## 

Nigeria's Murky Metaphor of Waste



# NDDC Nigeria's Murky Metaphor of Waste



Premium Times Centre for Investigative Journalism [PTCIJ] is a nongovernmental organisation, founded in 2014, to promote a truly independent media landscape that advances fundamental human rights, good governance and accountability in West Africa through investigative journalism, open data and civic technology.

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## Peering Down NDDC's Abyss of Waste

In over four decades of crude oil extraction from the Niger Delta region, hundreds of billions of dollars of wealth had been derived from the region to constitute over 75 per cent of the revenue of Nigerian governments, and more than 80 per cent of the country's foreign exchange earning. Yet, while much of that income served the fiscal purpose of social provisioning for governments at all levels in the country, quite unfortunately, the region that produced such humoungous wealth was left holding the very short end of the revenue and developmental stick.

As the abiding paradox of a federal allocative formula saw the greater part of the wealth generated from the Niger Delta being shared out to all the other sections of the country, still the region was left with the environmental impacts of natural resource extraction, in terms of massive ecological devastation. Hence, the goose not only had the golden eggs it laid highly sought after and coveted, many yet lowered their gaze from its throes, as it lay lynched by ecocide and economic strangulation. This became a moral stain on the country, which government needed to respond to and ameliorate.

On the level of indices of human development, despite the huge contribution of the Niger Delta to national wealth, most communities in the region remained mired in poverty and immiseration, with little or no access to basic amenities, whether in terms of potable water, education, healthcare, or electricity. The ecological ruin of the area naturally led to the loss of livelihoods, which was compounded by a high incidence of youth unemployment, leading to what was described as youth restiveness.

As such, the Niger Delta Development Commission (NDDC) was established by the Olusegun Obasanjo administration in 2000 as a special purpose vehicle for an acceleration of the development of the Niger-Delta region, beyond the failings of the erstwhile Oil Mineral Producing Areas Development Commission (OMPADEC), which ought to have served a similar affirmative function. However, in its twenty (20) years of existence, NDDC's vision and mission "to offer a lasting solution to the socio-economic difficulties of the Niger Delta Region and to facilitate the rapid and sustainable development of the Niger Delta into a region that is economically prosperous, socially stable, ecologically regenerative and politically peaceful", doesn't seem to have been achieved, despite trillions of naira in funding.

The Niger-Delta region still faces social instability and environmental degradation and lacks infrastructural development, largely due to the endemic corruption in the country, which has equally manifested in the Commission.

It is considered that of the over \$40 billion dollars that accrued in funding to NDDC in the past 20 years, more than half of this have been salted away in acts of corruption through unexecuted contract awards that were largely paid for, as the Commission became captured by politicians and different interest groups. It was no longer about the development of the region and its people, but the consideration of a right, by the elite of the region, to access and privatise what they saw as belonging to them, even as these were carried out through criminal acts.

A more recent public hearing into the activities of the Commission in 2020 by the National Assembly offered a very disconcerting view into the the abyss of waste—and certainly corruption—that the NDDC has become. A significant aspect of the disturbing activities in the Commission alluded to how some N81.5 billion (going on \$200 million) was mismanaged by officials of the Commission just between January and July 2020.

This report evaluates the quantum and impacts of the financial losses from the mismanagement of public funds by the Commission, pertaining to how the mandate of the NDDC has been executed through a 20-year frame. It then proffers a slew of policy recommendations through which the Commission can be repurposed to achieve its objectives. This report equally lists numerous glaring instances of corrupt acts associated with projects carried out in the Niger-Delta states that the Commission serves, as investigated through a collaborative engagement with Nigeria's leading news platform, *Premium Times*."

Importantly, I wish to thank the PTCIJ team and our consultants, the editorial staff of *Premium Times* newspaper, and all those who have put in different dimensions of the very hard work that has resulted in this salient compendium on public accountability.

#### Oluwatosin Alagbe

Programme Director, PTCIJ.

#### **Executive Summary**

he Niger Delta Development Commission (NDDC) was established in 2000 to expedite the economic, ecological, and infrastructural development of the Niger Delta region. Its creation was a reaction to the increasingly restive demands of the people of the area to the negative economic and ecological impacts of oil exploration in the Niger Delta. Since the creation of NDDC, human development — which is an aggregation of education, health and wealth levels — has declined in almost all the nine states constituting the Niger Delta, with the exception of Bayelsa State. (See figure 0.1).

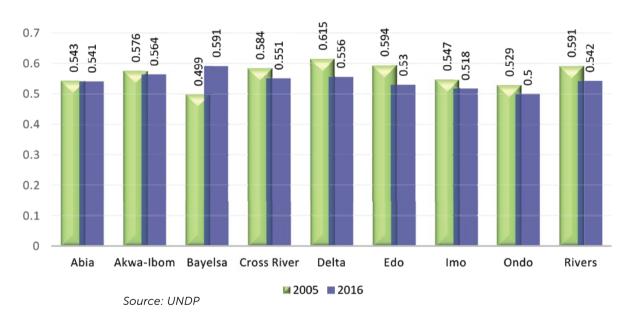


Figure 0.1: Human Development in the Niger Delta States circa 2005 & 2016

#### NDDC Performance: 2000 - 2020

The decline in human development in the Niger Delta is correlated to the proliferation of failed and abandoned projects of the NDDC across the nine states of the Niger-Delta. Field visits to a randomly selected 172 of the over 9,445 projects listed on NDDC's website<sup>1</sup> across the region revealed that only 43 per cent of them have been completed; 23 per cent, abandoned; 12 per cent are uncompleted; and 22 per cent of these projects do not exist.

Of the completed projects, visual inspection and interviews with residents showed evidence of failure and poor quality execution.

<sup>1</sup> NDDC Projects; https://nddcproject.nddc.gov.ng/, last accessed April 21, 2020

#### **Analysis of Funds Received and Wastage In NDDC**

500
450
400
350
300
250
250
100
50
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019

■ FGN APPROVED BUDGET
3% CONTRIBUTION from OIL COMPANIES

Table 3: NDDC Income from Various Sources

Sources in Appendix<sup>2</sup>

Analysis of reported corruption cases involving the NDDC and its officials suggest that over N1.6 trillion of the funds intended for projects in the region have either been diverted into private coffers or otherwise mismanaged. These funds could have been used to develop around 1,200 kilometres of paved roads, about 160 hospitals with a 300-bed capacity each in the region, 300 schools, and for more that 300 statewide erosion control projects.

#### **Challenges With NDDC's Operations**

The team involved in this research collated data from various sources, including field visits, the analyses of NDDC budgets, news reports on the Commission, and social network analysis of the ownership of companies awarded contracts by the NDDC. An evaluation of the data suggests that there are significant process and governance challenges at the NDDC, which have led to suboptimal impact despite the quantum of investments in the Niger Delta. Some of the more specific findings include:

1. Contract awarded to unqualified companies: Thirty-six per cent of a sample of NDDC contractors did not appear on the database of Nigeria's Corporate Affairs Commission (CAC). This is an indication that they are not properly registered in Nigeria. Anecdotal evidences (such as in the case of Gallet Nigeria Limited, which was awarded a shoreline protection contract in Ondo State) reveal that some of the contractors were even incapable of handling the projects they were contracted to execute.

<sup>2</sup> Data for both government budgets and oil company contributions are from online sources, as requests for official data were denied.

- **2.** Conflict of interest in the award of contracts: There is evidence of projects that were awarded to companies with known ties to persons with influence over the Commission.
- 3. Completed projects being re-awarded: There are repeated cases of contracts being awarded multiple times. For instance, there is a particular contract that is widely reported to have been awarded 55 times!<sup>3</sup> The project research found at least two cases in Ikun and Abredang communities in Biase Local Government Area (LGA) of Cross River, where duly completed electrification projects were re-contracted and paid for.
- 4. False reporting of project status: There are instances where the Commission has miscommunicated the status of many projects. Some of the projects communicated as completed on the NDDC website, turned out to be false. For instance, the Commission claims it had completed a health centre in Umu-Okwo, in Owerri West Local Government Area (LGA) of Imo State, but according to findings, all that was commissioned 15 years ago was an uncompleted five-room bungalow, with no health facilities whatsoever in it. A similar situation was found in Evboneka and Ahor communities in Edo State, despite NDDC's claims to have completed health centres in these locations. Several claims to completed roads and electrification projects in numerous communities were found to be false.
- 5. Failure to deliver on contracts; with a long list of abandoned and failed projects: Numerous projects that had been duly paid for by NDDC were found out to be uncompleted. For example, ₩248 million was budgeted for construction work on Adolor road in 2014 and over ₩233 million of the sum was released in 2015. Yet, in 2020, the road remains to be completed, with a section of it completely damaged, leading to severe flooding in the area
- **6.** Delays in paying contractors led to project cost overruns and abandonment: Also, a host of contractors complained that the reason for the abandonment of projects was due to the delay in payment for work to go on. For example, NDDC contracted Jismac Nig. Ltd in 2010 to build the main block of a standard cottage/comprehensive health centre in Ekukunela. The construction began that same year, but there were intermittent stops until the project got to the roofing stage three years later. Zack Agba, the contractor handling the health facility, blames NDDC for the failure of the project to reach completion, as a result of payment delays.
- 7. Poor quality and maintenance of completed projects: The majority of completed projects visited were already in states of disrepair. For instance, NDDC awarded the contract for the rehabilitation of Umuezeala road in Ehime Mbano LGA of Imo State to Bash & Bolts Limited, but barely 12 months after it was completed, the road had become pothole-ridden and completely unmotorable.

 $<sup>{\</sup>it 3.} This Day new spaper, February 16, 2020. Available at https://www.thisdaylive.com/index.php/2020/02/16/interrogating-the-nddc-n346bn-budget/$ 

- 8. Poor alignment of projects with actual needs of communities and state governments: There are cases where NDDC commissioned projects that were later repurposed by communities. For instance, the Commission contracted the construction of a big health centre at Amaebu-Eke (Ebenato), Imo State. The building was completed but never used; however, two years later, the community converted the structure into a school.
- 9. Loss of trust of local communities: The majority of communities interviewed in this study do not want the NDDC operating in their domains due to the Commission's reputation for executing failed projects and its unwillingness to properly relocate or compensate families whose livelihoods are disrupted by its projects.
- 10. NDDC does not adequately leverage private sector funds and crowds out other legitimate sources of infrastructure investment, such as government and donor funds: This research project did not find any case in which the NDDC successfully implemented a project with significant funding coming from the private sector, as in a public-private partnership. There are several cases where NDDC is seen to be competing with state governments to award projects that the states have already budgeted for, thereby crowding out other sources of development.

#### **Policy Options and Recommendations**

Evidences of the declining Human Development Index (HDI) in the Niger Delta states are very likely to be linked to the challenges with the Niger Delta Development Commission. Corruption, wastage and an utter failure to stimulate private sector funds have adversely impacted the Commission's effectiveness.

Policy Options	Payback Period	Cost	Net benefit	Effectiveness	Efficiency	Equity	Administrative ease	Legality	Political acceptability acceptability
Prosecute contractors and offending administrators									
Leverage technology and media to increase transparency									
Invest a portion of NDDCs funds									
Leverage PPP models									
Fund existing sources of well- developed projects									
Ensure quality in project delivery and maintenance									
Engage local communities									
Equitable distribution of projects across NDDC states									
Legend	Positive		Neutral		Negative				

NDDC is in dire need of reform and chosen policy options must address the underlying issues affecting its operations. The policy options below are each evaluated on the basis of criteria including: payback period, cost, net benefit, effectiveness, efficiency, equity, administrative ease, legality and political acceptability in the Nigerian context.

Prosecute Contractors and Administrators for Failed, Abandoned and Uncompleted Projects: Following the ongoing forensic audit of the NDDC, contractors and the Commission's administrators need to be made to account for all the failed, abandoned or uncompleted projects. This process should lead to some cash recovery for the NDDC, which may be thereafter deployed to more effective projects. High priority projects that have been stalled due to payment delays and no fault of the contractors may also be reactivated consequent upon this process. However, this is a quick return recommendation that may be costly to implement and politically challenging.

Leverage Technology and Media to Increase Transparency: Incremental governance changes, such as publishing all the budgets, contracts, timelines and real-time performances of the Commission can increase the incentives for accountability and internal capacity for good governance. Annual audit reports covering project and fund performances must be published and defended during public hearings annually. This recommendation is easy to implement and expected to yield high returns.

Invest a Portion of NDDC's Funds: An investment fund is generally money invested in order to earn compound returns, alongside other investors, all coming together to benefit from the advantages of working as a group. These advantages include the ability to hire professional investment managers, who may potentially be able to able to help earn better returns and offer more adequate risk management benefits from the economies of scale, i.e. lower transaction costs, and increased asset diversification to reduce unsystematic risks. Countries with a large pool of funds sometimes create investment funds to grow these funds. They are known as sovereign wealth funds. Examples include Nigeria's Sovereign Investment Authority (NSIA), and the Norwegian and Abu Dhabi Sovereign Wealth Funds, which have grown to \$1.09 trillion and \$700 billion<sup>4</sup>. For the year 2018, Nigeria's Sovereign Investment Authority (NSIA) generated average annualised returns of about 7.9 per cent on capital employed. Its capital is deployed through three investment funds — a stabilisation fund, a future generations fund and the Nigeria Infrastructure Fund. <sup>5</sup>

Investment funds have the perennial challenge of how to optimally allocate funds and in Nigeria's political environment, this challenge is even more pronounced. The challenge can be mitigated by appointing professional fund managers and publishing asset allocation policies and outcomes regularly.

This recommendation may be implemented through the NSIA or directly by fund

<sup>4</sup> Sovereign Wealth Fund Institute, https://www.swfinstitute.org/fund-rankings/sovereign-wealth-fund

<sup>5</sup> NSIA Key Facts. https://nsia.com.ng/investor-relations/key-facts

managers appointed by the Commission. NDDC's infrastructure projects can leverage the resources and organisations of the Nigeria Infrastructure Fund, such as InfraCredit, to pool in private capital for its projects.

This recommendation may be difficult to implement politically as the payback period may be long and returns subject to market cycles and long development lead times. However, it would be critical, given the twin imperatives of saving for future generations and implementing projects efficiently and effectively, which NDDC's current approach does not do.

Use Public-Private Partnership (PPP) models to leverage more private sector (and development sector) capital for all projects: Ideally, no project should be 100 per cent funded by NDDC. The NDDC has a PPP unit whose mandate is to leverage private funds for its projects through various financing models. In line with the Master Plan, NDDC ought to have leveraged a total of about N4 trillion in the 15 years between 2005 and 2020. In reality, private sector investment has been negligible. The examples of successful infrastructure projects implemented by InfraCredit<sup>6</sup> should be instructive to the NDDC.

PPPs help spread the risk of projects between the public and private sectors, but have associated transaction costs of identifying appropriate projects and establishing value for money.

**Fund Existing Sources of Well Developed Projects:** NDDC can deploy its resources to support the development of existing private, state and federal infrastructures that are in line with the Niger Delta Master Plan. Examples include:

- **1. State government infrastructure bonds** which can, in turn, be used to fund infrastructure projects;
- 2. Infrastructure grants to states to invest in socially beneficial but not commercially viable projects, such as erosion control, environmental restoration, etc.;
- **3. Viability gap funding** for private sector/NGO projects that would otherwise not be commercially viable, such as funded health care centres, water projects, etc.;
- **4. Direct grants to startups and incubators** that nurture businesses in the area, through seed funding of promising projects;
- **5. Direct cash subsidies** to support indigents and low-income families to stimulate aggregate demand in the Niger Delta;
- **6. Supporting ongoing programmes** such as the school feeding programme that have expected domino effects on nutrition, health, education and the agriculture sector, etc.

Allocating funds to non-state actors from this recommendation would be politically challenging but feasible if technology is leveraged to ensure transparency

<sup>6</sup> InfraCredit is a "AAA" rated infrastructure credit guarantee organization backed by NSIA. It has successfully leveraged funds from development agencies such as KFW and AFC to fund projects especially in the power sector such as the North South Power Concession (600MW, N8.5 billion) and Viathan IPP (50MW, N10 billion).

Ensure Quality in Project Delivery and Maintenance: The Commission needs to emphasise performance management and quality assurance, and allocate resources to engage third party technical experts to review projects through their lifecycle (design, procurement, construction and operations phases) and not only during the construction phase. NDDC projects are seen to be of poor quality, such that communities prefer state government projects to them. It is important to ensure that NDDC projects have an operations and maintenance component to ensure they are sustainable.

Engage the Local Communities: Government and industry must engage and share information with relevant communities to manage local expectations, such as that regarding the petroleum sector, in the effort to build trust. On-theground reports suggest that communities are averse to NDDCs operations in their States. A local person interviewed during the project pointed out that NDDC does not pay appropriate compensations when its actions affect livelihoods in communities, such as a house being demolished during road construction. NDDC needs to do a better job of carrying communities along in its projects and paying compensating when necessary.

**Equitable Distribution of Projects Across NDDC States:** The analysis of projects across the Niger Delta states suggests that there is no consistent logic to the allocation of projects by states (in terms of the numbers per state). For instance, Akwa-Ibom the highest oil-producing State in the Niger Delta received fewer projects than Delta, Rivers or Bayelsa States. On the other hand, States like Abia, Edo, Cross River and Ondo received only a fraction of the funds allocated elsewhere. There needs to be a consistent logic to the allocation of NDDC funds in each state of the Niger Delta. This can be achieved by pre-allocating annual budgets for each state. Large infrastructural projects or inter-state projects may be funded from a separate pool of funds.



#### Introduction

igeria's Niger-Delta comprises nine coastal, southern Nigerian states, which include all the six states in the South-South geopolitical zone, one state (Ondo) in the South-West zone, and two states (Abia and Imo) in the South-East geopolitical zone.

The area stretches across some 70,000 km2 (27,000 sq. miles), which is about 7.5 per cent of Nigeria's land mass. It is home to around 20 million people, or 10 per cent of Nigeria's population, with about 40 different ethnic nationalities, and over 250 language dialects.<sup>7</sup>

The Niger-Delta region accounts for 98 per cent of Nigeria's oil and gas production. As stated by the Oil and Gas Journal (OGJ)<sup>8</sup>, Nigeria has 37 billion barrels of proven oil reserves and produces about two million barrels daily. Also, in 2015 Nigeria had an estimated 180 trillion cubic feet (Tcf) of ascertained natural gas reserves, making the country the ninth-largest natural gas reserve holder in the world, and the largest in Africa, according to the OGJ. Nigeria produced 1.55 Tcf of dry natural gas in 2014, ranking her among the world's top 30 largest natural gas producers.

About 75 per cent of the country's revenue is derived from the Niger Delta, and oil and gas production from the region has generated an estimated \$600 billion since the 1960s. Of the six states in the South-South region, only Cross River is not oil producing, while Lagos in the South-West is the only state producing oil, which is not in the Niger-Delta.

Table 1: Nigeria's Oil Production by State

State	Production (BPD)	Percentage
Akwa Ibom	504,000	31%
Delta	346,000	21%
Rivers	344,000	21%
Bayelsa	290,000	18%
Ondo	60,000	4%
Lagos	40,000	2%
Edo	33,000	2%
Imo	17,000	1%
Abia	11000	1%
Total	1,645,000	

<sup>-</sup>Nigerian Bureau of Statistics 2017 10

<sup>7</sup> NDPI, Circa 2018, Why Invest?, available online at https://www.ndpifoundation.org/why-invest/, last accessed on February 05, 2020

<sup>8</sup> Oil & Gas Journal, Worldwide Look at Reserves and Production, (January 1, 2015).

<sup>9</sup> Ite, Aniefiok & Ibok, Udo & Ite, Margaret & Petters, Sunday (2013). "Petroleum Exploration and Production: Past and Present Environmental Issues in the Nigeria's Niger Delta". American Journal of Environmental Protection. 1. 78-90. 10.12691/env-1-4-2.

<sup>10</sup> Priscilla Offiong, May 9, 2019, "Nigeria Relies on Oil Despite Having Large Coal Reserves", available online at https://www.climatescorecard.org/2019/05/nigeria-relies-on-oil-despite-having-large-coal-reserves/, last accessed on February 05, 2020

Despite its oil wealth, the Niger Delta remains highly underdeveloped and burdened by environmental pollution occasioned by the production of oil and gas in the region. The Niger Delta Development Commission was set up in 2000 to solve this dilemma but evidence suggests that the Commission's efforts have not translated into commensurate development in the region, and within its communities.

#### **Human Development in the Niger Delta States**

The Human Development Index (HDI) is a tool created by the United Nations Development Programme (UNDP) to measure development across three major segments – health (life expectancy), education (knowledge level), and wealth (standard of living or GNI). Nigeria's HDI value for 2018 was 0.534, which places the country at 158 out of 189 countries and territories. Of the 36 states and the Federal Capital Territory (FCT), Lagos ranks the highest at 0.652 and Sokoto, the lowest, at 0.291.<sup>11</sup>

Table 5 below shows the HDI for the states in the Niger Delta for the period 2005 – 2016. With the exception of Bayelsa State, all the other States in the region declined on the HDI.

Table 2: Human Development Index in the Niger Delta States 2005-2016

States	2005	2016	
Abia	0.543	0.541	1
Akwa-Ibom	0.576	0.564	1
Bayelsa	0.499	0.591	1
Cross River	0.584	0.551	1
Delta	0.615	0.556	1
Edo	0.594	0.53	<b>↓</b>
Imo	0.547	0.518	1
Ondo	0.529	0.5	1
Rivers	0.591	0.542	1

Source: UNDP

**HDI Indices:** Life expectancy, literacy rates and incomes would likely have increased had the NDDC effectively invested in health care centres, schools and local businesses in the region.

#### Methodology

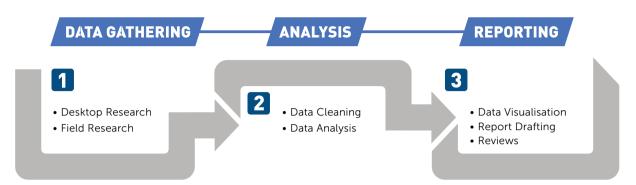
This study is the product of months of research and analysis. Figure 1 below depicts our three-step process.

The data gathering phase involved a review of previous reports on NDDC's operations, information on the NDDC website, two reports by the Nigeria

<sup>11</sup> UNDP, 2019, National Human Development Report 2018, pdf, available online at http://hdr.undp.org/sites/default/files/hdr\_2018\_nigeria\_finalfinalx3.pdf, last access Feb 04 2020

Extractive Industries Transparency Initiative (NEITI), Fiscal Allocation and Statutory Disbursement (FASD) documents and several news sources. The desktop research was buttressed with field visits to 172 NDDC projects and interviews with members of the communities hosting these projects.

Figure 1: Methodology



Data was cleaned, analysed and visualised to arrive at a verdict on the NDDC's efficacy or lack of as a tool for the development of the Niger Delta region. Recommendations are made on the basis of comparable views of similar development agencies in other climes.

#### **Limitations of Findings**

The methodology and implementation of this brief had limitations and challenges. These include:

- Insufficient data on NDDC budgets and contract values: The team sought
  to obtain data directly from NDDC using a Freedom of Information request.
  But this was not honoured. This led the team to resort to online sources,
  which may not be as authoritative as official sources.
- Challenging access to NDDC projects on the ground: Some of the projects sought for tracking on the ground were either difficult to access or nonexistent. This increased the cost of tracking projects and thereby reduced the number of projects tracked.
- 3. A paucity of data on private sector-led initiatives: The team was unable to get any data to buttress our assessment of the private sector funds leveraged into the region by NDDC.

#### **NDDC's Efforts Since Inception**

Box 1 below highlights NDDC's mandate.

#### **Box 1: THE NDDC MANDATE**

- Formulation of policies and quidelines for the development of the Niger Delta area.
- Conception, planning and implementation, in accordance with set rules and regulations, of projects and programmes for sustainable development of the Niger Delta area in the field of transportation, including roads, jetties and waterways, health, employment, industrialisation, agriculture and fisheries, housing and urban development, water supply, electricity and telecommunications.
- Surveying the Niger Delta in order to ascertain measures necessary to promote its physical and socioeconomic development.
- Preparing master plans and schemes designed to promote the physical development of the Niger Delta region and the estimation of the member states of the Commission.
- Implementation of all the measures approved for the development of the Niger Delta region by the Federal Government and the states of the Commission.
- Identifying factors inhibiting the development of the Niger Delta region and assisting the member states in the formulation and implementation of policies to ensure sound and efficient management of the resources of the Niger Delta region.
- Assessing and reporting on any project being funded or carried out in the region by oil and gas companies and any other company, including non-governmental organisations, as well as ensuring that funds released for such projects are properly utilised.
- Tackling ecological and environmental problems that arise from the exploration of oil mineral in the Niger Delta region and advising the Federal Government and the member states on the prevention and control of oil spillages, gas flaring and environmental pollution.
- Liaising with the various oil mineral and gas prospecting and producing companies on all matters of pollution, prevention and control.
- Executing such other works and performing such other functions, which in the option of the Commission are required for the sustainable development of the Niger Delta region and its people.

According to the Niger Delta Regional Development Masterplan, it would cost \$50 billion (N6.5 trillion in 2005) to implement the Master Plan during the period 2005 – 2020. The plan envisaged an average GDP growth of 8.5 per cent in the region over the period, however the actual out-turn was about 6.2 per cent, with a deficit of 2.3 per cent.

#### **NDDC's Funding From Inception To Date**

Section 14, subsection 2 of the NDDC establishment Act No. 6 of 2000 specifies six sources of funding for the Commission, which include;

1. "From the FG, the equivalent of 15% of the total monthly statutory allocations due to member states of the commission from the federation account;

<sup>12</sup> Niger Delta Development Commission, 2005, Niger Delta Regional Development Master Plan, Chapter 6.

- 2. 3% of the total annual budget of any oil-producing company operating on & offshore, in the Niger Delta Region (NDR); including gas processing companies;
- 3. 50% of monies due to the member states of the commission from the ecological fund
- 4. Monies, as may from time to time, be granted, lent to or deposited with the commission by the federal or state government, any other body or institution, whether local or foreign;
- 5. All monies raised for the purposes of the commission by way of gifts, loan, grants-in-aid, testamentary disposition or otherwise;
- 6. Proceeds from all other assets that may, from time to time, accrue to the commission."  $^{13}$

Our bottom-up review of the publicly reported (see sources in Appendix 2) government allocations and collections from oil and gas companies shows that NDDC has received at least N3.9 trillion from these sources since 2001. See Table 3 below.

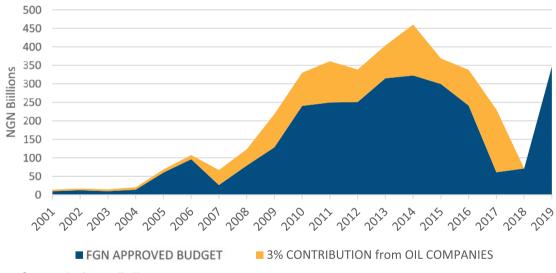


Table 3: NDDC Income from Various Sources

Sources in Appendix II

The Nigeria Extractive Industries Transparency Initiative (NEITI)'s report shows a total expenditure of N3.03 trillion by the Commission over a 10-year period (2007 - 2016). <sup>14</sup>

The NDDC Master Plan envisaged that the organisation would leverage about 20 per cent private sector funds to enhance its ability to develop infrastructure projects in the region (see Table 2). Till date, there is no evidence of any funds

<sup>13</sup> NDDC Act 2000 available online at http://www.commonlii.org/ng/legis/num\_act/ndcea504/

<sup>14</sup> NEITI, September 2019, Fiscal Allocation And Statutory Disbursement (Fasd) Audit 2012 – 2016 Summary Report

that the NDDC has leveraged or any successful public-private partnership led by the NDDC since inception. The NEITI found that NDDC may be under recovering funds from the 3 per cent due from oil companies and it is not empowered to enforce the recovery of these funds.<sup>15</sup>

Table 4: NDDC Projected Cost Needs and Private Sector Participation

SOURCES	YEARS 1-15 TOTAL DEV INVESTMENT (\$*1000)	PRIVATE SECTOR SHARE, %	PRIVATE SECTOR INVESTMENT (\$*1000)
ECONOMIC DEVELOPMENT	2,740,971.00	5.8%	159,842.00
HUMAN/COMMUNITY NEEDS	21,059,239.00	25.2%	5,296,803.00
PROTECTING THE ENVIRONMENT	3,841,176.00	50.0%	1,920,588.00
PHYSICAL INFRASTRUCTURE	19,677,794.00	20.0%	3,935,559.00
HUMAN & INSTITUTIONAL INFRASTRUCTURE	2,672,074.00	11.9%	319,164.00
TOTAL	49,991,254.00	23.3%	11,631,956.00
NGN	17,996,851,440.00		4,187,504,160.00

Source: NDR Master Plan

#### **Performance of NDDC's Funds**

ccording to data obtained from the website of NDDC in December 2019, the Commission had executed over 9,000 projects in the Niger Delta from 2001 till date. The website provided information on the project titles, locations, statuses, categories, contractors and dates but does not provide data on the cost of each of these projects. The projects span sectors including education (books, scholarships and schools), health (drugs, medical professionals and hospitals), transportation (mass transit on roads and waterways), road infrastructure (bridges, landing jetties and land reclamation), electrification, skills acquisition and youth development. Also, agricultural development, security and logistics, environment and waste management, and potable water.

More than 40 per cent of the projects funded by NDDC relate to roads and bridges. Within the purview of the total budget calculated above, at an average cost of N350 million per kilometre<sup>16</sup>, the funds ought to have built about 5,000 kilometres of roads and bridges in the region, which is the equivalent of about 10 roads running from Benin City to Calabar. While there could be a wide range in the cost of construction of a jetty, depending on its size and if dredging is required alongside a host of other factors, at an average cost of about \$150 million<sup>17</sup>, 20 per cent of the budget could have built 14 world-class jetties in the

<sup>15</sup> NEITI, September 2019, Fiscal Allocation And Statutory Disbursement (Fasd) Audit 2012 – 2016 Summary Report

<sup>16</sup> World Bank Benchmark is N238 million, see https://autojosh.com/is-nigeria-the-costliest-place-to-build-roads-in-the-world/

<sup>17</sup> Example cost of a jetty found at https://www.thisdaylive.com/index.php/2017/11/11/our-midstream-jetty-is-west-africas-first-privately-owned-deji-osikoya/

region. Akwa Ibom and Delta States account for majority of the NDDC projects, with 24 and 18 per cent respectively, as shown in Figure 2. This is expected as more than 50 per cent of Nigeria's crude oil are produced in the two states alone, and hence more than 30 per cent of the Federal Government's revenue.

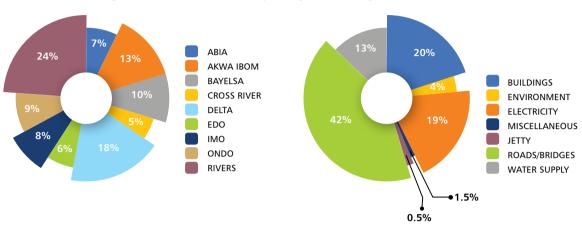


Figure 2: Spread of NDDC Projects by State and Type

Source: NDDC Website

In a bid to measure the impact of these executed projects, PTCIJ deployed nine investigative reporters to track a sample of 172 of NDDC's 9313 projects in Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers States. From the experience gathered on the field, the tracked projects were divided into four categories – the Completed, Uncompleted, Abandoned and Not Found.

## Results of Physical Investigation of 172 NDDC Projects

Our analysis revealed that of the 172 tracked projects, 43 per cent were completed; 23 per cent, abandoned; 12 per cent, uncompleted; and 22 per cent of the projects were not found.

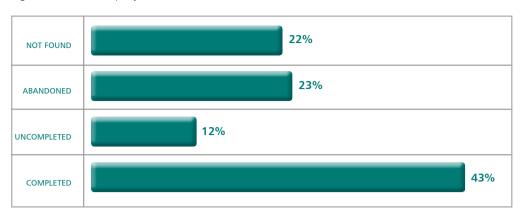


Figure 3: Status of projects across the nine NDDC states

Source: PTCIJ Field Visits

## NDDC's Contracting Process and Allegations of Corruption and Waste

According to NDDC's website, the selection of contractors should follow the Public Procurement Act 2007.<sup>18</sup> The process should ideally involve a competitive tender, with firms being prequalified only after a rigorous review of several technical and financial documents. However, evidence from several reported cases (some of which are highlighted in Table 13 below) suggests otherwise. As noted in several policy documents and in the third-quarter report, from July – September 2016, under the leadership of the newly appointed NDDC Chairman and Managing Director, there are key institutional policy gaps such as:

- Poor governance, structurally and institutionally, to carry out their mandate;
- Poor leadership style (transactional and not transformational);
- Non-alignment of the activities of the Commission to the Niger Delta Regional Development Master Plan;
- Poor budgeting processes;
- Poor performance management and quality assurance systems in NDDC;
- Weak ability to initiate and handle partnerships and collaborations.

There are several reported cases of inflated contracts being awarded at the NDDC. <sup>19</sup> IIn January 2020, President Muhammadu Buhari ordered a forensic audit of the operations of the organisation from 2001 to 2019. Dr. Cairo Ojougboh, NDDC's Acting Executive Director and a member of the Commission's interim management committee, has said that in seven months in 2019, NDDC awarded fraudulent contracts worth † 1 trillion. <sup>20</sup> As he put it: "Some of the contract awards were not only spurious but criminal, as available records showed that most of

<sup>18</sup> National Assembly, 2007, Public Procurement Act

<sup>19</sup> Kelvin Ebiri, Sept 14 2019, Bogus, over-priced contracts plunge NDDC into N2tr debt, available online at https://quardian.ng/news/bogus-over-priced-contracts-plunge-nddc-into-n2tr-debt/, last accessed on Feb 04 2020

<sup>20</sup> Pulse, Jan 16 2020, NDDC awards N1trn fraudulent contracts in 7 months, available online at https://www.pulse.ng/news/local/nddc-awards-n1trn-fraudulent-contracts-in-7-months-committee-says/ep19fw9, last accessed on Feb 2020

the awards were not backed by budget, bills of engineering measurement and drawings. They were just open cheques for contractors and their collaborators to fill in at the nearest banks."

There are cases of politically exposed persons, such as the sitting chair of the Senate Committee on Niger Delta Affairs, Senator Peter Nwaoboshi, who allegedly influenced over 300 education contracts worth ₦3.4 billion to be awarded to companies linked to him.²¹ The Minister of Niger Delta Affairs, and President Buhari's appointee to lead the forensic audit, former governor of Akwa Ibom State, Godswill Akpabio, has also been accused of corruption in connection to the NDDC.²²

### What Could Have Been Achieved with Wastage in the NDDC

Table A1 shows that the reported cases of corruption in the NDDC total more than  $\aleph$ 1.6 trillion (see Appendix 1). In this section, we will analyse what could have been achieved in four key sectors to improve the region, had the funds been judiciously utilised. We will assume that the funds were split equally across the four sectors, at  $\aleph$ 400 billion per sector, and spent on:

- Roads/Bridges
- Healthcare
- · Education; and
- Erosion control

Roads/Bridges: If the NDDC had allocated \$\frac{\text{\$\text{\$\text{\$\text{4}}}}}{400}\$ billion to this sector, at an average cost of \$\frac{\text{\$\

**Healthcare:** In 2012, the Bauchi State government awarded a contract for the construction of a 300-bed specialist hospital at the cost of \(\mathbb{\text{\text{N}}}\)2.5 billion. This amount includes the cost of equipping the facility. Using this cost, if the NDDC diverted another N400 billion in this sector, it could build about 160 hospitals in the region.

**Education:** A Universal Basic Education Commission (UBEC) model School costs about ₩1.5 billion to build and equipment. N400 billion spent on education

<sup>21</sup> Factual Times, Mar 2,2018, FRAUD IN NDDC: Senator Peter Nwaoboshi In Fresh N3.4billion Procurement Scandal https://factualtimesng.com/fraud-in-nddc-senator-peter-nwaoboshi-in-fresh-n3-4billion-procurement-scandal/, last accessed on Feb 28, 2020

<sup>22</sup> Ireporter Online, Oct 16,2019. Akpabio in Fresh Scandal Over NDDC, available online at https://ireporteronline.com.ng/akpabio-in-fresh-scandal-over-taking-over-of-nddc/

infrastructure would have produced about 267 of such schools in the region.

**Jetties:** It costs about \$150 million (about \$458 billion) to build a jetty. As such, if \$400 billion had been spent on this sector, this would have enabled the construction of about seven jetties in the Niger Delta.

## What Could Have Happened If NDDC's Funds Were Invested

Our analysis has shown that NDDC received at least \$3.9 trillion from the national treasury this far. If the fund had been invested each year at the CBN prime lending rate or used in procuring treasury bills,<sup>23</sup> Table 15 below shows that the funds would have grown to between \$8 trillion and \$14 trillion by now.

Table 15: Potential Returns from Investing NDDC's Funds

Year	Income	Treasury Bill (TB) Rate (%)	Prime Lending Rate (%)	Capital Stock-TB Scenario (N billion)	Capital Stock-PL Scenario (N billion)
2001	14.02	5.65	23.44	14.81	17.31
2002	17.15	5.69	24.77	33.78	42.99
2003	15.09	5.02	20.71	51.32	70.11
2004	20.41	5.01	19.18	75.33	107.88
2005	68.51	4.77	17.95	150.70	208.05
2006	107.44	8.88	16.89	281.06	368.78
2007	67.10	6.82	16.94	371.91	509.72
2008	122.94	8.20	15.14	535.42	728.44
2009	218.33	3.79	18.99	782.32	1,126.57
2010	330.27	3.85	17.59	1,155.43	1,713.09
2011	361.12	9.70	16.02	1,663.65	2,406.50
2012	338.75	13.64	16.79	2,275.53	3,206.18
2013	403.65	10.85	16.72	2,969.87	4,213.39
2014	460.14	10.50	16.55	3,790.16	5,447.00
2015	368.72	9.39	16.85	4,549.40	6,795.67
2016	337.85	10.12	17.61	5,381.84	8,389.74
2017	230.80	12.34	17.55	6,305.24	10,133.44
2018	71.20	10.09	16.91	7,019.82	11,930.24
2019	346.50	9.64	15.61	8,076.43	14,193.14

Source: PT Analysis

<sup>23</sup> Interest rates are from the CBN's website for years 2006-2019 (https://www.cbn.gov.ng/rates/mnymktind. asp?year=2006 $\theta$ month=2), and Multpl.com for 2001-2005 (https://www.multpl.com/20-year-treasury-rate/table/by-year)

#### **Policy Options and Recommendations**

The evidence of declining Human Development Index (HDI) in the Niger Delta states, coupled with the challenges pertaining to the Niger Delta Development Commission are very likely linked. Corruption, waste and the utter failure to stimulate private sector funds have adversely impacted the Commission's effectiveness.

NDDC is in dire need of reform and the chosen policy options must address the underlying issues previously identified with the Commission's operations. The policy options below are each evaluated on the basis of the following criteria: payback period, cost, net benefit, effectiveness, efficiency, equity, administrative ease, legality and political acceptability in the Nigerian context.

Policy Options	Payback Period	Cost	Net benefit	Effectiveness	Efficiency	Equity	Administrative ease	Legality	Political acceptability
Prosecute contractors and offending administrators									
Leverage technology and media to increase transparency									
Invest a portion of NDDCs funds									
Leverage PPP models									
Fund existing sources of well- developed projects									
Ensure quality in project delivery and maintenance									
Engage local communities									
Equitable distribution of projects across NDDC states									
Legend	Positive		Neutral		Negative				

Prosecute Contractors and Administrators for Failed, Abandoned and Uncompleted Projects: Following the ongoing forensic audit of the NDDC, contractors and NDDC administrators need to be made to account for failed, abandoned or uncompleted projects. This process should lead to the recovery of some cash for the NDDC, which may thereafter be deployed to more effective projects. High priority projects that have been stalled due to payment delays and no fault of the contractors may also be reactivated in this process. This is a quick return recommendation but may be costly to implement and politically challenging.

**Leverage Technology and Media To Increase Transparency:** Incremental governance changes, such as publishing all budgets, contracts, timelines and real-time performance measurements can increase the incentives for accountability

and the internal capacity for good governance. Annual audit reports covering project and fund performance must be published and defended in public hearings annually. This recommendation is easy to implement and expected to yield high returns.

Invest A Portion of NDDC's Funds: An investment fund is typically a way to earn compound returns, alongside other investors, and to benefit from the inherent advantages of working as part of a group. These advantages include the ability to hire professional investment managers, who may potentially be able to offer better returns and more risk management benefits from the economies of scale, i.e., lower transaction costs; and increased asset diversification, to reduce some unsystematic risks. Countries with a large pool of funds sometimes create investment funds to grow these funds. They are known as sovereign wealth funds. Examples include the Nigeria Sovereign Investment Authority (NSIA), and the Norwegian and Abu Dhabi Sovereign Wealth Funds, which have grown to \$1.09 trillion and \$700 billion<sup>24</sup>. For the year 2018, Nigeria's Sovereign Investment Authority (NSIA) generated average annualised returns of about 7.9 per cent on capital employed through its three investment funds — a stabilisation fund, a future generations fund and the Nigeria Infrastructure Fund.<sup>25</sup>

Investment funds have the perennial challenge of how to optimally allocate funds, and in Nigeria's political environment, this challenge is even more pronounced. The challenge can be mitigated through the appointment of professional fund managers and publishing of asset allocation policies and outcomes regularly.

This recommendation may be implemented through NSIA or directly by fund managers appointed by the Commission. NDDC's infrastructure projects can leverage the resources and organisations of the Nigeria Infrastructure Fund, such as InfraCredit, to pool in private capital for its projects.

This recommendation might be difficult to implement politically, as the payback period may be long and returns subject to market cycles and long development lead times. However, it would be critical, given the twin imperatives of saving for future generations and implementing projects efficiently and effectively, which NDDC's current approach does not do.

Use Public-Private Partnership (PPP) Models To Leverage More Private Sector (and Development Sector) Capital For All Projects: Ideally, no project should be 100 per cent funded by NDDC. The Commission has a PPP unit whose mandate is to leverage private funds through various financing models. In line with the Master Plan, NDDC ought to have leveraged a total of about N4 trillion in the 15 years, from 2005 to 2020. In reality, private sector investments in the Commission's projects have been negligible. The examples of successful infrastructure projects implemented by InfraCredit<sup>26</sup> should be instructive for the NDDC.

 $<sup>24\,</sup>Sovereign\,Wealth\,Fund\,Institute,\,https://www.swfinstitute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund\,Institute.org/fund-rankings/sovereign-wealth-fund-rankings/sov$ 

<sup>25</sup> NSIA Key Facts. https://nsia.com.ng/investor-relations/key-facts

<sup>26</sup> InfraCredit is a "AAA" rated infrastructure credit guarantee organisation backed by NSIA. It has successfully leveraged funds from development agencies such as KFW and AFC to fund projects, especially in the power sector such as the North South Power Concession (600MW, N8.5 billion) and Viathan IPP (50MW, N10 billion)..

PPPs help spread the risk involved in projects between the public and private sectors, but they also have the associated transaction advantages of identifying appropriate projects and establishing value for money.

**Fund Existing Sources of Well Developed Projects**: NDDC can deploy its resources to support the development of existing private, state and federal programmes and projects that are in line with the Niger Delta Master Plan. Examples of these include:

- **1. State Government Infrastructure Bonds** which can, in turn, be used to fund infrastructure projects;
- **2. Infrastructure Grants To States**, comprising investment in socially beneficial but not commercially viable projects, such as erosion control, environmental restoration, etc.;
- **3. Viability Gap Funding** for private sector/NGO projects that would otherwise not be commercially viable, such as funded health care centres, water projects, etc.;
- **4. Direct Grants To Startups and Incubators**, which nurture businesses in the area, through seed funding of promising projects;
- **5. Direct Cash Subsidies** to support indigents and low-income families to stimulate aggregate demand in the Niger Delta;
- **6. Supporting Ongoing Programmes**, such as the school feeding programme that has anticipated domino effects on nutrition, health, the education and agriculture sectors.

Allocating funds to non-state actors under this recommendation would be politically challenging but feasible if technology is leveraged to ensure transparency.

Ensure Quality in Project Delivery and Maintenance: The Commission needs to emphasise performance management and quality assurance, and allocate resources to engage third party technical experts to review projects throughout their lifecycles (the design, procurement, construction and operations phases) and not only during the construction phase. NDDC projects are seen to be of poor quality, such that communities prefer state government projects to them. It is important to ensure that NDDC projects have an operations and maintenance component to ensure they are sustainable.

**Engage Local Communities:** Government and industry must engage and share information with communities to manage local expectations regarding the petroleum sector, in order to build trust. On-the-ground reports suggest that communities are generally averse to NDDC's operations. A local interviewed during the project suggested that NDDC does not pay appropriate compensations when its actions affect livelihoods in communities, such as a house being demolished to enable road construction. NDDC needs to do a better job of carrying communities along and compensating them, as required.

**Distribute Projects Equitably Across NDDC States:** The analysis of projects across NDDC states suggests that there is no consistent logic to the allocation of projects in the different states (such as the volume of oil and gas productions per state, and hence the size of contributions to the national revenue, etc.). For instance, Akwa-Ibom, the highest oil-producing state in Nigeria, received much less project allocations than Delta, Rivers or Bayelsa State. On the other hand, States like Abia, Edo, Cross River and Ondo received projects worth only a fraction of the funds allocated elsewhere. There needs to be a consistent logic to the allocation of NDDC funds to states. This can be achieved through the pre-allocation of annual budgets to each state. Large infrastructural projects or inter-state projects may be funded from a separate pool of funds.

## **Appendix I: Some Reported Cases of Corruption in the NDDC**

Table A1: Some Reported Cases of Corruption in the NDDC

S/N	Name of official	Job title of official	Year of scandal	Value(NGN)	Value (USD)	Title of article
1	Olusola Oke	Ondo state representative on the board of NNDC	2005	155,000,000.00	430,555.56	Olusola Oke Accused Of N155 Million NDDC Fraud
2	Nelson Brambaifa and Nsima Ekere	Ex NDDC MDS'	2016/2019	5,760,000,000.00	16,000,000.00	Ex-NDDC MDs, Brambaifa, Ekere Indicted In \$16m Fraud As the United States Arrests Nigerian Soldier, Wife
3	Nsima Ekere/ Kaltungo Moljengo	Fmr. managing director of NNDC/ Director of legal services of Commission	2015	2,400,000,000.00	6,666,666.67	Alleged N2.4B Fraud: Court To Hear Case Against Ex-NDDC Boss Ekere In April
4	Nicholas Mutu Ebomo	Fmr. Chairman house of representative Committee on NNDC	2020	4,800,000.00	13,333.33	Alleged N4.8m Fraud: EFCC presents evidence against Ebomo, Ex-NDDC House Committee Chair
5	Tuoyo Omatsuli, together with Don Parker Properties Limited and Building Associates Limited	Fmr Director of NNDC	2014/2015	3,600,000,000.00	10,000,000.00	Alleged N3.6bn fraud: Judge's absence stalls trial of ex-NDDC boss
6	Henry Ogiri	Fmr Executive Director, Finance and Administration NNDC	2017	3,000,000,000.00	8,333,333.33	EFCC Seals Ex-NDDC Director's Mansion over N3bn Alleged Scam
7	George Turnah	Special Advisers to 2 NDDC officers	2014/ 2016	2,900,000,000.00	8,055,555.56	N2.9Billion Scam: Court Admits Fresh Exhibits Against George Turnah
8	Timi Alaibe, Nsima Ekere, Nelson Brambaifa, Emmanuel Agwariavwodo	Fmr. Managing Directors	2013/2018	61,400,000,000.00	170,555,555.56	NEWSNDDC: Reps invite Alaibe, Nsima Ekere, others over alleged contract scam
9	Sam Edem	Fmr. Chairman of NNDC	2008	1,000,000,000.00	2,777,777.78	Yar'adua orders probe
10	Senator Godswill Akpabio	Minister of Niger Delta Affairs	2019	1,900,000,000.00	5,277,777.78	Akpabio In Fresh Scandal Over Taking Over Of NDDC

11	Enyia Akwagaga	Director of NDDC	2019	2,500,000,000.00	6,944,444.44	The coming NDDCgate. We raked up 5 scandals and thought you should know
12	Dr. Enyia Akwagaga	Acting Managing Director	2017	65,000,000,000.00	180,555,555.56	Senate summons NDDC chief over 65 billion contract
13	Bassey Dan Abia, Bassey Ewa Henshaw	Managing Director, Chairman	2015	183,000,000,000.00	508,333,333.33	Analysis of Controversies, Scandal and Corruption Allegation in the NDDC
14	Godwin Omene	First executive of the Commission		50,000,000,000.00	138,888,888.89	Analysis of Controversies, Scandal and Corruption Allegation in the NDDC
15	Sam Edem	Fmr Chairman NDDC	2008	800,000,000.00	2,222,222.22	Nigeria: Alleged N800 Million NDDC Scam - Police Arraign Sorcerer for Fraud
16	Sam Edem	Fmr Chairman NDDC	2008	510,000,000.00	1,416,666.67	I got N510m paid to spiritualist from ex- gov[Edem, suspended NDDC boss
17	Mr Chibuzor Ugwoha	M.D NDDC	2010	130,000,000,000.00	361,111,111.11	N130 Billion Fraud: Militants threaten to kill NDDC Boss and Ten Others
18	Sam Edem	Fmr Chairman NDDC	2008	270,000,000.00	750,000.00	NDDC Chairman Spends N270 million on Juju
19	Nicholas Mutu Ebomo	Fmr Chairman house of representative Committee on NNDC	2014/2016	320,159,689.63	889,332.47	EFCC Arraigns Ex-NDDC Boss, Nicholas Ebomo for Alleged Fraud
20	Sam Edem	Fmr Chairman NDDC	2008	761,000,000.00	2,113,888.89	N761M NDDC SCAM
21	Onyema Ugochukwu	Fmr Chairman NDDC		10,200,000,000.00	28,333,333.33	NDDC, OBONG NSIMA EKERE (ONE) AND LESSONS HE SHOULD LEARN
22	Ndutimi Alaibe	MD/CEO NDDC	2015	25,000,000,000.00	69,444,444.44	NDDC, OBONG NSIMA EKERE (ONE) AND LESSONS HE SHOULD LEARN
23	Nsima Ekere	Managing Director NNDC	2011/2012	188,000,000.00	522,222.22	NDDC boss, Nsima Ekere allegedly in N188m fraud scandal, EFCC petitioned Read more at: https:// www.vanguardngr. com/2017/11/nddc-boss- nsima-ekere-allegedly- n188m-fraud-scandal- efcc-petitioned/
24	Unknown Senator	Senator	2018	3,480,000,000.00	9,666,666.67	NIGERIA: SENATOR IN N3.48B NDDC CONTRACT SCANDAL-REPORT

25 M	lessrs Burnsville Integrated	Contractor		70,000,000.00	194,444.44	NDDC Probe: Over
	ervices	Contractor		70,000,000.00	194,444.44	N340bn Embezzled
26 Pro	ofessor Nelson Brambaifa	M.D NDDC	2019	2,800,000,000.00	7,777,777.78	EXCLUSIVE: EFCC Bars NDDC From All Financial Transactions
27 Ni	icholas Mutu Ebomo	Chairman House of Representative	1999	400,000,000	1,111,111.11	EFCC arraigns PDP federal lawmaker over alleged N400m money laundering
28 Ch	nris Oyirindah	Executive Director, Finance and Administration	2019	2,800,000,000.00	7,777,777.78	EFCC invites NDDC MD, ED over alleged withdrawal of N2.8bn
29 Bri	igadier General Nengite	Serving Brigadier- General	2016-2019	3,600,000,000.00	10,000,000.00	NDDC: How Gen. Nengite Wired N3.6bn Into Wife's US Account
30 Tu	ioyo Omatsuli	Fmr. Director NDDC	2018	1,800,000,000.00	5,000,000.00	Court Orders Final Forfeiture of NDDC Director, Tuoyo Omatsuli's N1.8bn Properties
31 En	ngr. Roberts A. Obuoha	Director in Project Management Department		150,000.00	416.67	NDDC Director Arrested for Alleged Bribery
32 Pa	astor Godwin Moffat Eyo	Commissioner Rep. Akwa Ibom	2006	220,176,320.00	611,600.89	Ex- NDDC Commissioner Jailed Three Years for Stealing Transformers
Lir	M. Projects Consultancy mited and Raznez Medical onsultants Limited.	Contractors for NDDC, Rural Free Medical Referral Scheme	2012	125,000,000.00	347,222.22	Alleged N125m Fraud: Court Freezes Companies' Accounts
34 Tu	ioyo Omatsuli	Fmr. Director, NDDC		29,000,000.00	80,555.56	How Omatsuli, Co- Defendant Laundered Over N29m NDDC Funds – Witness
	eorge Turnah, together with s 7 companies	Fmr. Managing Director, NDDC	2017	3,094,268,235.69	8,595,189.54	Court Asks George Turnah to Produce Paramount Ruler as Surety
36 M	ir. Solomon Okpa Ita	Fmr. Director, NDDC	2019	65,000,000.00	180,555.56	ICPC seeks Court order for Forfeiture of Petrol Station, Warehouse from NDDC Director
	on. E. E. Aguariawodo/Mr. mi Alaibe	Fmr. Managing Director/Fmr. Executive Director, Finance and Administration	2011	2,100,000,000.00	5,833,333.33	Nigeria: N2.1 Billion Fraud - Alaibe, Aguariawodo for TrialICPC
38			2019	1,070,000,000,000.00	2,972,222,222.22	NDDC awards N1trn fraudulent contracts in 7 months, Committee alleges
39 Se	en Peter Nwaoboshi	Chair of the Senate Committee on Niger Delta Affairs	2018	3,400,000,000.00	9,444,444.44	FRAUD IN NDDC: Senator Peter Nwaoboshi In Fresh N3.4billion Procurement
						Scandal

## **Appendix II: Sources for NDDC Budget Estimate**

Table A2: Sources for NDDC Budget Estimate

YEARS	FGN APPROVED BUDGET	3% CONTRIBUTION from OIL COMPANIES	TOTAL	FGN APPROVED BUDGET, SOURCES	3% CONTRIBUTION, SOURCES
2001	10,000,000,000.00	4,021,269,000.00	14,021,269,000.00		Hart Nurse Ltd, Nov 2006, NEITI FINANCIAL AUDIT 1999-2004, pg 66
2002	12,650,000,000.00	4,497,285,000.00	17,147,285,000.00		Hart Nurse Ltd, Nov 2006, NEITI FINANCIAL AUDIT 1999-2004, pg 66
2003	10,064,000,000.00	5,027,809,000.00	15,091,809,000.00		Hart Nurse Ltd, Nov 2006, NEITI FINANCIAL AUDIT 1999-2004, pg 66
2004	14,000,000,000.00	6,406,366,000.00	20,406,366,000.00		Hart Nurse Ltd, Nov 2006, NEITI FINANCIAL AUDIT 1999-2004, pg 66
2005	60,150,000,000.00	8,355,938,000.00	68,505,938,000.00		Hart Nurse Ltd, Oct 2008, NEITI FINANCIAL AUDIT 2005, pg 80
2006	96,250,000,000.00	11,186,791,000.00	107,436,791,000.00		Hart Nurse Ltd, Feb 2011, NEITI 2006-2008 EITI RECONCILIATION, pg 15, Table 4.1
2007	26,565,000,000.00	40,531,352,200.00	67,096,352,200.00		Hart Nurse Ltd, Feb 2011, NEITI 2006-2008 EITI RECONCILIATION, pg 15, Table 4.1
2008	79,000,000,000.00	43,942,473,000.00	122,942,473,000.00	https://allafrica.com/ stories/200612210888.html	Hart Nurse Ltd, Feb 2011, NEITI 2006-2008 EITI RECONCILIATION, pg 15, Table 4.1
2009	128,400,000,000.00	89,927,822,349.00	218,327,822,349.00	https://reliefweb.int/report/ nigeria/nigeria-new-hope-old- master-plan-niger-delta	Sada, Idris & Co, Dec 2012, FINACIAL AUDIT 2009-2011, pg 83, Table 8-15
2010	240,500,000,000.00	89,773,376,789.00	330,273,376,789.00	http://www. thetidenewsonline. com/2009/07/24/2009-senate- approves-n128-4bn-for-nddc/	Sada, Idris & Co, Dec 2012, FINACIAL AUDIT 2009-2011, pg 83, Table 8-15
2011	249,544,270,000.00	111,576,195,210.00	361,120,465,210.00	https://www.vanguardngr. com/2010/07/reps-okay-n240- 5bn-budget-for-nddc/	Sada, Idris & Co, Dec 2012, FINACIAL AUDIT 2009-2011, pg 83, Table 8-15
2012	250,875,925,434.00	87,867,000,000.00	338,742,925,434.00	https://www.thenigerianvoice. com/news/77669/jonathan- presents-n249b-2011-nddc- budget-proposal-to-nass.html	Taju Audu & Co, Mar 2015, FINANCIAL, PHYSICAL AND PROCESS AUDIT 2012, pg 106, Table 7.9
2013	315,000,000,000.00	88,652,200,000.00	403,652,200,000.00	https://www.vanguardngr. com/2012/11/senate- approves-n250b-nddc-budget- for-2012/	Taju Audu & Co, Sep 2015, FINANCIAL, PHYSICAL AND PROCESS AUDIT 2013, pg 146, Table 6.9
2014	322,600,000,000.00	137,536,000,000.00	460,136,000,000.00	https://www.icirnigeria.org/ house-passes-n315-billion- nddc-2013-budget/	SIAO Partners, Dec 2016, 2014 OIL & GAS AUDIT REPORT, pg 143, Table 6-15
2015	299,526,463,156.12	69,188,500,000.00	368,714,963,156.12	http://www.nddc.gov.ng/ news_id6s.html	Haruna Yahaya & Co, Dec 2017, 2015 OIL & GAS INDUSTRY AUDIT REPORT, pg 98, Table 8.8
2016	241,114,000,000.00	96,740,200,000.00	337,854,200,000.00	https://allafrica.com/ stories/201505150760.html	Haruna Yahaya & Co, Dec 2018, 2016 OIL & GAS INDUSTRY AUDIT REPORT, pg 92, Table 5.11
2017	61,000,000,000.00	169,804,000,000.00	230,804,000,000.00	https://placng.org/ wp/2016/06/senate-approves- 2016-nddc-budget/	SIAO Partners, Nov 2019, 2017 OIL & GAS AUDIT REPORT, pg 48, Table 4-5
2018	71,200,000,000.00		71,200,000,000.00	https://www.premiumtimesng. com/regional/south-south- regional/248683-budget2018- buhari-increases-allocation- niger-delta-development.html	
2019	346,500,000,000.00		346,500,000,000.00	https://www.premiumtimesng. com/regional/south-south- regional/248683-budget2018- buhari-increases-allocation- niger-delta-development.html	
TOTAL	2,834,939,658,590.12	1,065,034,577,548.00	3,899,974,236,138.12	https://punchng.com/reps- pass-n346-5bn-nddc-budget- for-2019/	

## Appendix III: Analysis of NDDC Efforts in the Nine Niger Delta States

This section provides background on each state and examines the work of NDDC in the state

#### 1. Akwa Ibom State



Akwa Ibom State produces most of Nigeria's oil (31 per cent). The State has an area of about 7,000 square kilometres and a population of about 5.45 million people. Its HDI is 0.564, which is the third highest in Nigeria, behind Lagos and Abuja.

The State hosts ExxonMobil's Qua Iboe Terminal, which produces an average of 550,000 barrels of oil per day — more than a quarter of Nigeria's production quota. Other than oil, the State's largest income earner is through palm oil farming.<sup>27</sup>

#### **Analysis of NDDC Projects in Akwa-Ibom**

Our field study of 35 projects in Akwa Ibom State showed that they are 37 per cent completed, 17 per cent uncompleted, 34 per cent abandoned, while 11.4 per cent of the projects could not be found.

 $<sup>27\,</sup>Encyclopaedia\,Britannica, 2019,\,Akwa\,Ibom,\,available\,online\,at\,https://www.britannica.com/place/Akwa-Ibom,\,last\,accessed\,on\,Feb\,04\,2020$ 

COMPLETED UNCOMPLETED ABANDONED NOT FOUND

34%

34%

Figure 4: Akwa Ibom State Project Performance

Source: PTCIJ Field Research

These results buttress the findings in the Nigeria Extractive Industries Transparency Initiative's report<sup>28</sup> that reviewed five years of NDDC's procurements between 2007 and 2011. NDDC awarded contracts amounting to \(\mathbf{\texts}\)50.4 billion to various companies for projects in Akwa Ibom. PTCIJ's audit certified projects worth \(\mathbf{\texts}\)9.39 billion, leaving a deficit of \(\mathbf{\texts}\)41 billion pertaining to projects that are uncompleted, abandoned, or otherwise non-performing.

Table 5: Performance of Akwa Ibom Projects

Project Type	Contract Awarded	Projects Certified	Performance Rating
JETTY/EROSION/RECLAM	7,133,672	711,924	10%
ROAD & BRIDGE	36,022,951	8,027,536	22%
HOUSING/TOWN HALLS	683,858	64,170	9%
ELECTRICFICATION	2,058,618	456,447	22%
WATER PROJECTS	2,200,766	42,870	2%
HOSPITAL & O/MEDICAL	43,000	0	0%
AGRIC	12,078	8,665	72%
OTHERS	2,241,010	81,800	4%
TOTAL	50,395,953.00	9,393,412.00	19%

Source: NEITI 2013

#### 2. Delta State



Delta State produces a lot (21 per cent) of Nigeria's oil. The State has an area of about 17,700 square kilometres and a population of about 5.66 million people. Its HDI is 0.556, which is the fifth highest in the country. Delta State is home to the Ughelli fields, and other major oil fields exist near Warri (which possesses an oil refinery), with others in Koko and Escravos, alongside offshore fields. Other than oil, the State's industries include glass and bottle factories, textile mills, and plastics, rubber, plywood, natural gas, boatbuilding, sawmilling, and furniture businesses.<sup>29</sup>

#### **Analysis of NDDC Projects in Delta State**

Twenty projects were tracked in the State, of which 40 per cent of these were completed, 25 per cent abandoned, and 35 per cent not found. According to NEITI, in the five years between 2007 and 2011, NDDC awarded contracts amounting to N59.8 billion to various companies for projects in Delta State. The PTCIJ audit certified projects worth N7.55 billion, leaving a deficit of projects to the tune of N52.25 billion, which are uncompleted, abandoned or otherwise non-performing.

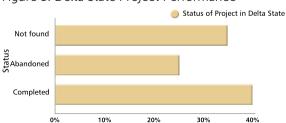


Figure 5: Delta State Project Performance

Source: PT Field Report

<sup>29</sup> Encyclopaedia Britannica, 2019, Delta State, available online at https://www.britannica.com/place/Delta-state-Nigeria

Table 6: Performance of Delta State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM	815,620	308,560	38%
ROAD & BRIDGE	41,856,513	4,806,650	11%
ELECTRICFICATION	13,379,939	1,608,497	12%
WATER PROJECTS	1,373,578	613,380	45%
EDUCATION	1,069,768	48,405	5%
HOSPITAL & O/MEDICAL	90,932	90,932	100%
OTHERS	1,235,235	70,340	6%
TOTAL	59,821,585	7,546,764	13%

Source: NEITI 2013

#### 3. Rivers State



Rivers State produces about 21 per cent of Nigeria's oil. The State has an area of about 11,000 square kilometres and a population of about 5.2 million people. Its HDI is 0.542, which is the eighth highest in Nigeria. Rivers State hosts major oil terminals, including Brass and Bonny, while petroleum refineries have been established at Port Harcourt and nearby Alesa-Eleme. Port Harcourt, the State capital and one of the nation's largest ports, is on the southern terminus of the eastern branch of the Nigerian Railway's mainline.<sup>30</sup>

 $<sup>30\,</sup>BBC$  News, Nov 2005, Nigeria governor to be impeached, available online at http://news.bbc.co.uk/2/hi/africa/4462444.stm, last accessed on Feb  $04\,2020$ 

## **Analysis of NDDC Projects in Rivers State**

Our field report found that of the NDDC projects in the State, 50 per cent of them are uncompleted projects, 33 per cent completed and 17 per cent abandoned. In defending the neglect of NDDC projects in the State, the spokesperson of the Commission noted that NDDC had "de-emphasised school projects for about five or six years to focus on bigger projects" in Rivers State.

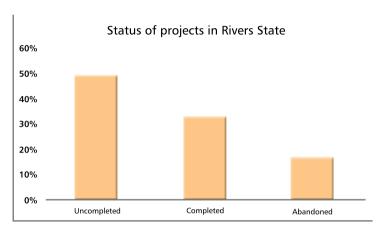


Figure 6: Rivers State Project Performance

Source: PT Field Report

NEITI's study of the five years between 2007 and 2011 shows that NDDC awarded contracts amounting to N109.52 billion to various companies for projects in Rivers State. Our audit certified projects worth N27.25 billion, leaving a deficit of project estimated at N82.27 billion, which are uncompleted, abandoned or otherwise non-performing.

Table 7: Performance of Rivers State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM	23,373,622	8,044,839	34%
ROAD & BRIDGE	76,526,504	16,336,763	21%
HOUSING/TOWN HALLS	66,165	40,592	61%
ELECTRIFICATION	3,356,027	1,446,027	43%
WATER PROJECTS	2,173,645	775,765	36%
EDUCATION	9,000	10,047	112%
HOSPITAL & O/MEDICAL	585,616	76,102	13%
SKILL ACQU/YOUTH DEV	995,000	0	0%
PRO SECURITY & LOGISTICS	418,468	189,827	45%
OTHERS	2,014,425	329,393	16%
TOTAL	109,518,472	27,249,355	25%

Source: NEITI 2013

## 4. Bayelsa State



Bayelsa State covers an area of about 10,700 square kilometres and has a population of about 5.2 million people. Its Human Development Index (HDI) is 0.591, which is the third highest in Nigeria.

The State has one of the largest crude oil and natural gas deposits in the country, as a result of which petroleum production is extensive in the State.

## **Analysis of NDDC Projects in Bayelsa State**

Several projects embarked upon by the Niger Delta Development Commission (NDDC) are strewn across the eight local government areas of Bayelsa State, While some of them have been completed, others remain uncompleted, abandoned or they were never started. These developmental undertakings include projects on electricity/power, schools and roads, bridges and erosion control, etc. Our analysis revealed that 56 per cent of the total tracked projects were completed, 31 per cent uncompleted, whilst 31 per cent have been abandoned. Thus, some of the projects have financially named (released fund for the completion of the projects)

In Sagbama town, \$\frac{\text{

Abandoned

Bayelsa

60%

50%

40%

20%

10%

0%

Figure 7: Bayelsa State Project Performance

Source: PT Field Study

Completed

NEITI's earlier mentioned report shows that NDDC awarded contracts totaling N84.49 billion to various companies for projects in Bayelsa State. PTCIJ's audit certified projects worth N31.53 billion, leaving a deficit of N56.96 billion, from projects that are uncompleted, abandoned or otherwise non-performing. This unrealised value could have built 2,700 primary health care centres in the Niger Delta region.

Uncompleted

Table 8: Performance of Bayelsa State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM	20,438,491	5,853,183	29%
ROAD & BRIDGE	65,411,913	24,933,125	38%
ELECTRICFICATION	1,027,977	402,107	39%
WATER PROJECTS	845,753	224,736	27%
EDUCATION	262,650	7,441	3%
AGRIC	64,750	30,100	46%
OTHERS	434,483	75,860	17%
TOTAL	88,486,017	31,526,552	36%

Source: NEITI 2013

#### 5. Ondo State



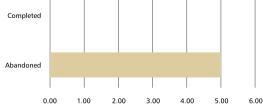
Ondo, the only South West State in the Niger Delta, has an area of about 15,500 square kilometres and a population of about 3.5 million people. Its Human Development Index (HDI) is 0.5, making this the 16th highest in Nigeria.

Other than oil, agriculture is the mainstay of the local economy, with the main products from the State being cotton and tobacco from the north, cacao from the central part, and rubber and timber (teak and hardwoods) from the south and east. Palm oil and its kernels are processed for export throughout the State. Ondo is Nigeria's chief cocoa-producing State. Other crops grown in the State include rice, yams, corn (maize), coffee, taro, cassava (manioc), vegetables, and fruits. Traditional industries in Ondo comprise those of pottery making, cloth weaving, tailoring, carpentry, and blacksmithing. Mineral deposits in the State include kaolin, pyrites, iron ore, and coal.<sup>31</sup>

## **Analysis of NDDC Projects in Ondo State**

The five NDDC projects tracked in Ondo State have all been abandoned, and these include hospitals, water and road projects.





Source: PT Field Visit

<sup>31</sup> Encyclopaedia Britannica, 2019, Ondo, available online at https://www.britannica.com/place/Ondo-state-Nigeria

NEITI's report earlier referred to shows that between 2007 and 2011, NDDC awarded contracts amounting to N27.15 billion to various companies for the execution of projects in Ondo State. Our audit certified projects worth N1.9 billion, leaving a deficit of projects estimated at N25.25 billion, which are uncompleted, abandoned or otherwise non-performing. This unrealised project value could have built 1,200 primary health care centres in the region, if the funds were properly utilised.

Table 10: Performance of Ondo State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM	277,830	183,624	66%
ROAD & BRIDGE	23,788,099	1,379,680	6%
HOUSING/TOWN HALLS	270,221	17,133	6%
ELECTRIFICATION	1,074,915	239,582	22%
WATER PROJECTS	361,041	52,876	15%
EDUCATION	1,235,464	0	0%
HOSPITAL & O/MEDICAL	43,436	0	0%
OTHERS	103,759	29,160	28%
TOTAL	27,154,765	1,902,055	7%

Source: NEITI 2013

#### 6. Edo State



Edo State has an area of about 17,800 square kilometres and a population of about 5.7 million people. Its Human Development Index (HDI) is 0.53, which is the 11th highest in Nigeria.

Other than oil, agriculture is the mainstay of the State's economy. Yam, cassava (manioc), oil palm produce, rice, and corn (maize) are the major subsistence crops, while rubber, timber, palm oil and kernels are the cash crops. The natural mineral resources of Edo State include limestone and lignite, while its industries produce pharmaceuticals, rubber, plywood, beer, sawn wood, and furniture.<sup>32</sup>

## **Analysis of NDDC Projects in Edo State**

Sixty two per cent of the 13 projects tracked in Edo State were not found during the field visit, while 38 per cent were completed. N269 million was budgeted for both projects at Erediawa, and N95.1 million has been released. Gully erosion still poses a big threat to residents, and it has led to the loss of property, destruction of arable lands and wastage of large areas of usable lands. Our findings revealed that an health centre described as "completed" on the Commission's website was never constructed.

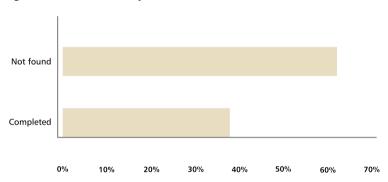


Figure 10: Edo State Project Performance

Source: PT Field Study

NEITI's report of the period between 2007 and 2011 shows that NDDC awarded contracts totaling N19.8 billion to various companies for projects in Delta, yet PTCIJ's audit of these certified projects worth N3.94 billion, leaving a deficit of N15.85 billion relating to projects that are uncompleted, abandoned or otherwise non-performing. The unrealised value of the foregoing could have built 750 primary health care centres.

<sup>32</sup> Encyclopaedia Britannica, 2019, Edo, available online at https://www.britannica.com/place/Edo-state-Nigeria

Table 11: Performance of Edo State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM	110,000	94,944	86%
ROAD & BRIDGE	17,631,101	3,448,986	20%
ELECTRICFICATION	659,647	79,794	12%
WATER PROJECTS	480,318	50,636	11%
HOSPITAL & O/MEDICAL	150,909	150,798	100%
AGRIC	89,271	79,097	89%
OTHERS	675,578	38,870	6%
TOTAL	19,796,824	3,943,125	20%

Source: NEITI 2013

## 7. Imo State



Imo State has an area of about 5,500 square kilometres and a population of about 4.9 million people. Its Human Development Index (HDI) is 0.518, which is the 12th highest in Nigeria.

Besides oil, Imo's economy depends on agricultural produce like yams, taro, corn (maize), rice, and cassava (manioc), which are the staple crops; and oil palm, which is the main cash crop. Other mineral resources in the State include coal and natural gas. There is also a large and growing electronics trading industry in Imo.<sup>33</sup>

 $<sup>33\,</sup>Encyclopaedia\,Britannica,\,2019,\,Imo,\,available\,\,online\,\,at\,\,https://www.britannica.com/place/Imo$ 

## **Analysis of NDDC Projects in Imo State**

35 per cent of the NDDC projects tracked in Imo State were not found, while 21 per cent were abandoned and 44 per cent completed. An NDDC document claimed that the Commission had erected a health centre in Umu-Okwo, in Owerri West Local Government Area (LGA), but that was found out not to be true, as the community lacks a health centre. What was commissioned by the NDDC 15 years ago, in 2005, was a now abandoned five-room bungalow. To circumvent its exposure, the Commission has argued that it cannot replace the functions of a state government, as it was created to cater to some of the infrastructural gaps in oil-producing states.

Imo State project status

Not found
Complete

0% 10% 20% 30% 40% 50%

Figure 11: Imo State Project Performance

Source: PT Field Study

The earlier referred to NEITI report shows that NDDC awarded contracts to the tune of N36.27 billion for various projects in Imo State to different companies. The PTCIJ audit of these awards certified projects worth N5.09 billion, leaving a deficit of N31.12 billion, pertaining to projects that are uncompleted, abandoned or otherwise non-performing.

Table 12: Performance of Imo State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM	9,267,837	915,785	10%
ROAD & BRIDGE	24,815,459	3,891,063	16%
HOUSING/TOWN HALLS	204,042	0	0%
ELECTRIFICATION	680,873	112,451	17%
WATER PROJECTS	302,332	38,113	13%
EDUCATION	51,206	0	0%
HOSPITAL & O/MEDICAL	91,830	91,960	100%
OTHERS	857,526	43,070	5%
TOTAL	36,271,105	5,092,442	14%

Source: NEITI 2013

### 8. Abia State

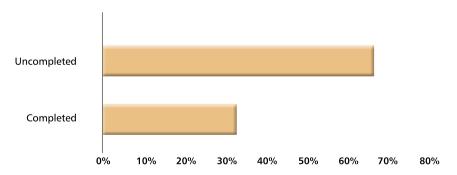


This East-Central State covers an area of 6,300 square kilometres and hosts a population of about four million people. Its Human Development Index (HDI) is 0.541, which is ninth highest in Nigeria). Other than oil production, the main economic activity in Imo State is agriculture, with the majority of the people engaged in farming yams, taro, corn (maize), rice, and cassava, which are the staple crops, while oil palm is the main cash crop. Mineral resources in the State include lead and zinc.<sup>34</sup>

# **Analysis of NDDC Projects in Abia State**

Our findings reveal Abia State as being littered by uncompleted NDDC projects, even as threats to the health of the people are major, with many students living next to waste dumps. Of the nine projects tracked in the State, 67 per cent of them are uncompleted, whilst 33 per cent are completed.





Source: PT Field Research

<sup>34</sup> https://www.britannica.com/place/Abia

NEITI's report for the period 2007 to 2011 shows that NDDC awarded contracts amounting to N11.4 billion to various companies for projects in Abia State. Our audit of these awards revealed certified projects worth N2.5 billion, leaving a deficit of N7.9 billion with regard to projects that are uncompleted, abandoned or otherwise non-performing. The unrealised value from the awards could have built 370 primary health care centres.

Table 13: Performance of Abia State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM.	70,000	66,840	95%
ROAD & BRIDGE	7,979,577	2,069,968	26%
HOUSING/TOWN HALLS	247,150	0	0%
ELECTRIFICATION	1,767,404	250,544	14%
WATER PROJECTS	737,190	88,734	12%
HOSPITAL & O/MEDICAL	73,432	29,996	41%
OTHERS	506,222	35,425	7%
TOTAL	11,380,975	2,541,507	22%

Source: NEITI 2013

## 9. Cross River State



Cross River State has an area of around 20,000 square kilometres and a population of about 3.7 million people. Its Human Development Index (HDI) is 0.551, making it the sixth highest in Nigeria.

# **Analysis of NDDC Projects in Cross River State**

In Cross River, after the field report, which revealed NDDC as claiming to have approved the sums of, N15.9 million and N10 million respectively for the electrification project at Ekpri Iko in 2015 and 2016, however by 2019 the villagers had still not received any power supply. Also, NDDC's PMIS portal, a database of the Commission's projects since the early 2000s, reports that the contract for electrification of Ekpri-Iko is "ongoing." PTCIJ's inquiry on the status of projects in the State revealed that of the 25 projects tracked in Cross River, 60 per cent are completed, 4 per cent uncompleted, 24 per cent abandoned, whilst 12 per cent of the projects were not found.

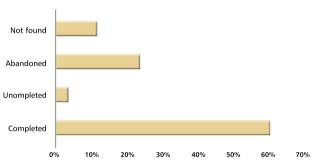


Figure 13: Cross River State Project Performance

Source: PT Field Study

The NEITI report referred to in relation to other states in the Niger Delta shows that NDDC awarded contracts totaling N8.18 billion to various companies for projects in Cross River State. Our audit of these awards certified projects worth N1.56 billion, leaving a deficit of N6.62 billion with regard to projects that are uncompleted, abandoned or otherwise non-performing. This unrealised value could have built 315 primary health care centres.

Table 14: Performance of Cross River State Projects

Project Type	Contract Awarded	Projects Certified	PR
JETTY/EROSION/RECLAM.	72,000	72,000	100%
ROAD & BRIDGE	6,538,116	1,136,754	17%
ELECTRIFICATION	483,348	188,812	39%
WATER PROJECTS	531,077	106,456	20%
EDUCATION	154,000	0	0%
HOSPITAL & O/MEDICAL	130,308	0	0%
OTHERS	271,032	50,980	19%
TOTAL	8,179,881	1,555,002	19%

Source: NEITI 2013

## **Akwa Ibom Case Studies**

Case studies of some specific projects, as reported by Premium Times, are summarised below:

#### Abandoned water projects in various communities

Figure: Abandoned water project



Source: Premium Times

An investigation by Premium Times revealed the hardship faced by different communities in Akwa Ibom in getting potable water, despite the huge budgetary allocations of the Niger Delta Development Commission (NDDC) to provide solar-powered boreholes for Akwa Ibom people.

For example, in Uyo Local Government Area, it was stated that the NDDC contractor had found it difficult to get land to drill a borehole, until one Mr. Udo donated his land for this, in order to alleviate the hardship experienced by the people over the scarcity of clean water. However, eight years after the contract was awarded, the project has been abandoned, and the site is now overgrown with weeds.

In Akwa Ibom State, the water projects awarded by the NDDC between 2007 and 2011 had a value of N2.2 billion, but the projects certified and confirmed to have been executed by the Commission were worth only N42.87 million.

In Ifa Ikot Okpon, Afaha Effiat and Ekpene Ukpa village in Etinan Local Government Area of the State, the water projects there have been abandoned for years.

In 2002, NDDC awarded a contract for the construction of a water treatment project for Iwuochang and Upenekang communities, but it was found that the facility was not functioning after an inspection.

#### Abandoned electrification projects





Source: Premium Times

Many communities in Akwa Ibom State are yet to benefit from the electricity projects awarded by the NDDC between 2007 and 2011 at a total cost of N2.06 billion.

There is the case of a transformer that was installed but which later stopped functioning in Ikot Ekan, Etinan Local Government Area of the State. Presently, the installation has been overgrown by weeds.

In 2012, NDDC awarded a contract for the installation of solar-powered streetlights at the University of Uyo's permanent site, however the project remains uncompleted.

Similarly, a separate contract for the provision and installation of a solar-powered streetlight, complete with a  $600 \times 600$  mm reinforced concrete plinth, was awarded in March 2013. Despite the fact that the project was implemented, yet it does not serve the entire community.

#### Abandoned school projects across the State

The NDDC awarded various projects to different contractors to renovate blocks of classrooms and construct units of newer ones in schools in Akwa Ibom State. At Mainland Technical College, Oron in Akwa Ibom State, with over 3,000 students, insufficient classrooms had been a challenge, as each class hosted 100 students, with JSS 3 having 10 arms of classes lettered A to J. NDDC has failed to complete the construction of the new classroom blocks.

At Methodist Boys High School, the school's classrooms, dormitories and offices are old and dilapidated. NDDC awarded a contract for the renovation of the dormitories and classroom blocks, as well as another contract for the supply of a power generating unit for the school. The projects have been completed, even though the generator supplied has not being in use. Yet, the construction of an administrative block and multipurpose hall for the school has been abandoned.

At the Senior Science Secondary School, Oron, the project for the rehabilitation of the dining hall block has been abandoned. The block was completed but there are no windows, doors or seats for the students.

Similarly, the contract for the construction of a block of the NDDC model classroom, with an office, a store and a detached VIP toilet block at Community Secondary School, Ikot Eba, in Etinan Local Government, was awarded but the project has been abandoned. The school block was constructed but it does not have a complete roof. There are no windows or doors. The floor has not been plastered. The students sit in the uncompleted building for their lessons.

A hostel was meant to be built at the University of Uyo in 2004 by Hinson Limited. The massive building has been abandoned and is now surrounded by a bush. The entrance to the hostel is not passable.

## **Delta Case Studies**

Case studies of some specific projects, reported by Premium Times are summarized below:

## Abandoned water projects

Figure: Inoperative borehole at Ivrogbo and Olomoro Community, Isoko South LGA





Source: Premium Times

An investigation was carried out to ascertain the statuses of twenty water projects whose contracts were awarded by the NDDC. The outcome reveals that seven projects listed by the Commission as having been 'completed' were not executed, five were abandoned, five were completed and are still in use, while three were completed but are no longer functional.

Out of the twenty water projects that were tracked, only five were up and running.

Ifiekporo is one of the communities that should have benefited from the water projects awarded by NDDC. On December 10, 2004, Bienci Resources Nigeria secured a contract from NDDC to reactivate the water supply scheme in Ifiekporo community, but the sad reality is that no project was ever executed there.

Ifiekporo is not the only community in the State whose the residents have been forced to draw water from dirty wells. In Ugbodede, a water project was awarded to Marigray Services Ltd. on February 1, 2002, and subsequently became listed as having been 'completed', according to details provided by the NDDC. Neither of the two boreholes in the community was constructed by NDDC, despite the fact that the Commission's documentation shows that a water project contract that was awarded for Ugbodede on May 30, 2014, has been completed.

The story is similar in Enhwe, a community in Isoko South Local Government. On March 23, 2011, Water Petroleum Ltd. secured a contract to construction a solar-powered water project in the community, according to details from NDDC. Just like in the Ugbodede and Oghenerurie communities, the Commission lists the project as having been completed, which is not true.

In 2015, NDDC approved the sum of N6,638,047 for the construction of the said solar-powered borehole in Enhwe community, and N21,000,000 in 2016, out of a budget sum of N45,446,087.

However, all that the community has is a hand water pump installation provided by Water, Sanitation and Hygiene Committee (WASHCOM), a project funded by the European Union, which is barely adequate to serve the water needs of the entire community.

Likewise, in Emevor community in Isoko North LGA, a contract for the construction of a solar-powered water project was awarded to El-Fegor Nigeria Limited on May 28, 2002. Over N20,000,000 was approved for the project. Although the Commission's records shows that the project is ongoing, members of the community said that no project of sort has been started in the area.

Another water project in Otor-owhe community, Isoko North LGA, pertaining to the rehabilitation of the Otor-Owhe waterworks and awarded to Crete Industries Nigeria Limited by the NDDC on March 23, 2011, was not executed.

On February 11, 2011, the NDDC awarded a contract for the construction of a solar-powered water project in Okuno Community to Philvianno Nigeria Ltd. Although the Commission's records describe the project as ongoing, however the water project was abandoned and the surrounding area have since been overgrown by weeds.

In Erovie (Isoko North LGA), Oramudu Ozoro, and Ajatitor communities, all the project contracts awarded there by the Commission were subsequently abandoned.

In Warri South LGA, the contract for a water project in Ubeji community was awarded to Yapat Nigeria Limited on March 3, 2003.

When the Premium Times reporter visited Pessu market, where a water project was awarded to Phedbosa Ent, it was observed that the borehole had been completed and was in use.

In Isoko South LGA, a water project in Uro-Irri community was contracted to Joe Ogho Nig. Enterprises on February 1, 2002. While the signage seen showed that the borehole had been completed and was functional, yet interactions with the residents of the area revealed that work on the project had stopped shortly after it commenced. Whereas NDDC was responsible for the drilling of the borehole, it was reported that another set of people had subsequently come to repair it.

In Ugbuwangue Town, in Warri South LGA, the Niger Delta Development Commission (NDDC) awarded contracts for the construction of two solar-powered boreholes; however, only one of these was executed.

NDDC claimed to have completed a solar-powered borehole in Olomoro, Isoko South LGA, the contract for which was awarded on February 22, 2011. According to the Commission's records, the project was completed, but it was discovered by Premium Times that the project was actually abandoned. Another project involving a solar-powered borehole in Ivrogbo community was awarded the same year and completed, but this was later vandalised.

On February 9, 2007 in Ethiope LGA, Akogate Ventures Enterprises secured the contract to construct a solar-powered water project at Ctc Oghara. It was discovered that the project is nonfunctional.

### **Rivers Case Studies**

The case studies of some specific projects, as reported by Premium Times, are summarised below:

## Abandoned school projects across the State

Figure: Abandoned projects at Bundu and Ales\\a





Source: Premium Times

From investigations, it was revealed that several projects, whose contracts were awarded by NDDC, are either non-existent or have largely been abandoned. These include the construction of blocks of classrooms, toilets and offices in public schools across Rivers State in 2004. The effects of this lack of project implementation were evident in institutions such as Community Secondary School, Abuloma; Choba Primary School in Obio/Akpor Local Government Area; and in places like Bundu community council in Port Harcourt, etc., were it led to insufficient learning classrooms and poor learning environments.

Community leaders and school authorities spoken to stated that they had tried, for years, without success, to get NDDC to complete these abandoned projects. While they had attempted this through the writing of letters and staging of peaceful protests, their efforts essentially fell on deaf ears. In response, the NDDC spokesperson said the Commission cannot and is not meant to replace or take over the responsibilities of state governments, and that the failure of NDDC to complete approved projects should not be tagged as "corruption" because the contractors issue morbid threats to the Commission.

## **Bayelsa Case Studies**

#### Completed, Ongoing and Abandoned Projects

Several projects embarked upon by the Niger Delta Development Commission (NDDC) are strewn across the eight local government areas of Bayelsa State. From the investigation carried out by *Premium Times*, while some of these projects have been completed, others remain uncompleted, abandoned or were not started at all, despite the fact that contracts for them were awarded and paid for. These include electricity/power, school and roads, bridge and erosion control projects.

Ebedebiri Community in Sagbama Local Government Area of the State has not had electricity supply since December 2018. However, on July 31, 2013, a contract for the installation of two transformers had been awarded by the NDDC to Ayakoko & Sons Enterprise. Yet, when the location of their installation was visited, the transformers looked old, even though the signage announcing the project looked very new.

Just like Ebedebiri community, other parts of Bayelsa State have similar challenges with NDDC projects. While many communities had solar-powered lights installed across different locations, it was discovered that none of them was actually functional

In Sagbama town, N240 million was budgeted for the provision of solar street lights, according to NDDC's 2016 Appropriation Act. For 2015, the sum of N53.784 million was approved for these projects, while N40 million was approved for 2016. The Appropriation Act also shows that a total amount of N70 million was budgeted for the provision and installation of solar-powered street lights in communities in Ekeremor LGA. Whereas N33.689, million was approved in 2015, in 2016 the sum of N38 million was approved.

The East-West road in Sagbama LGA of Bayelsa State is a death trap for motorists. If the contract awarded to Asphalt Unity Construction Ltd by NDDC for the urgent repairs of the road was implemented in 2017, that would not still be the story today. While some parts of the road leading to Delta State can be driven on, the other side leading to Yenogoa in Bayelsa State remains in a deplorable condition.

According to the NDDC Appropriation Act of 2016, N4.8 billion was budgeted for the road project, with over N721 million set aside as commitment for the project. In 2016 and 2015, over N181 million was approved for the repair of the East-West road.

In a different manifestation, a project contract awarded by NDDC to Gojo Global Resources in December 2014, for the construction of a concrete link road in Kolokuma LGA, was implemented and the road is functional. Likewise, the contract for the construction of access/internal link roads in Okpokuma and Okoloba Sabageria, awarded in May 2007 to Elite Construction Company Ltd, was completely executed and the roads remain functional.

Five projects implemented by Elite Construction Company Ltd were tracked and found to be have been completed according to the stated specifications.

In terms of school projects embarked upon by NDDC, a contract for the construction of an ICT building at the Bayelsa State School of Health Technology, Ogbia town, was awarded in May 2012 to Mac-Eluan Global Resources. The project was discontinued at the roofing stage, and the building has remained uncompleted and surrounded by bush ever since.

However, the award of a contract for the construction of an internal road network (Phase 1) at the Bayelsa University in May 2012 was implemented, with the road network currently being in use, although the time of the construction could not be ascertained.

Also, while the NDDC awarded a contract for the construction of three staff quarters at the same school on December 10, 2004, this was equally carried out to completion and buildings are currently in use too.

## **Ondo Case Studies**

## Abandoned multi-billion naira embankment project

Barring a last-minute intervention, Ayetoro, arguably the largest community on the shoreline in South-West Nigeria may soon be swept into the bin of history. This is as a result of the abandonment of a multi-billion naira shoreline protection project, the contract for which was first awarded in 2004, and then re-awarded in 2009 by the NDDC.

16 years after, with billions of naira already paid as advance to contractors, there is nothing on the ground.

The contract was for the construction of a shore protective wall in Ayetoro, which was to be designed with the geo-tube technology. But the company that 'won'

the contract at the sum of N6.4 billion, with 25 per cent of the cost reportedly paid upfront, Gallet Nigeria Limited, was later found to be incapable of handling the project.

Even then, eleven years after a new contractor took over in 2009, there is still nothing to show that any intervention was ever carried out by the Commission. Yet, despite clear evidence showing otherwise, the representative of the latter contractor, Dredging Atlantic Limited, Olusola Oyinloye, has insisted that his company has not abandoned the project.

### **Abandoned mortuary project**

In seeking to address the problem in which more than 400 communities making up the Ilaje Local Government Area do not have a single public mortuary, NDDC awarded the contract for the construction of one at the General Hospital, Igbokoda, which is headquarters of the local government.

However, many years after the contract was awarded, the construction of the mortuary is yet to be completed, with only a roofed building structure without windows and facilities in place. As such, the people have continued with the earlier crude means of the preservation of corpses, since many families cannot afford the fees of private mortuaries. The only public one in the neighbouring Okitipupa town is usually over crowded.

#### **Edo Case Studies**

## **Abandoned Projects**

Figure: NDDC road projects in Nomayo community, Ikpoba Okha LGA of Edo state





Source: Premium Times

Nomayo and Adolor are two communities in Edo State that would have benefited from the road construction projects of the NDDC if they were actually implemented. The roads in Nomayo, which are ridden with potholes, have been badly damaged by articulated vehicles, heavy trucks and fuel tankers.

In May 2012, NDDC awarded a contract for the construction of a two-kilometre Nomayo Road in Benin. Although the Commission lists the road project at Nomayo in Ikpoba-Okha Local Government Area and the boundary road to the

University of Benin in Ovia North East LGA as 'ongoing' on its website, findings however revealed that no road construction has been carried out in these locations till date.

According to NDDC's 2016 Appropriation Act, about N248 million was budgeted for the Nomayo Road project, of which about N92 million had been released earlier. Also, about N248 million was budgeted for the Adolor road in 2014, with over N233 million released in 2015. Inspections of the road however showed the project as being far from complete. A portion of the road that is totally damaged has caused severe flooding around it.

#### **Absence of Healthcare Centres**

In December 2004, NDDC awarded a contract for the construction of a basic health centre in Ahor and Evboneka communities of the State. 15 years after, both communities still lack access to adequate healthcare and are left with no choice but to visit neighbouring communities for this. Although the government built a health centre for residents of Ahor community several years ago, this was unfortunately placed under lock after completion.

The health centre in Evboneka community in Ovia North East Local Government Area was in a terrible condition when visited. The building was also under lock, with no healthcare worker seen around. The windows of the building and mattresses inside were noticed as being completely damaged, revealing the dilapidated state of the healthcare facility. Findings on the field showed that the health centre was no where near the "completed" status credited to it on the Niger Delta Development Commission's website.

The spokesperson for NDDC, Charles Odili, claimed that the Commission lacks adequate funding to meet the needs of the Niger Delta region.

## **Worsening Gully Erosions**

Figure: Gully behind block of flats in University of Benin, Oredo LGA of Edo state





Source: Premium Times

Flooding and erosion of the topsoil are some of the ecological problems experienced in Edo State. Disturbed by the number of abandoned NDDC erosion control projects in the State, the Edo State government decided to complete many of these projects.

Despite N269 million being budgeted for two projects at Erediawa, and the release of N95.1 million for these, gully erosion still poses a big threat to residents of the area, leading to the loss of property and destruction of arable lands.

The projects, "Construction of Erediawa road Erosion control (pond construction) Ugbekun, Edo state", awarded on February 22, 2011, and "Erosion Control at Erediawa (acquisition & drains) in Ugbekun, Ikpoba Okha LGA", awarded on May 31, 2012, were listed as ongoing in 2020, but they are actually being implemented by the Edo State Oil and Gas Producing Areas Development Commission (EDSOGPADEC) through Raycon & Co (NIG) Ltd.

### **Imo Case Studies**

#### **Abandoned Health Centres in Imo State**

Figure: Abandoned Health Centers in Okwudor, Oguama in Imo





Source: Premium Times

While an NDDC document claims that the Commission had erected a health centre in Umu-Okwo in Owerri West Local Government Area (LGA), this was actually found not to be true as the community lacks a health centre. However, what was commissioned by the NDDC 15 years ago, in 2005, was a five-room bungalow that was subsequently abandoned.

At Oguama community in Ahiazu-Mbaise Local Government Area of Imo State, the health centre constructed by the NDDC has been taken over by hedges and weed as tall as the lintel of the building. In 2014, the Commission began the construction of a "Comprehensive Health Centre", which was awarded at the cost of N70 million. The project, which had a12-month duration for completion, was abandoned at the lintel level. As a result, Jesse Ajaonu, the spokesperson of the Federal Medical Centre, Owerri, said many of the brought-in-dead cases in the hospital are due to inadequate health facilities in rural communities, which ought to have offered the first and emergency level of care to the patients.

Similarly, the NDDC contracted out the construction of a bigger health centre at Amaebu-Eke (Ebenato). The building was completed but never used. The community claims that it was converted into a school two years after it was constructed.

## Various abandoned projects across Imo State

Picture: Dilapidated classroom at Mmahu Secondary School and non-functional Solar-powered water project in Mmahu





Source: Premium Times

NDDC failed to implement projects awarded for solar powered streetlights and the construction of school blocks in several communities in Imo State. One of such places is Mmahu in Ohaji/Egbema, where the buildings of the only secondary school in the community are also in dire need of renovation. The school's science laboratory block, which is unpainted and without windows, has been abandoned for at least two years. Other NDDC facilities in the school, like the staff quarters and student's hostel, have been abandoned for much longer.

Most communities in the local government area have not had electricity supply in over 20 years, as some of the poles have fallen off, with the solar panels broken.

## Abandoned road projects across Imo State

Figure: Umuezeala road, Umedo-Udoha and Ikeduru-Amimo road, and Ihitte\_Ubom-Isiweke-Ikperejere









Source: Premium Times

Another problem identified in Imo State is the very poor condition of the roads. Many roads in the State are strewn with potholes and prone to flooding, due to the lack of proper drainage systems. These roads include those whose contracts had been awarded and payments made for by the NDDC, but many of which have been abandoned, were poorly constructed, or do not exist at all, as discovered during the inquiry.

For example, NDDC awarded the contract for the rehabilitation of Umuezeala road in Ehime Mbano LGA to Bash & Bolts Limited; however, barely 12 months after this restoration work was carried out, the road returned to being bad. The road is now ridden with wide potholes and covered with red mud. Hence, motorcyclists no longer drive through the main road but rather they jostle for the walkways with pedestrians, who are hopping by the sidewalk, finding dry spots to walk on.

In Nwangele Local Government Area of the State, many of the roads were constructed with uncompleted drainages. These drains were dug on both sides of the road, but their paths lead water to nowhere.

#### **Abia Case Studies**

#### Abandoned school projects across Abia State

Across major parts of Abia, the enquiry carried out by Premium Times revealed that the health of students is constantly under threat as they are made to study close to huge waste dumps, despite the colossal resources at the disposal of the state government and the Niger Delta Development Commission to enable a different situation.

Major roads, markets and streets in the commercial city, Aba, are littered with waste. These locations include Asa Road, Obohia Road, Ohanku Road, Port Harcourt Road, as well as the popular Ariaria Market.

The Ariaria International Market in Aba is one of the largest in West Africa. Yet, due to the poor waste disposal system there, the market is barely different from a pigsty whenever it rains. This is usually due to the blocked drainages, with broken bottles and used plastic regularly finding their way onto the main road.

The Abia State Government, perhaps overwhelmed by its inability to handle the waste epidemic in the State, has consistently called on the NDDC to assist through its interventions. However, eight years since the call started, nothing has been done.

#### Abia's Broken Roads

Despite being one of the mandate states of the NDDC, qualified for its interventions, roads in Abia State are in deplorable conditions. This is equally evident to State government, which is also not oblivious of how the situation affects residents, as they carry out their daily activities.

At the Ogbor Hill end of Ikot-Ikpene Road, there are huge craters and dungeon-

like potholes on both sides of the road. Residents and commercial transport workers have been complaining bitterly about the poor condition of the road for a long time. This is the situation at Opopo Junction, as well as roads in the Obingwa area. Interestingly, NDDC's Aba office, on Park-Ogbor Hill Road, is a short distance from the dilapidated lkot-lkpene road.

By far, the NDDC's most controversial road project in Abia State is the Ohanku road, which has been a subject of controversy between the state government and the Commission. The road is regularly flooded and damaged from the Ngwa road end to the express road axis.

#### **Cross River Case Studies**

#### Abandoned electrification projects in Cross River

A community in Biase Local Government Area (LGA) of Cross River State has had no electricity supply for over 36 years, even though in May 2012 the Niger Delta Development Commission (NDDC) awarded a contract to Blu Ray Engineering Services Limited to carry out a rural electrification project in Ekpri-Iko.

When the work commenced it drew a lot of public excitement, but everything subsequently changed suddenly. Although transformers, poles, power lines and distributors were all fixed, electricity is yet to be transmitted to the Ekpri-Iko community.

By its admission in its 2016 budget, NDDC reported that in 2015 and 2016, N15.9 million and N10 million were approved respectively for the Ekpri Iko electrification project. Yet, by 2019, the villagers had not received any power supply. NDDC's PMIS Portal, which is a database of the commission's projects since the early 2000s, reports the Ekpri-Iko electrification contract as still "ongoing."

The residents of Anantigha community in Calabar South LGA have been forced to keep living in darkness, despite official documents revealing that in August 2012 NDDC gave a contract for the installation of a 500KVA electricity transformer in the community. However, the amount for the contract was not indicated in the document. The community thereafter set up a committee to raise funds to build the seating for a transformer, in the hope that an NDDC-sponsored transformer would come soon, but nothing has happened to that effect still. Yet, NDDC's project tracking portal notes that this project has been completed.

However, the story is different in Ikun village in Biase LGA, where the rural electrification project awarded to Hugh Gross Nigeria Limited in February 2011 was completed. Even then, despite the completion of the project, it appeared again in NDDC's 2016 appropriation act as one of the projects to be executed. According to the Commission, N24.9 million and N10 million were approved in 2015 and 2016 respectively for rural electrification, involving high and low tensions, at Ikun.

Another electrification project awarded in February 2011 and handled by Deastern Electrical & Mechanical Energy Serv. Ltd in Abredang Community (Biase LGA)

follows a similar trend. While it has been completed, it was captured again in NDDC's budget for Cross River State in 2016. An analysis of the budget reveals that an additional sum of N3.5 million was approved twice (in 2015 and 2016) for rural electrification, involving high and low tensions, in Abredang.

As usual, the Commission's spokesperson failed to comment on this observation of discrepancy.

#### Various abandoned projects that litter Cross River State

The health post in the village of Ekukunela in Ikom LGA of Cross River State used to be the village's town hall. In the absence of a functional health centre, the villagers converted the hall into a health facility. For over 20 years now, the health post has attended mostly to outpatients with mild cases of malaria, using rapid diagnostic tests (RDTs). It also advises women on family planning and focuses on the immunisation of children.

In May 2010, NDDC contracted Jismac Nig. Ltd to build a standard cottage/comprehensive health centre block in Ekukunela. Construction began that same year, but as the work progressed, there were intermittent stops, till 2013 when the structure reached the roofing stage.

Zack Agba, the contractor handling the health facility, blames NDDC for his company's failure to complete the project, citing payment delays.

Meanwhile, according to NDDC's PMIS Portal, a database for tracking the Commission's projects since the early 2000s, the construction of the health centre is recorded as "ongoing." However, the site engineer, Godwin Abua, said that work had long stopped on the project, with a dozen photos attached to support this.

Residents of Daniel Henshaw Street in Calabar South Local Government Area are troubled that a contract for erosion remediation and the construction of their street has stalled. Awarded to Calabar-based architectural firm, Ample Dimension Limited, in July 2014 and marked as "ongoing" on NDDC's project tracking portal, this project is yet to be completed.

A project for the construction of Atan Okoyong rural roads was awarded to Opharmz Energy Services Ltd in February 2015, but nothing has been done since then.

### **Uncompleted NDDC education projects in Cross River**

On 1st of March 2011, the NDDC awarded a contract to Ndomaeko Nig. Ltd for the construction of a road from Effi in Okuni to Osadim's school. However, this was never executed and it is acknowledged as such on the Commission's PMIS Portal.

Also, at St. Theresa's Primary School, a run-down classroom block stands in sharp contrast to another school block, whose renovation was started, until it was abandoned thereafter. NDDC had contracted Aplamatuse Ventures to supply educational materials and carry out "infrastructural upgrade" at St. Theresa's School on May 30, 2014. Five years later, the school had not received

any material, and neither was the so-called infrastructural upgrade successfully executed. Yet, the Commission claims that the project is ongoing. On the Bureau of Public Procurement (BPP)'s website, it was revealed that the project had a 12-month completion period and the amount awarded to Aplamatuse Ventures for the contract, according to BPP's record was N249.9 million.

Still, a few projects were completed. One of them was the contract for the renovation of a classroom block at St Martins Primary School given to Kebert Consultancy Services Nig Ltd and another for the same purpose at Holy Child Convent Primary School awarded to Featz And Blitz Integrated Services Ltd. They were both completed last year.

Another contract to Begastone Nigeria Limited to renovate an eight-classroom block at PCN Primary School in Balep village, Ikom LGA, was also completed last year.

At St. Theresa Primary School in the town of Ugep in Yakurr LGA, a classroom block was successfully renovated in 2018 following a contract award to Capital Shuttle Services Limited in October 2017.



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