



The States' Fiscal Transparency, Accountability and Sustainability (SFTAS) Program for Results

2020 Annual Performance Assessment (APA) Report

AKWA IBOM STATE

By:

**The Office of the Auditor-General for the Federation as the SFTAS Independent Verification Agent
with support from PricewaterhouseCoopers (PwC)**



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1. Executive Summary

This report details the outcome of the Annual Performance Assessment (APA) conducted on Akwa Ibom State for the 2020 year of the four-year SFTAS Program. In conducting the APA, the verification team assessed how the State performed against the Disbursement Linked Results (DLRs) listed within the SFTAS DLI Matrix, guidelines, and verification protocol.

Table 1 (below) reflects the outcome of the 2020 APA for Akwa Ibom State and shows areas where the State was able to achieve results. Akwa Ibom State achieved 10 (Ten) DLRs out of 15 DLRs applicable to the 2020 APA out of which 1 (One) DLR was achieved in the 2019 APA.

Table 1: Assessment Results

Key:	Achieved	Not Achieved	Previously Achieved	
Disbursement Linked Indicators	Disbursement Linked Results		Results	Remarks
DLI 1: Improved financial reporting and budget reliability	DLR 1.1: FY20 quarterly budget implementation reports for Q2, Q3, and Q4 published on average within 4 weeks of quarter-end to enable timely budget management			
	DLR 1.2: FY20 deviation for total amended budget expenditure is < 15%			Budget deviation was 39.65 %
DLI 2: Increased openness and citizens’ engagement in the budget process	DLR 2.1: Citizens’ inputs from formal public consultations are published online, along with the proposed FY2021 budget.			
	DLR 2.2: Evidence of dissemination event to explain amendments to FY2020 State budget published online along with the Citizens’ budget based on Amended FY2020 State budget by end September 2020 with functional online feedback mechanisms			
DLI 3: Improved cash management and reduced revenue leakages through the implementation of State TSA	DLR 3: TSA, based on a formally approved cash management strategy, established and functional, and covering a minimum of 70 percent of state government finances.			The State TSA did not cover a minimum of 70% of the Government finances.
DLI 4: Strengthened Internally Generated Revenue (IGR) collection	DLR 4.1: State implementing a consolidated state revenue code covering all state IGR sources and stipulating that the state bureau of internal revenue is the sole agency responsible for state revenue collection and accounting. Code must be approved by the state legislature and published			
	DLR 4.2: 2020-2019 annual nominal IGR growth rate meets target: i.e. 2020 nominal IGR collection is equal to or higher than the 2019 nominal IGR collection			The IGR declined by 14%
DLI 5: Biometric registration and Bank Verification Number (BVN) used to reduce payroll fraud	DLR 5.1: Biometric capture of at least 90 percent of current civil servants and pensioners completed and linked to payroll, and identified ghost workers taken off the payroll			
	DLR 5.2: Link BVN data to at least 90 percent of current civil servants and pensioners on the payroll and payroll fraud addressed			
DLI 6: Improved procurement practices for increased transparency and value for money	DLR 6.1: Existence of public procurement legal framework and procurement regulatory agency. Said legal framework should conform with the UNCITRAL Model Law and provide for: 1) E-Procurement; 2) Establishment of an independent procurement regulatory agency, and 3) Cover all MDAs receiving funds from the state budget		Previously Achieved In 2019 APA	
	DLR 6.2: (Basic Target) Framework contract for e-Procurement signed by 31 December 2020 AND Publication of contract award information above the threshold set out in the State’s procurement law/regulation every month in OCDS format on the state website or online portal if available.			Published information on contract award did not cover the whole year

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
	<p>DLR. 6.2 (Stretch Target) Implement e-Procurement in at least 3 MDAs (incl. Education, Health and Public Works) and publish all contract award information in OCDS format on the online portal for the 3 MDAs</p> <p>AND</p> <p>For those MDAs without e-procurement: Publish contract award information above a threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available</p>		
DLI 7: Strengthened public debt management and fiscal responsibility framework	<p>DLR 7.1: State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt; and 3) fiscal and debt rules/limits.</p>		
	<p>DLR 7.2: Quarterly state debt reports for Q2, Q3, and Q4 accepted by the DMO on average two months or less after the end of the quarter in 2020</p> <p>AND</p> <p>Annual State debt sustainability analysis published by end of December 2020</p>		The presentation and analysis of the debt forecasts and assumptions for the Baseline Scenario do not exhibit an adequate level of technical quality and logical consistency. This is because there are negative figures for Debt Stock and Debt Services (e.g., charts 22, 23, and 25)).
DLI 8: Improved clearance/reduction of the stock of domestic expenditure arrears	<p>DLR 8: Domestic arrears as of end 2019 AND end 2020 reported in an online publicly accessible database, with a verification process in place.</p> <p><u>Stretch Target:</u> Domestic arrears as of end 2019 and end 2020 reported in an online publicly-accessible database, with verification process in place AND at least a 5 percent decline in the verified stock of domestic arrears at end 2020 compared to end 2019 consistent with the state's arrears clearance framework or maintain stock of arrears below 5 billion.</p>	Basic Target Met	
DLI 9: Improved debt sustainability	Total debt stock at end of December 2020 as a share of total revenue for FY2020 meets target: Basic target: < 150%, Stretch target: < 125%.	Stretch Target Met	

We further identified several areas where the State can improve its performance, and these are set out in detail within Section 3 of this report. In summary, the State should ensure the following:

1. DLR 1.2: Expenditure outturn deviation is reduced to a level within the annual limits proposed by the programme.
2. DLR 3.0: Increase the percentage of state government finances flowing through the TSA to eventually ensure that all government finances flow through the TSA.
3. DLR 4.2: Improve its IGR collection to achieve significant year-on-year growth in nominal IGR.
4. DLR 6.2: The state should ensure the E-Publishing/Notification module for contract notice and contract award are effective.
5. DLR 7.2: The SDSAR includes a detailed description of the debt portfolio and borrowing options (adequate level of technical quality and technical quality).

The Office of the Auditor-General for the Federation (OAuGF) as Independent Verification Agent and PricewaterhouseCoopers (PwC) agree on all the results shown in this report.

2. Introduction

2.1 Overview

The Federal Government of Nigeria is implementing a four-year program to support the Nigerian States to strengthen fiscal performance and sustainability: The State Fiscal Transparency, Accountability and Sustainability (SFTAS) Program for Results (“The Program”).

The original Programme design had four Key Result Areas and nine disbursement-linked indicators with a financing agreement of US\$750 million. Following the advent of COVID-19 in 2020, the Programme was adapted to establish a transparent, accountable, and sustainable fiscal framework to enhance States’ fiscal capacity to respond to the Pandemic. The main change brought about in the restructuring was the addition of new COVID-19 responsive DLIs to the Programme and obtaining additional financing of US\$750 million to ensure results were sustained across the remaining performance years. This brought the total financing for the SFTAS Programme to US\$1.5 billion and increased the DLIs to 13 (thirteen) and the Disbursement Linked Results to 22 (twenty-two). The Program will finance activities under two components: (i) a Program for Results (PforR) component for US\$1.45 billion and (ii) a Technical Assistance (TA) component for US\$50 million.

All States can participate in the Program in each of the four years and benefit from the PforR funds by meeting set Eligibility Criteria and any or all the indicators of fiscal transparency, accountability, and sustainability.

The Auditor-General for the Federation was appointed as the Independent Verification Agent (IVA) for the SFTAS Programme and PricewaterhouseCoopers (PwC) was subsequently engaged to support the IVA. Both parties have worked together to assess the performance of the State against the Disbursement Linked Results (DLRs) for 2020. To ensure a high-quality assessment, the IVA engaged the services of experts in Taxation, Procurement, to review the legislation and had some input/support from Debt Management Office (DMO) for Debt Management-related DLRs to review the returns in place in this State.

2.2 Scope

This Annual Performance Assessment (APA) Report covers the State’s performance in 2020 against the Disbursement Linked Results (DLRs) listed within the SFTAS DLI Matrix, guidelines, and verification protocol. Each State was earlier assessed against the Eligibility Criteria set in the protocol, to determine the state’s eligibility for grants under the 2020 APA.

The verification protocol was set early in the preparation for the Program and all States. Implementing agencies and other key stakeholders have been continuously sensitized on the program's requirements and the protocol for 2020. The assessment results are binary (Achieved or Not Achieved), as that is how the Program for Results was designed.

In advance of the performance assessments, all States were provided with the detailed information requirements for the assessments, a proposed itinerary for the assessment visit, and a template with which to report the results achieved. The assessments were conducted between 14/02/2022 and 18/02/2022 with a team of 6 persons, starting with an opening meeting where all the information requested was to be handed over. The visits were concluded with an exit meeting where initial findings were discussed, and each state was given a further opportunity to provide clarifications and/or additional information.

The draft conclusions from the work done were reported to the State and this final report takes account of the State’s comments on the draft results, as shown in Section 4.

The Office of the Auditor-General for the Federation (OAuGF) and PricewaterhouseCoopers (PwC) are grateful to the State for the cooperation enjoyed during the assessment and hope the recommendations within this Report are

found valuable towards improving fiscal transparency, accountability, and sustainability in the management of the public finances and resources of the State.

3. Assessment Results

3.1 Findings

Table 2: Findings

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLI 1: Improved Financial Reporting and Budgeting Reliability				
DLR 1.1	Financial Year [2020] quarterly budget implementation reports published with Q2, Q3, and Q4 reports published on average within [4 weeks] of quarter end to enable timely budget management		Achieved	
1	Has the State published its quarterly budget implementation report to the State official website on average within four weeks of the end of each quarter?	<p>The Quarterly budget implementation reports were posted online on the web links below:</p> <p>Q1 2020 https://aksbudgetoffice.org.ng/Appraisal%202018/Appraisal%202020.pdf</p> <p>Q2 2020 https://aksbudgetoffice.org.ng/Appraisal%202018/2nd%20Quarter%20Appraisal%202020.pdf</p> <p>Q3 2020 https://aksbudgetoffice.org.ng/Appraisal%202018/3rd%20Quarter%20Appraisal%202020.pdf</p> <p>Q4 2020 https://aksbudgetoffice.org.ng/Appraisal%202018/appraisal%202020%20jan-dec.pdf</p> <p>The publication dates are as follows:</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> • Q1 – (12/05/2020)- 6 weeks (42 days) • Q2 – (14/07/2020) - 2 weeks (14 days) • Q3 – (22/10/2020) - 3.14 weeks (22 days) • Q4 – (28/01/2021) - 4 weeks (28 days) <p>Average days (weeks) for the online publication was computed based on the last 3 quarters, as below:</p> $\frac{14+22+28}{3}$ <p>Average = <u>21.33 days (3.04 weeks)</u></p> <p>IVA downloaded the quarterly budget Implementation Reports for all four quarters for the year 2020, obtained and retained evidence of the timestamp of the publications.</p>		
2	Do the reports each include, at a minimum, the approved original AND revised (if applicable) budget appropriation for the year against each organizational units (MDAs) for each of the core economic classifications of expenditures (Personnel, Overheads, Capital, and others), the actual expenditures for the quarter attributed to each as well as the cumulative expenditures for the year to date, and balances against each of the revenue and expenditure appropriations.	<p>From our review of the Quarterly Budget Implementation reports downloaded from the State's website (see weblinks above) we observed the following:</p> <ol style="list-style-type: none"> The Budget Implementation Reports included the approved budget appropriation for the year against each organizational unit (MDAs) for each of the core economic classifications of expenditures. The Budget Implementation Reports included the actual expenditures for the quarter attributed to each as well as the cumulative expenditures for the year to date. The Budget Implementation Reports included the balances against each of the revenue and expenditure appropriations. The State has an amended/revised budget The Budget Implementation Reports showed both the approved original budget and the approved revised budget. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		The reports included the approved budget appropriation for the year for each of the core economic classifications of expenditures (Personnel, Overheads, Capital, and others); the actual expenditures for the quarter, and the balances against each of the revenue and expenditure appropriations.		
3	Does the report State the actual expenditures for the quarter attributed to each MDA and each expenditure classification as well as the cumulative expenditures for the year to date?	Upon review of the State's Budget Performance reports, it stated the actual expenditures for each quarter attributed to each MDA and each expenditure classification as well as the cumulative expenditures for the year to date.	Satisfactory	
4	Does the report state balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which will include debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications?	Upon review of the State's Budget Performance reports, it stated the balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which included debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications.	Satisfactory	
DLR 1.2	FY [2020] deviation from total amended budget expenditure is less than 15%		Not Achieved	
1	Has the State computed the difference between the Amended approved total budgeted expenditure for the fiscal/calendar year and the actual total expenditure in the fiscal/calendar	<p>The State did not compute the budget deviation.</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p>	Unsatisfactory	The State should prepare accurate budgets and reduce the budget deviation to a level below the limits set for this result.

Disbursement Linked Indicators (DLIs) and Tests		Findings			Conclusion	Recommendations											
	<p>year, divided by the Amended approved total budgeted expenditure and expressed in positive percentage terms?</p> <p>Is the expenditure outturn deviation computed less than 15%</p>	<table><tr><td></td><td>Total Amended Budget (₦)</td><td>Actual (₦)</td></tr><tr><td>Capital (pg 2, 13)</td><td>186,941,986,280</td><td>91,450,494,728.37</td></tr><tr><td>Rec. Exp (pg 2, 13?)</td><td>179,058,013,720</td><td>129,446,875,051.32</td></tr><tr><td>Total</td><td>366,000,000,000</td><td>220,897,369,779.69</td></tr></table> <p>$\frac{\text{₦}366,000,000,000.00 - \text{₦}220,897,369,779.69}{\text{₦}366,000,000,000.00} \times 100$ = 39.65%</p> <p>The budget performance deviation is 39.65%</p> <p>Source: 2020 Audited Financial Statement Page 13 and Approved Amended Budget Page 2.</p> <p>The IVA compared both Expenditure figures in Cash Flow Statement with Statement of Consolidated Revenue and Statement of Capital Development Fund, there were no differences.</p>		Total Amended Budget (₦)	Actual (₦)	Capital (pg 2, 13)	186,941,986,280	91,450,494,728.37	Rec. Exp (pg 2, 13?)	179,058,013,720	129,446,875,051.32	Total	366,000,000,000	220,897,369,779.69			
	Total Amended Budget (₦)	Actual (₦)															
Capital (pg 2, 13)	186,941,986,280	91,450,494,728.37															
Rec. Exp (pg 2, 13?)	179,058,013,720	129,446,875,051.32															
Total	366,000,000,000	220,897,369,779.69															
DLI 2: Increased Openness and Citizens’ Engagement in the Budget Process																	
DLR 2.1	Citizens’ inputs from formal public consultations are published online, along with the proposed FY [2021] budget				Achieved												
1	Did the State conduct at least one “town-hall” consultation before the proposed budget is drafted with the participation of local government authorities and State-based CSOs?	IVA obtained relevant documents including minutes of meetings, proposed budgets, pictures from stakeholder meetings and reviewed them including the attendance register and; a) IVA confirmed some of the LGAs that were in attendance including: i. Inyang J Inyang - Uyo LGA			Satisfactory												

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> ii. Emmeti A Udosen - Oron LGA iii. Umem Effiong - IKA LGA b) IVA confirmed some of the CSOs representatives in attendance to be: <ul style="list-style-type: none"> i. Ebong Ekanem - Policy Alert ii. Umantic Umeh - Purple Patch iii. Kingsley Atang- Youth Foundation c) The sources of information from which our conclusions were drawn are minutes, attendance, and pictures. d) The date for the consultation was 25th June 2020, and the venue of the consultation on the budget proposal was the Conference Hall of the Accountant General e) A sample of 10 attendees was called to confirm their attendance at the public consultation. f) The budget was drafted on 9th October 2020. g) The date of the consultation was 25th June 2020. While the date of the draft budget was on the 9th of October 2020. The consultation was done first. h) The publication of the proposed budget was done before the deadline of 31 January 2021, as confirmed by the State IT provider. i) The weblinks for the publication of the proposed budget are: https://aksbudgetoffice.org.ng/Appropriation/Regional%20Sector.pdf https://aksbudgetoffice.org.ng/Appropriation/Social%20Sector.pdf https://aksbudgetoffice.org.ng/Appropriation/Law%20and%20Justice%20Sector.pdf 	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		https://aksbudgetoffice.org.ng/Appropriation/Economic%20Sector%202021.pdf https://aksbudgetoffice.org.ng/Appropriation/Administrative%20Sector.pdf		
2	Were the minutes of the public consultations jointly prepared with CSO representatives (shown by their signature to the minutes) and posted on the official State website, alongside the proposed annual budget on or before 31 January 2021 to enable citizens to find the inputs easily?	<p>a) IVA confirmed that at least one CSO co-signed the Minutes in the person of Pastor Harry Udoh (Chairman AKS CSOs Forum) and a copy of the signed minutes has been retained in the file.</p> <p>b) The title of the minutes is “Minutes of 2020 Akwa Ibom Citizens Budget Stakeholders meeting in preparation of the Akwa Ibom State 2021 budget held on the 25th of June 2020 at the conference hall of the State’s Accountant General” and the date of the Minutes is 25th June 2020.</p> <p>c) Some of the organizations the signatories represent are: Ebong Ekanem - Policy Alert Umantic Umeh - Purple Patch Kingsley Atang— Youth Foundation</p> <p>d) The weblink to the publication is https://aksbudgetoffice.org.ng/Citizen%20Budget/Minute%20of%20meeting.pdf</p>	Satisfactory	
DLR 2.2	Evidence of dissemination event to explain amendments to FY2020 State budget published online along with the Citizens’ budget based on Amended FY2020 State budget by end September 2020 with functional online feedback mechanisms		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1.	Did the state conduct dissemination events to explain amendments to the FY2020 State budget and was adequate evidence of the events published online and by the due date?	<ul style="list-style-type: none"> a) A review was done on all required documents, with a list of attendees (with names, organizations and phone numbers). b) The Amended Budget and the evidence of the dissemination events have been downloaded. c) The dissemination was done physically on 25th June 2020. d) The evidence of the dissemination event was published online before the due date of September 30, 2020. The evidence of dissemination published online by the State is the signed minutes of the meeting titled "Minutes of 2020 Akwa Ibom Citizens Budget Stakeholders meeting in preparation of the Akwa Ibom State 2021 Budget held on 25th June, 2020 at the conference hall of the State's Accountant General", and copies of this evidences are retained in the file. e) The evidence of the dissemination event was published in the same location as the Amended FY20 Budget. f) The date of publication of the evidence of the dissemination events was 29th September, 2020, and the evidence obtained to confirm the dates of online publication was a screenshot from the State's website. g) The web link of publication is https://aksbudgetoffice.org.ng/Citizen%20Budget/Minute%20of%20meeting.pdf 	Satisfactory	
2	Has the State published online, on the State website(s) a <i>Citizens Budget based on the Amended Budget (2020)</i> not later than 30 September 2020?	<ul style="list-style-type: none"> a) The Citizens Budget based on the Amended Budget (2020) was published on 29th September, 2020 before the due date of 30th September 2020 via https://aksbudgetoffice.org.ng/Citizen%20Budget/Citizens%20Budget%202020%20-%20Amended%20Revised.pdf It was accessed on 15/02/2020. 	Satisfactory	.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b) A comparison of the Amended Budget 2020 with the Citizens Budget was done and there were no areas of discrepancies.</p> <p>c) The Citizen's budget was prepared in the format suggested to the States in the Citizen Budget User Manual and Excel Template. This was confirmed using the metrics below:</p> <ul style="list-style-type: none"> i. Simple explanation of the annual amended budget/citizen's budget. – Page 1 ii. The sources of revenues. – Page 5 iii. Sources of domestic and foreign grants, domestic loans, and other financing sources. - Page 5, 7-9, iv. Total expenditure by economic classifications. – Page 6 v. The total revenue and grants, total expenditures, budget deficit, budget financing, and financing gap. – Page 5 vi. Disclosure of Budget deficit and how it will be financed. -page 5, 7-9 vii. Sectoral Allocation (by MDAs). Page 10,12 viii. Top Projects to be financed (at least 5) - Page 11 <p>d) The minimum required budget information outlined above has been included.</p>		
3	Is the Citizens Budget a comprehensible (to citizens) summary of the amended FY20 state budget?	<p>a) The Citizens Budget includes an explanation of the key changes between the Original FY20 Budget and the Amended FY20 Budget.</p> <p>b) The Citizens Budget includes Data on reallocations and adjusted spending priorities.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		We confirmed that the amended FY20 state budget was summarized in a comprehensible manner to the Citizens in the Citizens budget		
4	Does the State website have functional feedback and response online mechanisms?	<p>a) The State has established a functional feedback and response online mechanism on its website.</p> <p>b) The type of feedback mechanism established on the State website includes an online chart form powered by twak.to. The state also uses Facebook, Twitter and LinkedIn.</p> <p>c) The State's feedback mechanism provides at a minimum:</p> <ul style="list-style-type: none"> i. Acknowledgement of receipt of comments/feedbacks from citizens ii. State's responses to comments/feedbacks iii. Display of timeframe and the State's government contact details. <p>d) IVA interacted with the feedback mechanism on the State website using the online chart form to ascertain the functionality of the feedback mechanism. The State responded by acknowledging the message and redirected IVA to the State's Budget office for the provision of the requested information. The result of that test shows that the feedback mechanism is functional.</p> <p>e) A demonstration was done by the State Ministry of Economic Planning to provide further evidence to demonstrate how the State has responded to feedback submitted online. The State gets an offline message prompt and redirect issues from citizens to the relevant governmental agencies to address accordingly.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		f) IVA concluded that the State's feedback mechanism is functional. g) The weblink(s) are: https://aksecondev.ak.gov.ng/		
<i>DLI 3: Improved Cash Management and reduced Revenue Leakages through Implementation of State TSA</i>				
DLR 3.0	Improved cash management and reduced revenue leakages through the implementation of State TSA		Not Achieved	
1	Has the State established a functional State-level TSA?	a. The State has established a functional State-level TSA. b. The State has a TSA account that combines the State's FAAC and IGR as follows: Bank: Zenith Bank Account Name: AKSG Statutory and Derivation/ Consolidated Revenue Account Number: 1016208174. c. The State also maintains another account for its VAT and the State noted it has an ISPO with the Bank as follow: Bank: Access Bank Account Name: AKSG VAT Revenue Account Account Number: 0800920940.	Satisfactory	
2	Is there a formally approved cash management strategy in place? The Strategy should cover the processes through which the State Ministry of Finance or Budgets/Economic Planning can forecast cash commitments and requirements and provide reliable information on the availability of funds.	The State has a Cash Management Strategy: a) The document is known as Akwa Ibom Cash Management Strategy. b) The document was produced and signed by the Commissioner for Finance on 30th November, 2020. c) The State Cash Management Strategy has a provision through which the State Ministry of Finance can forecast cash commitment and requirements and provide reliable information on the availability of funds. This was contained in Section 7.1 (Page 27) of the Cash Management Strategy.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> d) The Strategy provides for sweeping of funds monthly. e) The evidence of implementation of the processes described in the Cash Management Strategy to forecast cash commitment and requirement has been obtained. The State presented its cash plan to the IVA which was prepared monthly as contained in the State Cash Management Strategy. 		
3	Does the TSA have a system of cash management that allows for a central view of cash balances in bank accounts on a single electronic dashboard (based on the approved cash management strategy)?	<p>The State has an application where it can view the cash balances in all its bank accounts.</p> <ul style="list-style-type: none"> a) The State uses the Ziphii hub's app to view its account balances in real-time. The system was produced by eSofties Solutions Limited. b) The application was in line with the State Cash Management Strategy. c) It was deployed in December 2020. 	Satisfactory	
4	Does the TSA have one consolidated revenue treasury account for State revenues? Revenues collected by MDAs such as service fees no longer sit in individual MDA accounts at different commercial banks but are brought into the consolidated revenue account as part of the TSA.	<ul style="list-style-type: none"> a) The IVA visited 3 of the State MDAs (Education, Health, and Works). It was observed that the MDA only assesses fee payers. The Fees payer is then required to visit any of the IGR collecting banks to make payment. The MDAs then verify once the payments are made and issue a receipt to the fee payer. b) The TSA of the State is AKSG Statutory and Derivation/ Consolidated Revenue Account No. 1016208174 with Zenith Bank. The State Government Finances (FAAC and IGR) are paid into the accounts. The State has a different account for VAT. c) The State MDA's no longer collect or keep cash as all payments are being made directly to the banks. Also, Interswitch ensures that the revenues collected by the various Banks are swept monthly to the TSA in Zenith Bank as directed by the State. d) The State TSA Bank Statement with Zenith Bank was obtained. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
5	Does the TSA cover a minimum of 70% of the State Government’s finances?	<p>The IVA computed the total cash inflow and outflow from the TSA account against the total government finance inflows and outflows as contained in the Cashflow Statement for the year ended 2020.</p> <p>See the computation below:</p> <table><tr><td></td><td>Total Inflows (₦)</td><td>Total Outflows (₦)</td></tr><tr><td>TSA Bank Statement</td><td>139,197,317,180.71</td><td>139,139,894,962.76</td></tr><tr><td>Government Finances*</td><td>210,709,354,782.59</td><td>220,897,369,779.69</td></tr><tr><td>Percentage</td><td>66%</td><td>63%</td></tr></table> <p>The average is percentage computation is:</p> $\frac{66\% + 63\%}{2} = 65\%$ <p>The TSA covered 65 % of the State’s finances.</p> <p>*Sources: 2020 Audited Financial Statement (Cashflow Statement) Pages 12-14 and the TSA Statement from Zenith Bank for 1st January, 2020 to 31st December, 2020.</p>		Total Inflows (₦)	Total Outflows (₦)	TSA Bank Statement	139,197,317,180.71	139,139,894,962.76	Government Finances*	210,709,354,782.59	220,897,369,779.69	Percentage	66%	63%	Unsatisfactory	The State’s TSA should cover all Government Finances.
	Total Inflows (₦)	Total Outflows (₦)														
TSA Bank Statement	139,197,317,180.71	139,139,894,962.76														
Government Finances*	210,709,354,782.59	220,897,369,779.69														
Percentage	66%	63%														
DLI 4: Strengthened Internally Generated Revenue (IGR) Collection																
DLR 4.1	State implementing a consolidated state revenue code covering all state IGR sources and stipulating that the state bureau of internal revenue is the sole agency responsible for state revenue collection and accounting. Code		Achieved													

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	must be approved by the state legislature and published			
1	Does the State have an up-to-date consolidated revenue code that includes all the State's IGR sources and rates and all the local governments (falling under that State) IGR sources and rates?	<p>a) The Akwa Ibom State Revenue Administration (Amendment) Law, 2020 which was signed on 25th September, 2020, and the Akwa Ibom State Revenue Administration (2nd Amendment) Law, 2021 which was signed on 2nd April, 2021 were provided by the State.</p> <p>b) The Revenue code and rates were contained in the Akwa Ibom State Revenue Administration (2nd Amendment) Law, 2021.</p> <p>c) The Revenue Laws were linked.</p> <p>d) The weblink for the Akwa Ibom State Revenue Administration (Amendment) Law, 2020 is https://akwaibomstate.gov.ng/aksg-revenue-law-amendment-2020/, while the weblink for the Akwa Ibom State Revenue Administration (2nd Amendment) Law, 2021 is https://irs.ak.gov.ng/wp-content/uploads/2022/01/STATE-GOVERNMENT-REV-CODES-AND-RATES-AMENDMENT-LAW-1.pdf.</p> <p>e) The Revenue Law includes all the IGR sources due to the State and the LGAs in the State.</p> <p>f) The consolidated revenue code includes the rate chargeable for each IGR source.</p> <p>Note: The Akwa Ibom State Revenue Administration (2nd Amendment) Law 2021 was passed in April 2021 - A period that falls outside the 2020 Assessment year. The time falls within the 2021 timeline for achieving the DLR and so, it has been assessed early in line with the program's requirements and as such, has been marked as satisfactory.</p>	Satisfactory	
2	Does the consolidated revenue code stipulate that the State Bureau	a) Section 8 of the 1st Amendment Law 2020 amends Section 22 of the Principal Law to include paragraph (u)	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	of Internal Revenues (SBIR) or the State Internal Revenue Service (SIRS) as the sole agency responsible for State revenue (tax and non-tax) collection and accounting in the State?	<p>which requires the SBIR to "act as the sole entity to collect all revenues due to the State Government..." and paragraph (v) which state that the SBIR shall "account for all amounts so collected by it or any person or body corporate including Ministries, Departments, and Agencies of Government as tax accruable to the Government".</p> <p>b) The Tax Law Consultants assessment states that "Section 8 of the 1st amendment law 2020 inserted new paragraphs (u) and (v) to the Principal Act to wit: AKIRS to (u) act as the sole entity to collect all revenues and may where necessary, collaborate with relevant MDAs (v). Account for all revenue and Section 5 of the amendment law (1st Amendment Law 2020) inserted the words ``as the sole revenue collector for the State in section 10 of the principal law".</p> <p>c) The IVA and the Tax Consultant's conclusion on the SBIR being the sole agency responsible for the State revenue collecting and accounting were aligned.</p>		
3	Is the collection of revenues made into account(s) nominated by the SBIR OR SIRS have full oversight of the accounts and is responsible for reporting and accounting for the revenues?	<p>a) The collections of revenues are made into accounts nominated by the SBIR. Documentary evidence such as a communique on IGR notifying all MDAs to make payments into the designated banks was provided.</p> <p>b) The SBIR has full oversight of the accounts and is responsible for the reporting and accounting for revenues. The SBIR submits quarterly reports of the States IGR to the Joint Tax Board. There also monitors the inflows and the sweeping of revenue through its Pay direct platform domiciled with the board.</p>	Satisfactory	
4	Is the code approved by the State legislature to have a legal basis, either as a law or a resolution?	The Akwa Ibom State Revenue Administration (2nd Amendment) Law, 2021 which contained the revenue code was assented to by the Governor on 2nd April, 2021.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	It cannot be an executive order with no legal basis. The approval shall occur by the 31 December of the year under assessment to count for that year, up to 31 December 2020.	Note: The Akwa Ibom State Revenue Administration (2nd Amendment) Law 2021 was passed in April 2021 - A period that falls outside the 2020 Assessment year. However, the time still falls within the 2021 timeline for achieving the DLR - and as such, has been marked as satisfactory.		
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	a) A copy of the State Revenue Law was downloaded and retained in the assessment file. b) The Law was assessed and downloaded on 6th February, 2022 at 04:40 pm. c) The weblink for the Revenue Law is https://akwaibomstate.gov.ng/aksg-revenue-law-amendment-2020/ and https://akwaibomstate.gov.ng/wp-content/uploads/2021/07/REVENUE-LAW-AMENDMENT-APRIL-2021-published-31st-July-2021.pdf . d) The Akwa Ibom State Revenue Administration (Amendment) Law, 2020 was published on the 31 st of December, 2020. And While the Akwa Ibom State Revenue Administration (2nd Amendment) Law, 2021 was published on the 31 st December, 2021.	Satisfactory	
DLR 4.2	2020 nominal IGR collection is equal to or higher than the 2019 nominal IGR collection		Not Achieved	
1	Has the 2020-2019 annual nominal IGR growth rate met the basic or stretch targets? Basic Target: N/A	a) The State used the cash basis of accounting in its 2019 and 2020 Audited Financial Statement. b) The IVA computed the annual nominal IGR growth rate for this year's APA. See the computation below:	Unsatisfactory	The State should ensure significant year-on-year improvements in its IGR collection.

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations
	Stretch Target: equal to or higher than the 2019 nominal IGR collection		REPORTING TEMPLATE: OPTION B	NGN		% GRO WTH	
			Item	2019	2020		
			1. Reported IGR in AFS (Before Adjustments)	35,504,936,358	30,610,557,476	-14%	
			2. VALID items to be counted as IGR	34,950,001,434	30,152,276,706		
			Personal income tax (PAYE)	30,898,622,006	26,608,481,531		
			Licenses	24,093,733	8,971,930		
			Royalties	50,000	15,000		
			Fees	2,446,689,435	1,930,324,699		
			Fines	6,375,750	4,808,411		
			Sales of goods and services	95,511,925	153,468,725		
			Earnings (Excluding interest or investment income)	203,466,782	178,056,110		
			Rent of Government Land and building	1,275,191,803	1,268,150,300		
			3. "Adjusted IGR" for DLI 4.2 Calculation (A)				
			Sum of all VALID items of IGR	34,950,001,434	30,152,276,706	-14%	
			$\frac{\text{₦}30,152,276,706 - \text{₦}34,950,001,434}{\text{₦}34,950,001,434} \times 100$ $= -14\%$				

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The State 2020 IGR Collection is equal to the 2019 IGR Collection.</p> <p>There is a decline in growth by 14%.</p> <p>Source: 2020 Audited Financial Statement Page 12</p>		
DLI 5: Biometric Registration and Bank Verification Number (BVN) Used to reduce Payroll Fraud				
DLR 5.1	Biometric capture of at least [90] percent of current civil servants and pensioners completed and linked to payroll, and identified ghost workers taken off the payroll		Achieved	
1	Has the State used Biometrics to reduce payroll fraud through a completed biometric exercise for 90% of the current civil servants and pensioners on the State payroll?	<p>The State commenced the Biometric data capture of civil servants and pensioners in July 2020 and completed the exercise in December 2020</p> <p>a) The Biometric registration exercise was outsourced to eSofties Solutions LTD and in conjunction with the ICT Directorate of Akwa-Ibom state government.</p> <p>b) The total number of civil servants was 29,214</p> <p>c) The total number of pensioners was 16,181</p> <p>d) The total number of staff on the State Nominal roll was 45,395 and Payroll was 45,395.</p> <p>e) The number of persons captured on biometrics data was 42,319.</p> <p>f) The State provided the following documents:</p> <ul style="list-style-type: none"> i. One-page report on the progress of Biometric Exercise ii. Biometric data Register summary iii. Nominal roll summary iv. Payroll summary v. List of ghost workers detected and removed from payroll in 2020 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>vi. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture.</p> <p>vii. Consultant Report on Biometric registration Exercise.</p> <p>viii. Contract Agreement between the Consultant and Akwa Ibom state government.</p> <p>g) The State has a separate biometric register different from the BVN register.</p> <p><u>No of Biometric Data Captured x 100</u> Total No of Civil Servants + Pensioners on payroll</p> <p><u>29,214 +13,105</u> X 100 29,214 +16,181</p> <p>=93.22%</p> <p>The State had captured 93.22% of the State's civil servants and pensioners on its payroll.</p>		
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	<p>a) The State commenced the linkage of Biometric to payroll in July 2020 and finished in December 2020.</p> <p>b) The instances of biometrics data that was linked to the payroll were Civil servants 29,214 and pensioners 13,105</p> <p>c) The number of ghost workers detected during the biometric validations was 970 for civil Servants and 1,743 for pensioners</p> <p>d) The amount of money saved from the ghost workers detected was ₦145,646,114.38 for civil servants and ₦42,166,623.61 for pensioners</p> <p>e) The in-year changes to the civil servant and pensioner payrolls as a result of starters, leavers and deaths were captured by the biometric exercise.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>f) There are procedures in place for ensuring timely (within 3 months of the event) updates to the payroll to reflect leavers, retirees, and deaths. The State provided the following documents to support IVA's conclusion:</p> <ul style="list-style-type: none"> i. One-page report on the progress of Biometric Exercise ii. Biometric data Register summary iii. Nominal roll summary iv. Payroll summary v. List of ghost workers detected and removed from payroll in 2020 vi. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture. vii. Consultant Report on Biometric registration Exercise. viii. Contract Agreement between the Consultant and Akwa Ibom state government. <p>g) There were changes to the civil servant and pensioner payrolls during the fiscal year as a result of leavers and deaths.</p> <p>h) The changes were captured by the biometric exercise.</p> <p>i) The procedures in place to identify and remove ghost workers were:</p> <ul style="list-style-type: none"> i. New employees go through identity proofing and biometric registration processes before their names are sent to Payroll. ii. For a retiree, information of all staff due is generated every month and sent to payroll to ensure they are automatically removed. iii. For Death and Abscondment, a biometric verification exercise is done every 2 months and all 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>civil servants and pensioners verify their identity by their fingerprint.</p> <p>iv. Report from various MDAs; periodically the various MDA sends in their report of dead staff and those who absconded from duty with instructions to be removed. The removals are done instantly.</p>		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	<p>a) The number of ghost workers detected during the linkage was 970 for civil servants and 1,743 for pensioners.</p> <p>b) The record kept for the identified ghost workers were:</p> <ul style="list-style-type: none"> i. One-page report on the progress of Biometric Exercise ii. Biometric data Register summary iii. Nominal roll summary iv. Payroll summary v. List of ghost workers detected and removed from payroll in 2020 vi. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture. vii. Consultant Report on Biometric registration Exercise. viii. Contract Agreement between the Consultant and Akwa Ibom state government. <p>c) The date when the identified ghost workers were removed from the payroll was in December 2020.</p> <p>d) The payroll figure before their removal was 30,184 civil servants and 17,924 pensioners.</p> <p>e) The payroll figures after they were removed were 29,214 civil servants and 16,181 pensioners.</p> <p>f) The sources of this information and reference where IVA obtained the data are:</p> <ul style="list-style-type: none"> i. One-page report on the progress of Biometric Exercise 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> ii. Biometric data Register summary iii. Nominal roll summary iv. Payroll summary v. List of ghost workers detected and removed from payroll in 2020 vi. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture. vii. Consultant Report on Biometric registration Exercise. viii. Contract Agreement between the Consultant and Akwa Ibom state government. 		
5.2	Link BVN data to at least [90] percent of current civil servants and pensioners on the payroll and payroll fraud addressed		Achieved	
1	Has the State linked the Bank Verification Number data to 90% of its current Civil Servants and pensioners on the State payroll?	<p>The State commenced linkage of BVN data of civil servants and pensioners in July 2020 and completed the exercise in December 2020.</p> <ul style="list-style-type: none"> a) The Biometric registration exercise was outsourced to eSofties Solutions LTD and in conjunction with the ICT Directorate of Akwa Ibom State Government b) The total number of civil servants was 29,214 c) The total number of pensioners was 16,181 d) The total no of staff on the State Nominal roll was 45,395 e) The number of BVN data linked to the payroll was 45,395 f) The state provided the following documents for IVA conclusion: <ul style="list-style-type: none"> i. One-page report on the progress of Biometric Exercise ii. Biometric data Register summary 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> iii. Nominal roll summary iv. Payroll summary v. List of ghost workers detected and removed from payroll in 2020 vi. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture. vii. Consultant Report on Biometric registration Exercise. viii. Contract Agreement between the Consultant and Akwa Ibom state government. <p> $\frac{\text{No of BVN Data Linked}}{\text{Total No of Civil Servants + Pensioners on payroll}} \times 100$ $\frac{29,214 + 16,181}{29,214 + 16,181} \times 100 = 100\%$ </p> <p>The State has linked 100% of the State's Civil Servants and Pensioners' BVN data to the payroll.</p>		
2	Has the State taken steps to identify payroll fraud?	<ul style="list-style-type: none"> a) The number of Staff with BVN data was 45,395. All the staff have BVN b) The records kept for the identified payroll fraud are: <ul style="list-style-type: none"> i. Biometric Financial Savings Report for civil servants and pensioners ii. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture. iii. Interim report of the Biometric capturing iv. One-page report on the progress of Biometric Exercise v. Report of the consultant on biometric exercise 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		c) The date when the identified ghost workers were removed from the payroll was in December, 2020 d) The payroll figure before the fraud identification was 30,184 e) The payroll figure after the fraud was dealt with was 29, 214 for civil servants and 16,181 for pensioners. f) The State provided the following information: <ul style="list-style-type: none"> i. One-page report on the progress of Biometric Exercise ii. Biometric data Register summary iii. Nominal roll summary iv. Payroll summary v. List of ghost workers detected and removed from payroll in 2020 vi. Authority to commence blocking and removal of ghost workers/civil servants who fail to appear for Biometric capture. vii. Consultant Report on Biometric registration Exercise. viii. Contract Agreement between the Consultant and Akwa Ibom state government. 		
DLI 6: Improved Procurement Practices for Increased Transparency and Value for Money				
DLR 6.1	Existence of a public procurement legal framework and a procurement regulatory agency. Said legal framework should conform with the UNCITRAL Model Law and provide for: 1) eProcurement; 2) establishment of an independent procurement regulatory agency and 3) cover all MDAs receiving funds from the State budget		Previously Achieved In 2019 APA	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Does the State have a public procurement legal framework that must be approved by the State legislature to have a legal basis, either as a law or a resolution?	This DLR was achieved in the 2019 APA		
2	Does the law conform with the UNCITRAL Model Law which should provide for? 1) eProcurement; 2) establishment of an independent procurement regulatory agency, and 3) cover all MDAs receiving funds from the State budget.	This DLR was achieved in the 2019 APA		
3	Has the State instituted an independent procurement regulatory function, which may be performed through one or a combination of the following: bureau, commission, council, agency, or any other type of entity set up for the statutory purpose?	This DLR was achieved in the 2019 APA		
DLR 6.2	<p><u>Basic Target:</u> Framework contract for eProcurement signed by 31 December 2020 AND Publish contract award information above a threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available.</p> <p><u>Stretch Target:</u> Implement eProcurement in at least 3 MDAs</p>		Not Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	(incl. Education, Health and Public Works) and publish all contract award information in OCDS format on the online portal for the 3 MDAs AND For those MDAs without eProcurement: Publish contract award information above a threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available.			
1	Has the State achieved open contracting component of the DLI by publishing online, contract award information for all contracts awarded during the fiscal year (2020) that are above the threshold (as defined in the State procurement law or the State procurement regulation(s), in line with the Open Contracting Data Standards (OCDS)?	<p>a) The IVA obtained a schedule of all contracts awarded during the year under assessment above the threshold (as stated in Circular No. SSG/AKS/S/14/VOL.III/645 of 17th August, 2020)</p> <p>b) The contract data was published in line with the Open Contracting Data Standards (OCDS) Section 4 (r)</p> <p>c) The date of publication was August 2020</p> <p>d) The source of the publication is https://ocds.bpp.ak.gov.ng/projects</p> <p>i. IVA compared what the State has published with the example of templates provided and there were no differences in content.</p> <p>ii. IVA downloaded and retained a copy of the online publication.</p> <p>iii. IVA retained a screenshot of the webpage from which the publication was downloaded.</p> <p>iv. The IVA observed that only contracts for March to July were published and the publication date was in August 2020. This may mean that the State did not</p>	Unsatisfactory	<i>The state should adopt the OCDS and publish contract award information online as required under the standards.</i>

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>publish information on contracts above the threshold for the rest of the year.</p> <p>The disclosures on the State official website are compliant with/in line with the Open Contracting Data Standards (OCDS)</p> <p>e) The minimum contract award information that was published:</p> <ul style="list-style-type: none"> i. Project name, ii. awarding institution, iii. name of contractor, and iv. Contract amount was published. <p>f) The items from (e) were all published.</p> <p>g) bpp.ak.gov.ng</p> <p>The contract award information published on the state official website was accessible to the public.</p>		
2 New	Had the State signed up to the SaaS eProcurement Framework Contract as at 31 Dec 2020?	<p>a) Yes, the State has signed the SaaS e-Procurement Framework Contract.</p> <p>b) IVA has obtained a copy of the SaaS eProcurement Framework Contract</p> <p>c) The State has already signed the SaaS e-Procurement Framework Contract. However, eProcurement has not been implemented.</p>	Satisfactory	
3 New	Has the State implemented e-procurement in at least 3 MDAs (including Education, Health, and Public Works) the E-Procurement	<p>a) The State has not implemented e-Procurement in 3 MDA's (Education, Health and Public Works</p>	Unsatisfactory	The State should ensure that eProcurement is implemented in all MDAs and at least 3 MDAs in the first

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	for the 2020 results DLI is the implementation of E-Publishing/Notification module for contract notice and contract award?	b) IVA was unable to conduct a walkthrough of 5 transactions from each MDA since the state did not implement e-Procurement in 2020 c) The State did not conduct its procurement on e-Procurement in 2020, thus IVA could not confirm the procurement cycle was followed. d) The State did not implement the E-Publishing/Notification module for contract notice and contract award in 2020. e) The E-Publishing/Notification module for contract notice and award was not effective in 2020.		instance (including Education, Health, and Public Works).
DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework				
DLR 7.1	State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt, and 3) fiscal and debt rules/limits.		Achieved	
1	Is there an Approved state-level public debt legislation through the passage of a State Fiscal Responsibility Law, OR the passage of the State Public Debt Management Law, OR the inclusion of the provisions of the Fiscal Responsibility Act (FRA) in the organic Public Financial Management Law?	a) The State has approved public debt legislation. Copies of Akwa Ibom Debt Management Office Law (DMOL) and Akwa Ibom State Fiscal Responsibility Law were provided. The details of these legislations are provided below: b) (i) Akwa Ibom Debt Management Office Law 2019 ("DMOL"), assented to by the Governor on the 30th December 2019 (ii) Akwa Ibom State Fiscal Responsibility Law 2020 ("FRL"), assented to by the Governor on the 2nd October 2020	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
2	<p>Does the legislation include provisions that establish the following?</p> <p>1) Responsibilities for contracting state debt; 2) Responsibilities for recording/reporting state debt; and</p> <p>3) Fiscal and debt rules/limits for the state.</p>	<p>a) Both laws were enacted by the State House of Assembly and assented to by the Executive Governor. The legislation includes all the required provisions as follows:</p> <p>i. Responsibilities for contracting state debt Section 7(6) of the DMOL states that “an agreement entered into for subsection (1) of this section shall subject to the provision of this section, be executed for and on behalf of the State Government by the Commissioner for Finance or by such other person as the Commissioner of Finance may from time to time and in writing, designate for the purpose.</p> <p>Section 47(1) of the FRL also states that “subject to the provisions of this Part, the Commissioner for Finance may, with the approval of the State Executive Council, give guarantees on behalf of a Local Government or MDA in the State.</p> <p>Other sections that are relevant to criterion #1 are sections 3(a), 7(1), 7(2), 7(3), 8(1), 8(2), 8(3) of the DMOL.</p> <p>ii. Responsibilities for recording and reporting state debt. The responsibility for recording state debt is satisfied by section 2(1)(a) of the DMOL, which states that "the Office shall maintain a reliable database of all loans taken or guaranteed by the State, its agencies, Local Government Council and their agencies."</p> <p>In addition, the responsibility for reporting state debt is satisfied by section 15(3)(d) of the FRL, which provides, in the context of the provisions for preparing the State's</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>MTEF and laying it before the House of Assembly for approval that the MTEF shall contain "a Consolidated Debt Statement setting out and describing the fiscal significance accruing, principal and interest already paid, the amount outstanding in each case, debt servicing requirements for the next three years, a project in respect of which borrowing was incurred, levels of implementation and measures to reduce any such liability." The MTEF is to be laid before the House of Assembly annually.</p> <p>Other sections that satisfy criterion #2 are ss. 2(1)(a)(f), (k) of the DMOL. and sections 43(5) and 45(5) of the FRL.</p> <p>iii. Establishing fiscal and debt rules or /limits Fiscal rules/debt limits are provided for in section 16 of the FRL, which provides that "the aggregate expenditure and the aggregate amount appropriated by the House of Assembly for each financial year shall not be more than the estimated aggregate revenue plus a deficit not exceeding three percent of the actual revenue for the preceding year." Other sections that satisfy criterion #3 are ss. 15, 16, 42, and 4348 of the FRL.</p> <p>b) The overall expert assessment result was: "ACHIEVED". Criteria 1, 2, and 3 were assessed as satisfied. The IVA cross-checked all references to sections of the law by the expert and concluded they were correct.</p> <p>c) The conclusion from the IVA and expert assessments are aligned. Both assessments concluded that the debt Management Laws meet the 3 criteria stated in the Verification Protocol.</p>		
4	Has the State Debt Management Department (or Unit, Committee,	a) The Debt Management Office Law (2019) provided for the Establishment of the State Debt Management	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
<p>Agency, Board, Bureau, Commission, Council) been operational during the APA year and performing the core function of recording and reporting state debt?</p>	<p>Office. Section 1 Establishment of the Debt Management Office states “There is hereby established a body to be known as the Debt Management Office which – (a) shall be a body corporate with perpetual succession and a common seal; (b) may sue and be sued in its corporate name; and (c) may acquire, hold and dispose of property whether moveable or immovable.”</p> <p>b) On Monday, 14th February 2022, the IVA visited the Akwa Ibom State Debt Management Office in the State’s Ministry of Finance Building. An interview was held with the Head of the State’s Debt Management Office, who confirmed the operation of the department. According to her, the functions of the department include “Preparation and submission of loan service obligation forecasts for each financial year; preparation of DSA Report and quarterly Debt Report to the DMO; Preparation and implementation of strategy for the efficient management of State’s external and domestic debt obligations”.</p> <p>The IVA also conducted an interview with a random staff member of the Department (Principal Accountant) who also confirmed that the department has been operational.</p> <p>c) Pictures of the department were also taken.</p> <p>d) The IVA reviewed documents like the quarterly SDDR submitted to the Federal DMO, indicating that it was performing its core function of reporting the State’s debt.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 7.2	Quarterly state debt reports for Q2, Q3, and Q4 2020 accepted by the DMO on average two months or less after the end of the quarter in 2020 AND Annual state debt sustainability analysis published by end of December 2020		Not Achieved	
	Has the State produced quarterly State Domestic Debt Reports (SDDR), which are approved by the DMO on average of two months after the end of the quarter in 2020?	<p>a) We obtained evidence that the State produced approved quarterly SDDRs, which were submitted and received by the DMO as follows:</p> <ul style="list-style-type: none"> Q2 submitted on 29 July 2020 - 29 days after the quarter-end Q3 submitted on 4 November 2020 - 35 days after the quarter-end Q4 submitted on 4 February 2020 35 days after the quarter end $\frac{29+35+35}{3}$ <p>Average = 33 days (4.7 weeks)</p> <p>The SDDRs were submitted within an average of 33 days (1 month and 5 days). This is within the 2 months window for submitting the State's SDDR per quarter.</p>	Satisfactory	
2	<p>Note: Have you reviewed for accuracy and completeness from the DMO:</p> <p>The State Domestic and External Debt Report (SDEDR) along with all underlying data and supporting documents including the DMO</p>	<p>a) The IVA reviewed the DMO's Report on State Domestic and External Debt Report (SDEDR) with the Akwa Ibom State Debt Domestic Report along with all underlying data and showed different amounts of ₦219,049,045,726.00 for the SDEDR and ₦230,807,337,366.86 for the SDDR. The report was supported with the DMO's templates and guidelines.</p>	N/A	N/A

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	templates and guidelines and standard internal protocols and data from CBN, DMO, and FMOF Home Finance used by the DMO to crosscheck the state's domestic debt figures.	<p>There is a variance of ₦11,758,291,640.86. The report was supported with the DMO's templates and guidelines.</p> <p>b) We reviewed the DMO report and the DMO report confirmed the accuracy and completeness of the State Domestic Debt Report.</p> <p>c) The Akwa Ibom State Quarterly State Domestic Debt Reports (SDDR) submitted by the State has been compared with the State Audited Financial Statement.</p> <p>d) The debt stock figures reported in the SDDR has been compared with that of the State's Audited Financial Statement</p> <p>e) There were discrepancies noted during the comparison.</p> <p>i. SDDR Figure: ₦230,807,337,366.86</p> <p>ii. AFS Figure: ₦215,795,958,618.31</p> <p>iii. Difference: ₦15,011,378,748.55</p> <p>f) An APA Issue was raised to the State to clarify identified discrepancies. The State responded thus: "The variance is the outcome of the forensic audit carried out on our debt stock in 2020. It was duly communicated to DMO Abuja". A letter transmitting the updated data to the DMO was obtained and retained as evidence.</p> <p>g) The State Domestic and External Debt Report (SDEDR) from the Federal DMO has been compared with the Quarterly State Domestic Debt Reports (SDDR) submitted by the State.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>h) The debt stock figures reported in the SDEDR, have been compared with those of the SDDR submissions by the State.</p> <p>i) There were discrepancies noted during the comparison.</p> <p>i. SDEDR (DMO) Figure: ₦219,049,045,726.00</p> <p>ii. SDDR (State) Figure: ₦230,807,337,366.86</p> <p>iii. Difference: ₦11,758,291,640.86</p> <p>j) An APA Issue was raised to the State to clarify identified discrepancies. The State responded thus: "The issues that resulted in the difference in the domestic debt figure were reconciled and our position was forwarded to DMO Abuja during the last debt stock reconciliation exercise.</p>		
3 New	Has the State published the State Debt Sustainability Analysis Reports (SDSAR) online by 31 December 2020?	<p>a) The Akwa Ibom State Debt Sustainability Analysis Report (SDSAR) was published on the State official website https://akwaibomstate.gov.ng/</p> <p>b) The SDSAR was published on the 31st of December 2020</p> <p>c) The SDSAR was published on the 31st of December 2020. This falls within the required timeline. Evidence of a timestamp has been obtained (screenshots taken from the IT back end of the State's website showing the date of online publication) and retained in the engagement file.</p> <p>The weblink to the SDSAR for Akwa Ibom State is: https://akwaibomstate.gov.ng/akwaibomstatedsareportdecember2020/</p>	Satisfactory	.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
4 New	Does the SDSAR include the following: 1) medium-term budget forecasts; 2) detailed and adequate description of the debt portfolio and borrowing options, and 3) adequate analysis of the debt and fiscal figures in the preceding calendar year?	<p>a) Upon review of the State Debt Sustainability Analysis Report (SDSAR), we noted it did not include the following:</p> <p>i. The detailed and adequate description of the debt portfolio and borrowing options (The presentation and analysis of the debt forecasts and assumptions for the Baseline Scenario do not exhibit an adequate level of technical quality and logical consistency. This is because there are negative figures for Debt Stock and Debt Services (e.g., charts 22, 23, and 25)).</p> <p>b) The SDSAR assessment report does not contain figures. Thus, a comparison could not be done on SDSAR obtained from State and the SDSAR assessment report from DMO.</p> <p>The State responded thus; We also wish to state as follows:</p> <p>1. The observations pointed out were noted and corrections were effected in the relevant sections.</p> <p>2. Rows 157, 158 and 163 were amended in the DSA Template to remove negative figures from Debt stock and debt servicing charts.</p> <p>3. Data and comparative figures were also included in the Report.</p> <p>The IVA has noted the State's response but however, the timing of the report submission is 31st December 2020 and not June 2022 therefore this remains not achieved. The State can use the feedback to update further reports.</p>	Unsatisfactory	The State should ensure that the 2021 SDSAR includes a detailed description of the debt portfolio and borrowing options.
DLI 8: Improved Clearance/Reduction of Stock of				

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
Domestic Expenditure Arrears				
DLR 8.0	<p>Basic Target: Domestic arrears as of end 2019 and end 2020 are reported in an online publicly accessible database, with a verification process in place.</p> <p>Stretch Target: Domestic arrears as of end 2019 and end 2020 reported in an online publicly accessible database, with a verification process in place AND at least a 5 percent decline in the verified stock of domestic arrears at end 2020 compared to end 2019 consistent with the state's arrears clearance framework or maintain stock below 5 billion.</p>	The State submitted its state arrears recording, verification, and clearance report (SARVCR) to the IVA	Achieved (Basic Target Met)	
1	Has the State established an Arrears Clearance Framework (ACF)?	<ul style="list-style-type: none"> a) The State has established an Arrears Clearance Framework (ACF) b) A copy of the State ACF was obtained. c) The 2019 ACF was established in August 2020 d) The ACF was established before the 31st December 2020 year-end deadline. The State was able to implement the ACF in 2020. 	Satisfactory	
2	Does the ACF contain: 1) the planned actions to settle arrears; and 2) an explicit prioritization of expenditure arrears to be settled.	<ul style="list-style-type: none"> a) The ACF contains planned actions to settle arrears and an explicit prioritization of expenditure arrears to be settled. b) The evidence seen when reviewing the ACF shows that the ACF contains the two stated requirements include: <ul style="list-style-type: none"> i. Planned actions to settle expenditure arrears as detailed in section 2 pages 9-18 of the ACF 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> ii. Prioritization of domestic expenditure arrears to be settled as detailed in section 3, pages 19-21. c) The other document submitted by the State to confirm the ACF was the SARVCR. 		
3	Has the ACF been published on a State official website?	<ul style="list-style-type: none"> a) The ACF was on a State official website at the time of the verification and a copy was downloaded. b) The ACF was published online at http://aksmfinance.com/reports/2019/AkwalbomStateACF2019.pdf c) The date of publication was 31st December 2020. A screenshot of the timestamp has been retained as evidence. 	Satisfactory	
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	<p>The Clearance of the State Pension and gratuity was in line with the State ACF as the oldest arrears were being settled first. The pension and gratuity 2019 records were compared with the 2020 database. It was observed that the older arrears were being settled first.</p> <p>The settlement of contractors' arrears was also in line with the ACF. The contractors' arrears being settled were ongoing contracts, some old contractual arrears, some based on the value of the amount owed. The contract files were presented and reviewed.</p> <p>After reviewing the available information, the IVA concluded that the clearance of the States Arrears was consistent with the State ACF.</p>	Satisfactory	
5.	Has the State established an Internal Domestic Arrears Database?	<ul style="list-style-type: none"> a) The State has established an Internal Domestic Arrears Database b) The State Internal Domestic Arrears Database includes the following: 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> i. The aggregate and individual amounts of contractors' arrears. The contractors' arrears database included the name of the contractor, the amount due at the end of the year, and the nature of the goods and services procured that generated the claim. The billing data for some of the contractors were omitted while there was no due date. The database included the total domestic arrears stock at the end of each year. ii. The aggregate amount of pension and gratuity arrears. c) The State has a verification process in place for the arrears database. d) State had conducted some verification exercises with the MDAs. Also, the State DMO verified the pensioner being owed money to ascertain their various claims. e) A test was conducted to ascertain the accuracy of the internal domestic arrears database. The process includes cross-checking the payroll information, bank cheque stubs to pensioners, pensioners cheque register for collection of cheque. Samples of the payment vouchers for contractors were observed as well as the schedule of payments to the banks for the payments and the State's contractors control register. f) The State has submitted its annual state arrears recording, verification, and clearance report (SARVCR) to the IVA. 		
6	Has the State published online elements of the internal domestic arrears database for the FY 2019 and FY 2020 reported on a State official website, which constitutes	<ul style="list-style-type: none"> a) The State has published online the required elements of its Internal Domestic Arrears Database as at the end of 2019 and 2020. b) The IVA has compared the aggregate and individual information available on the online publicly accessible 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	the online publicly accessible arrears database?	<p>arrears database with the information in the internal domestic arrears database and verified the consistency and accuracy of the information on the online publicly accessible arrears database.</p> <p>c) The State's online publicly accessible arrears database contains an electronic link that permits any potential contractor creditor whose individual claim is not listed in the database to communicate this exclusion to the State Ministry of Finance, by filling a confidential form online and attaching supportive evidence of her claim. The web link is https://akwaibomstate.gov.ng/akwaibom-contractors-arrears-for-2020-verified/</p> <p>d) The online web page includes a facility for contractors with arrears to report any omissions to the State.</p> <p>e) The online facility was tested. An information request was sent to the State from the webpage and positive feedback was received from the webpage.</p> <p>f) The State had no omissions reported by contractors on the online portal. Hence, the IVA could not ascertain subsequent inclusion in the arrears database.</p> <p>g) The web link to the online publicly accessible arrears database is https://akwaibomstate.gov.ng/wp-content/uploads/2022/02/AKWAIBOM-CONTRACTORS-ARREARS-AS-AT-31ST-DECEMBER-2020.pdf and https://akwaibomstate.gov.ng/wp-content/uploads/2022/02/AKWAIBOM-STATE-</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations																								
		INTERNAL-DOMESTIC-ARREARS-DATABASE-SUMMARY-as-at-31st-December-2020.pdf																													
7.	<p>Does the online publication include?</p> <p>1) the aggregate amount of contractors' arrears;</p> <p>2) the aggregate amount of pension and gratuity arrears;</p> <p>3) the aggregate amount of salary arrears and other staff claims;</p> <p>4) other types of domestic arrears and</p> <p>5) a list of names of contractors with recognized arrears exceeding ₦20 million and information for contractors to be able to verify that their claims are being accurately reported in the database.</p>	<p>The online publication includes the aggregate amount for the four types of arrears as shown:</p> <p>i. The aggregate amount of contractors' arrears was ₦64,776,242,672.99.</p> <p>ii. The aggregate amount of pension and gratuity arrears was ₦28,982,610,279.70.</p> <p>iii. The aggregate amount of Salary arrears was nil</p> <p>iv. The aggregate amount of other arrears was nil.</p> <p>The above is consistent with the States Domestic Debt Report (SDDR).</p> <p>The online publication contains the names of contractor’s owed ₦20m in arrears and above.</p>				Satisfactory																									
8.	<p>Has the State met the following:</p> <p>(i) Percentage decline in the verified stock of domestic arrears at end 2020 compared to end 2019 meets target and is consistent with the state’s arrears clearance framework.</p> <p>Stretch target: At least a 5% year-on-year decline or maintain stock or arrears below ₦5 billion.</p>	<table><tr><th>Aggregate Amount of:</th><th>2020</th><th>2019</th><th>% diff</th></tr><tr><td>Contractors Arrears</td><td>64,776,242,672.99</td><td>68,351,235,510.12</td><td>-5.23%</td></tr><tr><td>Pension and Gratuity arrears</td><td>28,982,610,279.70</td><td>26,207,426,810.73</td><td>10.59 %</td></tr><tr><td>Salary arrears and Staff claims</td><td>Nil</td><td>Nil</td><td></td></tr><tr><td>Judgment Debt</td><td>Nil</td><td>Nil</td><td></td></tr><tr><td>Other types of domestic expenditure arrears</td><td>Nil</td><td>Nil</td><td></td></tr></table>				Aggregate Amount of:	2020	2019	% diff	Contractors Arrears	64,776,242,672.99	68,351,235,510.12	-5.23%	Pension and Gratuity arrears	28,982,610,279.70	26,207,426,810.73	10.59 %	Salary arrears and Staff claims	Nil	Nil		Judgment Debt	Nil	Nil		Other types of domestic expenditure arrears	Nil	Nil		Satisfactory	
Aggregate Amount of:	2020	2019	% diff																												
Contractors Arrears	64,776,242,672.99	68,351,235,510.12	-5.23%																												
Pension and Gratuity arrears	28,982,610,279.70	26,207,426,810.73	10.59 %																												
Salary arrears and Staff claims	Nil	Nil																													
Judgment Debt	Nil	Nil																													
Other types of domestic expenditure arrears	Nil	Nil																													

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations									
	<i>The clearance/reduction of domestic expenditure arrears (contractors, pension and gratuity arrears, salary arrears, and other staff claims) is defined as the decline in the nominal stock of total domestic expenditure arrears at the end of the year, compared to the previous year, expressed in percentage terms.</i>	<table><tr><td>Total Domestic Arrears</td><td>93,758,852,952.69</td><td>94,558,662,320.85</td><td>-1%</td></tr></table>	Total Domestic Arrears	93,758,852,952.69	94,558,662,320.85	-1%	a. We obtained the Domestic arrears figure from the State Internal Domestic Arrears (SIDA) database, and confirmed it was the same as the balances stated within the amended SDDR and the AFS for 2020. $\frac{\text{₦}93,758,852,952.69 - \text{₦}94,558,662,320.85}{\text{₦}94,558,662,320.85} \times 100 = -0.84\%$ The percentage decline is 1% Source: State internal domestic expenditure arrears database									
Total Domestic Arrears	93,758,852,952.69	94,558,662,320.85	-1%													
DLI 9: Improved Debt Sustainability																
DLR 9.0	Total debt stock at end Dec [2020] as a share of total revenue for FY [2020] meets target: Basic target: < [150%] Stretch target: < [125%]					Achieved (Stretch Target Met)										
1	Has the State met: (i) the ratio of total debt stock at end of the year (31 st December 2020) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1 st January to 31 st December 2020)?	<p>The following tables show the calculations and adjustments made to arrive at the appropriate figures for this comparison.</p> <p>Total Public Debt</p> <table><tr><td></td><td>Financial Statements</td><td>DMO/SDEDR Figures</td></tr><tr><td>Total Domestic Debts</td><td>215,795,958,618.31</td><td>219,049,045,726.00</td></tr><tr><td>Total External Debts</td><td>18,211,957,074.21</td><td>18,259,883,277.00</td></tr></table>					Financial Statements	DMO/SDEDR Figures	Total Domestic Debts	215,795,958,618.31	219,049,045,726.00	Total External Debts	18,211,957,074.21	18,259,883,277.00	Satisfactory	
	Financial Statements	DMO/SDEDR Figures														
Total Domestic Debts	215,795,958,618.31	219,049,045,726.00														
Total External Debts	18,211,957,074.21	18,259,883,277.00														

Disbursement Linked Indicators (DLIs) and Tests		Findings			Conclusion	Recommendations															
	Basic target:< [150%] Stretch target: < [125%]	<table><tr><td>Total Public Debts</td><td>234,007,915,692.52</td><td>237,308,929,003.00</td></tr></table>			Total Public Debts	234,007,915,692.52	237,308,929,003.00														
		Total Public Debts	234,007,915,692.52	237,308,929,003.00																	
		<u>Total Annual Revenue</u>																			
		<table><tr><td>2020 Adjusted IGR (see DLI 4.2)</td><td colspan="2">30,152,276,706</td></tr><tr><td>Gross FAAC Allocation</td><td colspan="2">154,598,826,162</td></tr><tr><td>Grants</td><td colspan="2">11,553,451,820</td></tr><tr><td>Other Revenues</td><td colspan="2">2,950,168,866</td></tr><tr><td>Total Revenue</td><td colspan="2">199,254,723,553</td></tr></table>			2020 Adjusted IGR (see DLI 4.2)	30,152,276,706				Gross FAAC Allocation	154,598,826,162		Grants	11,553,451,820		Other Revenues	2,950,168,866		Total Revenue	199,254,723,553	
		2020 Adjusted IGR (see DLI 4.2)	30,152,276,706																		
		Gross FAAC Allocation	154,598,826,162																		
		Grants	11,553,451,820																		
		Other Revenues	2,950,168,866																		
		Total Revenue	199,254,723,553																		
		<p>a. The State’s domestic debt stock figure in the Federal DMO State Domestic and External Debt Report for 2020 is as at the end of Q4 2020.</p> <p>We have computed the total debt stock/Revenue percentage for the 2020 year, as follows:</p> $\frac{237,308,929,003.00}{199,254,723,553.00} \times 100$ $=119.1\%$ <p>Sources:</p> <p>1.For Total Revenue 2020 Audited Financial Statement, Pages 2024 (Notes 13). See Table 3(i) below for the breakdown of the Total Debt.</p> <p>2. For Total Public Debt State Domestic and External Debt Report from DMO* as of December 31, 2020. See Table 3(ii)for the breakdown of Revenue.</p>																			

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>b. The debt stock stated in the Federal DMO State Domestic and External Debt Report is not the same as the debt stock stated in the Audited Financial Statement.</p> <p>c. The IVA observed differences between the debt stock stated in the Federal DMO State Domestic and External Debt Report and that stated in the Audited Financial Statement. The discrepancy between the State's debt figures in the State Auditor General's Report and the DMO adjusted figures is due to differences between the Audited Financial Statement and what the State reports to DMO originally.</p> <p>d. The difference has been communicated to the State for an explanation.</p> <p>e. The difference has been calculated in value to be ₦3,301,013,310.48 and in percentage terms to be 1.41%.</p> <p>The State provided explanations regarding the difference between the total debt stock stated in the Audited Financial Statement and the total debt stock stated in the Federal DMO SDEDR. The response from the State explained that the difference was due to a ₦2,500,000,000 CBN Credit Support for Health Sector the State applied through Access Bank Plc which has not been received.</p> <p>The State has written and also explained this matter to the FMF & BP, CBN, and DMO since the deductions from their FAAC had already begun. The offer letter from the bank and other support documents to corroborate the existence of the loan were provided by the State.</p>		

TABLE 3(i): DLI 9 31 DECEMBER 2020 STATE DEBT STOCK TABLES FOR AKWA IBOM STATE

AKWA IBOM STATE	2020 AMOUNT (₦)
BUDGET SUPPORT LOAN (SOURCE FMOF)	21,407,336,301.00
BAIL OUT (SALARIES) (SOURCE CBN)	-
RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	59,432,470,493.00
EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	6,873,531,827.00
STATE BONDS	-
COMMERCIAL BANK LOANS	35,243,858,476.00
CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	332,995,676.00
INFRASTRUCTURE LOANS (CBN FACILITIES)	-
MICRO SMALL MEDIUM ENTERPRISES DEVELOPMENT FUND (MSMEDF) SOURCE CBN)	-
JUDGEMENT DEBTS	2,000,000,000.00
GOVT DEBTS	-
CONTRACTORS' ARREARS	-
PENSION AND GRATUITY ARREARS	64,776,242,673.00
SALARY ARREARS AND OTHER CLAIMS	28,982,610,280.00
OTHER DEBTS	-
TOTAL DOMESTIC DEBT (TDD)	-
TOTAL EXTERNAL DEBT (TED)	219,049,045,726.00
TOTAL PUBLIC DEBT (TED+TDD)	18,259,883,277.00
	237,308,929,003.00

TABLE 3(ii): DLI 9 31 DECEMBER 2020 ADJUSTED REVENUE TABLES FOR AKWA IBOM STATE

TEMPLATE: OPTION A	₦
Item	2020
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	154,598,826,162
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	138,194,148,585
1.1.1 Gross statutory allocation	32,977,719,668
1.1.2 Derivation	89,856,382,765
1.1.3 Other FAAC transfers (also known as Distribution) such as excess PPT savings account, Forex equalization, excess bank charges, exchange rate gain, augmentation, others	15,360,046,152
1.2 VAT	16,404,677,577
2. Internally Generated Revenues (IGR) Adjusted	30,152,276,706
3. Grants (internal and external)	11,553,451,820
4A. Other revenues (4.1 + 4.2 + 4.3)	2,950,168,866
4.1 Investment Income (e.g. dividends)	453,297,218
4.2 Interest Earned	-
4.3 Miscellaneous	2,496,871,648
Total Revenues and Grants Calculations	
A) Total Revenues and Grants is (1+2+3+4A)	199,254,723,553

4. Response from the State

The State should please use the table below for their response.

S/N	State Response to the draft report	IVA Follow up, response, treatment
1	<p>Please, in response to the above query: "UNSATISFACTORY REPORT ON DLI 7.2 - ANNUAL STATE DEBT SUSTAINABILITY ANALYSIS PUBLISHED BY END OF DECEMBER 2020", find attached the updated 2020 DSA REPORT.</p> <p>We also wish to state as follows:</p> <ol style="list-style-type: none">1. The observations pointed out were noted and corrections were effected in the relevant sections.2. Rows 157, 158 and 163 were amended in the DSA Template to remove negative figures from Debt stock and debt servicing charts.3. Data and comparative figures were also included in the Report.	<p>The State's response is noted.</p> <p>However, the timing of the report submission is 31st December 2020 and not June 2022 therefore this remains not achieved.</p> <p>The State can use the feedback to update further reports.</p>
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Appendix A