



CSJ 2015 NATIONAL BUDGET SUMMIT 28th-29th JANUARY, 2015

ANALYSING MINISTRY OF NIGER DELTA
AFFAIRS 2015 BUDGET, VIS A VIS A
CONNECTION TO VISION 2020 AND
TRANSFORMATION AGENDA.

Presented for: Niger Delta Budget
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Outline of Presentation

- Historical perspective to the creation of the MNDAs.
- Realities vs the long road to go for sustainable economic prosperity in the Niger Delta.
- Connection between the Ministry and other Development Agencies in the region.
- Connection between budget of MNDAs and that of States and Local Governments in the Niger Delta.
- Budgetary trend of the MNDA over the years and the (expenditure) impact on the lives of the people.



Presentation Outline...Cont

- What is the connection in this Ministry's budget over the years with the Transformation Agenda?
- What is the connection between this Ministry's budget to Vision 2020?
- Who is fooling who?
- Can the National Assembly be isolated in the hoodwinking of the people?
- Recommendations and way forward

Historical perspective to the creation of the MNDAs.

- Era of the National Council for Nigeria and Cameroons
- Calabar-Ogoja-Rivers (COR) State creation agitation
- 1961 Plebiscite
- Declaration of Niger Delta Peoples Republic by Isaac Adaka Boro.
- Campaign for environmental salvation and the hanging of Kenule Beeson Saro- Wiwa
- Arms Struggle against the Nigerian State with the offer of Amnesty by the Federal Government
- Etc

Realities vs the long road for sustainable economic prosperity for the Niger Delta.

- There is lack of fiscal inclusion for the people within the region. Reeling out of figures occasionally by some Govs, does not translate to a fiscal inclusion, but rather, it is a transparency with unpredictable cloud of secrecy
- Communities, the civil society and the media are excluded from critical components of public finance expenditure management and fiscal accountability within the region
- Insecurity, harassment, intimidation and weak (governance) institutions, scares aware credible change-bearers
- Restriction in electoral space, vis a vis “chop i chop” and electoral opportunistic syndrome is fast eroding the space for credible persons, which is also affecting the economic prosperity for Nigeria

Connection between the Ministry and other Development Agencies in the region.

- **SURE-P 2014**

- Augmentation for East-West Road (Section I-IV), including rehabilitation of Eleme Junction Flyover-Onne Port Section (KM 0-15)=**N30 billion under MNDA. Another N11.2 billion proposed in 2015 for this project. Already, on the 12th of November, 2014, this contract was awarded to RCC for N43.6 billion. Sadly, budget line running into billions for Eleme Junction Flyover or related upgrading/augmenting is baffling for a project, commissioned a few years back by President Jonathan.**
- The Ministry has N30 billion in the budget under SURE-P but awarded the job for N43.6 billion to RCC in November, 2014, and yet with SURE-P proposing another N11.2 billion for this same project in 2015. Is something not wrong here?
- Obehie/Akwete-Azumini-Iwukem, Ukanafun-Manaefu/Epan Akwa-Etinan-Ikot Uboh under MNDAs N2.3 billion. This project attracted: (2011)- N3 billion, (2012)- N850 million, (2013)-N2.2 billion, (2014)-N300 million.

SURE-P 2013

- Construction of Eleme Junction Flyover and Dualisation of the Access Roads to Onne Port in Rivers State. C/NO. 5899) for **N1 billion under Federal Ministry of Works. Where is money going for already commissioned project with billions reappearing for it year after year under different Ministries? In-between MNDA and FMW, which of the Ministry actually spent money at the Eleme Junction? It is a question for the NASS.**

Connection between the Ministry and other Development Agencies in the region...Cont

- Calabar-Ikom-Ogoja-Katsina Ala Road (FMW) **N5 billion (2014)**
- What about award of contract for “ Augmentation of Contract No. 5991 for rehabilitation of 23km Alesi to Iyamoyong in Obubra Local Government Area as an Addendum to the Rehabilitation of Calabar-Ugep-Ogoja-Katsina Ala Road Section II: Ugep-Ikom-Ogoja-Katsina Ala in Cross River and Benue States” awarded to Mssrs China Civil Engineering Company (CCECC) Nigeria Limited by same FMWs on the 21st of Nov, 2012 with 11 months completion at the cost of N9.1 billion?

Connection between the Ministry and other Development Agencies in the region...Cont

- Federal Ministry of Transport **2014**- PHC-Maiduguri Railway Line **N16 billion** and **2015** proposed for **N3.2 billion**.
- What about award of “ Railway Track Network-Eastern Line Contract 3 (km 0+00 to km 463 Port Harcourt to Markurdi)” awarded to Mssrs Eser Contracting and Industry Company (Turkey) in **2012** with 10months completion at the cost of **N19,165,202,237.54**?
- What about “ Major rehabilitation of Rail-track, Bridges/Culverts from Port Harcourt to Maiduguri” as contract No 3 in **2010** for **N5 billion**, which appeared in the FGN Procurement Plan page 221 for prior review?

Cont...

-IOCs

- Shell (for example);

Between 2007-2013, Shell said it has spent \$130 million (about **N24.7 billion**) in community development but this is questionable, as most of Niger Delta Communities are still habitable slums.

- 3% of Oil Companies counterpart funding to NDDC, which from inception of the NDDC till date run into several billions of Naira but shadowed in expenditure secrecy by the NDDC to avoid prying eyes of the public. “Vanguard reliably gathered from National Assembly sources, (a company) which had its Year 2002 budget as \$2.235 billion may not have wholly contributed 3% of its budget for the year in question. The company, it was learnt, made a deduction of \$627 million from its total budget before making its 3% deduction from the remainder”. Source:

<http://www.earthrights.net/nigeria/news/oilmoneydefault.html>

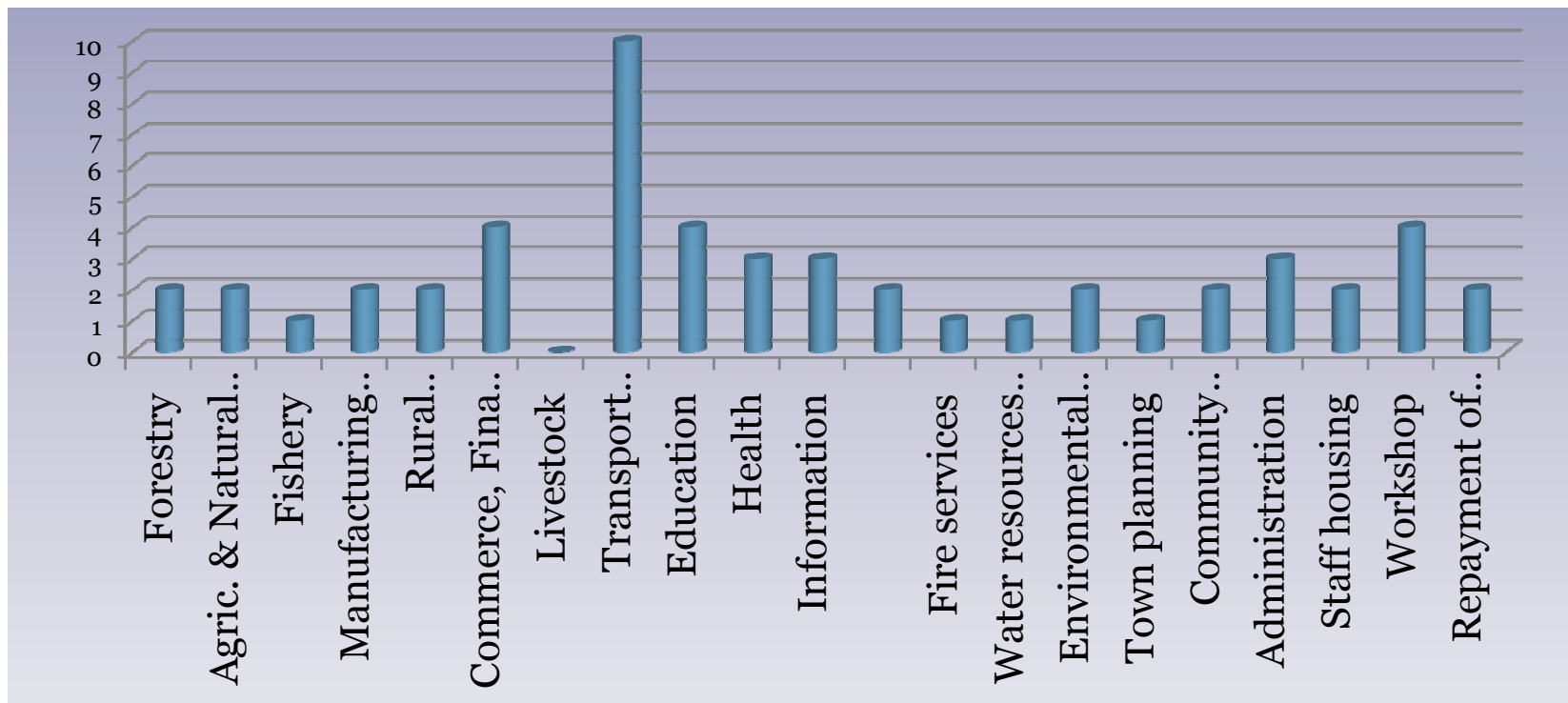
- **What is NDDC doing with the counterpart funding from the IOCs and others?**

MNDA, NDDC and others Cont...

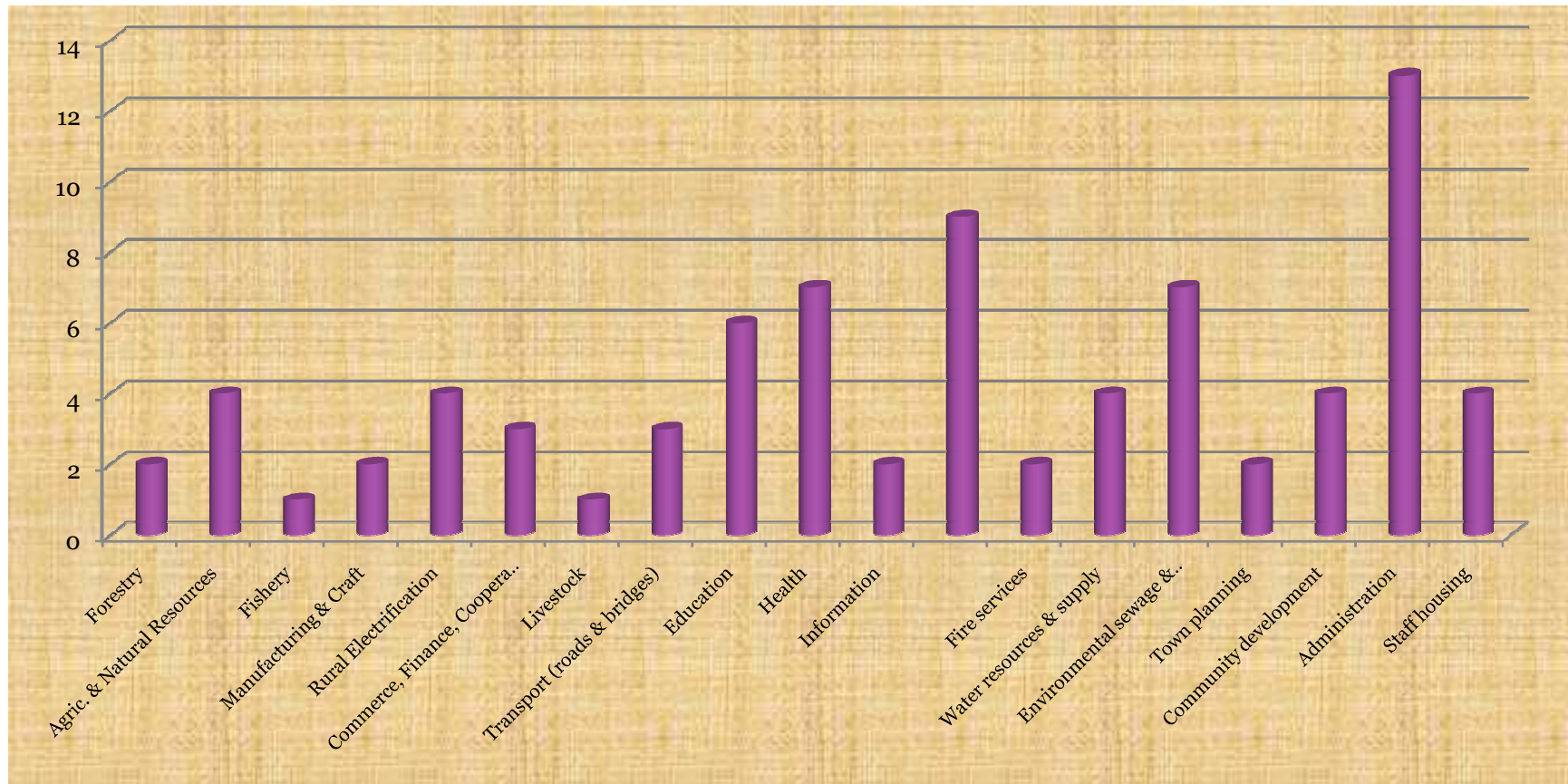
- ❖ Every agency is budgeting for same in thing in the region
- That is, for bridges, roads, forestry, shoreline protection, canalization, rural electrification, energy/power supply, health, social services, sports, ecology, health, education, information, environment, town planning, community development, livestock, fire service etc
- Yet, no meaningful impact have been felt, coupled with the difficulty to identify who has done which one...

Connection between budget of MNDAs and that of States and Local Governments in the Niger Delta.

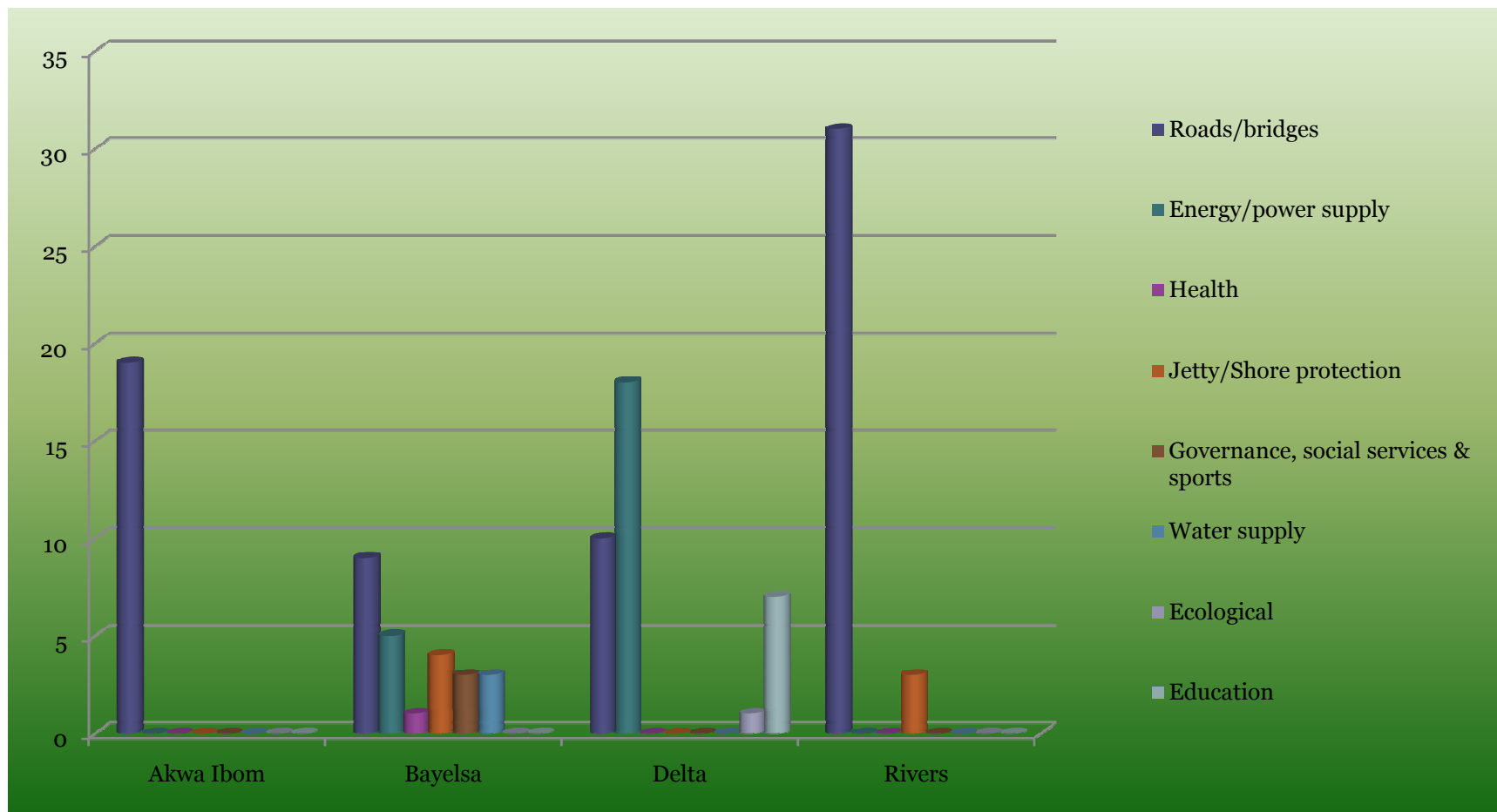
Analysis of Estimates of Yenagoa Local Government Council 2013 Capital Expenditure



Budgetary Trend of Isoko South Local Government Council's Capital Expenditure



Budgetary trend from the NDDC Capital Budget 2013





Other Agencies in the ND Cont...

- Niger Delta Dev & Rural Dev. Authority
- Amnesty
- PIND Foundation
- MPP Series
- GMoUs
- Federal MDAs outside MNDAs, NDDC, Amnesty, etc
- Others

NDDC Budgetary Trend Cont...

- 2010-N240.5 billion
- 2011-N251 billion
- 2012-N250 billion
- 2013-N315.8 billion
- 2014-N271.5 billion



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- Outside an independent budget for the NDDC, there is an envelope for NDDC, which now appears in the MNDA budget running into billions yearly
- =In total, over N1.3 trillion in 5years. What is there to show for it? God of mercy!

Budgetary trend of the Ministry of Niger Delta Affairs over the years and its impact on the lives of the people.

- 2010- N93.9 billion
- 2011-N55.2 billion
- 2012-N61.4 billion
- 2013-N64.7 billion
- 2014-N113.3 billion
- 2015-N50.3 billion (Proposed)
- **Actual (AIEs) releases for these budgetary estimates used at confusing citizens on actual, which makes it difficult to measure performance. In 6 years, N438.8 billion budgeted but with nothing tangible to show for it? Nigeria is a country dominated by many hypocrites.**



What is the connection of this Ministry's budget over the years with the Transformation Agenda?

- Clearly, within the last 5 years and now, about half a trillion has been sunk into the MNDAs, but unfortunately, without the commensurate level of impact as anticipated.
- What is the implication between this failure and the “Transformation Agenda?”
- Career sycophants and professional praise singers are part of the systemic setback confronting Nigeria, hence they have not seen anything yet wrong with the “Transformation Agenda”.

What is the connection of this Ministry's budget over the years with the Transformation Agenda? Cont...

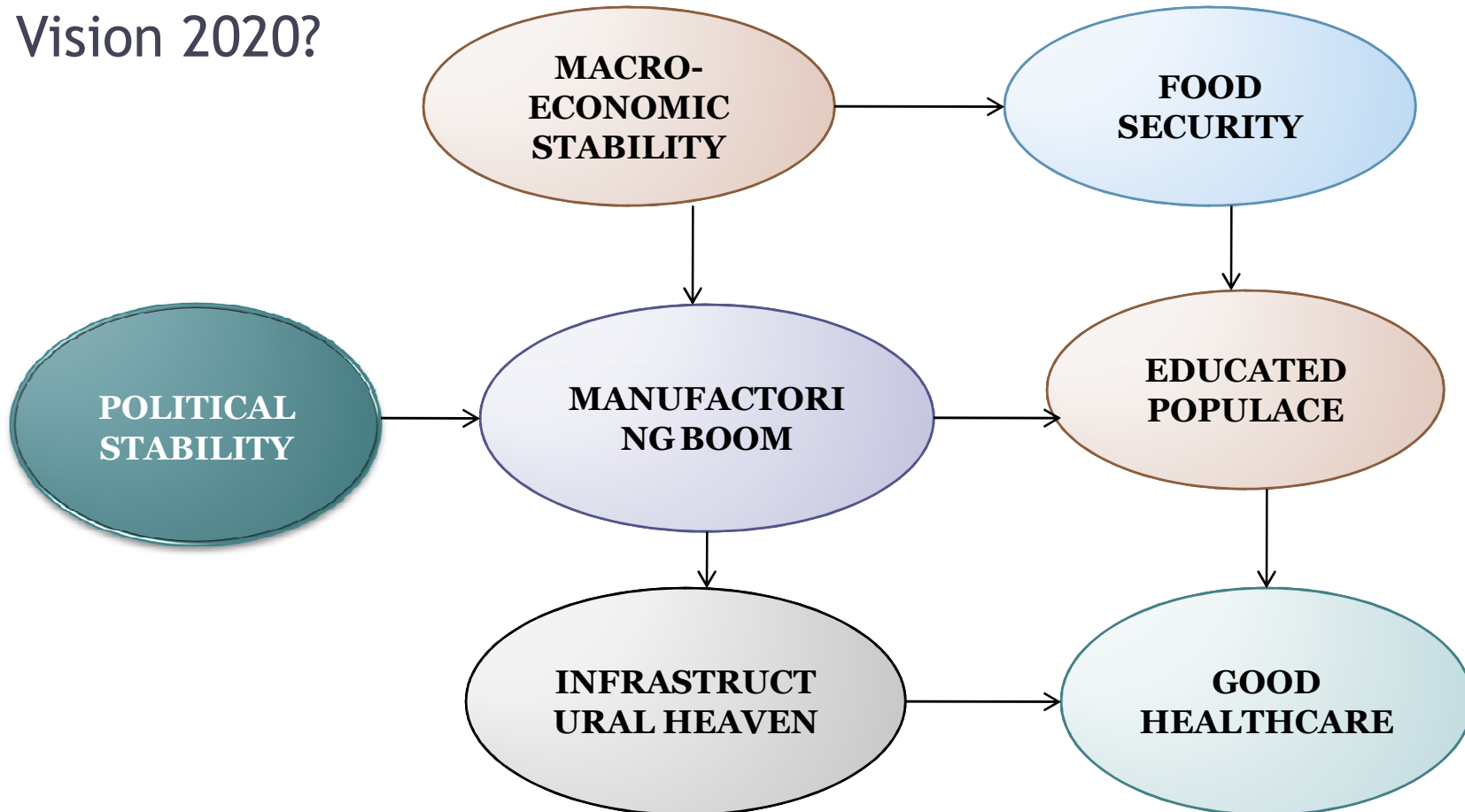


Transformation Agenda and the MNDA

Cont...

- Things are getting worst, caused by:
 - Duplication of projects
 - Political patronage, which has overtaken regional and national prominence
 - Recycling of projects in a fiscal succession
 - Inter-agencies rivalry with an Intentional disinclination to harmonized areas of intervention
 - Unimaginable bloated cost for projects
 - Lack of public knowledge of actual releases on AIEs, along with BPRs
 - National Assembly members doing oversight without addressing individual members of Parliament's **CONFLICT OF INTEREST.**
 - *Shutting inclusive window for public scrutiny and examination of the budgetary processes as provided for in Section 13 (2) (C) of the FRA.*
 - *Using MTEF as tool of widespread fiscal reshuffling, thus creating confusion for Nigerians not to understand the budgetary process*
 - *The Ministry was created as an assuage-tool but prearranged to failed, which time has exposed. It has become a political sham and those of us who applauded this Ministry's creation miscalculated, thinking, it was with political dynamism.*

What is the connection between the Ministry's budget to Vision 2020?



...MNDA's budget for Vision 2020?

Cont...

- The nation's future looks bleak, which has reduced the "vision" to a bunkumic absurdity. Example are;
 - Increasing level of insecurity
 - Increasing level of poverty
 - Rulership by militias, who are emerging as local champions and directing the educated on the way to go politically
 - Increasing level of wanton corruption
 - Polarization of state institutions along ethnic and religious lines
 - Destruction of bureaucratic principles and values
 - Lack of respect for human rights, with a fast eroding role models in government
 - Increasing level of survivalistic desperation fueled by the above factors, which has made many not to remember, "those that the gods wish to destroy, they first made them mad".

Who is fooling who?

- Those running government have fooled Nigerians for so long...
- Recent examples of popular will (Egypt, Ukraine, Libya, Tunisia, Yemen etc) have not made those trusted with running our government to sit up.
- Nigeria is too fragmented along religious, ethnic, political and self-centered oppression of neighbors, communities etc, which therefore means, if Nigerians are pushed for a popular revolt, such can deteriorate, like the present unstable situation in Libya, Egypt, Syria, Yemen etc. Nigeria should therefore, not be plunged into a war of every street and with every neighbour.
- We therefore must stop fooling one another in every facets of our national life.

Can the National Assembly be isolated in the hoodwinking of the people?

- Many in the NASS are culpable for the conspiracy to serially fool Nigerians
- An oversightor should be over sighted by the civil society
- NASS members should not be chasing their “interest” at the detriment of protecting the collective interest of their larger constituency
- NASS should desist from politically bullying the Executive into signing the national budget that is padded with NASS members huge “personal” interest
- Nigerians should dig deep, on why the outcome of every NASS oversight or investigative probes have always ended up without casualties
- NASS members are not civil servants, but rather, have enormous powers at salvaging the country. But unfortunately, when the pocket

Recommendations and way forward

- Nigerians should cultivate the habit of reading on the younger generation. The lost of interest in reading would continue to allow the hoodwinking disease to manducate the next generation. Nigerians should investigate, probe, research, follow and track any fiscal material they see concerning the fiscal dynamics, complications and practicality concerning the running of government.
- An alignment of people with ***tested integrity and credibility*** should be encouraged, just like the alignment of those that have held and hold the country down. One day, those on the alignment as persons with integrity would realize why they came together.
- The National Assembly is not helping Nigeria's democracy by their indisposition to open their books to public scrutiny.
- The NDDC Act should be amended for representatives of the Catchment Areas, Oil Producing Communities, Women Groups, Trade Unions, Civil Society and INGOs to form part of the Governing Board.
- An investigative probe should be instituted to unearth the actual (counterpart) contributions of Oil Companies to the NDDC from inception till date.
- The MNDAs should be scrapped with the Ministry's responsibilities , transferred to a ***new restructured NDDC*** . A Niger Delta Development Bank should be established by the Federal Government in the place of this Ministry. The Board for the proposed Bank should not be constituted with politicians.

Recommendations...Cont

- There is a need for an investigation to unearth where SURE-P funds meet the funds of the MNDAs, including interrogating the award templates for each contractor's project above N500m.
- The FMF should reactivate the process for MTEF, as a window for transparency in the budgetary process. Such should be staggered, without necessarily spending a huge amount, which the process has gulped in the past.
- The Federal Government should develop a template for consulting communities and stakeholders, who are to be proposed beneficiaries of major capital projects in the FB in each FY. MDAs should harmonize their projects to reduce duplications.
- Budget Implementation and Performance Report for every FY should be published and release to Nigerians.

Everyone is guilty...



Thank you for your time

