plant and Equipment Industries Ltd. in September, 2019 at a cost of N3.46 billion with a completion date of July, 2022. The sum of N4.00 billion was appropriated in the 2022 budget while N407.36 million was released and utilized. A total of N2.82 billion had been committed to the project since inception to achieve 100% completion.

Findings:

At the time of monitoring, the team was informed by the Contractor Representative that Certificate has been raised for outstanding payment.

***Picture 7**:* Repaired portion of the Marine bridge in Lagos State.

***Expected outcome**:*

On completion, it would increase the lifespan of the bridge and ensure the safety of commuters.

h). Emergency Repair Works on Eko Bridge (Phase II) In Lagos State. Contract No. 6780a

The project with Lat: N 6^0 29’ 10’’ & Long: E 3^0 21’ 53’’ involves the rehabilitation of 4.1km dual carriageway. Component of works include: Provision & installation of 106 number pot bearings, jacketing of damaged Piers with 559m concrete, removal of damaged expansion joints and replacement with 387.8m new ones, reinforced rubber type (383.8m), general maintenance of 120 number existing bearings and execution of survey/integrity tests. Others include: Maintenance of bridge sub-structure, pile cap, design of temporary steel support, supply and installation of new steel guard rails (6,186m), scarification and resurfacing of damaged section of asphaltic road pavement.

The contract was awarded to Messrs. Buildwell Plants and Equipment Industries Limited in September, 2020 at a cost of N2.87 billion with an initial completion date of September, 2021 which was later reviewed to February, 2022. The sum of N6 billion was appropriated for the comprehensive maintenance of the bridge in the 2022 budget, out of which N900 million was released and utilized, bringing total commitment on the project to N2.64 billion since inception to achieve 96% level of completion.

Finding:

At the time of monitoring, the bridge has been stabilized, strengthened and the finger bearings fixed.

***Picture 8*:** The strengthened and fixed finger bearing of Eko bridge

Expected Outcome:

The work would increase the longevity of the bridge and enhance the transportation of goods and services.

4.2.2 HOUSING SUB - SECTOR:

a). Construction of Federal Secretariat Complex Awka, Anambra State:

The project with GPS coordinate N14’11.01” and E4’58.97” involves the construction of a 3-storey reinforced concrete-frame structure with block work. Scope of work includes: 402nos. offices, 1no conference hall, 4nos. committee rooms, reception, post office, banking hall and exhibition hall. Others are: 1no 200KVA generator, 4nos lifts/elevators, 132nos. conveniences, 200 parking spaces, gate house, perimeter fence and landscaping.

The contract was awarded to Messrs. Cosco Investment Nigeria Limited at a cost of N2.56 billion in December, 2011 with an initial completion date of April, 2015. However, due to structural re-design of the project scope by the introduction of the basement, there was an upward review of the contract cost to N3.62 billion with a new completion date of December, 2022.

In the 2022 Budget, the sum of N2.76 billion was appropriated to the six (6nos.) Federal Secretariats in the country. Out of this amount, N178.31 million was released and utilised to the Federal Secretariat, Awka. A total of N3.50 billion had been committed to the project since inception to achieve 100% level of completion.

Findings:

At the time of monitoring, the project has been completed and commissioned. The team was also informed that approval has been granted for the allocation of the offices to over fifty (50) government agencies in the state.

Picture 9: *Completed Front and Side View Federal Secretariat Complex at Awka, Anambra State.*

Expected Outcome:

The project is expected to accommodate all the Federal Government Ministries, Departments and Agencies in Anambra State.

4.3 EDUCATION SECTOR

The sector had an appropriation of N216.33 billion in the 2022 budget for the implementation of its capital projects/programmes. Out of this amount, N181.71 billion was released while N131.79 billion was utilised as at the end of fourth quarter. The following agencies/ projects were monitored amongst others:

4.3.1 ALEX EKWUEME FEDERAL UNIVERSITY NDUFU ALIKE IKWO, EBONYI STATE:

The sum of N441.03 million was appropriated to the institution for the implementation of its four (4) capital projects/programme. Out of this amount, N330.78 million was released and utilized as at fourth quarter of the year. The following projects were monitored amongst other:

a). Construction of One Storey Building Laboratories Block for Clinical Medicine:

The project entails the construction of a storey building for clinical students of the faculty of medicine. Component of the building includes: 3nos laboratories, 8nos offices, 3nos class rooms, ramp, panel room, store and 11nos conveniences. The contract was awarded to Messrs. Skysage Limited in April, 2022 at a cost of N224.72 million with a completion date of July, 2022. In the 2022 budget, the sum of N224.72 million was appropriated while N114.46 million was released and utilized to achieve 51% level of completion.

Findings:

At the time of monitoring, the structural work had been completed while plastering, roof covering, electrical/mechanical fittings, tiling, pop, doors/windows, installation of sanitary wares, painting and staircase railings were outstanding.

Picture 10: Ongoing Construction of Laboratories Block for Clinical Medicine at the Federal Teaching Hospital, Abakaliki.

Expected Outcome:

When completed, it is expected to provide a conducive learning environment for the medical students of the institution.

b)…Construction of Bungalow Block for Faculty of Science Laboratories:

The project entails construction of a bungalow block comprising: 4nos laboratories, 8nos. preparatory ensuites rooms, 4nos. conveniences and a panel room. The contract was awarded to Messrs. Gesbi Engineering Limited in August, 2022 at cost of N127.05 million with a completion date of March, 2023. In the 2022 budget, the sum of N127.05 million was appropriated, released and utilized to achieve 100% level of completion.

Findings:

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

Picture 11: *Constructed* Bungalow Building for Faculty of Science Laboratory *at Alex Ekwueme Federal University, Ebonyi State.*

Expected Outcome:

The is expected to provide conducive teaching and learning environment for students of the Faculty of Laboratory Science of the institution.

4.3.2 FEDERAL POLYTECHNIC, OKO

The sum of N470.65 million was appropriated, released and utilised by the Polytechnic for the implementation of its three (3nos.) capital projects/programmes in the 2022 fiscal year. The following projects were monitored amongst others:

a). Construction of School of Environmental Science Office Block:

The project involves the construction of school of environmental science block comprising: 16nos. offices, 2nos. laboratory and 10nos. conveniences. The contract was awarded to Messrs. Connect 4 Nigeria Limited in October, 2022 at a cost of N283.04 million with a completion date of February, 2023. In the 2022 budget, the sum of N283.04 million was appropriated, released and utilized to achieve 98% level of completion.

Findings:

At the time of monitoring, the structural work had been completed and roofed. Others are: fixing of doors & windows, tilling of all floors, plastering, electrical/mechanical fittings, installation of sanitary wares, staircase railing etcetera were all completed. However, screeding and painting were ongoing.

Picture 12: *Ongoing Construction* of School of Environmental Science Block *at the Federal Polytechnic, Oko.*

Expected Outcome:

When completed, it would provide a conducive office space for Head of Department and lecturers of the School of Environmental Science of the institution.

4.3.3 FEDERAL UNIVERSITY OF TECHNOLOGY, OWERRI

The sum of N548.39 million was appropriated, released and utilized by the institution for the implementation of six (6nos) capital projects/programmes. The following projects were monitored amongst others:

a). Construction, Furnishing and Equipping of E-Library Complex.

The project involves the construction of 4nos apartments viz: open library, serial reference and E-library section and 4nos of offices. The contract was awarded to Messrs Honnete Property Development Limited in March, 2022 at a cost of N280.80 million with a completion date of December, 2022. In the 2022 budget, the sum of N154.14 million was appropriated, released and utilized to achieve 65% level of completion.

Findings:

At the time of monitoring, the completed works include: equipping of open library section, provision of serial reference books, offices and books shelves. Outstanding work include: finishing of external works etc.

Picture 13: The completion section of E-library building at FUTO, Owerri

Expected Outcome:

Upon completion, it would provide an enabling environment for quality teaching/learning and enhance human capacity development in research.

4.3.4 FEDERAL POLYTECHNIC, NEKEDE OWERRI

The institution was allocated the sum of N461.57 million in the 2022 Budget. Out of this amount, N346.18 million was released and utilized for the implementation of its three (3nos) capital projects and programmes. The following project amongst others was monitored:

a) Construction of Modern Fish Hatchery, Fish Handling and Processing Centre.

The project involves the construction of fish ponds, bore holes, hatchery tanks, nursery and processing centre for research and teaching of fisheries.

It comprises: 20nos. fish hatchery tanks of 5000 fishes, 4nos. industrial bole holes, 2nos. rooms staff quarters, 2nos. offices, 4nos conveniences, processing centre, installation of 2nos. oven for fish smoking/drying etc.

The contract was awarded to Messrs T Set Engineering & Guchen Nigeria Limited at a cost of N166.50 million in May, 2022 with a completion date of December, 2022. In the 2022 budget, the sum of N163.42 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

Pictures 14: The completed fish ponds, processing centre & staff quarters at Polytechnic, Nekede.

Expected Outcome

The completion of the project would aid teaching and research on fisheries farm production.

4.3.5 UNIVERSITY OF IBADAN

The University had an appropriation of N646.56 million in the 2022 budget. Out of this amount, N487.11 million was released and utilized to execute its capital projects/programmes. The following projects were monitored amongst others:

a). Rehabilitation and Vertical extension of computer sciences department building.

The project with GPS coordinates of N7.2642, E3.5334 involves the conversion of an existing bungalow to a storey building with class rooms, a laboratory, professorial and HOD offices ensuite. Other works include: removal of existing roof and ceilings, casting of columns and beams.

The contract was awarded to Snow Trust Venture Nigeria limited in August, 2021 at a cost of N232.33 million with a completion date of March, 2022. In the 2022 budget, the sum of N83.34 million was appropriated while N13.84 million was released and utilised. A total amount of N188.23 million had been committed to the project since inception to achieve 82% level of completion.

Findings:

At the time of monitoring, work completed includes: roofing, suspended ceiling, railing, tiling and plastering. Fixing of windows & doors were ongoing while the painting and electrical/ mechanical fittings were still outstanding.

***Picture 15**: Computer Science Building at University of Ibadan*

Expected Outcome:

The project would provide adequate offices and a conducive learning environment for the students and staff of the computer science department.

4.3.6 UNIVERSITY OF LAGOS

a). Vertical Extension and Equipping of Existing Administrative building for College of Medicine University of Lagos (CMUL) Idi-Araba.

The project involves the construction of additional floor at the College of Medicine's administrative building. It consists of Provost's office, Deputy Provost, Director of Administration, Director of Finance, Director of Engineering and other principal officers of the institute. Other components include: board room, reception hall and a penthouse.

The Contract was awarded to Messrs Arid Builders Nigeria Limited in November, 2022 at a cost of N190 million with a completion date of December, 2023. In the 2022 budget, the sum of 171.47 million was appropriated, released and utilised to achieve 91% level of completion.

Findings:

At the time of monitoring, the structure had been completed while the furnishing is still outstanding.

Picture 16: Completed Administrative building for College of Medicine University of Lagos, Idi-Araba.

Expected Outcome:

When completed, the project would provide adequate office space for principal officers of the college of medicine and their supporting staff.

b). Upgrade of Academic Building at University of Lagos:

The project involves the construction of 3 storey buildings comprising: offices, classrooms, laboratories, stores and conveniences. The Contract was awarded to Messrs Iktech Multi Global Limited in September, 2022 at a cost of N261.64 million with a completion date of March, 2023. In the 2022 budget, the sum of N261.64 million was appropriated, while N209.47 million was released and utilised to achieve 70% level of completion.

Findings:

At the time of monitoring, the structural work had been completed while the fixing of the windows & doors, plastering, painting, tiling, electrical and mechanical fittings were outstanding.

Picture 17: *Ongoing Upgrade of Academic Building at the University of Lagos.*

Expected Outcome:

The project will improve the quality of practical teaching, research and learning in the institution.

4.3.7 FEDERAL UNIVERSITY OF BIRNIN KEBBI

The institution had an appropriation of the sum of N336.57 million in the 2022 budget for the implementation of its three (3nos) capital projects/programmes. Out of this amount, N252.43 million was released while N251.95 million was utilized. The following, amongst others, were monitored:

a). Construction of 150 seats capacity lecture theatre for Faculty of Law at the university permanent site.

The project involves the construction of a lecture hall, of 150 people capacity, 2nos offices and 2nos. conveniences. Others include: external works, provision of overhead water tank and procurement of 11KVA low tension line for electricity supply to the building.

The contract was awarded to Messrs. Dubamall Construction & General Engineering Nigeria Ltd. in May, 2022 at a cost of N215.97million with a completion date of March, 2023. In the 2022 budget, the sum of N216.60 million was appropriated, out of which N135.31 million was released and utilized to achieve 90% level of completion.

Findings:

At the time of monitoring, structural works and the installation of overhead water tank had been completed while plastering, mechanical/electrical fittings were ongoing. However, painting and external works were outstanding.

Picture 18**:** Ongoing Construction of 150 seats capacity lecture theatre for Faculty of Law at the Federal University, Birnin Kebbi.

Expected outcomes

When completed, it would provide a conducive learning environment for students of the faculty of law of the institution.

4.3.8 FEDERAL COLLEGE OF EDUCATION (T) GOMBE

The sum of N1.16 billion was appropriated and released while N1.15 billion was utilized for the implementation of its eleven (11nos.) capital projects/ programs. The following projects amongst others were monitored:

a). Construction of students' health centre:

The project entails the construction of male and female wards. Component of works include: provision of laboratories, dispensary, Xray rooms, doctors/ consultants' offices and immunization room amongst others. The contract was awarded to Messers. Universal Water Engineering Ltd. in August 2022 at a cost of N225.57 million with a completion date of March, 2023. In the 2022 budget, the sum of N225.63 million was appropriated and released while N224.57 million was utilized to achieve 100% completion.

Findings:

At the time of monitoring, the student health center had been completed.

Picture 19: *Completed student health centre at FCE (T) Gombe.*

Expected Outcome:

The project is expected to enhance health care service delivery for both students and staff of the college.

4.3.9 FEDERAL UNIVERSITY LOKOJA

In the 2022 Budget, the sum of N2.33 billion was appropriated to the University for the implementation of its fifteen (15nos.) capital projects/programmes. Of this amount, N2.30 billion was released while N1.41 billion was utilized. The following projects among others were monitored:

a) Construction of Entrepreneurship Development Centre in Federal University Lokoja, Kogi State.

The project with GPS coordinates N7.860825° Latitude and E6.684017° Longitude entails construction of a storey building comprising: Director's office, instructors offices and 8nos. incubation classrooms for training.

The contract was awarded in January, 2022 to Messrs Truetech Global Investment Services Limited at a cost of N224.72 million with a completion date of May, 2023. In the 2022 budget, the sum of N224.72 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

Pictures 20**:** Entrepreneurship Development Centre in Federal University Lokoja, Kogi State**.**

Expected Outcome:

The centre is expected to provide a training hub for business skills.

4.3.10 FEDERAL UNIVERSITY DUTSE, JIGAWA

The University had an appropriation of N1.57 billion in the 2022 budget, out of which N1.44 billion was released and utilized for the implementation of its nine (9nos.) capital projects/programmes. The following projects amongst others were monitored:

a). Construction and furnishing of 500 Seats Capacity Theatre

The project with Lat.11.7034265 and long.9.3744833 entails the building of 500 seats students lecture theatre. Component of works include: provision of 10nos conveniences and supply/installation of the 500 seats, landscaping and drilling of a borehole with an overhead tank.

The contract was awarded to Messrs Thorhill Engineering Service in September, 2022 at a cost of N199.79 million with a completion date of March, 2023. The sum of N212.50 million was appropriated in the 2022 budget while N195.95 million was released and utilized to achieved 92% level of completion.

Findings:

At the time of monitoring, the project had been completed. However, water reticulation was outstanding.

Picture 21: Constructed and furnished 500 seats capacity theatre at Federal University Dutse, Jigawa.

Expected Outcome:

When completed, it is expected to provide conducive learning environment for students of the institution.

4.3.11 FEDERAL UNIVERSITY OF AGRICULTURE, MAKURDI

In the 2022 budget, a total of N912.70 million was appropriated while N793.70 million was released and N791.50 million was utilized for the implementation of its nine (9nos) capital projects/programmes. The following projects amongst other was monitored:

a). Construction of Phase II of New Senate Building

The project entails the construction of 500 seat capacity senate chambers. The contract was awarded to Messrs Amsomops Enterprisses Ltd. and 3 others at a total cost of N1.35 billion in January, 2018 with a completion date of December, 2025. The sum of N302.60 million was appropriated and released while N301.01 million was utilized. A total of N998.68 million had been committed to the project since inception to achieve 73.98% level of completion.

Finding:

At the time of monitoring, the senate chamber and furnishing has been completed while the landscaping is ongoing.

Picture 22: Constructed new Senate Chamber at University of Agriculture, Makurdi.

Expected Outcome:

The project has provided a conducive meeting environment for administrative decisions of the institution.

4.3.12 ABUBAKAR TAFAWA BALEWA UNIVERSITY, BAUCHI:

The sum of N525.07 million was appropriated and released while N524.78 million was utilized by the Institution in the 2022 budget for the implementation of its nine (9nos) capital projects/programs. The following project amongst others was monitored:

a). Design, Construction, Commissioning and Furnishing of Works and Services Department

The project with GPS coordinate N10’45.468 and E9’500.00 located at the permanent site of Gubi campus involves the construction of works and service department. Component of works include: 22nos. offices, 8nos. studio, a workshop and a conference hall. The contract was awarded to Messrs Manka Ventures Nigeria Limited in May, 2022 at a cost of N124.56

million with a completion date of December, 2022. In the 2022 budget, the sum of 124.56 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

Picture 23: *The Completed Construction of Works and Services Department.*

Expected Outcome:

The project would provide office accommodation for the works and services department.

4.4 AVIATION SECTOR

The sum of N67.80 billion was appropriated to the sector in the 2022 budget for the implementation of its capital projects/ programmes. Out of this amount, N66.84 billion was released while N66.25 billion was utilised as at the end of the fiscal year. The following project amongst others was monitored:

a). Construction of Terminal Building at Enugu Airport:

The project entails the construction of a new terminal building at Enugu Airport. Scope of works include: construction of the main terminal hall, arrival and departure halls, VIP lounge, installation of central air conditioners, canonical area and conveyor belts. Others are: installation of 2nos.

escalators, provision of safety tank/sewage system, lifts, reception/customers desk, security posts, landscaping and access road.

The contract was awarded in December, 2013 to Messrs. CCECC Nigeria Limited at a cost of N14.24 billion with an initial completion date of December, 2015. The cost was however reviewed upwards to N44.33 billion due to inflation with a new completion date of December, 2020. In the 2022 budget, the sum of N500 million was appropriated, released and utilized. A total of N11.59 billion had been committed to the project since inception to achieve 64% level of completion.

Findings:

At the time of monitoring, the contractor was not on site. However, the terminal building had been completed while the installation of 2nos. escalators/elevators, air conditioners ducts, water reticulation and tiling, painting, electrical and mechanical fittings, floor conduct pipes and provision of firefighting equipment have been done. The team was informed that the contractor was being owed outstanding balance of N7.5 billion on work already certified.

Picture 24: Ongoing Construction of New Terminal Building at Enugu Airport

Expected Outcome:

Upon completion, it would improve movement of passengers/goods within and outside the country as well as boost economic activities within the Airport.

4.4.1 FEDERAL AIRPORT AUTHORITY OF NIGERIA (FAAN)

a). Extension and Asphalt Overlay of MMIA Runway 18L/36R at Lagos Airport (Completion of Outstanding Taxiway 'B') with Lighting.

The project involves the construction of a 2.7km run and taxiway designed to provide an alternative runway at the airport. Scope of works include: 5 nos lanes, milling of filled asphalt layers, laying of geotextile materials, binder and wearing courses. The contract was awarded to Messrs PW Nigeria Limited in November, 2019 at an initial cost of N3.31 billion with a completion date of December, 2021. However, there was an upward review of the project cost to N5.58 billion with a new completion date of December, 2023. In the 2022 budget, the sum of N600 million was appropriated, released and utilized. A total sum of N5.05 billion had been committed to the project since inception to achieve 90% cumulative performance.

Findings:

At the time of monitoring, the runway and taxiway has substantially been completed. However, the resident engineer informed the team that work was suspended temporarily to allow for the use of international wide-bodied aircraft on the runway due to the ongoing maintenance of the international runway 18R/36L.

Picture 25: Extension and Asphalt Overlay of MMIA Runway 18L/36R at Lagos Airport

Expected Outcome:

The project when completed, would provide an alternative runway for easy and smooth taking off / landing of air crafts at the airport to avoid congestion.

4.5 AGRICULTURAL SECTOR

The sum of N386.65 billion was appropriated to the sector in the 2022 budget for the implementation of its capital projects/ programmes. Out of this amount, N261.43 billion was released while N219.18 billion was utilized as at the end of the fourth quarter of the fiscal year. The following project amongst others were monitored:

4.5.1 FEDERAL COOPERATIVE COLLEGE, ORJI – RIVER, ENUGU.

The sum of N31.61 billion was appropriated to the college. Out of this amount, N29.71 billion was released and utilized for the implementation of its two hundred and seventy-four (274nos.) capital projects/programmes. The following project was monitored amongst others:

a). Construction of Lecturers Office in the College:

The project involves the construction of a storey building comprising: 10nos. lecturers offices and 8nos. conveniences. The contract was awarded to Messrs. Chuzzie Multi Investments Limited in April, 2022 at a cost of N112.53 million with a completion date of June, 2022. In the 2022 budget, the sum of N112.53 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

Picture 26: Constructed Lecturers' Office at Federal Cooperative College, Orji – River, Enugu State.

Expected Outcome:

The project has provided a conducive office accommodation at the College.

4.5.2 FEDERAL COLLEGE OF HORTICULTURE DADINKOWA

The sum of N26.74 billion was appropriated and released while N23.15 billion was utilized under the 2022 budget for the implementation of its three-hundred and thirty-four (334nos) capital projects/ programs. The following projects were monitored amongst others:

a). Construction and Furnishing of Provost Office Complex

The project involves the construction and furnishing of provost office complex at Federal College of horticulture, Gombe State. The contract was awarded to Messrs. Current Joshim Nig. Ltd. in January, 2021 at a cost of N362.92 million with a completion date of December, 2023. In the 2022 budget, the sum of N212.92 million was appropriated while N210.80 million was released and utilized. A total of N362.93 million had been committed to the project since inception to achieve 100% completion.

Findings:

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

Picture 27: *Completed Provost Office Complex at Federal College of Horticulture Dadinkowa, Gombe.*

Expected Outcome:

The project is expected to provide conducive accommodation for the Provost and the Principal staff of the college.

b) Construction of Lecture theatre

The project involves the construction of a lecture theatre at Federal college of horticulture Gombe State. The contract was awarded to Messrs. Quative Nig. Ltd. in January, 2022 at a cost of N145.40 million with a completion date of December, 2022. In the 2022 budget, the sum of N145.40 million was appropriated while N143.73 million was released and utilized to achieve 100% completion.

Findings:

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

Picture 28: *Constructed Lecture theatre at Federal College of Horticulture Dadin Kowa, Gombe.*

Expected Outcome:

The project is expected to provide a conducive learning environment for staff and student of the college.

4.5.3 AGRICULTURAL & RURAL MANAGEMENT TRAINING INSTITUTE (ARMTI) ILORIN

The sum of N1.39 billion was appropriated to the College in the 2022 budget for the implementation of its forty-two (42nos.) capital projects/programs. Out of this amount, N1.31 billion was released and utilized as at the end of fourth quarter to execute amongst others the following project:

a). Construction of Multi-Purpose Training Centre

The project with GPS Coordinates 8°23'2" N Latitude, 4°40'11" E Longitude entails construction of a one thousand (1000) capacity Multipurpose training Centre. The contract was awarded in September, 2018 to Messrs Fesol / Bolts Unique Concept Ltd. at a cost of N905.49 million with a completion date of December, 2024. In the 2022 budget, the sum of N171 million was appropriated, released and utilized. A total of N579.51 has been committed to the project since inception to achieve 45% level of completion.

Findings:

At the time of monitoring, the down proof course had been completed while reinforcement, beams and columns were in progress.

Pictures 29: On-going Construction of a 1000 Capacity Multi-Purpose Training Centre at ARMTI campus Ilorin, Kwara State

Expected Outcome:

When completed, it would provide a conducive learning environment for participants & facilitators.

4.5.4 LAKE CHAD RESEARCH INSTITUTE (LCRI), MAIDUGURI

In the 2022 budget, the sum of N858.88 million was appropriated, released and utilized for implementation of its twenty-four (24) capital projects/programmes. The following projects amongst others were monitored:

a). Development of High Yielding Heat Tolerant and Good Quality Varieties of Wheat and Barley and Availability of Improved Seeds to Farmers.

The project located at LCRI involves the development of high yielding heat tolerant and varieties of wheat/barley and early maturing high yielding millet of good quality. The project was executed by the institute at a cost of N141.08 million from January to December, 2022. In the 2022 budget, the sum of N141.08 million was appropriated, released and utilized to achieve 100% completion.

Findings:

At the time of monitoring, the wheat genotypes for improved preliminary yield trials have been harvested and distributed to the North East, North Central and North West geo-political zones for the training of farmers & scientists of the various research institute for domestication.

Picture 30: *The Development of High Yielding Heat Tolerant and Good Quality Varieties of Wheat and Barley and Availability of Improved Seeds to Farmers*

Expected Outcome:

The programme is expected to enhance production of wheat/barley & millet as well as improve food security.

4.5.5 NIGERIA INSTITUTE OF OCEANOGRAPHY AND MARINE RESEARCH

The sum of N18.04 billion was appropriated to the institute in the 2022 budget, N14.35 billion was released while N11.59 billion was utilized for the implementation of its one hundred and forty-five (145) capital projects/programmes. The following projects were monitored amongst others:

a). Renovation of the fish technology office and outstanding offices, re-roofing of dilapidated Japanese donated building in Lagos

The project with latitude N:6 27'55.5129" & longitude E:3 24'23.2128" involves construction of 8 more offices on the roof decking of an existing building and renovation of offices. It entails replacement of doors/windows, fixing of new toilet wares, plastering, painting and overhauling of water treatment plant.

The contract was awarded to Messrs. Mega Alliance Services Nigeria Limited in March, 2022 at the cost of N99.77 million with a completion date of December, 2022. The sum of N99.77 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

Picture 31: Renovated fish technology building office at Nigerian Institute of Oceanography and Marine Research, Lagos.

Expected outcome:

The project is providing more offices for research works at the institute.

b). Repairs and reroofing of dilapidated lecture building and provision of equipments

The project with latitude N:6 27’55.5192” & longitude E:3 24’23.2128” involves renovation of the lecture building and provision of equipment. It entails replacing the dilapidated roofing sheets, supply & installation of audio system and repair of the lecture rooms and chairs.

The contract was awarded to Messrs. Mega Boayoi International Company Limited in April, 2022 at the cost of N85.99 million with a completion date of December, 2022. The sum of N85.00 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

***Picture 32**:* Completed Repairs and reroofing of dilapidated lecture building and provision of equipment at the institute of Oceanography.

4.5.6 FEDERAL COLLEGE OF FISHERIES AND MARINE TECHNOLOGY

The sum of N17.60 billion was appropriated to the college in the 2022 budget, out of which N13.68 billion was released while N10.95 billion was utilized to implement its one hundred and thirty-two (132nos) capital projects/programmes. The following projects amongst others were monitored:

a). Construction of 56 rooms capacity hostel in marine tech Lagos

The project with Lat 6.4253 & Long 3.4095 involves Construction of 56nos Rooms Hostel for Male and Female Students. It entails the construction of 4nos Kitchenettes, 8nos conveniences and Bathrooms (Females) and 4nos conveniences and Bath space for their Male Counterparts on each Floor.

The contract was awarded to Messrs Hawawu Global Ventures in January, 2022 at a cost of N425.00 million with a completion date of December 2022. The sum of N425.00 million was appropriated, out of which N255.00 million was released while N211.94 million was utilized to achieve 50% level of completion.

Findings:

At the time of monitoring, frame structure had been completed while block work at the last floor was in progress. Outstanding works include: installation of walk-way rail, burglary, tiling, roofing, plastering, painting, mechanical and electrical fittings. etcetera.

***Picture 33**:* Ongoing construction of 56 rooms capacity hostel at Federal College of Fisheries and Marine Technology, Lagos.

***Expected outcome**:*

When completed, the project would reduce accommodation challenges in the college.

b). Provision/construction of marine engineering laboratories extension in marine technology

The project with Lat: N 6^0 25’ 13’’& Long: E 3^0 24’ 36’’ involves the construction of a 3-storey building comprising: marine engineering laboratory, mechanical engineering, hydrology, computer science departments and an auditorium of 500 people seat capacity.

The contract was awarded to Messrs. Joephish Global Services in January, 2022 at a cost of N212.50 million with a completion date of December, 2022. In the 2022 budget, the sum of N212.50 million was appropriated, out of which N127.46 million was released and utilized to achieve 60% level of completion.

Findings:

At the time of monitoring, the first floor was at lintel stage while form work was ongoing on the 2^{nd} floor. However, the 3^{rd} and 4^{th} floors, roofing, plastering, mechanical and electrical works etcetera were still outstanding.

Picture 34: *Ongoing construction of marine engineering laboratory extension building*

Expected outcome:

The project when completed is expected to provide laboratory for students' learning in order to meet NBTE accreditation standard.

4.6 HEALTH SECTOR

The sector was appropriated a total of N207.39 billion in the 2022 budget for the implementation of its capital projects/programs. Out of this amount, N160.42 billion was released while N119.81 billion was utilized as at the end of the fiscal year. The following agencies amongst others were monitored:

4.6.1 UNIVERSITY COLLEGE HOSPITAL, IBADAN

The University College had an appropriation of N646.56 million in the 2022 budget for the implementation of its twenty-eight (28nos) Capital project/programmes. Out of this amount, N483.97 million was released while N451.72 was utilized as at the end of the year. The following project was monitored:

a). Procurement and Installation of 2 Digital Mammography Machines (Stenographic Pristina 3D)

The project with GPS coordinate N8°32'10'' E4°38'58'' involves the procurement and installation of various medical equipment comprising: 2nos Mammography machines, monitors and other Accessories.

The contract was awarded to Messrs Amtrade Medical Solution Limited in December, 2021 at a cost of N262.24 million with a completion date of December, 2022. In 2022 budget, the sum of N188.82 million was appropriated while N187.24 million was released and utilized. A total of N262.24 million had been committed to the project since inception to achieve 100% completion.

Findings:

At the time of monitoring, 2nos mammography machines had been supplied, installed and put to use.

Pictures 35: *Supplied Mammography Machines and Accessories at UCH Ibadan*

Expected Outcome:

The project is expected to help in the detection of patients with breast cancer.

4.6.2 FEDERAL MEDICAL CENTRE, UMUAHIA

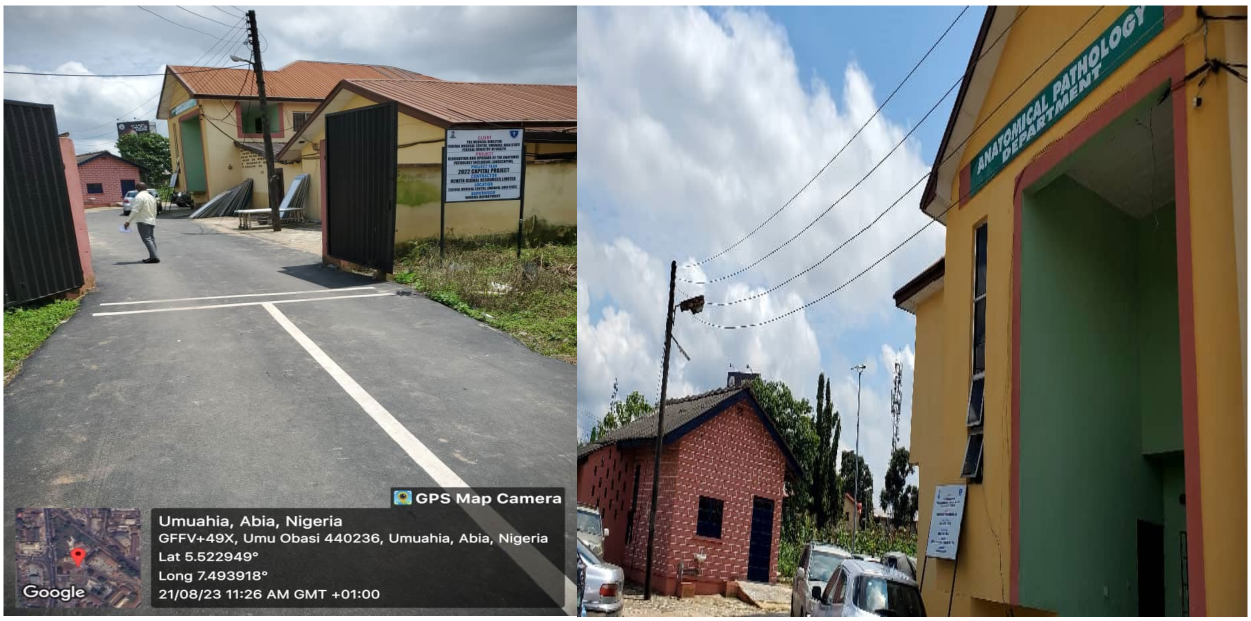
The sum of N1.39 billion was appropriated to the hospital for the implementation of its seventeen (17nos) capital projects/programmes. Out of this amount, N1.60 billion was released and utilized as at the end of the fiscal year. The following project was monitored amongst others:

a) Renovation and Upgrade of Anatomic Pathology including Landscaping

The project entails the renovation and upgrade of Anatomic and Pathology building. The contract was awarded to Messrs Ncheta Resources Global Limited in May, 2022 at a cost of N212.44 million with a completion date of December, 2023. In the 2022 budget, the sum of N212.50 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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



Pictures 36: *Completed renovation of the Anatomic Pathology building at FMC, Umuahia*

Expected Outcome:

The completed facility would enhance patients access to the diagnosis and treatment of tumour or cancer related diseases.

4.6.3 NNAMDI AZIKIWE UNIVERSITY TEACHING HOSPITAL, NNEWI

A total of N3.22 billion was appropriated to the Hospital in the 2022 budget for the implementation of twenty-nine (29nos) capital projects/programs. Out of this amount, N3.03 billion was released and utilized as at the end of fourth quarter of the year. The following projects amongst others were monitored:

a). Completing the Construction of Male Surgical Ward at Permanent Site:

The project entails the construction of a storey building of male surgical ward at the permanent site. Component of works include: 30nos offices, 250nos bedded spaces, 10nos. consulting rooms, 3nos seminal rooms, laboratory and medical record. Others are: nurses' station, pharmacy, amenity ward, call duty room, waiting area, stores, ramp, reception and 24nos conveniences.

The contract was awarded to Messrs. Vikehz Global Nigeria Limited in May, 2021 at a cost of N347.29 million with a completion date of July, 2023. In the 2022 budget, the sum of N108.84 million was appropriated, released and utilized. A total of N339.57 million had been committed to the project since inception to achieve 97% level of completion.

Findings

At the time of monitoring, the project had been completed. However, interlocking tiles and landscaping were in progress.

Picture 37: Constructed Male Surgical Ward at Permanent Site of Nnamdi Azikiwe University Teaching Hospital, Nnewi.

Expected Outcome:

When completed, the project would provide additional private and open wards for patients as well as offices for the administrative staff of the hospital.

b). Construction of Amenities Ward (Male and Female)

The project entails the construction of a storey building for male and female amenity wards at the permanent site of Nnamdi Azikiwe University Teaching Hospital, Nnewi. Components of work include: amenity wards, doctors consulting rooms, call duty office, nurses' stations, observation rooms, procedure rooms, medical records rooms, reception, stores and conveniences etcetera

The contract was awarded to Messrs. Multi-Net Group Limited in June, 2022 at a cost of N499.50 million with a completion date of October, 2024. In the 2022 budget, the sum of N300.00 million was appropriated, out of which N270.56 million was released and utilized to achieve 54% level of completion.

Findings:

At the time of monitoring, the contractor was not on site. However, the structural works for both the male and female amenity wards were in progress and at different levels of completion.

***Picture 38*:** On-going construction of Amenity Wards (Male and Female) at Nnamdi Azikiwe University Teaching Hospital, Nnewi.

Expected Outcome:

Upon completion, it would provide additional staff offices and wards for the male and female patients at the hospital.

4.6.4 UTHMAN DANFODIO UNIVERSITY TEACHING HOSPITAL, SOKOTO.

The institution had an appropriation of N989.73 million in the 2022 budget for the implementation of its twelve (12nos) capital project/programmes. Out of this amount, N1.29 billion was released (inclusive of N35.28 million capital supplementation) while N1.27 billion was utilized as at the end of the year. The following projects were monitored amongst others:

a). Construction and Furnishing of House Officers Quarters At UDUTHS

The project involves the construction of a storey building comprising: 24nos house officers' quarters ensuites with furnishing. The contract was awarded in January, 2022 to Messrs Maiyaki Frontline Services Limited at a cost of N118.79 million with a completion date of December, 2022. In the 2022 budget, the sum of N102 million was appropriated, released and utilized to achieve 65% level of completion.

Findings:

At the time of monitoring, the structural works had been completed. However, plastering and plumbing were in progress while electrical and mechanical fittings, doors, windows, tilling, internal and external works and furnishing were outstanding.

***Picture 39*: Ongoing Construction and Furnishing of House Officers Quarters At UDUTHS.**

Expected Outcome:

On completion, the project would provide conducive accommodation for house officers of the hospital.

4.6.5 FEDERAL MEDICAL CENTER GUSAU, ZAMFARA STATE

The institution had an appropriation of N1.79 billion in the 2022 budget. Same amount was released, for the implementation of its fourteen (14nos) capital projects/programmes as at the end of fourth quarter of the year. The following project was monitored amongst others:

a). Construction and furnishing of house officers' quarters (phase 1)

The project entails the construction of 4nos duplex comprising: 2-bedroom flat each with fittings and furniture. The contract was awarded in November, 2022 to Messrs. Hardline Global Engineering services at a cost of N305.75 million with a completion date of June, 2023. In the 2022 budget, the sum of N212 million was appropriated, released and utilized to achieve 100% completion.

Findings:

At the time of monitoring, the 4nos block of duplex had been completed and furnished.

Picture 40: Completed House officers' quarters at FMC, Gusau, Zamfara State.

Expected outcome:

When completed, it would provide a conducive accommodation for the house officers of the hospital.

4.6.6 FEDERAL NEURO-PSYCHIATRIC HOSPITAL KADUNA

The sum of N610.4 million was appropriated, while the same was released, for the implementation of its nine (9nos) capital projects/programmes as at the end of fourth quarter of the year. The following project was monitored amongst others:

a). Construction and furnishing of Geriatric Psychiatric Ward

The project with GPS Coordinates Lat: 10^0 27’ 51’’ N and Long: 7^0 25’ 44’’ involves building and furnishing of Geriatric Psychiatric ward for the elderly with mental health disease. Components of works include: construction of 2nos wings with six (6) wards each ensuites, common room, nursing station, 3nos offices and conveniences.

The contract was awarded in November, 2022 to Messrs Wayus Integrated services Ltd. at a cost of N136.3 million with a completion date of June, 2023. In the 2022 budget. The sum of N107.89 million was appropriated, released and utilized to achieve 70% level of completion.

Findings:

At the time of monitoring, the structural work had been completed to rafter level. However, plastering, fixing of doors & windows, piping, plumbing, roofing, painting, tilling, ceiling and external were outstanding.

Picture 41: Ongoing Construction and furnishing of Geriatric Psychiatric ward at the Neuro-Psychiatric Hospital Kaduna.

***Expected outcome**:*

When completed, the facility would cater for the needs of the elderly with metal disease.

4.6.7 FEDERAL TEACHING HOSPITAL GOMBE

The Hospital had an appropriation of N998.19 million in the 2022 budget for the implementation of nine (9) capital projects and programs. Out of this amount, N998.19 million was released while N997.36 million was utilized as at end of fourth quarter. The following projects were monitored amongst others:

a). Expansion and Equipping of Clinics and Wards

The project involves the construction and expansion of clinics and wards. Component of works done include: 2nos. consulting rooms (ensuite), 3nos cubicle, an injection room, 2nos conveniences, tiling and painting. Others are: construction of delivery wards and expansion of baby care unit amongst others. The contract was awarded to Messrs. Mass Prudent ltd. and Yubar Consultants ltd. in December, 2022 at a total cost of N98.81 million with a completion date of April, 2022. In the 2022 budget, the sum of N98.90 million was appropriated, N98.81 million was released and utilized to achieve 100% level of completion.

Findings:

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

Picture 42: Completed expansion of clinics/wards works at Federal Teaching Hospital Gombe.

Expected Outcome:

The project has provided additional clinics for patients and enhance service delivery at the hospital.

b) *Procurement of Medical Equipment for Urology theatre*

The project entails the procurement of medical equipment for Urology, Orthopaedic and Radiology Department. Scope of works include: 3nos theatre operating Lamps, 2nos operating tables, 2nos automatic theatre suits doors, 3nos sanction machine, 2nos emergency trolly, UV light, shoe cover machine and 2nos multi parameters. Others are: a digital-ray machine,1no color dabbler, an ultra sound scan machine, 2nos incubators etcetera.

The contract was awarded to Messrs. Future Assured Royal Empire, & three others in November 2022 at a total cost of N401.96 million with a completion date of December, 2023. In the 2022 budget, the sum of N233.78 million was appropriated, released and utilized to achieve 100% completion.

Findings:

At the time of monitoring, the Medical Equipment had been supplied and put to use.

Picture 43: *Supplied Medical Equipment at Federal teaching Hospital Gombe.*

Expected outcome:

The procured equipment would improve access to better healthcare service delivery in the Urology, orthopaedic, radiology department of the hospital.

4.6.8 FEDERAL MEDICAL CENTRE, LOKOJA

The sum of N1.07 billion was appropriated to the Centre in the 2022 budget to implement its nine (9nos.) capital projects/programmes. Same amount was released, while N1.04 billion was utilized as at the end of the budgetary year to execute among others the following project:

a). *Completion of Extension of Central Administrative Building & Furnishing*

The project is located at Federal Medical Centre Lokoja, Kogi State with GPS coordinates N7”47’57.354 Latitude, E6”44’28.608 Longitude and It entails construction of Gate House, Car Park, Roundabout, supply of Furniture to provide comfortable office accommodation to Top Management staff and supporting staff to enhance access to efficient, effective & quality healthcare services.

The project was awarded in December, 2022 to Messrs Solap Shelter Ltd. at a cost of N164.43 million, with a completion date of June, 2023.

In the 2022 budget, the sum of N170.76 million was appropriated and released while N164.43 million was utilized to achieve 100% completion.

Findings:

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

Pictures 44: Completion of Extension of Central Administrative Building & Furnishing at Federal Medical Centre Lokoja, Kogi State.

Expected Outcome:

The project is expected to provide efficient, effective & quality healthcare service delivery.

b). Completion of Renovation of Male/Female Medical/Surgical Wards Epu/House Officer Quarters.

The project with GPS Coordinates N 7047'' 58''N, LAT 60 44'' 24''E entails completion and renovation of a storey building comprising: replacement of 16nos doors, provision of the water system with overhead tanks, re-roofing, renovation of Psychiatric ward, call-rooms, consulting rooms, emergency room, CNO office and changing room.

The contract was awarded to Messrs Adelaide Global Systems Int'l Ltd. in December, 2022 at a cost of N154.06 million with a completion date of July, 2023. In the 2022 budget, the sum of N169.44 million was appropriated and released while N154.06 million was utilized to achieve 100% completion.

Findings:

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

Pictures 45**:** Complete Renovation of Male/Female Medical/Surgical Wards Epu/House Officer Quarters at Federal Medical Centre Lokoja, Kogi State.

Expected Outcome:

The Project has provided a conducive working environment for house officers

4.6.9 AHMADU BELLO UNIVERSITY TEACHING HOSPITAL, ZARIA

The sum of N2.30 billion was appropriated, released and utilized by the hospital in the 2022 budget for the implementation of its fifteen (15 nos) capital projects/programs as at the end of the fiscal year. The following projects amongst others were monitored:

a). Rehabilitation/Renovation of CT Room, Purchase and Installation of 64 Slices CT Scan Machine

The project with coordinate N 11.1747226 and E 7.61447857 involves the renovation of the CT Scan room and the procurement/installation of a 64 slices CT scan machine comprising: gantry, couch, heart monitor, infusion pump, operating consult, transformer, control switch, 32nos batteries and 120KVA UPS.

The contract was awarded to Messrs. W/S Sudabelt Medical Co. Ltd. in July, 2022 at a cost of N338.79 million with a completion date of April, 2023. The sum of N340.88 million was appropriated and released in the 2022 budget while N338.79 million was utilized to achieve 100% level of completion.

Findings:

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

Picture 46: Rehabilitated/renovated CT room, and installed 64 slices CT scan machine with accessories

Expected Outcome:

The project is expected to improve health care services at the hospital

b). Construction and Furnishing of Paediatric Complex

The project with GPS coordinate Lat. N 11.17361276 and Long. E 7.6020709 involves the construction of a storey building with landscaping and facilities for children's care. Component of works include: construction of 6nos wards (50nos beds), 13nos offices, 5nos nurses' stations, 2nos conference rooms, 4nos call rooms, 2nos record rooms, a library, laboratory, pharmacy, payment Centre and visitors siting area (court yard).

The contract was awarded to Messrs. W/S Musaco Investment & properties Ltd. in August, 2021 at a cost of N449.86 million with a completion date of November, 2022. The sum of N450.00 million was appropriated and released while N250.00 million utilized. A total of N449.86 million had been committed to the project since inception to achieve 100% completion.

Findings:

At the time of monitoring, the project had been completed, while facilities for children's care had been procured but yet to be installed.

Picture 47: Completed Paediatric complex at ABUTH, Zaria.

Expected Outcomes:

The project is expected to provide a dedicated complex for the management of paediatric patients.

c). Construction of Oncology/Radiotherapy Centre

The project with GPS coordinate Lat. N 11.1747423 and Long. E 7.6031239 involves the construction of a storey building for patients with cancer and cancer related diseases. It entails: construction of 4nos consulting rooms, 4nos professorial offices, 2nos receptions, 2nos therapy wards (20 bed capacity), 2nos pharmacy, a dispensary, library, staff common room, 3nos call rooms, an amenity ward, a seminar room, 2nos stores, 2nos power rooms and kitchenette.

The contract was awarded to Messrs. W/S Interworld I&E Investment Ltd. in August, 2021 at a cost of N449.86 million with a completion date of November, 2022. The sum of N450.00 million was appropriated and released while N250.00 million was utilized. A total of N449.86 million had been committed to the project since inception to achieve 100% completion.

Findings:

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

Picture 48: Constructed oncology/radiotherapy Centre at ABUTH, Zaria.

Expected Outcome:

The project has provided a standard treatment Centre for patients with cancer related diseases.

4.6.10 NATIONAL OBSTETRIC FISTULA CENTRE, KATSINA.

In 2022 Budget, the centre had an appropriation of N786.77 million for the implementation of its ten (10nos) capital projects/programs. Out of this amount, N686.29 million was released and utilized as at the end of the fiscal year. The following project amongst others was monitored:

a). Construction, Furnishing and Equipping of Pharmacy

The project with GPS coordinate Lat. N 12.95662011 and Long. E 7.5645425 involves the construction of a pharmacy block with the following: A reception, 5nos dispensing room, 2nos common room, 3nos stores, a conference room, call room, 2nos mini store and 2nos consulting rooms. Others are: 6nos offices, water treatment & purification unit and 24nos conveniences.

The contract was awarded to Messrs. Hamasons Nig. Ltd in July, 2022 at a cost of N128.22 million with a completion date of May, 2023. The sum of N128.22 million was appropriated, released and utilized to achieve 89% level of completion.

Findings:

At the time of monitoring, the super structure had been completed and roofed, fixing of doors/windows plastering had been completed. Outstanding works were mechanical/electrical fittings, painting and other finishing works.

Picture 49: Ongoing construction of pharmacy at national obstetric fistula Centre katsina

Expected Outcome:

When completed, it is expected to provide a modern and standard pharmacy at the Centre.

4.6.11 AMINU KANO TEACHING HOSPITAL

The sum of N3.63 billion was appropriated, out of which N3.44 billion was released and utilized by the hospital for the implementation of its thirty-one (31nos) capital projects/programmes. The following projects amongst others were monitored:

a). Construction of 40 Flats for Nurses and Other Essential Staff

The project with GPS coordinate Lat.11.357718 and long. 8.539035 entails the construction of a 2-storey building with 40nos 2-bedrooms ensuite. Others are: potter’s lounge, common room, library and data room.

The contract was awarded to Messrs. Vicinanza Ltd. in January, 2001 at an initial cost of N163.68 million with a completion date of December, 2010. However, the contract sum was reviewed to N777.75 million due to inflation trends with a new completion date of January, 2022. In the 2022 budget, the sum of N202.44 million was appropriated and released while N202.41 million was utilized. A total of N394.71 had been committed to the project since inception to achieve 69% level of completion.

Findings:

At the time of monitoring, the super structure had been completed. However, roofing and plastering were ongoing while painting, mechanical/electrical works, tiling and external works were still outstanding.

Picture 50: Ongoing construction of 40 flats for nurses and other essential staff at AKTH.

Expected Outcomes:

The project has provided job opportunities for 115 skilled and other classes of workers. When completed, it is expected to provide a befitting accommodation for nurses and other essential staff.

b). Construction of Cardio Vascular and Thoracic Centre

The project with GPS coordinate Lat.11.363692 and long. 8.553335 involves the construction of a 3-storey building. Scope of works include: a reception, patients waiting area, a CT scan MRT, pharmacy, 9nos consulting rooms, laboratory, an X-ray room, 3nos theatre suites, ICU with staff/common room and 4nos amenity rooms. Others are: nurses' stations, corona care room, board room, library, lecture hall and conference room. Others are: royal suites for VIPs, 7nos 2-beded rooms, 4nos 3-beded rooms, 6nos 1-beded rooms, doctor's call rooms and a preventive cardio vascular machine unit.

The contract was awarded to Messrs. Sinti Nig. Ltd. in November, 2021 at a cost of N881.70 million with a completion date of December, 2022. In the 2022 Budget, the sum of N403.21 million was appropriated and released while N402.85 million was utilized. A total of N881.70 had been committed to the project since inception to achieve 94% level of completion.

Findings:

At the time of monitoring, the super structure had been completed while energizing of the building, external works and equipping were still outstanding.

Picture 51: Constructed cardio vascular and thoracic Centre at AKTH, Kano.

Expected Outcome:

The project when completed is expected to provide a well-equipped and furnished thoracic Centre for treating patients with heart diseases and other heart related cases.

4.6.12 FEDERAL TEACHING HOSPITAL, IDO-EKITI

The sum of N804.51 million was appropriation for implementation of its twenty-one (21) capital projects/programmes out of which N600.47 million was released while N510.45 million was utilized. The following project amongst others was monitored:

a). Construction of ICT and health information management building

The project with GPS coordinate Lat: 7. 8423017 and Long: 5.51876283 entails the construction of a two-storey building comprising: records offices, library. CBT halls, inverter room, server room, ICT offices, transportation office, cash points and conveniences.

The contract was awarded to Messrs. Zac-Lawrenz Nig. Ltd. in September, 2021 at a cost of N247.71 million with a completion date of August, 2022. The sum of N121.60 million was appropriated in the 2022 budget, out of which N104.63 million was released and utilized. A total of N161.21 million had been committed to the project since inception to achieve 55% level of completion.

Findings:

At the time of monitoring, the frame structure has been completed while mechanical/electrical works were ongoing. Outstanding works were: roofing, fixing of windows/doors, plastering, painting and external works.

***Picture 52**: Ongoing construction of ICT and health information management Centre*

***Expected outcome**:*

On completion, the project would serve as information /ICT centre.

4.6.13 FEDERAL MEDICAL CENTRE EBUTE-METTA

The sum of N2.12 billion was appropriated to the hospital in the 2022 budget. Out of this amount, N1.42 billion was released while N1.38 billion was utilized for the implementation of its eighteen (18nos) capital projects/programmes. The following project was monitored amongst others:

a). Construction of hospital complex

The project with GPS coordinate Lat: N6^0 29’ 4’’ & Long: 3^0 22’ 47’’ involves construction of a 3-storey building for hospital wards, clinics etc. through a modern technology called Dry wall construction system (use of irons in place of bricks).

The contract was awarded to Messrs. Skills and Style Nig Ltd in August, 2022 at a cost of N996.08 million with a completion date of April, 2023. the sum of N445.08 million was appropriated, released and utilized to achieve 44.63% level of completion.

Findings:

At the time of monitoring, super-structural work had been completed on one side of the building while construction of 3rd floor was ongoing alongside sub-structural work on the other side.

Picture 53: Completed phase A and ongoing phase B of the hospital complex

Expected outcome:

The project is expected to provide clinical building with an improved health care service.

4.6.14 FEDERAL MEDICAL CENTRE YENAGOA, BAYELSA.

The sum of N903.35 million was appropriated, released and utilized by the hospital in the 2022 budget for the implementation of its eighteen (18nos) capital projects/programmes. The following project was monitored amongst others:

***a). Construction/Completion of 6 Suites of Endoscopic Theatre Building*.**

The project involves the construction of 6 Suites of Endoscopic Theatre Building at Federal medical Centre, Yenagoa, Bayelsa State. The contract was awarded to Messrs Pickett & Prime Nig. Ltd. in July, 2022 at a cost of N179.76 million with a completion date of September, 2022. The sum of N179.76 million was appropriated, released and utilized in the 2022 budget to achieve 100% completion.

Finding:

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

Picture 54: Completed Suites of Endoscopic Theatre Building at FMC, Yenegoa.

Expected Outcome:

The provision and expansion of six modern theatre for endoscopy would enhance the treatment of patients with ear, nose and throat cases.

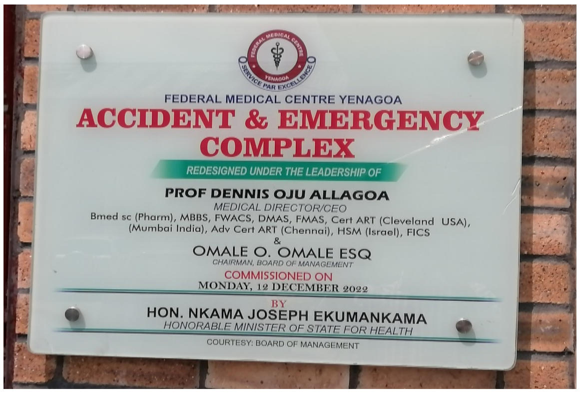
b). Remodelling and Reconstruction of Adult A&E Building

The project involves the Remodelling and reconstruction of Adult Accident & Emergency Building, in Federal Medical Centre, Yenagoa. The contract was awarded to Messrs Gracevine Global Koncept. Ltd. in July, 2022 at a cost of

N152.98 million with a completion date of September, 2022. The sum of N152.98 million was appropriated, released and utilized in the 2022 budget to achieve 100% completion.

Findings:

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



Picture 55: Completed Remodelling of Adult A&E Building at FMC, Yenegoa, Bayelsa State

Expected Outcome:

The project would enhance health care service delivery at the hospital.

4.6.15 UNIVERSITY OF MAIDUGURI TEACHING HOSPITAL

The sum of N3.26 billion was appropriated, released and utilized in the 2022 budget for the implementation of its fifteen (15n0s) capital project/programmes as at the end of the fiscal year. The following project was monitored amongst others:

a). Construction and Equipping of Radiotherapy Cancer Centre:

The project involves the construction of linear accelerator bunker and block of brachytherapy comprising: 4nos consulting room, 12nos resident doctors' offices, Oncology, medical physicist, radiography and radiology units, preparation/changing room, central laboratories units and ICT room. Others are: 2nos. life/brachytherapy machines, linear accelerator machine, CT scan machine, amongst others.

The contract was awarded in April, 2012 to Messrs. Cresto Paco Limited at an initial cost of N500 million with a completion date of December, 2022. However, the project cost was reviewed to N3.50 billion due to interaction with the Nigerian Nuclear Regulatory Agency (NNRA) and International Atomic Energy Agency (IAEA), the equipment vendor who made alterations to the building design. In the 2022 budget, the sum of N1.00 billion was appropriated. Out of this amount, N986.50 million was released and utilized. A total of N2 billion had been committed to the project since inception to achieve 80% level of completion.

Findings:

At the time of monitoring, works completed include: construction of brachytherapy centre, installation of 4nos bunkers, CT scan room, preparation room and consulting offices.

Picture 56: *Construction and Equipping of Radiotherapy Cancer Centre at the University of Maiduguri Teaching Hospital (UMTH).*

Expected Outcome:

The bunker linear accelerator machine would enhance the treatment of various types of cancer in Nigeria.

b). Completion of Child and Adolescent Institute:

The project involves the construction of a 2-storey building. Component of works include: radiology department, pharmacy, laboratories, emergency paediatric unit, paediatric surgical & theatre units and paediatric intensive care unit. Others include: seminar rooms, large auditorium, paediatric library, board room, professors/consultants' offices, doctors and nurses' common rooms, children playground and canteen amongst others.

The contract was awarded in April, 2019 to Messrs. Avad Equipment Limited at a cost of N612.78 million with a completion date of April, 2022. In the 2022 budget, the sum of N121.15 million was appropriated, released and utilized. A total of N312.78 million had been committed to the project since inception to achieve 95% level of completion.

Findings:

At the time of monitoring, the project had been completed awaiting commissioning. However, the team was informed that the contractor is still awaiting outstanding payment.

***Picture 57**: Completion of Child and Adolescent Institute at University Maiduguri Teaching Hospital, Borno State.*

Expected Outcome:

When put to use, the project would facilitate the diagnosis and treatment of children at different levels of health care.

4.7 MINES AND STEEL SECTOR

The Sector had an appropriation of N14.19 billion in the 2022 budget. Out of this amount, N12.72 billion was released while N12.03 billion was utilized as at the end of the fiscal year. The following agency was monitored amongst others:

4.7.1 NATIONAL METALLURGICAL TRAINING INSTITUTE, ONITSHA (MTI)

The sum of N1.11 billion was appropriated to the agency in the 2022 budget for the implementation of its fourteen (14nos) capital projects/programmes. Out of this amount, N913.69 million was released while N892.49 million was utilized as at the end of the fiscal year. The following project was monitored amongst others:

a). Construction of Steel Fabrication and Welding Engineering Workshop:

The project involves the construction of steel fabrication and welding engineering workshop at the institute. Components of work include: welding/fabrication workshop, foundry & forging workshop, gas house, 4nos. classroom and 2nos convenience.

The contract was awarded to Messrs. Masfam Integrated Resources Limited at a cost of N1.49 billion in July, 2021 with a completion date of December, 2025. In the 2022 budget, the sum of N254.89 million was appropriated, released and utilized to achieve 25% level of completion.

Findings:
At the time of monitoring, the construction of classroom block work had been completed and roofed while the substructure work for steel fabrication and welding engineering workshops were ongoing.

Picture 58: *Ongoing* Construction of Steel Fabrication and Welding Engineering Workshop at the *MTI, Onitsha.*

Expected Outcome:

The facility when completed would provide youth empowerment for economic growth.

4.8 SECRETARY TO THE GOVERNMENT OF THE FEDERATION (SGF)

The Sector had an appropriation of N56.92 billion in the 2022 budget. The sum of N57.56 billion (inclusive of N6.39 billion capital supplementation) was released while N55.27 billion was utilized as at the end of the fiscal year. The following agency was monitored amongst others:

4.8.1 FEDERAL ROAD SAFETY COMMISSION

The sum of N2.63 billion was appropriated, released and utilized by the Commission for the implementation of its twenty (20nos.) capital projects/programmes in the 2022 budget. The following projects were monitored amongst others:

a). Purchase of Motor Vehicles

The project with GPS coordinates N9'0332''80'' and E7'2806''75 entails the procurement: 2nos tow truck, 30nos operational pick-up vehicles, 3nos basic ambulances, 15nos operational vehicles (saloon car), 3nos coaster bus, 10nos patrol bikes and painting/installation of devices in operational vehicles.

The contract was awarded to Messrs. Innoson Vehicle Manufacturing Limited and eight (8nos) others at a total cost of N1.49 billion in September, 2022 with a completion date of March, 2023. In the 2022 budget, the sum of N1.49 billion was appropriated, released and utilized to achieve 100% completion.

Findings:

At the time of monitoring, all the vehicles had been supplied and put to use.

Picture 59: *Procured Operational Vehicles at the FRSC, Headquarters, Abuja.*

Expected Outcome:

The procured vehicles are expected to prevent and minimize the rate of death on the road, clearing obstructions on the highways as well as ensuring enforcement of highway regulations.

b). Purchase of Residential Accommodation:

The project entails the purchase of a 2-storey building for senior officers of the commission comprising 6nos. unit of three (3) bedroom apartment. The contract was awarded to Messrs. Yukas & Sons Ventures Construction Company Limited at a cost of N90 million in January, 2020 with a completion date of December, 2022. The sum of N90 million was appropriated, released and utilized in the 2022 budget to achieve 100% level of completion.

Findings:

At the time of monitoring, the 2-storey building for residential accommodation had been acquired awaiting allocation to the concerned officers.

Picture 60: *Purchased of Residential Accommodation at the FRSC Staff Quarters, Abuja.*

Expected Outcome:

The project is expected to provide a befitting residential accommodation for the senior officers of the Commission.

4.9 DEFENCE SECTOR

The sum of N197.049 billion was appropriated in the 2022 budget for the implementation of its capital projects/programmes. Out of this amount, N200.69 billion (inclusive of N4.44 billion capital supplementation) was released while N200.33 billion was utilized as at the end of the fiscal year. The following projects were monitored amongst others:

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

The sum of N1.35 billion was appropriated, released and utilised by the Bureau for the implementation of its eleven (11nos.) capital projects/programmes in the 2022 budget. The following projects were monitored amongst others:

a). Construction/Provision of Office Building:

The project involves the construction and provision of a 5-storey office building with basement. Component of works include: Director General's office and supporting staff, DG's waiting room, 10nos Directors' offices (ensuite), 8nos meeting rooms, a central conference room and provision of 3nos lift. Others are: sick bay, ICT room, research/discussion room, canteen, kitchenette, store, drivers lounge, reception and 24nos conveniences.

The contract was executed through direct labour by officers of the bureau in September, 2018 at a cost of N3.96 billion with a completion date of December, 2023. In the 2022 budget, the sum of N600.02 million was appropriated, released and utilized. A total of N2.08 billion had been committed to the project since inception to achieve 45% level of completion.

Findings:

At the time of monitoring, the superstructure work had been completed to fourth-floor while, the fifth-floor slab/decking work were in progress. However, roofing, ceiling, fixing of doors and windows, electrical/mechanical works, plastering, screeding, pop, staircase railings and landscaping etcetera were still outstanding.

Picture 61: Ongoing construction and provision of a 5-storey office building at DRDB Headquarters, Abuja.

Expected Outcome:

On completion it is expected to provide a conducive office accommodation for principal officers and their supporting staff.

b). Procurement and Installation of the 4th Phase 3D Addictive Manufacturing Equipment:

The project entails the procurement and installation of the 4th phase 3D addictive manufacturing equipment at the Bureau. Component of works include: 3D metal printer, 2nos. prosier printer, wasp printer, zortrax, mac 3D printer and provision of add-ons & consumables etcetera. The contract was awarded to Messrs. iMaps Germany and two (2) others in January, 2021 at a cost of N258.52 million with a completion date of December, 2022. The sum of N118.07 million was appropriated in the 2022 budget, out of which N117.98 million was released and utilized. A total of N198.48 million had been committed to the project since inception to achieve 76% level of completion.

Findings:

At the time of monitoring, the 3D metal printer, 2nos. prosier printer, wasp printer and mac 3D printer had been procured and installed. However, the add-ons and consumables needed for the functioning of the 3D addictive manufacturing equipment are yet to be supplied.

Picture 62: *Installed* 3D Addictive Manufacturing Equipment *at* DRDB Headquarters, Abuja.

Expected Outcome:

When completed, it is expected to promote self-reliance on research into military wares for effective security intelligence as well as ensure the production of prototype military equipment and spare parts thereby saving Government cost of importation.

4.9.2 NATIONAL DEFENCE COLLEGE, ABUJA

The sum N5.18 billion was appropriated in the 2022 budget for the implementation of its twenty (20nos) capital Projects/programmes. Out of this amount, N3.88 billion was released and utilized as at the end of the fiscal year. The following project was monitored amongst others:

a). Construction of Admin. Block at Permanent Site Piwoyi, Phase I.

The project with GPS coordinate N8.5947 and E7.2351 is located at Piwoyi Village along Airport Road. Component of works include: construction of a ten (10-storey building), 2nos auditorium, 303nos offices, 9nos conference rooms, 7nos halls and 23nos syndicate rooms. Others are: 25nos stores, 3nos vaults, an e-library, basement parking lot, 198nos conveniences etcetera.

The contract was awarded to Messrs Bullet International Nigeria Limited in November, 2017 at an initial cost of N11.89 billion with a completion date of November, 2022. However, there was an upward review of the project cost to N18.31 billion with a new completion date of December, 2025. The sum N864.67 million was appropriated in the 2022 budget, out of which N450.23

million was released and utilized. A total of N7.74 billion had been committed to the project since inception to achieve 46% level of completion.

Picture 63: Ongoing Construction of Administrative Block at Permanent site Piwoyi, Phase I.

Findings:

At the time of monitoring, the superstructure work had progressed up to 70%, while helipad slab, all columns and auditorium work had been completed. However, supporting column works was at 40%.

4.9.3 AIRFORCE INSTITUTE OF TECHNOLOGY (AFIT), KADUNA

The sum of N1.01 billion was appropriated, released and utilized by the institute for the implementation of its three (3nos) capital projects/programs. The following projects among others were monitored:

a). Purchase of Four (4) Toyota Hilux

The project with Lat.10.6079606 and long. 7.4413629 entails the procurement of 4nos Toyota Hilux (2022 model). The contract was awarded to Messrs. Ice Target Global Limited and Diamond Leeds Ltd in November, 2022 at a cost of N162.24 million with a completion date of December, 2022. In the 2022 budget, the sum of N162.24 million was appropriated, , released and utilized to achieved 100% completion.

Findings:

At the time of monitoring, the vehicles had been procured and distributed to the four-management staff.

Picture 64: Supplied Toyota hillux at Airforce Institute of Technology (AFIT), Kaduna.

Expected Outcome:

The project is expected to ease the movement of the management staff in carrying out their duties.

b). Construction of 2 blocks of 45 Rooms Student's hostel

The project with GPS coordinate N10.3645 and E7.275 involves the construction of a storey building comprising: 45 rooms with 7nos en-suite, 2nos common rooms, 33nos general conveniences, 33nos bathrooms, a store, 31nos CCTVs, server and control room. Others are: installation of 28nos solar street lights and construction of a borehole with overhead tanks.

The contract was awarded to Messrs. Diamond Leeds Ltd. in July, 2022 at a cost of N536.76 million with a completion date of January, 2023. In the 2022 budget, the sum of N495.76 million was appropriated, released and utilized to achieve 98% level of completion.

Findings:

At the time of monitoring, the building, borehole and installation of solar street lights have been completed. The project was only awaiting cleaning to be put to use.

Picture 65: Constructed 2 blocks of 45 Rooms Student's hostel at Airforce Institute of Technology (AFIT), Kaduna.

Expected Outcome:

The project is expected to provide conducive hostel accommodation for students of the institute.

4.9.4 NIGERIAN DEFENCE ACADEMY

The sum of N3.33 billion was appropriated, released and utilized by the Academy in the 2022 budget for the implementation of its twenty (20nos) capital projects. The following projects amongst others were monitored:

a). Construction of Officers' Mess

The project with GPS coordinate Lat.10.593803 and Long.7.3868516 involves the construction of a officers 'mess. Scope of works include: 5nos rooms ensuite, a reception area, main hall, mini & VIP lounge, games room, manager's office, restaurant, court yard and 4nos general conveniences.

The contract was awarded to Messrs. Safe Variable Integrated Ltd. in January, 2022 at a cost of N200.00 million with a completion date of December, 2022. In the 2022 budget, the sum of N200.00 million was appropriated, released and utilized to achieve 100% completion**.**

Findings:

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

Picture 66: completed officers' mess at NDA Afaka, Kaduna.

Expected Outcome:

The project would provide a befitting officers' mess in NDA, Afaka.

b). Construction of 1x4 Bedroom for Adjutant Accommodation

The project with GPS coordinate Lat.10.6047062 and Long.7.37422387 involves the construction of a duplex of 4-bedrooms ensuite comprising: 2nos sitting rooms, a dining area, kitchen, balcony, car-shade and water reticulation.

The contract was carried out through direct labour from January to December, 2022 at a cost of N200.00 million. In the 2022 budget, the sum of N200.00 million was appropriated, released and utilized to achieve 100% completion.

Findings:

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

Picture 67: Completed adjutant accommodation at Afaka, Kaduna.

Expected Outcome:

The project has provided a befitting accommodation for the Adjutant of the Academy.

4.9.5 NIGERIAN AIRFORCE

The Nigeria Airforce had an appropriation of N65.65 billion in the 2022 budget for the implementation of its nineteen (19nos) capital project/ programmes. Out of this amount, N32.82 billion was released and utilized as at the end of the fiscal year. The following projects were monitored amongst others:

a). Construction of 2 block of commanders' accommodation at NAF base Oshogbo

The project with GPS coordinate Lat: 7.7710432 & Long: 4.6060465 entails the construction of 2-blocks of 3-bedrooms with staff quarters and a gate house. Th contract was awarded to Messrs. Mimshak Global Ventures Ltd. in September, 2022 at a cost of N136.14 million with a completion date of April, 2023. The sum of N136.14 million was appropriated, released and utilized to achieve 85% level of completion.

Findings:

At the time of monitoring, the superstructure had been completed while external works were ongoing.

Picture 68: ongoing construction of 2 block of commanders' accommodation with at NAF base Oshogbo.

Expected outcome:

The project when completed would provide accommodation for personnel and their families.

b). Construction of 2km Flexible Road Pavement at Air Force Research and Development Centre, Oshogbo

The project with GPS coordinate Lat; 7.77327 & long; 4.4842817 at Oshogbo entails construction of 2km access road with concrete drainages starting from the express linking the various parts of the Centre. The contract was awarded to Messrs. Kimpre Global Ventures Ltd. in August, 2022 at a cost of N465.03 million with a completion date of December, 2022. The sum of N465.03 million was appropriated, released and utilized in the 2022 budget to achieve 100% completion.

Findings:

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

***Picture 69*:** completed 2km flexible road pavement at air force research and development Centre, Oshogbo

Expected outcome:

The project has provided access to other locations at the Centre.

4.10 SCIENCE, TECHNOLOGY & INNOVATION SECTOR

The Sector had an appropriation of N145.05 billion in the 2022 budget for the implementation of its capital project/ programmes. Out of this amount, N142.94 billion was released while N142.50 was utilized as at the end of the fiscal year. The following agencies were monitored amongst others:

4.10.1 SCIENTIFIC EQUIPMENT DEVELOPMENT INSTITUTE (SEDI), ENUGU

The sum of N1.49 billion million was appropriated, released and utilized by the institute in the 2022 budget for the implementation of its sixteen (16) capital/ programmes as at the end of the fiscal year. The following project was monitored amongst others:

a). Provision of Advance Technology Machines and Softwares

The project involves the procurement of Advance Technology Equipment Machines and Software. Component of works include: procurement of CNC Fibre laser cutting machine and accessories, plasma CNC, 5-AVIS CNC machines and Autodesk moldflow machine. Others are: SYM plus CAM training software/master CAM License, De Lorenzo Science E-learning software and installation of addictive manufacturing machine. The contract was awarded to Messrs Puricyptec Penguin Tokens Technologies Limited and Ifetech Networking Limited in December, 2022 at a cost of N345.51 million with a completion date of December, 2023. In the 2022 budget, the sum of N245.36 million was appropriated, while N239.11 million was released and utilized to achieve 87% level of completion.

Findings

At the time of monitoring, procurement and supply of machines and software, CNC fibre laser cutting machine, installation and test running of machines and software were already in use.

***Picture 70**: The procured Fibre cutting CNC machine, at SEDI, Enugu*

Expected Outcome:

The equipment will help improve the delivery of services in the institution.

b). Construction and Equipping of Skill Acquisition centre with training workshops, Auditorium, Classrooms and Offices

The project involves the construction and furnishing of skill acquisition center comprising: training workshops, auditorium, 2nos.classrooms and 4nos. offices. The contract was awarded to Messrs Solita Engineering Construction and Mass Consult Nigeria Limited in January, 2022 at a cost of N347.98 million with a completion date of December, 2022. In the 2022 budget, the sum of N247.25 million was appropriated, released and utilized to achieve a 100% completion.

Findings:

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

Picture 71: *The Completed Construction and Equipped Skill Acquisition Centre at SEDI, Enugu.*

Expected Outcome:

The project would improve production and training of manpower on industrial electrical installation.

4.10.2 NATIONAL OFFICE OF TECHNOLOGY ACQUISITION AND PROMOTION AGENCY (NOTAP), ABUJA.

The institution was appropriated the sum of N1.77 billion in the 2022 Budget for the implementation of its thirty – eight (38nos) Capital Project/Programmes. Out of this amount, N1.45 billion was released and utilized as at the end of the fiscal year. The following project amongst others was monitored:

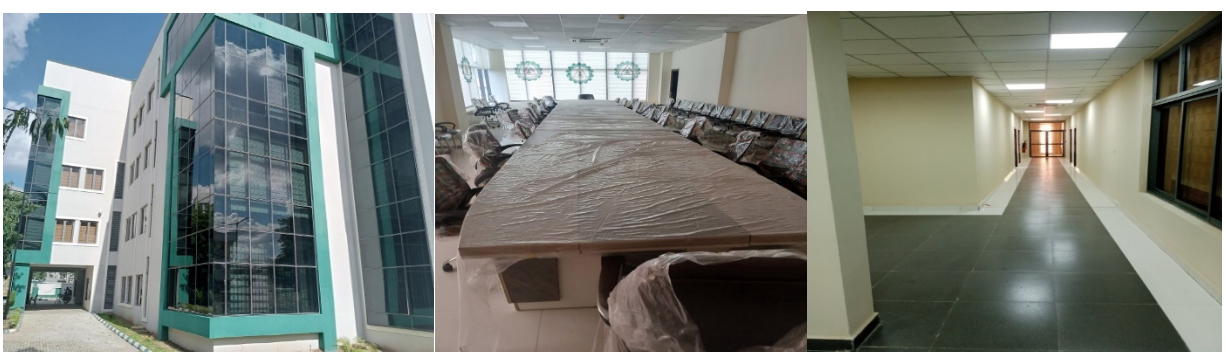
a). Construction of Headquarters Office Building

The project involves the construction of a 3-storey building comprising: Director Generals office, Director of Accounts office, Director of Admins office, Board room, conference room, Admin Department, Accounts Department and Audit Department. Others include: provision of 350 KVA generator, water tank, transformer, installation of lift, construction of gate house and laying of power cables.

The contract was awarded to Messrs. Paul Limited at a cost of N750 million in January, 2018 with an expected completion date of December, 2018. However, there was an upward review of the project cost to N915 million due to inflation with a new completion date of April, 2022. In the 2022 budget, the sum of N469.15 million was appropriated, released and utilized. A total of N915 million had been committed to the project since inception to achieve 100% completion.

Findings:

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



Picture 72: *Completed Headquarters' Building at National Office of Technology Acquisition and Promotion Agency (NOTAP), Abuja.*

Expected Outcome:

The project would provide a conducive accommodation for the principal officers of the agency and their supporting staff.

4.11 YOUTH & SPORTS DEVELOPMENT SECTOR

The Sector had an appropriation of N8.23 billion in the 2022 budget for the implementation of its capital project/ programmes. Out of this amount, N8.24 billion (including N297.77 million capital supplementation) was released while N8.11 billion was utilized as at the end of the fiscal year. The following agency was monitored amongst others:

4.11.1 NATIONAL YOUTH SERVICE CORPS (NYSC)

The sum of N942.57 million was appropriated and released to the agency in the 2022 budget for the implementation of its sixteen (16nos) capital projects/programs. Out of this amount, N910.77 million was utilized as at the end of the fiscal year. The following project was monitored amongst others:

a). Construction of ICT Centre at NYSC Headquarters

The project involves the construction of a 3-storey building comprising: seventy-seven (77nos) offices, two (2nos) stores, electrical control room, a reception and conference room. The contract was awarded to Mrs Ometra Construction Company in March, 2021 at a cost of N396 million with a completion date of December, 2022. The sum of N214.47 million was appropriated, released and utilized in the 2022 budget. A total of N396 million had been committed to the project since inception to achieve 100% completion.

Findings:

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

Picture 73: Completed ICT Centre at NYSC Headquarters, Abuja.

Expected Outcome:

The project would serve as an ICT centre at the National headquarters and enhance the digitization of the NYSC scheme.

4.12 WATER RESOURCES SECTOR

The Sector had an appropriation of N163.56 billion in the 2022 budget for the implementation of its capital project/ programmes. Out of this amount, N107.60 billion was released while N106.34 billion was utilized as at the end of the fiscal year. The following agencies were monitored amongst others:

4.12.1 CONSTRUCTION OF KASHIMBILLA DAM, TARABA STATE

The Kashimbilla Multipurpose Buffer Dam/Project is located along River Katsina Ala, between Kashimbilla and Gamovo in Takum Local Government Area of Taraba State. Component of work includes: construction of the main dam, water treatment plant, an access road, a hydropower plant, irrigation development, rehabilitation of 21km Kashimbilla-Jato-Aka Road and an Airstrip.

The contract was awarded to SCC. Nig. Ltd. in May, 2007 at a sum of N152.52 billion and was expected to be completed in 2024. In the 2022 budget, the sum of N569.92 million was appropriated, out of which N519 million was released and utilized. A total of N125.46 billion had been committed to the project since inception to achieve 84.59% level of completion.

Findings:

At the time of monitoring, work completed includes: construction of the main dam,11km access road from Takum junction to the Dam site, hydropower station, an Airstrip and construction of 23km access road from Jato-Aka-Kashimbilla Village. However, water treatment plant and water supply system are still ongoing but the irrigation of 2000ha of farm lands and laying of pipe for the Takum reservoir has been suspended due to insecurity threats around the site.

The team was informed by the Resident Engineer that the Contractor has an outstanding payment of N16 billion aside from certificate NO. 72 submitted to DMO. However, with the last release in September 2022, the contractor continued with the on-going construction of Takum reservoir where excavation works, casting of external & completion of internal wall, overflow/reinforced concrete chambers, fencing barb wires wall, water discharged outlets amongst others was in progress.

Picture 74: *On going Intake reservoir construction work at Takum, Taraba State.*

Expected Outcome:

On completion, it would create over 39,000 jobs for the immediate communities, provide irrigation scheme for over 2000 hectares of farmland, aid fishery development and boost commercial activities in Kashimbilla, Jato-Aka communities and the environs.

4.12.2 HADEIJA JAMA'ARE WATER BASIN

The basin had an appropriation of N13.82 billion in the 2022 budget out of which N13.28 billion was released while N11.81 billion was utilized to implement its (1,619 nos) capital projects/programmes, the following project was monitored amongst others:

a). Establishment and Equipping of Water Resources Information and Briefing Centre

The project with GPS coordinate Lat.11.9643234 and Long.8.5837326 It entails the construction of 300 capacity auditorium, a conference room, 5nos offices, 9nos conveniences, and life irrigation model room.

The contract was awarded to Messrs. Amho Nig. Ltd in October, 2022 at a cost of N246.61 million with a completion date of March, 2023. In 2022 budget, the sum of N50.85 million was appropriated and released while N50.53 million was utilized to achieve 70% level of completion.

Findings:

At the time of monitoring, the super structure had been completed while the fixing of windows, electrical fittings and external works were outstanding.

Picture 75: Water Resources Information and Briefing Centre HJRBD, Kano Sate.

Expected Outcome:

The project when completed is expected to increase revenue generation for sustainability.

4.12.3 `OGUN/OSUN RIVER BASIN DEVELOPMENT AUTHORITY

The sum of N3.22 billion was appropriated in the 2022 budget, out of which N2.99 billion was released and utilized for the implementation of its one hundred and sixty (160nos) capital projects/programmes. The following project amongst others was monitored:

a). Construction of Songhai farm model in Lagos, Ogun. Oyo and Osun states

The project with GPS coordinate Lat: N 7^{0}12'21'' & Long: E 3^{0}26' 17'' involves construction of 200 capacity goat ranch, 5000 birds layer pens, (4nos) 20,000 capacity earth-ponds, 12nos round concrete ponds of 24, 000 fishes' with a solar powered borehole.

The contract was awarded to Messrs. Funebonic Nigeria Enterprise in November, 2020 at the cost of N412.20 million with a completion date of April, 2021. However, the project was not completed in 2021. The sum of N140.98 million was appropriated, released and utilized in the 2022 budget to achieved 75% level of completion.

Findings:

At the time of monitoring, the construction of goat ranch, layers' pen, fish ponds and the solar powered borehole have been completed while the supply of goats, chicks and fishes were outstanding.

***Picture 76*:** Constructed goat ranch, layer's pen, fish ponds and boreholes

Expected outcome:

The project is expected to promote integrated farming in agro business and generate Internal revenue.

4.12.4 CHAD RIVER BASIN DEVELOPMENT AUTHORITY

The Authority has an appropriation of N3.81 billion in the 2022 budget to implement its sixty-six (66) capital projects/programmes. Same amount was released, utilized as at the end of the Fiscal Year, 2022. The following projects amongst others were monitored:

a). Replacement of Farm Machines and Equipment:

The project involves the procurement of a backhoe excavator (Hyundai Hx220 HD Model), repair of SD-16 dozer crane lorry, tractor & the existing heavy duty earth machine, construction of mechanical plant shade and power house. The contract was awarded to Messrs. KB Integrated Duty Limited and three (3) others at a total cost of N93.98 million in May, 2022 with a completion date of July, 2023. In the 2022 budget, the sum of N93.98 million was appropriated, released and utilized to achieve 100% completion.

Findings:

At the time of monitoring, all procurement, repair of the existing equipment and construction works had been completed.

Expected Outcome:

The supply of the equipment has greatly impacted on the River Basin and improved farm mechanization.

4.13 TRANSPORT SECTOR

The Sector had an appropriation of N174.93 billion in the 2022 budget for the implementation of its capital project/ programmes. Out of this amount, N81.89 billion was released while N 79.57 billion was utilized as at the end of the fiscal year. The following agencies were monitored amongst others:

4.13.1 NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY, ZARIA

The sum of N5.18 billion was appropriated, released and utilized, in the 2022 budget, for the implementation of its forty-four (44nos) capital projects/programmes as at the end of the fiscal year. The following projects were monitored amongst others:

a) Completion and Furnishing of Participants Hostel Phase I

The project with GPS coordinate Lat 11.443039 and Long 7.6845618 involves the furnishing of NITT Suites and Conference Centre. The contract was awarded to Messrs. Epsilon Sky Global Engin Ltd in January, 2020 at a total cost of N400.00 million with a completion date of December, 2022. In the 2022 budget, the sum of N183.00 million was appropriated, released and utilized. A total of N383.00 million had been committed to the project since inception to achieve 100% completion**.** The team was informed that the contractor has outstanding certificates to be paid.

Findings:

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

Picture 77: Furnished participants hostel phase I at NITT Zaria.

Expected Outcome:

The project has provided conducive accommodation for course participants.

b). Construction of Bursars House, Director Audit, Other Directors and Nurses Quarters.

The project with GPS coordinate Lat 11.147777 and Long 7.681288 involves the construction of 3-prototype 4-bedrooms with 5nos conveniences, a boys' quarters, a security house and perimeter fencing.

The contract was awarded to Messrs. Aran Construction Company Ltd. in January, 2021 at a cost of N450.00 million with a completion date of December, 2023. In the 2022 budget, the sum of N150.00 million was appropriated released and utilized. A total of N300.00 million had been committed to the project since inception to achieve 75% level of completion.

Findings:

At the time of monitoring, super structural works with roofing, fencing and plastering of the buildings have been completed while plastering of the fence was ongoing. Outstanding works were: mechanical/electrical works, tiling, fixing of doors/windows, ceilings, painting and other external works.

Picture 78: Ongoing Construction of Bursar house and other Directors houses at NITT, Zaria.

Expected Outcome:

When completed, it is expected to provide conducive accommodation for the Bursar and other Directors of the institute.

4.13.2 MARITIME ACADEMY OF NIGERIA, ORON, AKWA-IBOM

The sum of N867.07 million was appropriated to the Academy in 2022 budget for the implementation of its capital projects/programmes. Out of this amount, N702.46 million was released while N654.29 million was utilized as at the end of the fiscal year. The following project amongst others was monitored:

a). Construction of Internal Roads.

The project consists of three phases of internal roads within the premises. It comprises the construction of Road13A, 14A and 16B with 0.504km, 0.425km and 0.500km length respectively.

The contract was awarded to Messrs. Grolf Construction Services Limited and two others in August, 2021 at a total cost of N729.41 million with a completion date of February, 2023. In the 2022 budget, the sum of N97.55 million was appropriated, while N91.19 million was released and utilised. A total of N595.98 million had been committed to the project since inception to achieve 81.71% level of completion.

Findings:

At the time of monitoring, Road 13A and 14A had been completed while site clearance, earth works, pavement, surfacing, construction of culverts and drainages were ongoing at different stages of completion on Road 16B

Picture 79: Ongoing Construction of Internal Road (16B) at Maritime Academy, Oron.

Expected Outcome:

When completed, it would provide access roads in the Academy.

4.14 POWER SECTOR

The Sector had an appropriation of N296.63 billion in the 2022 budget for the implementation of its capital project/ programmes. Out of this amount, N83.44 billion was released while N60.86 billion was utilized as at the end of the fiscal year. The following agency/projects amongst others were monitored:

a). Construction of 132km double circuit 33kva line for emergency power supply from Damaturu to Maiduguri

The project was initiated to rectify the destruction of high-tension transmission poles by the activities of insurgency. It involves the supply of overhead line materials for the construction of 132km double circuit line for emergency power supply from Damaturu to Maiduguri.

The contract was awarded to Messrs. Saloguru in December, 2022 at a cost of N3.16 billion with a completion date of March, 2023. In the 2022 budget, the sum of N2.96 billion was appropriated, released and utilized to achieve 100% completion. The team was informed that the contractor was yet to be paid his remaining balance.

Findings:

At the time of monitoring, all the overhead line materials had been supplied.



Picture 80: Supplied Materials for the Construction of 33KV Double Circuit Line for Emergency Power Supply from Damaturu to Maiduguri.

Expected Outcome:

When completed, it would improve power supply to Maiduguri and its environs.

5.0 SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION

In the course of the physical inspection of the selected capital projects, the monitoring and evaluation team observed recurring challenges in the implementation of projects for which funds have been appropriated. The key findings from the monitoring exercise and recommendations are as follows:

5.1 FINDINGS

I. Some MDAs complained that capital project implementation was affected by non-release of funds to their agencies. Examples are Federal Neuro Psychiatric Hospital, Maiduguri, University of Uyo Teaching Hospital, University of Calabar, University of Nigeria Nsukka, Board for Technology Business incubator Centre, Abuja, Nnamdi Azikiwe University, Nigeria Mining Cadastral office, Abuja, etcetera.

II. The insertion of constituency projects by the NASS in some MDAs' budget without conceptualization and designs disregarding the core mandates of the institutions often distorts project implementation. Examples: Federal Cooperative College, Orji River, Enugu and Federal College of Agriculture, Ishiagu, Ebonyi State.

III. Some MDAs are observed to have executed projects other than those appropriated in the budget. Examples are: Federal Polytechnic, Wannune – Benue State, Federal University, Wukari – Taraba State and Abubakar Tafawa Balewa University, Bauchi.

IV. It was very difficult to access some project locations because MDAs like power and Youth and Sports did not sponsor their officers to the field for the monitoring exercise.

V. Some MDAs were observed to undertake same monitoring activities statutorily carried out by the Budget Office of the Federation. This practice often results in duplication of functions among Government agencies. Examples, OAGF, OAGF and PICA.

VI. Some contractors who are being owed for works completed and awaiting payments are threatening court action against some agencies for defaulting given the expenses incurred at the site. For example, Construction of Terminal Building at Akanu Ibiam International Airport, Enugu.

VII. Some MDAs' project locations could not be accessed due to the insecurity in their respective areas. For example, Federal Government National Housing Programme Nationwide in Ebonyi State, Federal College of Education, Omuku and Federal Polytechnic, Bonny.

VIII. It was observed that while some of the National Housing Programmes nationwide were poorly executed some of the completed structures needs rehabilitation because they have not been occupied.

IX. A Lot of discrepancies were observed in OAGF's performance report and the actual releases to MDAs.

X. It was also observed that the major challenges of project implementation in most MDAs revolves around inadequate funding. This has continued to delay the completion period of most agencies' project thereby causing unnecessary variations.

5.2 RECOMMENDATIONS

Drawing from the above findings and the urgent need to provide solution to these negative project management practices, the following recommendations are hereby proffered:

I. It is important to ensure prompt release of funds to MDAs to enable them fast track the implementation of their capital projects/programmes in order to deliver on the core mandates of their respective agencies.

II. Engagement between the National Assembly and the Executive arm is also important with a view to agreeing on the kind of constituency projects to be admitted into the FGN budget, projects that are in line with the mandate of the MDAs.

III. MDAs need to be properly sensitized on the implication of implementing projects other than the ones appropriated in the budget so as to stop the further misappropriation of funds by recalcitrant agencies who hide under the guise of ignorance to perpetuate such acts.

IV. Chief executives of MDAs need to be sensitized on the provision of FRA, 2007 which made it for the of monitoring and evaluation exercise mandatory to be carried out on quarterly basis. In this regard, agencies are to ensure the provision and utilization of monitoring subhead in their budget to enable their relevant officers participate in the quarterly monitoring exercise.

V. Government needs to streamline and harmonize budget implementation monitoring such that the roles of agencies involved in monitoring activities are clearly delineated in order to avoid duplication of functions and overburdening of MDAs with incessant visitation.

VI. Government also needs to take pro-active action to ensure the prompt payment of contractors that have successfully completed their capital projects to prevent litigation and further judgement liabilities.

VII. Government should continue to intensify its effort at addressing the security challenges in the country while ensuring that agencies within the areas so specified do not take advantage of the situation to misappropriate the funds allocated to them.

VIII. Government should beam its searchlight on the completed National Housing Programme nationwide so as to ensure that they are promptly allocated or sold out as the case may be in order to avoid tying down or waste of resource. In addition, contracts of contractors that have compromised in the use of quality materials should promptly be terminated and awarded to competent ones.

IX. There is the need for reconciliation of the financial transcripts from Expenditure, (Budget Office of the Federation), Cash Management (Federal Ministry of Finance) and Funds (OAGF) to ensure uniformity in submissions and proper accountability.

X. Government should continue to explore other financing windows such as PPP and Privatization in order to enhance the availability of funds for infrastructural development in the country.

5.3 CONCLUSION

The macroeconomic environment in the review period reflected the risks associated with the weak global economy. These was particularly worsened by uncertainties from lingering supply chain bottlenecks, due to the Russia-Ukraine war, and continued wave of COVID-19 pandemic as well as its after effect in China.

The economy grew by 3.52 percent in the fourth quarter of 2022 with the oil sector declining by 13.38 percent (year-on-year) in real terms while the non-oil sector recorded a real growth of 4.84 percent. The non-oil sector therefore contributed significantly to the growth of the economy and was mainly driven by Agriculture; Financial and Insurance (Financial Institutions); Real Estate; Information and Communication; Trade and Transportation.

The Federal Government continued to prioritize and meet its non-discretionary expenditure requirements even as the budget execution continued to be affected by inadequate revenue outcomes. The performance of the economy during the quarter was commendable considering developments in the global economy and the performance of many other economies. Nevertheless, Government will continue to fast-track efforts towards accelerating economic growth and improving revenue generation which are vital to the successful implementation of the annual Budgets.

There is however the need to address the issue of non-essential fiscal deductions to free up resources for budget implementation at all tiers of government. Efforts to restrain the growth in recurrent expenditure and particularly personnel expenditure in 2024 and beyond is critical even as effective implementation of measures to address the security challenges continue to be government priority.

The Federal Government remain resolute in its commitment to improved openness, transparency and accountability in budget preparation, implementation, monitoring and evaluation and feedback. In the light of the above, Government will continue to ensure strict adherence to budget implementation guidelines and the governance framework on monitoring of capital budget implementation. Efforts would also be geared towards promoting efficiency in budget implementation, while ensuring effective project management in 2024 and beyond.

OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION

FEDERAL MINISTRY OF FINANCE

FUNDS DEPARTMENT, GARKI - ABUJA

2022 CAPITAL PERFORMANCE REPORT FOR MINISTRIES DEPARTMENTS AND AGENCIES (MDAs) AS AT 30TH JUNE, 2023

MINISTRY	APPROPRIATION =N=	1ST TRANCHE =N=	2ND TRANCHE =N=	3RD TRANCHE =N=	4TH TRANCHE =N=	AIEs (MDAs BUDGET (031) =N=	AIE SERVICE WIDE =N=	TOTAL RELEASES (WITH OUT S/W) =N=	TOTAL RELEASES =N=	CASHBACKED =N=	MDAs BALANCE @ 30TH JUNE, 2023 =N=	UTILISATION =N=	PERFORMANCE % APPROPRIATION %	RELEASES %	CASHBACK %
PRESIDENCY	45,341,473,110	27,415,110,209	7,202,814,104	4,493,327,934	-	-	344,735,300	39,111,252,247	39,455,987,547	39,455,987,547	201,666,413	39,254,321,134	86.57	99.49	99.49
OF THE FEDERATION (SGF)	56,923,804,677	28,761,902,338	8,857,795,634	2,278,872,200	11,263,822,952	0	6,397,299,276	51,162,393,124	57,559,692,400	57,559,692,400	2,291,498,702	55,268,199,131	97.09	96.02	96.02
SECRETARY TO GOVT. OF THE FEDERATION (SGF)	7,381,211,226	4,221,058,129	563,798,382	1,574,706,981	-	-	-	6,359,563,492.06	6,359,563,492.06	6,359,563,492.06	4,501,949,159.62	1,857,614,332.44	86.55	29.21	29.21
YOUTH DEVELOPMENT	8,234,022,187	1,649,470,745	2,082,384,211	4,216,634,195	-	-	297,774,765	7,948,489,151	8,246,263,916	8,246,263,916	131,117,348.12	8,115,146,568	98.56	98.41	98.41
WOMEN AFFAIRS	39,525,038,629	3,514,274,465	3,523,321,525	3,803,272,741	3,090,809,897	-	250,000,000	13,931,678,628	14,181,678,628	14,181,678,628	-	14,181,678,628	35.88	100.00	100.00
AGRICULTURE	102,493,492,597	70,510,563,449	135,013,814,216	15,417,508,285	23,672,895,744	-	16,814,923,593	244,614,781,693	261,429,705,286	261,429,705,286	42,253,070,179	219,176,635,107	213.84	83.84	83.84
WATER RESOURCES	163,569,538,678	67,929,518,050	27,680,183,318	2,626,136,102	9,368,479,078	-	-	107,604,316,548	107,604,316,548	107,604,316,548	1,261,759,462	106,342,557,086	65.01	98.83	98.83
AUDITOR-GEN.	218,969,387	109,484,694	-	54,742,347	-	-	891,024,952	164,227,040	1,055,251,992	1,055,251,992	2,970,966	1,052,281,026	480.56	99.72	99.72
DEFENCE	197,049,920,338	74,815,229,753	68,597,737,462	23,356,905,500	29,481,409,477	-	4,439,380,465	196,251,282,193	200,690,662,658	200,690,662,658	356,598,852	200,334,063,805	101.67	99.82	99.82
ICPC	2,340,020,000	1,170,010,000	1,170,010,000	-	-	-	-	2,340,020,000	2,340,020,000	2,340,020,000	189,079,417	2,150,940,583	91.92	91.92	91.92
EDUCATION	216,330,080,734	55,530,889,395	55,336,139,512	67,954,922,217	1,637,109,588	-	1,250,526,505	180,459,060,712	181,709,587,217	181,709,587,217	49,920,166,794.81	131,789,420,422	60.92	72.53	72.53
FCTA	59,103,524,427	12,940,687,214	6,470,343,607	-	-	-	-	19,411,030,820	19,411,030,820	19,411,030,820	4,136,371,859	15,274,658,961	25.84	78.69	78.69
FOREIGN & INTER GOVT. AFFAIRS	8,854,171,205	4,427,085,602	1,155,152,063	2,122,830,475	-	-	11,503,050	7,705,068,140	7,716,571,190	7,716,571,190	2,202,999,900	5,513,571,290	62.27	71.45	71.45
FINANCE	440,347,260,554	10,133,707,981	117,002,083,120	39,645,820,753	-	-	22,701,941,935	166,781,611,853	189,483,553,788	189,483,553,788	3,609,527,565	185,874,026,223	42.21	98.10	98.10
HEALTH	207,389,943,865	32,372,410,518	33,619,056,960	31,476,360,221	50,502,971,787	387,558,580	2,065,801,683	148,358,358,066	150,424,159,749	150,424,159,749	30,605,851,984	119,818,307,766	57.77	79.65	79.65
TRADE & INVESTMENT	65,290,309,038	16,737,653,145	32,934,030,157	7,844,790,538	2,438,308,980	-	4,098,807,243	59,954,782,820	64,053,590,063	64,053,590,063	8,943,484,120	55,110,105,943	84.41	86.04	86.04
INFORMATION	22,981,920,003	12,185,239,652	2,515,081,248	4,786,345,574	1,441,714,114	-	296,000,000	20,928,380,587	21,224,380,587	21,224,380,587	907,446,150	20,316,934,437	88.40	95.72	95.72
COMMUNICATION TECHNOLOGY	136,485,587,668	8,599,375,335	4,808,009,983	1,074,258,436	-	-	-	14,481,643,754	14,481,643,754	14,481,643,754	2,738,964,700	11,742,679,054	8.60	81.09	81.09
INTERIOR	36,918,676,100	18,444,338,050	8,631,966,237	3,006,612,644	-	-	6,686,841,990	30,082,916,931	36,769,758,921	36,769,758,921	446,369,535	36,323,389,386	98.39	98.79	98.79

POLICE AFFAIRS	38,925,739,398	37,299,235,190	1,045,636,844	-	-	-	339,781,448	38,344,872,034	38,684,653,482	38,684,653,482	664,846,059	38,019,807,423	267	98.28	98.28
HEAD OF SERVICE	2,749,100,403	1,645,117,712	-	551,990,946	-	-	50,000,000	2,197,108,657	2,247,108,657	2,247,108,657	33,508,509	2,213,600,148	80.52	98.51	98.51
JUSTICE	36,276,174,980	18,138,087,490	9,016,150,518	2,595,818,476	6,003,262,334	-	1,000,000,000	35,753,318,818	36,753,318,818	36,753,318,818	11,248,671,399	25,504,647,419	70.31	69.39	69.39
LABOUR & PRODUCTIVITY	53,749,178,149	26,874,589,075	2,584,030,600	6,172,511,873	13,074,877,248	-	200,000,000	48,706,008,796	48,906,008,796	48,906,008,796	1,095,823,154	47,810,185,641	88.95	97.76	97.76
POWER	296,637,424,103.89	42,138,869,430.25	17,332,621,420.12	10,047,493,227.57	13,923,231,460.36	-	-	83,442,215,538	83,442,215,538	83,442,215,538	22,575,001,450.79	60,867,214,087.51	20.52	72.95	72.95
WORKS AND HOUSING	515,951,169,699	248,275,194,299	90,728,429,176	38,479,842,242	-	-	-	377,483,465,716	377,483,465,716	377,483,465,716	148,452,654	377,335,013,063	394	99.96	99.96
SCIENCE AND TECH.	145,054,765,765	37,875,765,060	72,952,748,904	13,814,725,967	16,561,275,873	-	1,737,000,000	141,204,515,805	142,941,515,805	142,941,515,805	440,178,754	142,501,337,051	#DIV/0!	99.69	99.69
TRANSPORT	174,938,226,326	48,915,203,257	24,103,140,378	8,122,368,972	717,745,374	-	37,200,000	81,858,457,981	81,895,657,981	81,895,657,981	2,320,941,239	79,574,716,742	(503)	97.17	97.17
AVIATION	67,805,263,715	29,647,599,967	15,473,161,180	7,215,948,012	14,500,002,009	-	-	66,836,711,168	66,836,711,168	66,836,711,168	583,168,815	66,253,542,353		99.13	99.13
PETROLEUM	3,811,882,401	958,605,977	1,916,995,659	467,113,031	-	-	-	3,342,714,667	3,342,714,667	3,342,714,667	2,030,272	3,340,684,395	87.64	99.94	99.94
MINES & STEEL	14,195,567,633	3,486,733,652	7,138,950,963	2,089,970,985	-	-	-	12,715,655,600	12,715,655,600	12,715,655,600	689,292,653	12,026,362,947	84.72	94.58	94.58
NATIONAL WAGES & SALARIES	227,102,720	113,551,360	56,775,680	-	-	-	-	170,327,040	170,327,040	170,327,040	762	170,326,278	75.00	100.00	100.00
ENVIRONMENT	33,661,162,998	5,527,682,326	4,363,830,722	4,355,999,870	-	-	258,203,488	14,247,512,918	14,505,716,406	14,505,716,406	1,220,894,959	13,284,821,446	39.47	91.58	91.58
OFFICE OF NATIONAL SECURITY ADVISER	56,943,978,835	32,511,880,695	10,482,634,321	4,609,338,822	2,997,581,093	-	1,259,942,000	50,601,434,931	51,861,376,931	51,861,376,931	-	51,861,376,931	91.07	100.00	100.00
NIGER DELTA	21,149,342,457	20,398,142,554	6,000,000	21,000,000	-	-	-	20,425,142,554	20,425,142,554	20,425,142,554	179,483,698	20,245,658,855	95.73	99.12	99.12
FISCAL RESPONSIBILITY COMMISSION	613,142,071	306,571,036	306,571,035	-	-	-	-	613,142,071	613,142,071	613,142,071	14,998	613,127,073	100.00	100.00	100.00
ICRC	259,719,353	129,859,677	64,929,838	64,929,838	-	-	-	259,719,353	259,719,353	259,719,353	3,354,550	256,364,802	98.71	98.71	98.71
NAT. POPULATION	197,701,308,630	98,850,654,315	17,000,000,000	32,425,327,158	30,000,000,000	-	658,494,250	178,275,981,473	178,934,475,723	178,934,475,723	36,229,594	178,898,246,128	90.49	99.98	99.98
CODE OF CONDUCT BUREAU	1,448,019,168	769,009,584	-	362,004,792	-	-	-	1,131,014,376	1,131,014,376	1,131,014,376	3,306,739	1,127,707,637	77.88	99.71	99.71
CODE OF CONDUCT TRIBUNAL	138,096,039	69,048,020	-	34,524,010	-	-	-	103,572,029	103,572,029	103,572,029	24,010	103,548,020	74.98	99.98	99.98
PUBLIC COMPLAINTS COMMISSION	0	0	0	0	0	0	1,549,471,205	0	1,549,471,205	1,549,471,205	-	1,549,471,205		-	
REV. MOB. ALL.	482,403,767	391,201,884	-	27,076,884	-	-	-	418,278,767	418,278,767	418,278,767	62,716	418,216,051	86.69	99.99	99.99
FCSC	114,111,986	57,055,993	38,944,007	-	-	-	-	96,000,000	96,000,000	96,000,000	316,616	95,683,384	83.85	99.67	99.67
POLICE SERVICE COMMISSION	232,151,829	116,075,915	-	58,037,957	-	-	-	174,113,872	174,113,872	174,113,872	114,208	173,999,664	74.95	99.93	99.93
FED. CHARACT. COMM.	658,247,596	329,123,798	-	164,561,899	-	-	-	493,685,697	493,685,697	493,685,697	423,542	493,262,155	74.94	99.91	99.91
HUMANITARIAN AFFAIRS,	108,450,251,269	23,020,130,101	19,627,316,421	19,853,351,383	12,236,250,000	-	554,510,000	74,737,047,904	75,291,557,904	75,291,557,904	11,509,318,185	63,782,239,719	58.81	84.71	84.71
CAPITAL SUPPLEMENTATION	5,000,000,000						3,677,650,000	-	3,677,650,000	3,677,650,000	-	3,677,650,000	245.18	100.00	100.00
CAPITAL SUPPLEMENTATION	507,808,918,168	-	-	-	-	-	360,559,201,487		360,559,201,487	360,559,201,487	-	360,559,201,487	100.00	100.00	100.00
GRAND TOTAL	**4,096,761,413,882**	**1,129,312,997,083**	**811,402,589,405**	**367,267,983,487**	**242,911,747,008**	**387,558,580**	**434,750,364,635**	**2,551,282,875,563**	**2,986,033,240,197**	**2,986,033,240,197**	**207,456,352,642**	**2,778,576,892,987**	**72.89**	**93.05**	**93.05**