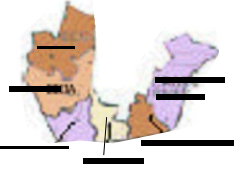


NIGER DELTA BUDGET MONITORING GROUP

NDEBUMOG



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MINISTRY OF NIGER DELTA AFFAIRS: AN EXPOSITION ON 2009, 2010, 2011 & 2012 BUDGETS

● HOW THE MINISTRY PAUPERISE THE PEOPLE

FOLLOWING the creation of the Federal Ministry of Niger Delta Affairs by late President Umaru Musa Yar'Adua, expectations of all and sundry were high about the possible for that ministry to turn-around development of the region, but ironically, the existence of the Niger Delta Ministry is yet to such translate the people's hopes into reality.

In 2009, a projected figure of N51, 000,000.00 (Fifty One Billion Naira) was budgeted for the Ministry by the Federal Government. Out of this, Local Travels and Transport was given N122.1 Million, while International Travel and Transport was allocated N100 Million. In the same year, projected expenditure for Local Training was N98 Million, Security Services and Allied Matters N710 Million, Refreshment and Meals N50 Million, Security Vote (Including Operations) N35 Million, Niger Delta Coastal Road N300 Million, Peace and Security Employment Corps N500 Million, amongst others. Importantly, Lot(s) One to Four of the East West Road gulped N28 Billion in that fiscal year. Housing Scheme and Mortgage was N500 Million.

For the 2010 Federal Appropriation (Amended Act), the Niger Delta Ministry got an estimates of N86.2 Billion, with N205 Million budgeted for Travels and Training, N175 Million for Maintenance (General),

N162.8 Million for Training (General), Security and Allied Matters N700 Million, Sea Boat Fuel N34 Million, Generator Fuel Cost N25 Million, Refreshment and Meals N30 Million, including meeting with Youths and Elders N90 Million. Further, New Town/Industrial Park Development got N1.9 Billion, with the cumulative Lot(s) of East West Road taking about N30 Billion in that fiscal year, amongst others.

In the 2011 Appropriation (Amended Act), a total of N55.2 Billion was allocated to the Ministry. From that amount, the Ministry's overhead for the said year was put at N2.4 Billion, while Travel and Transport (General) was allocated N250 Million. Training (General) was allocated N1 Billion, which covered 'Non-militant Training Sensitization and Mobilization', Security got N495 Million. N41.5 Billion (blanket allocation for Construction and Provision for Roads- Chat of account: 23020114). Refreshment and Meals got N12 Million, Erosion and Flood Control (without spot pin) N5.2 Billion, Research and Development N100 Million, with an allocation of N1 Billion as 'Fund for Economic Empowerment, Training and Post Training. There was also another N975 Million as 'Fund for Economic Empowerment' in 2010.

In the 2012 Budget Proposal of the Federal Government, the Niger Delta Ministry is projecting to spend N59.7 Billion. Out of this amount, over N449 Million is for Travel and Transport (including International Travels and Training, which is split into two subheads). Overhead expenditure of this Ministry for 2012 is projected at N1.7 Billion. Further, Maintenance of Office Furniture for 2012 is projected at N118.5 Million. Expenditure for Security Services is projected at over N371 Million, Refreshment and Meals N31.9 Million.

Let us commend the effort of the Budget Office of the Federation for the improvement on the project site tracking and spot identity of projects in the 2012 Budget Proposal by MDAs. In spite of that, it is

unfortunate that there are still very unacceptable figures in this Ministry's 2012 Budget. Take for instance the N4.2 Billion allocated for Research and Development and another chat location figure of over N700 Million for Computer Software Acquisition, which should be totally re-allocated to other matters in line with the procurement reality of fiscal discipline. What was the N100 Million allocated for Research and Development used for in the 2011 Budget of this Ministry? What is computer software that would cost about N800 Million?

Curiously, there is another N547 Million for ICT Networking Centres and Connectivity for the offices of the Ministry in the nine states. Meaning that, over a Billion Naira would be use for ICT and Computers by this Ministry in 2012. If the Ministry doesn't already have Internet access, how come N20 Million was allocated for Internet access charge by the Ministry in 2009? What also did the Ministry spend the N431 Million for ICT Connectivity Centre for in its 2010 Budget? Is this not fiscal indiscipline and an assault on the suffering people of the Niger Delta? There are other questionable allocation(s), to be talked about later.

Between 2009 to 2011, about N92 Million in aggregate had been allocated to feeding alone within this Ministry. If the projected estimate of N31.9 Million for Feeding and Refreshment as captured in the 2012 Budget proposal is given a legislative bite, then this Ministry alone would be spending over N150 Million for Feeding and Refreshment within a period of four years, when over a million people or more cannot afford a square meal daily in the Niger Delta the ministry was created to develop. There is also the about a Billion Naira expended by this Ministry on Training from 2009 to 2011, which is also outside the N1 Billion for Non-militant Training and Sensitization. These figures are enough at training hundreds of our young people in the Niger Delta and with additional incentives like revolving (monetary) grants for capacity stabilization. For now, only the Ministry can explain what derivable gains these figures have

added to human capital development within the Niger Delta. There was another N1 Billion as 'Fund for Economic Development,' which was allocated in 2011. Therefore, if the N449 Million further allocated for Training in the 2012 budget is allowed to go, then, closed to about N3 Billion would be expended by this Ministry at the end of 2012 Budget circle on Training alone.

At a time when Defence budget is taking a huge chunk of Nigeria's budgetary provision, it is sad and totally unacceptable to see government Ministries competing with the security agencies for security line-budgets that are directly expended by these MDAs themselves. Between 2009 to 2011, a total of N2.4 Billion had been appropriated for security alone by this Ministry. If the N371 Million projected for 2012 is added, close to N3 Billion shall be expended on security. At the same time, the State Governments, Local Governments, Oil Companies, Military Formation(s) (JTF) additional sums daily on security. The N3 Billion here described is outside another hundreds of millions budgeted by this Ministry for Oil and Gas Asset Protection Programme,' which is still under security but given another name and budget heading. These huge funds can do for an entire year Budget of some LGAs in the Niger Delta.

What is happening! The question begging for answer is: Why is the Federal Government and the Niger Delta Ministry spending Billions on security in a region where government is spending so much on amnesty programme? Is this huge security expenditure for crime suppression, economic exploitation or for provision of stable social environment and peace? What also did this Ministry spend the N50 Million it allocated for study, design and Technology Centre on in 2009? NDEBUMOG is interested to know where the Technology Centre is located within the Niger Delta. It must have been completed and in used by now...

It is commendable to see that this Ministry's expenditure on 'Generator Fuel Cost' is reducing from N32 Million in 2009, N25

Million in 2010 to about N5 Million in 2011. But how come separate Ministries seem to be maintaining their own Generators in a Federal Secretariat that is supposed to be centrally powered? Let us now take a look at this Ministry's capital projects for 2012. Built in the 2012 Capital expenditure of the Ministry is the Idoro Eaten-Itam Water Project for N400 Million. There was already a N50 Million allocated for this same project in 2011. What was the N50 Million allocated in 2011 used for?

The Owerri Urban Water Scheme is another fiscal setback. In 2010, the Project was allocated N292.5 Million. In 2011, another N50 Million was allocated and another N500 Million is projected for this project in 2012. This shows that from 2010 to the 2012 fiscal year, over N842 Million is projected for this single project at Owerri Urban. The people of Imo State should find out which of the government is actually spending money on this project and if the taps are flowing in Owerri? Other water projects include the Ubane Utanga Water Project in Cross River State, which was allocated N150 Million in 2009, N195 Million in 2010, and N50 Million in 2011 with another N516 Million projected for same project in the 2012 Budget. That brings it to a total of about N911 Million within four years. Where are the huge sums as previously allocated for this project? Same applies to Ukparam Water Project in Ondo State. That project got N100 Million in 2009, N97 Million in 2010, and N50 Million in 2011, with another N177 Million projected for in 2012. Cumulatively in four years, this project could gulp N424 Million Naira. Moreover, Niger Deltans are curious to know which Community (Isiokpo?) in Ikwerre Local Government benefitted from the N195 Million (2010) and another N50 Million in (2011) and (Ibaa?) in Rivers State 2011. A Community like Alesa in Eleme Local Government has suffered rolling and duplicitous allocations of huge sums for project(s) the people never saw, or heard of. For this, we demand that Ministries, Department and Agencies should pin-point the exact location of any project, the clan and local government of where such projects are located. Niger Delta Ministry's N100 Million

in 2011 for (Eleme?) Water Project without any clear location is questionable.

The Niger Delta Development Commission (NDDC) is budgeting N244 Million for a major 'Water Works' in Alesa Clan, out of which N36.6 Million had been committed to the Contractor and with a Budget of N48.8 Million approved as part of this in 2011 NDDC Budget. This is crime against humanity, considering the fact that, Niger Delta Basin and Rural Development Authority (NDBRDA) has (claimed to) be spending Tens of Millions for the same Alesa Water Project since 2006. Why suffocate the local people this way? Same Alesa Community was given a Budget Line of N50 Million in 2011 for Land Reclamation in a community that is not riverine? Or is it the Pond in the Community that the N50 Million was spent to reclaim? This same Ministry earlier had allocated N50 Million each for Shoreline Protection and Canalisation of Aleto and Ekporo Communities in Eleme Local Government in 2011.

Shockingly, these communities are upland with fairly good soil topography. Can the Ministry of Niger Delta and NDDC intentionally allocate figures to projects, which an Agency like the Niger Delta Basin and Rural Development Authority (NDBRDA) had also claimed intervention on? Is this duplication due to absence of inter-agencies intelligence and synergy? If the (MDAs) have held Budget Town Hall Meetings within the region, they could have known the truth of the situation.

The N973 Million projected as allocation in 2012 for Construction and Provision for Water Ways should be buried by the National Assembly, including many other questionable figures. What did the Ministry do with the N30 Million allocated for 'Construction and Provision of Waterways' to do in 2011?

On Electricity, a project for Khana Local Government Area of Rivers State was allocated N200 Million in 2009, N263.2 Million in 2010, N50 Million in 2011 with another N200 Million projected for it in the 2012 Budget, which would bring it to over half a billion (that is, over N700 Million) within the period. This should interest the people of Khana and the Local Government Authority there.

Erei Electrification Project in Cross River State was allocated N100 Million in 2009, N97 Million in 2010, and N50 Million in 2011 with another N200 Million allocated to same project in the proposal for 2012. For the Peremabiri- Ogbokiri Electrification Project in Bayelsa State, N200 Million was allocated in 2009, N195 Million in 2010, N50 Million in 2011, with another N400 Million projected for same project in the 2012 Budget proposal. This adds up to a total single expenditure projection of N845 Million by 2012.

NDEBUMOG is curious to know why this Ministry is indisposed to holding Budget Town Hall Meeting(s) within the region, but would rather continue with allocating figures to many of the projects that do not exist? The excuse(s) of lack of AIEs releases from the Budget Office of the Federation (BOF) isn't holding water, since the Federal Ministry of Finance has not been releasing MDA by MDA disaggregated Budget Performance Reports to Nigerians.

As at 2009, several Billions was allocated to Skill Acquisition Centres by the Ministry as chain-figures. N2.7 Billion was in 2009 Budget as a line item. There was also another allocation of N200 Million for a Skill Acquisition Centre in Akoko-Edo in Edo State N127 Million Mosogar Skill Acquisition Centre, N200 Million for Oguta, Imo State, and N300 Million for Ikwerre in Rivers State, N800 Million for Technology Centre in Eleme Local Government Area, excluding design and prototype which was allocated N50 Million that year. In 2010, a lumped sum of N8.7 Billion for the same Skill Acquisition Centres was proposed. By 2011, another N2.5 Billion was allocated for the same set of Skill Acquisition Projects, with N5 Billion also projected for the

same projects in 2012. Cumulatively, about N11 Billion would be expended on this set of projects if the allocation for 2012 is allowed. There is need for an investigation.

On Road Construction, we want to be excused from the confusion and mess going on around the East-West Road. Only Mr. President can factually inform Nigerians about how much really is being spent on this Road.

For other Roads Projects, the 21.9 Kilometres Ekparakwa-Ukanafun-Ikot Ubo-Aba Road was allocated N500 Million in 2009, N975 Million in 2010, N10 Million in 2011 with another N900 Million projected for this same road in the 2012 Budget. Still on Roads, Omelema- Agada Road in Rivers State was allocated N100 Million in 2009, N975 Million in 2010, and N200 Million in 2011, with another N900 Million for same road in the 2012 proposal. Why are huge sums given one single project year in and year out? The essence of the Medium Term Sector Strategies and MTEF has been rubbished and the whole National Budgeting Framework turned up-side0down? We can go on and on and mentioned so many Roads Projects that have appeared and reappeared in this Ministry's Budget from 2009 till date. The point is, where is the money going to? If these figures are actually for capital projects within the region, there could have been massive construction projects going on at the same time in the region.

In concluding our analysis of these budgets, let us once again take a look at some Shoreline Protection of this Ministry, with many of such funny enough for alarming curiosity.

Land Reclamation/Shore Protection in Kurutie Community in Gbaramantu Clan Warri South West, Delta State, Efiat Community in Mbo Local Government of Akwa Ibom State and Ikuru Town in Rivers State was allocated N1 Billion in 2009. This same project and budget line got N2.4 Billion in 2010, N10 Million in 2011, with another projection of N411 Million for these same line projects in 2012. The

Executive and Legislative arm of government are all funny. Is there any cost relationship between this line project in Efiat Mbo and the one NDDC Budgeted N1.6 Billion for at Mbo Naval Base? Already, N248 Million was approved for this in 2010 and N198 Million also approved by NDDC in 2011?

Between NDDC and the Niger Delta Ministry, which of these agencies actually spent money on the Ekeremor Shoreline Protection in Bayelsa State? NDDC has budgeted N3 Billion as the rolling cost for this project, out of this, N450 Million was approved in 2010 and N150 Million in 2011. At the same time, the Ministry of Niger Delta Affairs Budgeted N390 Million for same project in 2010, N10 Million in 2011 and is projecting another N25 Million for the project in their 2012 Budget proposal.

Twon- Brass Land Reclamation and Shore Protection was allocated N97 Million in 2010 by the Ministry of Niger Delta Affairs, N10 Million in 2011 with a projection of N28 Million in 2012. NDDC's Budget line for Jetty/Shoreline Protection covering Akassa, Okpoama, Twon-Brass and Odioma, all in Brass requires urgent reconciliation. The urgency is because the Ministry of Niger Delta Affairs is projecting to spend N110 Million in the 2012 Budget on Construction of New Jetties each at Brass, Nembe, Ekeremo (Torogbene Primary School) and Amasoma, all in Bayelsa State with the NDDC having many projects related to Shoreline at these places. Interestingly, the Bayelsa State Government budgeted N100 Million for the Okpoama Foreshore Canalisation. NDDC had also projected N2 Billion for the Okpoama Shore Protection, but is yet to commence serious activity.

Finally, a comprehensive Desk Review of NDDC, MNDAs, States and Local Governments Budget within the Niger Delta could reveal a catalogue of wastage and fraud. We have taken time and resources to present this because we feel there is need to radically define the way government budgets are formulated and applied.

Relying on Sections 1 (1-2), 2 and 3 (1-4) of the Freedom of Information Act, 2011, NDEBUMOG shall be taking other steps to interrogate budget performances of MDAs working in the Niger Delta. However, we request, the Budget Office of the Federation (BOF) and the Bureau of Public Procurement (BPP) to put in place, a mandatory requirement, which compels MDAs to present a community-centred and endorsed Needs Assessment Reports for all new Capital (Construction) Projects. Such should be accompanied by the minutes of Community Budget Town Hall Meeting(s) endorsed by representative(s) of communities, with documents to accompany request for approval for MDAs Procurement Plans to the BPP, such Community representative(s) also should endorse Satisfactory Project Completion Memos of Communities which shall be attached as addendum, with request for Issuance of Job Completion Certificates and final payment.

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ANALYSIS OF NIGER DELTA MINISTRY BUDGET