

CONSTITUENCY PROJECTS TRACKING GROUP (CPTG)

PHASE 1 CPTG REPORT



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PRESIDENT, COMMANDER-IN-CHIEF
FEDERAL REPUBLIC OF NIGERIA

FOREWORD

Zonal Intervention Projects (ZIP), popularly called Constituency Projects evolved as a result of promises made by legislators during electioneering undertaking to bring development (Federal Government presence) closer to their people. To achieve this, certain specific projects are budgeted and appropriated for the constituency of each legislator. The funds for these projects are, however, domiciled with the relevant MDAs for their implementation which is required to go through the regular statutory procurement process. An estimated N2 Trillion has been budgeted for since its inception .

Amongst the fundamental principles of procurement under the Public Procurement Act is procurement planning, open competitive bidding, value for money, fitness for purpose accountability and conformity with procurement regulations. Under the Procurement regulation, every bidder shall possess professional and technical qualifications, managerial competence, qualified personnel, bonafide reputation, financial capability, equipment and other physical facilities (including after sales service, where appropriate) to perform the contract. The role of legislators under the procurement law is restricted to identification of projects while the relevant MDA would perform the contract without let or hindrance.

However, in practice, MDAs are not involved in the conception of ZIPs, sponsors nominate contractors and take physical custody and control of items procured by MDAs under the pretext that they would distribute to beneficiaries. Over the years, there have been increased agitations by citizens regarding the shoddy completion, non-completion or outright non-existence of these projects in their locale in spite of huge releases by the Federal Government leading to the insinuation that ZIPs have become a conduit for the diversion of public funds by either the implementing MDA alone or in collaboration with unscrupulous companies, or by legislators and their collaborators in the implementing MDAs.

The ICPC constituted the Constituency Projects Tracking Group (CPTG) to ensure project delivery of social services to citizens, recovery of diverted public funds, and increased performance of the enforcement mandate of the ICPC. The focus of the CPTG are people-centred projects such as education, health, water, rural electrification, security and infrastructure that can have macro effects on grassroots development and can assist in the attainment of the Sustainable Development Goals and the Economic Recovery and Growth Plan.

The findings of the 1st Phase of the tracking exercise contained in this report corroborate the perception of average Nigerians that ZIPs have become a conduit for corruption. The CPTG has so far made eye-opening discoveries. Hospital equipment, ambulances, farm tractors, and other vehicles have been tracked and returned to average Nigerians who need them the most and who would have been otherwise denied their use. Also, pictures of many sites and interviews of members of host communities where some of the constituency projects are sited reveal non-execution in some cases, abandonment of projects, shoddy execution, and non-existence, or in some cases, projects executed by communities with community funds being disguised as constituency projects to aid stealing of public revenue. Some contractors have hurriedly resumed work with the realization of likely enforcement action by ICPC for poor or non-execution of constituency projects. The CPTG is therefore yielding the expected outcomes. The details of this report summarize the findings of the CPTG during the 1st Phase of tracking.

Recorded interviews and other evidence show that the initiative is already positively impacting the lives of ordinary Nigerians. Over 200 contractors have mobilized back to sites, including in States where tracking has not commenced. The Commission has now commenced the 2nd Phase of tracking and will sustain the achievements of the 1st Phase. The Commission is also designing a template to publicize ZIPs contained in the 2019 Budget and in successive budgets to remove the opacity in ZIPs so that citizens in each geopolitical zone, state and LGA can be informed of projects due to their constituency. By this measure, citizens can ask questions and monitor ZIPs in their constituencies.

I commend members of the CPTG for the selfless service and uncommon dedication to duty.

Prof. Bolaji Owasanoye
Chairman, ICPC

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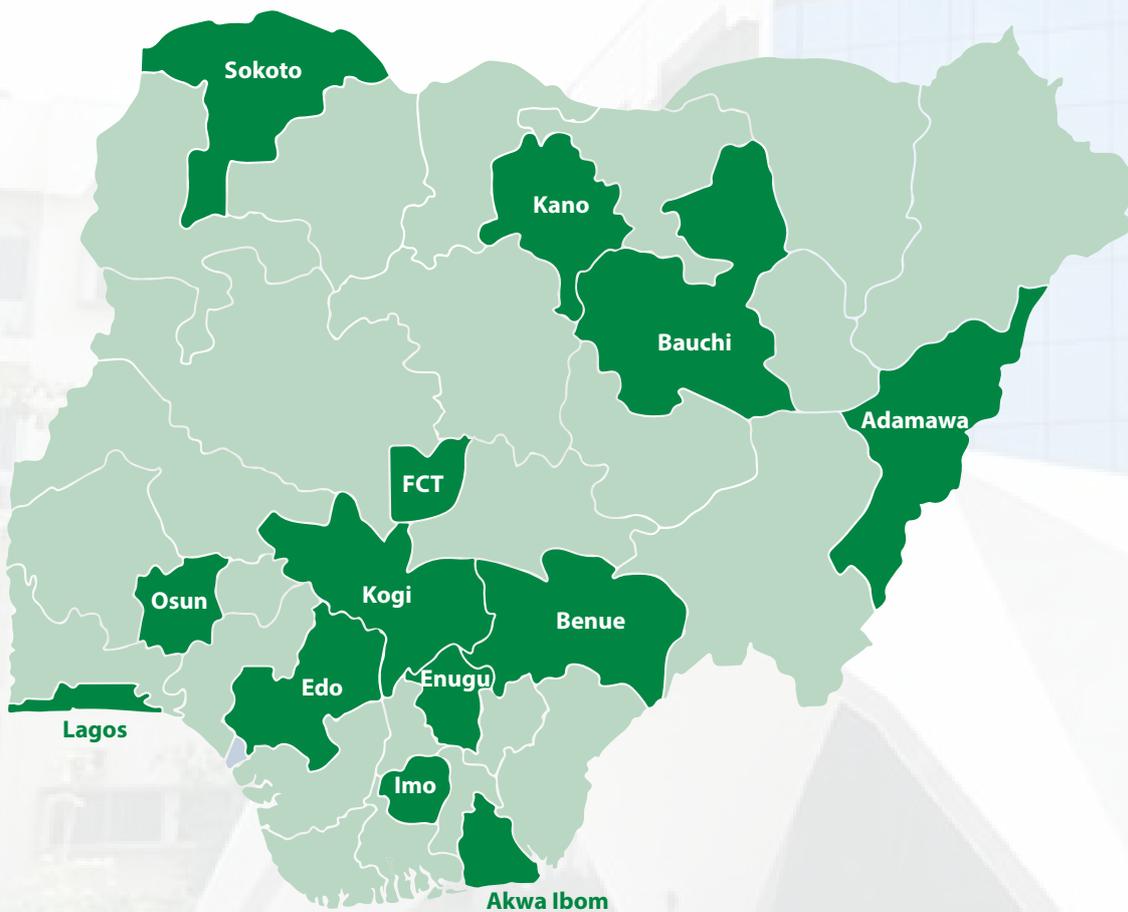
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INTRODUCTION

Over the years, there have been increased complaints by citizens regarding shoddy completion, non-completion or outright non-execution of constituency projects in their localities in spite of huge budgetary releases by the Federal Government. It has been reported that constituency projects are used as a conduit for diversion and misappropriation of public funds through the implementing MDAs.

Independent Corrupt Practices and Other Related Offences Commission, worried by the corrupt practices bedeviling the execution of the constituency projects across the country, in exercise of her preventive and enforcement mandate in the ICPC Act, 2000, embarked on tracking of all funded constituency projects in order to ensure proper and transparent execution. In furtherance of that, the Commission launched the Constituency Projects Tracking Group (CPTG) on 2nd April, 2019 to track constituency projects implementation and performance from 2015 to 2018.

The first phase of the tracking exercise conducted between June and August, 2019 was an exploratory one. Phase 1 covered 12 States of Adamawa, Akwa Ibom, Bauchi, Benue, Edo, Enugu, Imo, Kano, Kogi, Lagos, Osun and Sokoto with a few in the FCT being handled by the Headquarters as test cases. CPTG has 2 officers conducting the tracking exercise in each of the selected States.



OBJECTIVES OF THE CPTG EXERCISE



Improved service delivery to the people



Full execution of all constituency projects



Execution to specifications of all constituency projects



Improved collaboration with local communities and other critical stakeholders in the implementation of constituency projects



Value for money in the implementation of constituency projects



Compliance with all regulatory requirements in the implementation of constituency projects

MANDATE OF THE CPTG



To investigate fraudulent procurement practices in the award of contracts for constituency projects



To monitor, in collaboration with critical stakeholders, the implementation of constituency projects from inception to completion



To make recoveries on projects/ contracts confirmed to have been inflated or in which contractors under-performed or did not perform at all



To ensure constituency projects are executed to specification



To ensure contracts for constituency project are not over-invoiced and ensure value for money expended on constituency project



To track contracting companies for all statutory regulatory compliance among others



To apply appropriate sanctions for contravention of relevant legislations.

EXPECTED OUTCOMES



Improved delivery of social welfare services to citizens



Value for money in execution of public projects



Increase in recovery of public funds



Improved opportunities to attain Sustainable Development Goals (SDG)



Provision of Policy Advisory to the Government on concepts, structure and implementation of constituency projects going forward.

STEERING COMMITTEE

To actualize the initiative, the Commission set up a Steering Committee to drive and coordinate the activities of the CPTG. Inaugurated on 16th April, 2019, the Steering Committee is composed of state and non-state actors, notably the Budget Office of the Federation, Office of the Accountant General of the Federation, Bureau of Public Procurement, Nigerian Institute of Quantity Surveyors, BudgIT, Premium Time Centre for Investigative Journalism, International Centre for Investigative Reporting, Public Private Development Centre (PPDC), etc.



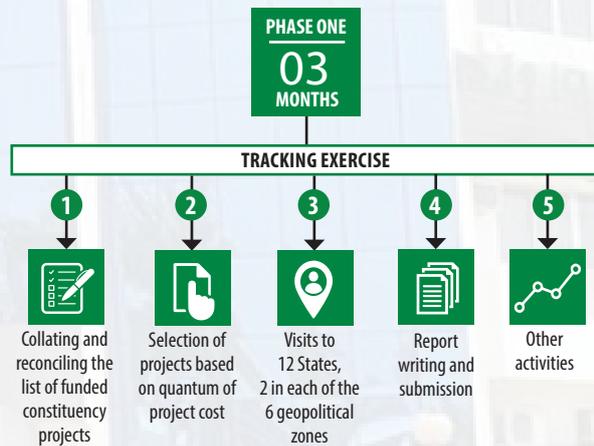
TRACKING ACTIVITIES

The tracking exercise is to be conducted in phases, each lasting three (3) months including report writing and submission. The first phase being an exploratory one covered 12 states, 2 in each of the 6 geopolitical zones. Kano, Sokoto, Bauchi, Adamawa, Kogi, Benue, Lagos, Osun, Enugu, Imo, Akwa Ibom and Edo states.

Based on submitted petitions, HQ CPTG tracked 11 other constituency projects.

The Steering Committee collated and reconciled the list of funded constituency projects submitted by Budget, ICIR, Budget Office of the Federation, Office of the Accountant General of the Federation, the Media, Community based organisations and other critical stakeholders. The committee selected 81 projects for the first phase with particular emphasis on funded education and healthcare constituency projects and forwarded to the State teams for tracking. These projects were selected based on the quantum of the appropriated fund of the projects.

The distribution of the projects sector by sector is provided in the main body of this report.



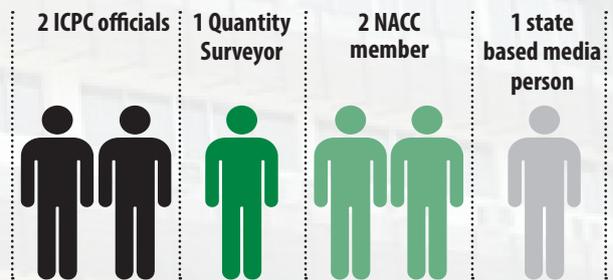
TRACKING EXERCISE

Each team comprised 2 ICPC officials, a Quantity Surveyor nominated by the Nigerian Institute of Quantity Surveyors (NIQS), 2 members of the National Anti-Corruption Coalition (NACC) and the media in the States.

State CPTG teams commenced tracking inspections on the 18th June, 2019 in the 12 States selected. During the exercise, the State teams visited various projects sites to ascertain their existence, level of execution and with the assistance of assigned Quantity Surveyors (QS), evaluate the projects in terms of quantities and quality. Local benefitting communities were engaged in the exercise to ensure their involvement and appreciation of the exercise.

Asides the physical projects tracking and collection of relevant documents from relevant authorities, in some cases, interviews were conducted with some CEOs of MDAs and officers of their agencies.

Combination of State CPTG team



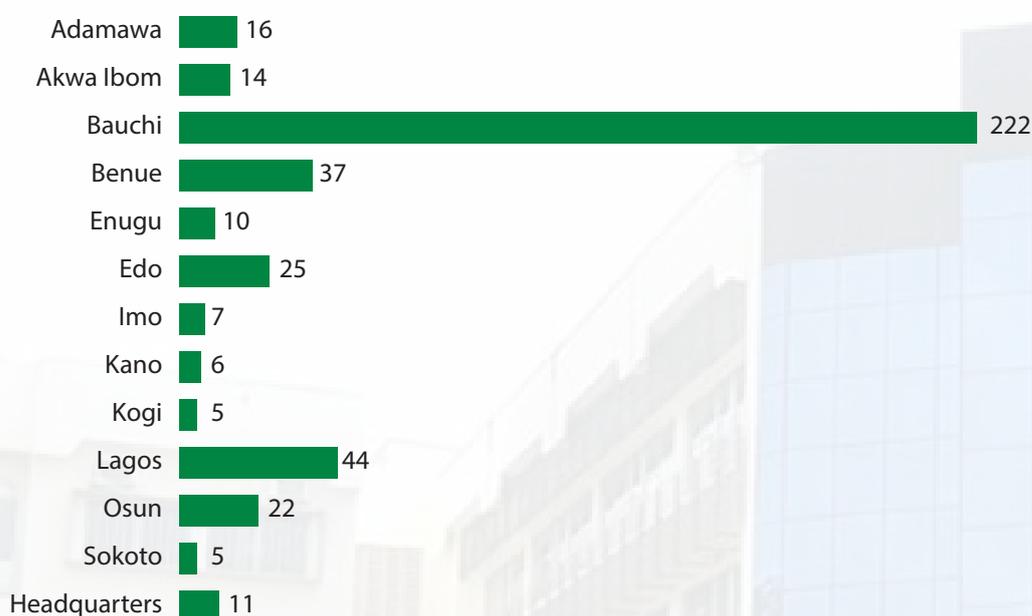
Above is the minimum number of state CPTG team



SUMMARY OF FINDINGS

- **Eighty One (81) projects** were selected for tracking. These 81 metamorphosed into **Four Hundred and Thirteen (413) projects** as some of the projects were split into two or more projects and awarded to different contractors owing to the spread/locations. This is evident in most of the projects awarded by Universal Basic Education Commission (UBEC), Border Communities Development Agency (BCDA), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and Federal Ministry of Education. In addition to these Four Hundred and Thirteen (413), Eleven (11) other projects reported through petitions or information otherwise obtained were tracked bringing the total to Four Hundred and Twenty Four (**424**)

- **Below is the case distribution by States:**



- The total appropriation for all the tracked projects was **Twenty Four Billion, Three Hundred and Twenty Seven Million, Ninety Two Thousand, Five Hundred and Eighty Nine Naira, Six Kobo (N24, 327, 092, 589.6)**

- Cumulative amount of awards (value of all projects) was **Twenty Two Billion, Two Hundred and Seventy One Million, One Hundred and Ninety Eight Thousand, Five Hundred and Seventy Six Naira, Eight Kobo (N22, 271, 198, 576.8)**

■ Total No. of projects	424
■ Total No. of projects inspected	370
■ No. of projects remaining to be inspected	52
■ No. of projects completed	255
■ No. of projects ongoing	108
■ No. of projects not started at all	3
■ No. of projects started but abandoned	5
■ No. of projects among the selected projects in which contractors moved to sites as a result of CPTG activities	34

■ No. of cases recommended for closure	123
■ No. of cases recommended for prosecution	8
■ No. of cases recommended for recovery of funds	40
■ No. of cases recommended for further investigation	261
■ No. of companies involved in the execution of the selected projects	317
■ Value of recoveries so far made	N738, 621, 225. 01 (Cash and Assets)
■ Cumulative savings for Govt	N1, 834, 771, 184. 84

NOTE

Cumulative savings for Government is the sum total of recoveries and the cost of all those projects in which contractors moved to sites as a result of CPTG activities.

Low number of cases recommended for prosecution is as a result of the need for further investigation to produce water tight prosecutable case files.

IMPORTANT

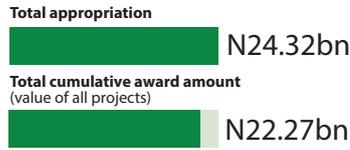
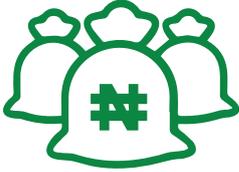
Asides the projects inspected and tracked, intelligence from all over the federation revealed that over **200 contractors/legislators have moved back to execute projects which were not among the selected projects for tracking in phase 1 but were hitherto completely unexecuted or abandoned.** Monetary values have therefore not been attached to them.



200+
Contractors/
Legislators
moved back
to execute
projects

SUMMARY OF CPTG EXERCISE

Appropriations & releases



Initial number of projects selected for tracking by CPTG

81

The number metamorphosed into

413

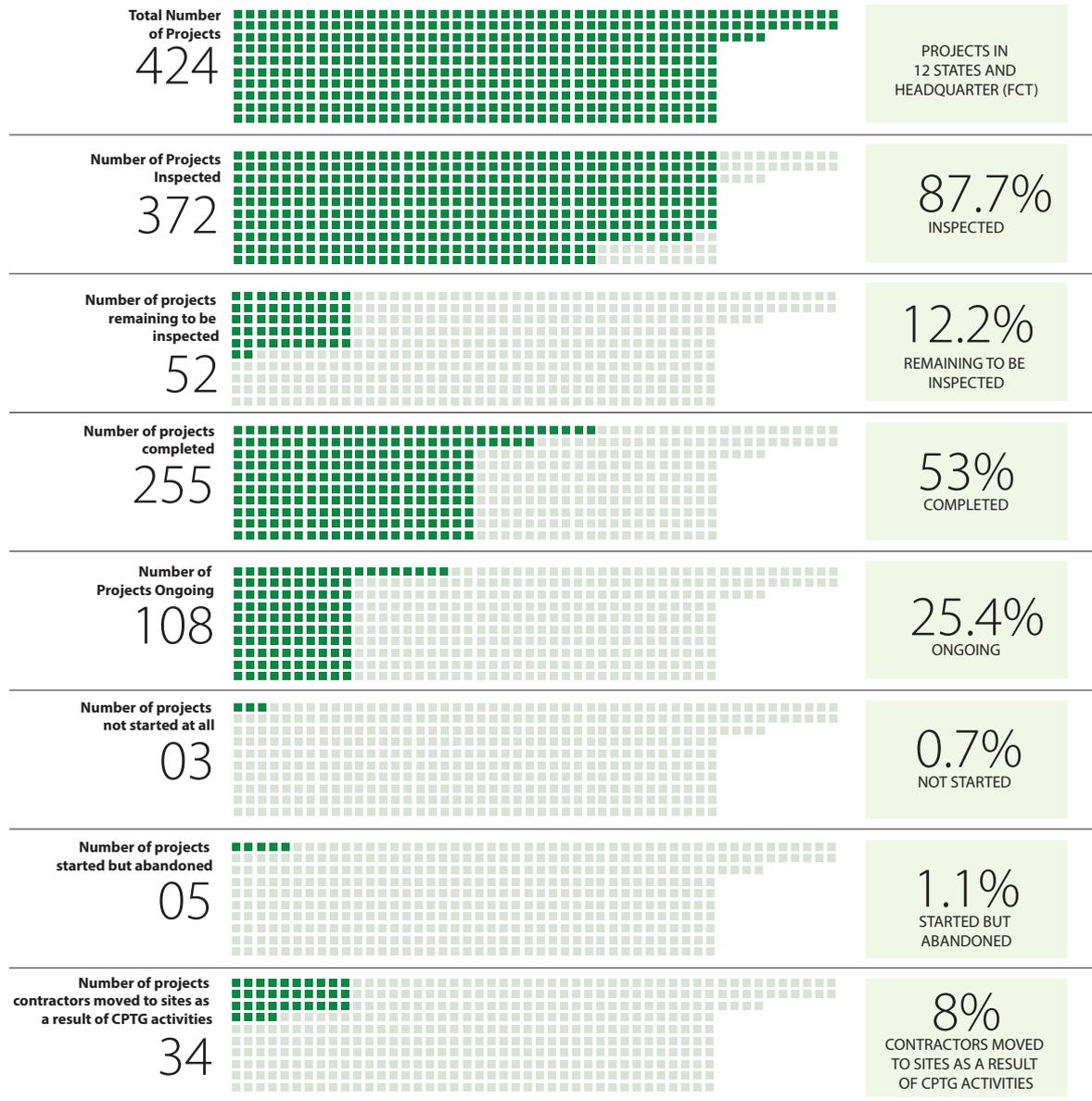
Number of projects reported through petition

11

Recoveries & Savings



Breakdown of Projects

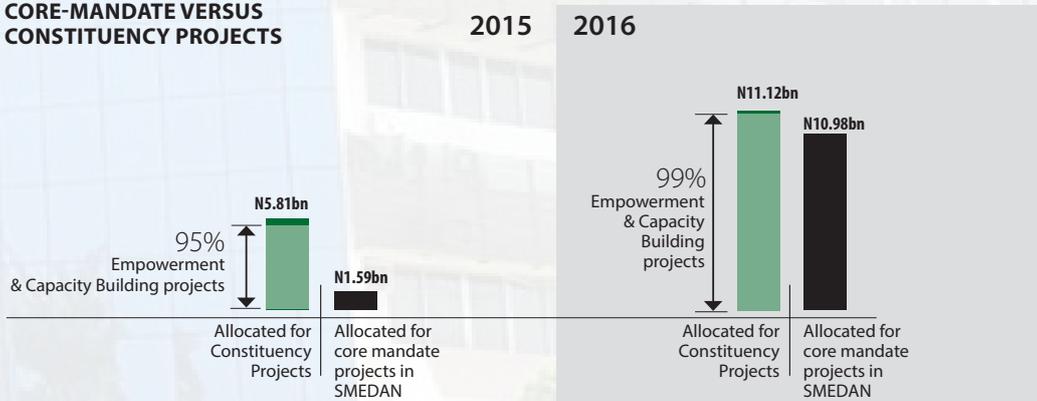




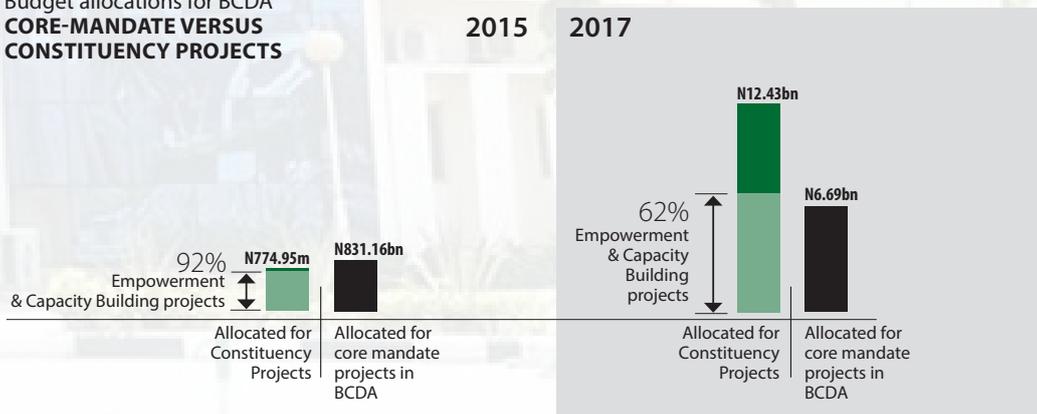
IMPORTANT FINDINGS

- Duplications of some contracts of same description, same narrative, same amount, same location awarded by the same agency. This we found, is being done by the legislators in order to bring the total amount allocated to individual legislators within the approval threshold of the executing agency so as to avoid ministerial tender processes. An example is the project for the supply 8 unit tractors to Bauchi Central Senatorial Zone supplied in 2016. A project of about N91, 935, 546 was split into 4 lots and awarded to 3 different contractors.
- A fluidy specie of Constituency Projects created is the so called Capacity Building and Empowerment projects. It entails training, supplies and distribution of varieties of such implements and tools as motorcycles, tricycles, sewing machines, grinding machines etc to constituents, to empower them to own and operate their own businesses. It may also include cash grants in some cases. These Capacity Building and Empowerment projects have become a convenient conduit for embezzling public funds by the sponsoring legislators and the executing agency as they are difficult to track and verify due to their “soft” nature.
- Analyses in this regard show wide disproportionality between appropriations for Constituency Projects and Core-mandate Projects of some implementing agencies; evident in Small and Medium Enterprises Development Agency (SMEDAN) and Border Community Development Agency (BCDA). For instance, in 2015, the percentage of fund appropriated for Constituency Projects compared with appropriations for core mandate projects in SMEDAN was 365%. While total mandate allocation was N1,592,323,599.00, Constituency projects allocation was N5,814,369,579, 95% of these constituency projects allocations were for Empowerment and Capacity Building projects. This appropriation jumped up in 2016 to

Budget allocations for SMEDAN
**CORE-MANDATE VERSUS
CONSTITUENCY PROJECTS**

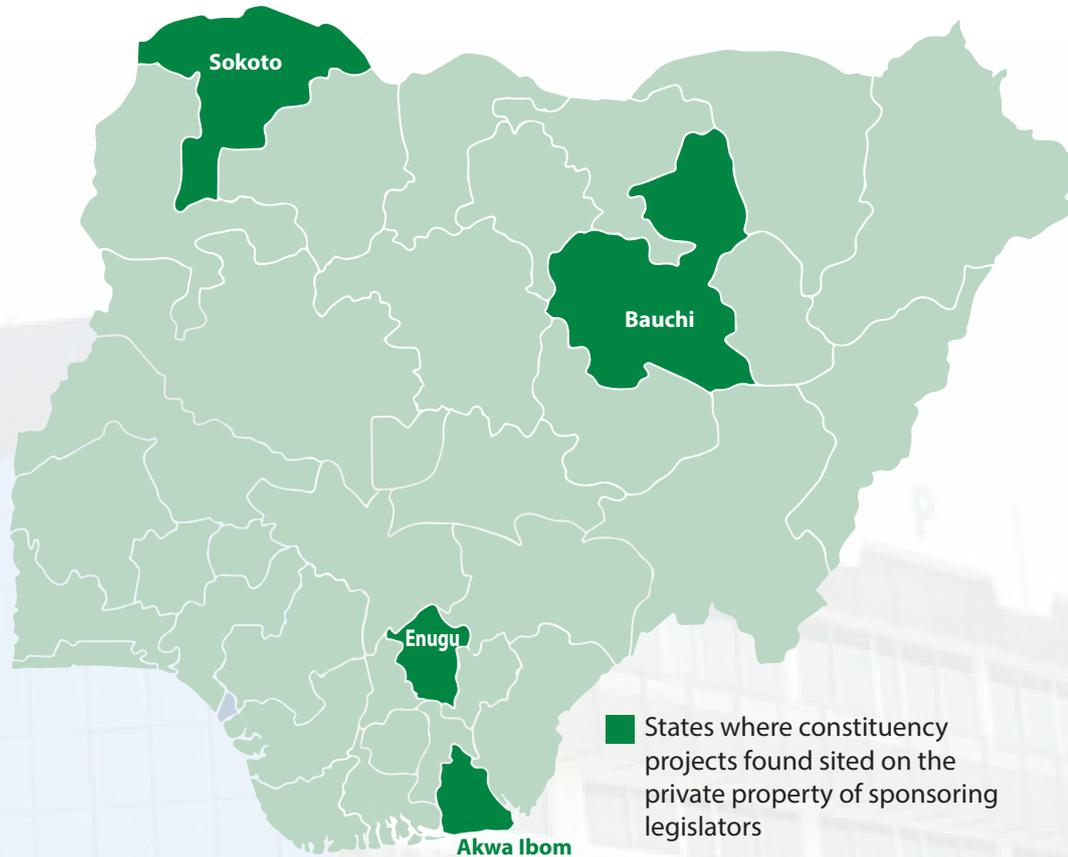


Budget allocations for BCDA
**CORE-MANDATE VERSUS
CONSTITUENCY PROJECTS**



N11,120,099,958; 741% of mandate budget with Empowerment and Capacity building projects taking 99% of the amount.

- Similar situation was noticed in Border Communities Development Agency (BCDA).
- Zonal Intervention Projects (ZIP) embedded in these agencies indicate vulnerability when compared to core mandate budgets of the agencies.
- Size of ZIP budgets relative to the total budgets begs the question whether such small agencies have the capacity to manage the volume of ZIP embedded in them.
- The size, number and types of Zonal Intervention Projects (ZIP) domiciled in SMEDAN and BCDA for instance have turned them into conduits for, and means of abuse of constituency projects and therefore vulnerable to corruption.
- Most of the contractor companies belong directly or indirectly to the sponsoring legislator or the sponsoring legislator has a substantial interest in them one way or another. Cases were found where Particulars of Directors obtained from CAC show that the sponsors were the directors of the contractor companies or their wives and children as the case may be.
- In other cases, contracts for supplies of items were executed by personal staff of the legislator or their family members. These are clear cases of conflict of interests and abuse of office.
- Some sponsoring legislators refused to show projects sites to contractors in cases where the contracts were not awarded to their preferred companies. In one case, CPTG had to instruct Upper Benue River Basin Development Authority to liaise directly with the traditional institution in a particular community to obtain sites for water projects.
- A few of the constituency projects were found sited on the private property of sponsoring legislators while some converted items supplied under the projects to private use. Examples are:
 - a. Constituency projects items which were meant to have been supplied the Cottage Hospital, Ukana, Onna LGA and Ikot Uba Hospital, Ibiano LGAs in Akwa Ibom State in March, 2018.
 - b. 6 units of Massey Ferguson tractors were converted to personal use by deploying them to a private farm in Bauchi State since 2016.
- In some cases, CPTG enforced the projects implementation and had the procured items as in "a" and "b" above delivered to beneficiaries.
- Another case in point is in Sokoto South-west where projects were sited for the benefits of a private farm rather than that of the community. These projects were sited more than 5km away from the community but directly by a private farm. These projects included constructions of a police station, with senior and junior staff quarters, 2 blocks of classrooms with an office and teachers' quarters, borehole and overhead tank with 33KVA Electrical Gen Set etc. The Village Head of Modo community (the supposed benefitting community), complained and expressed the community's displeasure with the locations of the projects, emphasising that they were meant to service the farm of the sponsor and not the Modo community.
- The project for the construction of a Civic Centre in Imo state was sited on a property purchased by the sponsor through his Foundation, while a similar project for the construction of solar powered borehole was sited in the private residence of the sponsor's younger brother.
- In a few cases, huge numbers of different constituency projects items were found warehoused for years



on the private properties of the sponsoring legislators without distribution to the intended beneficiaries. For example in Enugu North Senatorial District, CPTG found undistributed 51 units Tricycles, 228 units TVS Motorcycles, 203 units Grinding Machines and 5 units Electric Transformers valued at over 400 million Naira. These items, some of which were acquired in 2017 were found in deteriorating conditions due to their long stay in a state of disuse. This led to erosion in the value and usability of the items. The items were distributed to beneficiaries upon CPTG directive.

- Similarly, in September, 2019, upon a tip off from a whistle-blower, 1 unit of 500KVA transformer and 3 units of ambulances acquired in 2016 were recovered from a senator's constituency office in Ogun State. The items were in a serious state of decay. The CPTG team had to buy batteries and tyres to be able to move the three ambulances to the police station nearby for safe keeping before deciding further enforcement measures.
- Investigations have also unveiled total absence of Need Assessment, planning and synergy between the projects, the sponsors, the benefitting communities and the local authorities. This has contributed in no small measure to situation where constituency projects are abandoned or left uncompleted or completed but unusable. Similarly, in a lot of cases, there is no clear management plan in place for the maintenance of the projects.
- One of such cases is the projects for the supplies of hospital equipment for the Otuo Women and Children Hospital in Edo State. Hundreds sets of top grade equipment have been supplied but the hospital building and all the equipment supplied were found in a state of disuse and deterioration. The hospital building has been overgrown with weeds as all the supplied equipment were left without security. The hospital, has never been commissioned or put to use in anyway because of politics

- Similarly in a state, instruction was given to all heads of public schools never to accept any constituency projects without clearance from the State Government. This was done to diminish the political relevance of rival politicians who were not in the same camp with the Governor.
- CPTG team noticed total absence of co-ordination and synergy between projects sponsored by successive legislators, particularly in an election year. Where a project is under-appropriated for, or the releases are not adequate to complete the project in an election year, the succeeding legislator sponsors entirely new projects instead of completing the ongoing one started by his predecessor where the sponsor loses the election. This explains the presence of substantial number of uncompleted projects that have no chance of being completed, thus leading to monumental wastage of resources and loss of confidence in Government on the side of the intended beneficiaries. This further creates disenchantment and destroys Nigeria's political and democratic system while impacting negatively on good governance.
- An example of such is the construction of a mini sport centre at Ayetoro-Gbede in Kaba Ijumu, Kogi State in 2010. N41, 000, 000 was appropriated out of which only N19, 000, 000 was released but no further appropriation was made to complete the project after the sponsoring legislator lost his re-election bid.
- Another notable discovery is the "passing off" of projects by the sponsors as having been sponsored from their personal pockets and not paid for by the Federal Government, especially on Capacity Building and Empowerment Projects. Some sponsors even brand the items in their personal names. Interviews with some Chief Executive Officers of the executing agencies clearly indicated a pattern where legislators advertently or inadvertently claimed the appropriated amount was theirs. They at times visit the MDAs to claim they can expend the funds as they wish.
- The above has the negative social effect of encouraging corruption as the legislature comes under immense social pressure to perform the constitutional role of the executive arm; of executing projects and dishing out money to constituents. It also has the effect of eroding democratic values by encouraging corruption among current and even intending politicians in which case the political spectrum is left for only those who have nothing meaningful to offer the nation politically asides "money splash" and deceits and further entrenchment of corruption. It also has the negative effect of eroding confidence in the federal government which is seen by the citizens as doing nothing for the common man thereby degrading national unity, social cohesion and further entrenching the social divide between the haves and the have nots.
- The structure of Zonal Intervention Project (ZIP) has imbued in the sponsoring legislators so much power, latitude and influence regarding the choice of projects, project locations and general implementation of constituency projects. This explains why, in connivance with the executing agencies, project execution is prone to corrupt practices. From the experiences of the CPTG teams on the tracking exercise, sponsors choose which company gets the contracts for their sponsored projects, though on paper, it may seem that normal procurement processes have been adhered to, yet behind the scene however are inter-play of insider information and other underhand dealings to ensure preferred company gets contract. By practice, the sponsor provides projects sites and beneficiaries as well as issues Certificate of Satisfactory Performance as a precondition for payment: he or she holds so much power to determine who gets what at the end of the day without any regulation whatsoever.
- Complacency and apparent corruption in the executing agencies with regard to supervision of the projects have been observed. An example is a project for construction of a block of 3 classrooms with VIP toilet and Water Hand Pump in Hong Local Government Area of Adamawa State and executed by the Federal Ministry of Education where the supervisor signed off the project as having been satisfactorily completed when in fact it was poorly executed and far below specifications in terms of both quality and quantities.
- In some cases, the executing agencies set out to undermine the execution of the projects ab initio. A case in point is that of Upper Niger River Basin Development Authority which had the habit of asking the contractor for every project worth N100 million and above, to purchase and supply to Authority a project vehicle even when that is not provided for in the Bill of Engineering Measurement and Evaluation (BEME).

This naturally erodes the expected profit for the contractor who would have to make up by lowering both quality and quantities of the projects. CPTG has recovered 4 units Chico Cherry vehicles (4x4) valued at N40,000,000 purchased on the projects. This caused the failure of the Kwaku Mini Water Scheme where out of the 10 Solar Powered Boreholes, only six and one miniature version were constructed and of which only 3 were functional as at today.

- Corrupt officers in some of the MDAs conspired with contractors to defraud the system by signing off projects as having been satisfactorily executed when in fact they were shabbily executed in terms of both quality and quantities. A contractor maintained that on each supposed supervision visits, the company had to give a minimum of N100,000 to the supervising officers of the executing agencies even when supervision component had already been deducted and passed on to the agency. This conspiracy further serves as conduit for public servants to corruptly receive gratification from the contractor thereby allowing the contractor to defraud the system in terms of both quality and quantities.
- Investigations have also uncovered a penchant for changing the nature, scope and structure of constituency projects. This is done often for corrupt reasons. In the Kwaku/Kiyi Mini Water scheme project for instance, construction of Earth Dam was changed at the behest of the sponsor of the project, to “Mini Water Scheme” whose components were only the construction of solar powered boreholes. A project for the construction of Earth Dam in Adamawa Central was also changed to procurement of agricultural farm equipment: an empowerment project, which is difficult to track in details.
- Another example of such corrupt changes is the contract for the construction of 4 solar powered boreholes with 40m³ overhead tank each that was converted to only 4 boreholes all supplying single overhead tank in Tse Ugoh village in Gwer East LGA of Benue State.
- It was also discovered that some projects sponsors collected bribes from contractors on projects directly or through proxies. All such cases will be fully investigated by the Commission.
- Substantial number of the projects inspected were found to have been inflated and were also poorly executed. In some cases, substandard items were used against specifications in the Bill of Engineering Measurements and Evaluation (BEME). The Kwaku/Kiyi Mini Water project is an example where QS report recommended the recovery of over N44 million.
- According to QS Report, the Mini Water Project at Ife-Odan and Ila-Orangun in Osun State were over-invoiced to the tune of N28,358,437.91. This amount has been recovered from the sponsor.
- Through CPTG interactions with some MDAs, it was observed that contrary to convention, unutilised constituency projects funds which are supposed to be returned to treasury at the end of the financial year are not returned to treasury as is the case with non-ZIP funds. This leads to situation where executing agencies are in no hurry to execute the project thereby leading to erosion in the value of the appropriated amounts and consequent failure of the projects.
- A case in point is Nigeria Building and Road Research Institute (NIBRI). In the 2017 appropriation, a sum of N10,500,000 was domiciled in NIBRI for the construction of a 3km road in Asa, Ilorin. For some reasons, the contract was neither awarded nor the money mopped by Treasury until July, 2019 when the money was recovered by the CPTG.
- In some cases, it was found that final payment certificates were signed off and issued consequent upon which 100% payments were made when the contracts had not been fully executed.
- Finally, the exercise has revealed the absence of knowledge on the part of the citizenry of any provision for constituency projects for particular communities. Communities do not often know what project is appropriated for and to be sited in their communities which would have empowered them to follow the money and track the project.



ENFORCEMENT OPERATIONS



Following intelligence gathered, CPTG conducted several enforcement operations in some states which resulted in the recovery of both cash and assets worth hundreds of millions. The following operations were successfully conducted:

- The first was in Akwa Ibom State conducted on 10th of July, 2019, where CPTG recovered 3 dialysis machines, 3 generating sets and some other hospital equipment meant for Cottage Hospital Ukana, which CPTG team delivered to the hospital. These items (less than 10% of the items to be supplied under the contract) were supplied in March 2018 but were never delivered to the hospital up to the time of the operation. Further to this operation, the sponsor quickly ensured the purchase of all the remaining items under the contract and supplied them to the hospital.
- Interestingly, as a direct result of this operation, the sponsor rushed to also execute 5 other projects that had been unexecuted which were not initially in our tracking itinerary at the time.
- On the 1st August, 2019, 51 units Tricycles, 228 units TVS Motorcycles, 203 units Grinding Machines and 5 units Electric Transformers valued at over 400 million Naira were found in the house of the sponsor in Enugu State. Some of these items had been supplied since 2017. They were distributed under the supervision of CPTG team
- On 13th July, 2019, another enforcement operation was conducted in Bauchi where 6 units Massey Ferguson tractors out of 8 units that were said to have been supplied, were recovered.
- Similarly, the sum of N22, 983, 729:10 was recovered in Bauchi State from a sponsor on the 24th of September, 2019. This was the cost of 2 units other tractors that he misappropriated out of the 8 nos that were supposed to have been supplied under the project.
- On 13th September, 2019, an enforcement operation was conducted on the country home of a sponsor in Ebonyi State where 37 Bajaj motorcycles were found. In this case however, investigation showed that

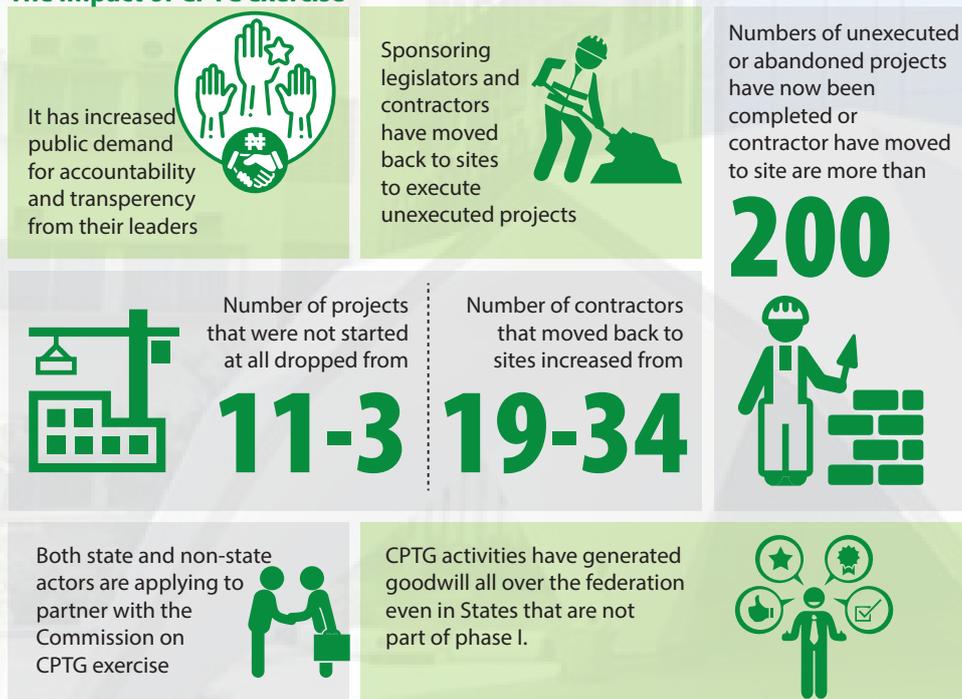
those were not part of constituency projects items. They were procured personally by the legislator to be distributed for campaign.

- On 24th September, 2019, an enforcement operation was conducted on the Constituency Office of a sponsor in Ogun State where 3 ambulances and 1 unit 500KVA Electric Transformer supplied since 2016 were recovered.
- On the 19th July, 2019, the sum of N10, 501, 382 was recovered from NIBRI being an unutilized 2017 constituency project fund.
- 2 ambulances valued at N60,000,000 meant for Women and Children Hospital, Otuo, Edo State were recovered out of which one was released to General Hospital, Afuze in Edo State for utilization.
- On 17th, July, 2019, 4 units Chico Cherry (4x4) vehicles valued at N40,000,000 were recovered from Upper Niger River Basin Development Authority.
- On October, 1st 2019, a raid was conducted on the country home of a sponsor in Cross River State. Apparently, the sponsor was tipped off as the target items had been evacuated shortly before the arrival of CPTG team. Investigation is still ongoing on the matter.
- On 8th October, 2019, an enforcement operation was conducted where 1 unit Toyota Prado (4x4), 1 unit Nissan Urvan and an ambulance valued at N87, 760, 000 were recovered from a sponsor in Ondo State.

IMPACT ON THE PUBLIC

- CPTG exercise across the 12 pilot states has generated a lot of interests from the public who are appalled by the brazenness with which their representatives misappropriate funds meant to provide social services for the populace. The various revelations have in no small measure created more awareness on the need for public to demand accountability and transparency from their leaders. This awareness has stimulated public interest in volunteering information on other hidden Constituency Projects to the CPTG teams. For instance, it was the information provided by good Nigerians that led the CPTG team to the recovery in Ogun State of 3 ambulances and 1 unit 500KVA Electric Transformer supplied since 2016.
- All items recovered have been or are in the process of being distributed to the intended beneficiaries. Many sponsoring legislators and contractors have moved back to sites to execute unexecuted projects or complete abandoned ones for which moneys have been paid even for projects not being currently tracked.
- It is noteworthy to state here that the number of projects not started at all has dropped from 11 as at the commencement of the tracking exercise to 3 now while number of projects in which contractors moved back to sites moved up from 19 to 34. From information gathered, more than 200 hitherto unexecuted or abandoned projects have either now been completed or contractors have moved back to site to complete them all over the federation. These are outside of the ones selected for tracking in the 1st phase of the CPTG exercise.
- Activities of the Commission in the conduct of the tracking exercise have generated tremendous goodwill for the Commission all over the federation even in states that were not part of the phase 1. The media space is constantly awashed with reports about the CPTG. Some beneficiaries have even written a Letter of Appreciation to the Commission for ensuring the abandoned Fish Market Project in Lokoja was completed.
- The impact of the CPTG exercise can easily be glimpsed from the number of both state and non-state actors that are jostling and applying to partner with the Commission on the CPTG exercise.

The impact of CPTC exercise



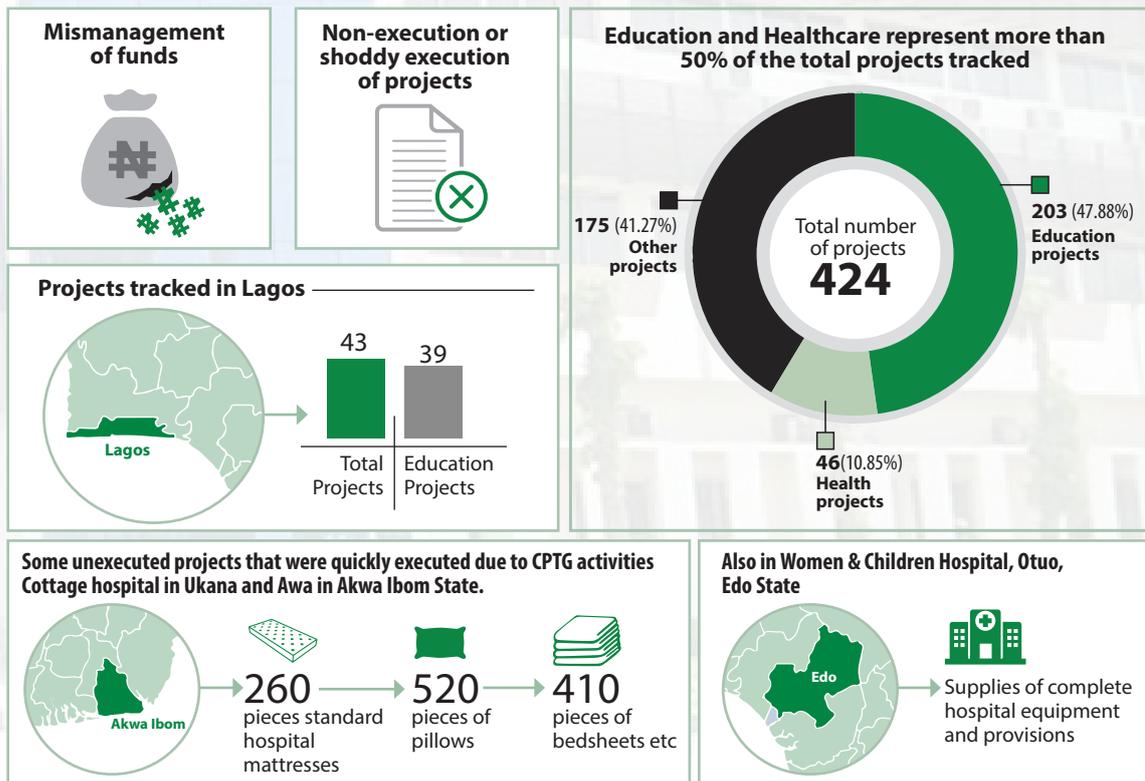


IMPACT ON EDUCATION AND HEALTHCARE DELIVERY SECTORS



- Education and healthcare delivery sectors have been the focal projects for the Phase I of the exercise in view of their importance to the well-being of the public. The tracking exercise in the twelve States revealed lots of mismanagement of funds, non-execution or shoddy execution of projects that would have had greater impact on the lives and well-being of the people if they were executed to specifications.
- Of the 424 projects tracked, a total number of 203 were education projects while the total for the health sector, is 46 representing 47.88% and 10.85% respectively. The implication of this revelation is that public funds are diverted or mismanaged such that the public are short changed and are unable to access life changing social services. The negative impact of this is that it further deepens the level of poverty, diseases, ignorance and consequent criminality and social unrest in the society. Of all the 43 projects tracked in Lagos State for instance, 39 were schools based projects representing 90.7%. Though all were found to have been concluded, substantial percentage of them were not executed to specification in terms of quantities and sometimes, quality.
- Part of the impact the CPTG activities have had on the healthcare system was first the concentration of attention on the healthcare delivery system as a result of which abandoned projects relating to the sector or unexecuted projects were quickly executed thereby achieving improvement in the healthcare delivery capacity of those hospitals and the communities. Examples were the projects for the supplies of hundreds sets of varieties of lifesaving medical equipment to Cottage Hospitals, Ukana and Awa in Akwa Ibom State, supplies of hospital equipment such as 260 pieces standard hospital mattresses, 520 pillows, 410 bedsheets, refrigerators, ambulances, dialysis machines and lab equipment. Supplies of complete hospital equipment and provisions for Women and Children Hospital, Otuo, Edo State.

IMPACT OF CPTG ACTIVITIES ON HEALTHCARE AND DELIVERY SECTORS PROJECTS





POLICY ADVISORY



- A robust sensitization of the local communities on the concept, funding and implementation of ZIP should be vigorously undertaken. There is need for citizens engagement to sensitize them on the existence of ZIP and its operation as it affects their local communities. This should build necessary capacity in the citizens and enable them to track projects and follow the money thereby reducing incidences of corruption in the implementation processes.
- Zonal Intervention Projects should only be on tangibles and physical infrastructure projects such as construction projects as against “soft” projects such as empowerment which is heavily prone to corruption.
- Like the regular national budget releases, unutilised Zonal Intervention Projects releases should be mopped-up by the Treasury at the end of the financial year.
- Domiciliation of Zonal Intervention Projects must be done in sync with the executing agencies with regard to planning and costing. Sponsors must ensure due diligence and proper project costing with the executing agency before inserting figures in the budget. This will reduce substantially the problem of under-appropriation and projects abandonment. This should also reduce incidences of unnecessary change in the scope, structure, location and concept of the projects as already observed.
- Government should not accept new projects in a particular constituency if there are existing uncompleted or underfunded projects in that constituency. Existing projects must be completed before the introduction of new ones.
- ZIPs should as much as possible be integrated in to the State’s or Local Government’s projects or system to ensure post project management and utilisation.
- Empowerment and Capacity building constituency projects should be temporarily suspended being basically a window for self-aggrandizement and corruption, particularly the so called “grants”, which is just free money without accountability, asides being difficult to track. If however they must go on, the implementation process and mechanism must be completely overhauled to put it strictly under absolute control of the executing agency. Distribution of the procured items, record keeping and retirement of the amount on the project should be handled strictly by the executing agency with the sponsoring legislator only nominating and identifying beneficiaries.
- In order to reduce the influence of the sponsoring legislators on the emergence of a preferred bidder and strengthen the bidding process, project sites must be determined and given by legislators before advertisement for, and award of contract so that award letters will be specific and particular about projects locations.
- Conversion of a project from one type to another or from one location to another should be discouraged or abolished. This should be clearly communicated to stakeholders and erring persons prosecuted.
- Executing agencies must ensure proper and complete documentation of evidence of projects deliveries and confirmation of functionality of project and items delivered.
- Consultants and CEOs of agencies should henceforth be penalised for failing to ensure compliance with specifications.
- Naming and shaming: In some cases, the Commission will name and shame the offending legislator via the media or through Town Hall Meetings.
- Agencies must liaise with benefitting communities for allocation of sites in situations where the sponsors refuse to provide project sites.

- No agency should be allowed to accept and execute any constituency projects outside its mandate subjects.
- Only Bank Guaranty and not Insurance Bond should be accepted by MDAs as a precondition for release of funds to any contractor.
- Heavy agricultural equipment such as tractors supplied under empowerment projects should be handed over to established farmers' cooperatives for proper management.
- There is the need to review the statutory mandate of SMEDAN and BCDA against the types of Zonal Intervention Projects being embedded in them.
- Going forward, ICPC will collaborate with the Department of State Services (DSS) and the Nigerian Police Force in the conduct of the Constituency Projects Tracking exercise.

GLOSSARY

- **ICPC:** INDEPENDENT CORRUPT PRACTICES AND OTHER RELATED OFFENCES COMMISSION
- **CPTG:** CONSTITUENCY PROJECTS TRACKING GROUP
- **SMEDAN:** SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AGENCY
- **BCDA:** BORDER COMMUNITIES DEVELOPMENT AGENCY
- **NIQS:** NIGERIAN INSTITUTE OF QUANTITY SURVEYORS
- **BPP:** BUREAU OF PUBLIC PROCUREMENT
- **MDA:** MINISTRY DEPARTMENT AND AGENCY
- **FCT:** FEDERAL CAPITAL TERRITORY
- **BOF:** BUDGET OFFICE OF THE FEDERATION
- **OAGF:** OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION
- **ICIR:** INTERNATIONAL CENTRE FOR INVESTIGATIVE REPORTING
- **PPDC:** PUBLIC AND PRIVATE DEVELOPMENT CENTRE
- **CEO:** CHIEF EXECUTIVE OFFICER
- **NACC:** NATIONAL ANTI CORRUPTION COALITION
- **QS:** QUANTITY SURVEYOR
- **UBEC:** UNIVERSAL BASIC EDUCATION COMMISSION
- **FME:** FEDERAL MINISTRY OF EDUCATION
- **ZIP:** ZONAL INTERVENTION PROJECTS
- **CAC:** CORPORATE AFFAIRS COMMISSION
- **UBRBDA:** UPPER BENUE RIVER BASIN DEVELOPMENT AUTHORITY
- **BEME:** BILL OF ENGINEERING MEASUREMENTS AND EVALUATION
- **BIBRI:** NIGERIA BUILDING AND ROAD RESEARCH INSTITUTE
- **UNRBDA:** UPPER NIGER RIVER BASIN DEVELOPMENT AUTHORITY
- **SDG:** SUSTAINABLE DEVELOPMENT GOALS
- **EMDI:** ENGINEERING MATERIALS DEVELOPMENT INSTITUTE
- **DSS:** DEPARTMENT OF STATE SERVICES

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