



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

2020 Annual Performance Assessment (APA) Report

EBONYI STATE

By:

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



JUNE 2022

Table of Contents

1. EXECUTIVE SUMMARY	3
1. INTRODUCTION	6
1.1 OVERVIEW.....	6
1.2 SCOPE.....	6
2. ASSESSMENT RESULTS	8
2.1 FINDINGS.....	8
TABLE 3(I): DLI 9 31 DECEMBER 2020 STATE DEBT STOCK TABLES FOR EBONYI STATE	59
TABLE 3(II): DLI 9 31 DECEMBER 2020 - ADJUSTED REVENUE TABLES FOR EBONYI STATE	60
3. RESPONSE FROM THE STATE.....	61

1. Executive Summary

The report details the outcome of the Annual Performance Assessment (APA) conducted on Ebonyi 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 Ebonyi State and shows areas where the State was able to achieve results. Ebonyi State achieved 14 (Fourteen) DLRs out of 15 (Fifteen) DLRs applicable to the 2020 APA, out of which 2 (Two) DLRs were achieved in 2019.

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%		
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.		
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	2019	
	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	Stretch Target Met	
DLI 5: Biometric registration and Bank Verification Number	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		

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
(BVN) used to reduce payroll fraud	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		The procurement law gives too much power to the Governor, violating the basic principle of checks and balances.
	<p>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.</p> <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><i>For those MDAs without e-procurement:</i> 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>	Stretch Target Met	
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.	2019	
	<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>		
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>	Stretch 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	

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.

1. Introduction

1.1 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 Procurement, and some input/support from the Debt Management Office (DMO) for Debt Management related DLIs to review the legislation and returns in place for this State.

1.2 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 20/02/2022 with a team of six (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.

2. Assessment Results

2.1 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</p> <p>Q1 - http://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202004280713537177Ebonyi_State_Government_1st_Qtr_2020_Budget_Implementation_Report.pdf</p> <p>Q2 - http://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202007281540341933Final_Updated_2nd_Quarter_Budget_Performance_.pdf,</p> <p>Q3 - http://www.ebonyistate.gov.ng/Laws_and_Financial</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>s/resources/202011061108022553Q3_BUDGET_IMPLEMENTATION_2020_REDO.pdf and</p> <p>Q4 - http://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202101281146302973EBSGs_Budget_Implementation_Report_2020_Fourth_Quarter_and_Fourth_Quarter_Consolidated.pdf as follows:</p> <ul style="list-style-type: none"> • Q2 – (28/07/2020)- 28 days • Q3 – (28/10/2020) - 28 days • Q4 – (28/1/2021) - 28 days <p>Average days (weeks) for the online publication was computed based on the last 3 quarters, as below:</p> $\frac{28+28+28}{3}$ <p>Average = 28 days (4 weeks)</p> <p>We downloaded the Quarterly Budget Implementation Reports for all four quarters for the year 2020. IVA has also 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	<p>From our review of the Quarterly Budget Implementation reports downloaded from the State’s website (see weblinks above) we observed the following:</p> <p>a) 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.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p>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>	<p>b) 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.</p> <p>c) The Budget Implementation Reports included the balances against each of the revenue and expenditure appropriations.</p> <p>d) The State has a revised budget and supplementary budget</p> <p>e) The Budget Implementation Reports showed only the approved revised budget. The State did not disclose the approved original budget in any of the reports published online. However, these were disclosed in the hard copies provided to the IVA.</p> <p>The reports included the revised 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.</p>		
3	<p>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?</p>	<p>Upon review of the State’s Budget Performance Reports, it stated the actual expenditures for each quarter attributed to each MDA, expenditure classification as well as the cumulative expenditures for the year to date.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
4	Does the report state balance 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%		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 year, divided by the Amended approved total budgeted expenditure and expressed in positive percentage terms?	<p>The State computed the budget deviation for 2020 to be 10.41%</p> <p>The above State's budget performance deviation was computed without considering the supplementary budget passed by the State in the year of assessment. IVA raised an APA issue requesting an explanation. The State's response was obtained and retained in the assessment file.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations												
	<p>Is the expenditure outturn deviation computed less than 15%</p> <p>Cash Basis:</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p> <table border="1" data-bbox="686 427 1304 730"> <thead> <tr> <th>Based on Cash Basis</th> <th>Total Amended Budget</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Capital (pg6) (pg43)</td> <td>87,131,992,508.43</td> <td>76,971,657,010.95</td> </tr> <tr> <td>Rec. Exp (pg5) (pg18)</td> <td>44,870,399,118.23</td> <td>41,720,587,984.25</td> </tr> <tr> <td>Total</td> <td>132,002,391,626.66</td> <td>118,692,244,995.2</td> </tr> </tbody> </table> $\frac{\text{₱}132,002,391,626.66 - \text{₱}118,692,244,995.2}{\text{₱}132,002,391,626.66} \times 100 = 10\%$ <p>The budget performance deviation is 10%</p> <p>Source: Year 2020 Audited Financial Statement (Page 43 for Actual Capital Expenditure & Page 18 to Page 19 for Actual Recurrent Expenditure). Approved Revised Budget (Page 5 to Page 6 for Budgeted Recurrent & Capital Expenditure)</p>	Based on Cash Basis	Total Amended Budget	Actual	Capital (pg6) (pg43)	87,131,992,508.43	76,971,657,010.95	Rec. Exp (pg5) (pg18)	44,870,399,118.23	41,720,587,984.25	Total	132,002,391,626.66	118,692,244,995.2		
Based on Cash Basis	Total Amended Budget	Actual													
Capital (pg6) (pg43)	87,131,992,508.43	76,971,657,010.95													
Rec. Exp (pg5) (pg18)	44,870,399,118.23	41,720,587,984.25													
Total	132,002,391,626.66	118,692,244,995.2													

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations												
	<p>Accrual Basis:</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p> <table border="1" data-bbox="682 427 1310 743"> <thead> <tr> <th>Based on Cash Basis</th> <th>Total Amended Budget</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Capital (pg6) (pg43)</td> <td>87,131,992,508.43</td> <td>76,971,657,010.95</td> </tr> <tr> <td>Rec. Exp (pg5) (pg15)</td> <td>44,870,399,118.23</td> <td>46,313,034,557.09</td> </tr> <tr> <td>Total</td> <td>132,002,391,626.66</td> <td>123,284,691,568.04</td> </tr> </tbody> </table> $\frac{\text{N}132,002,391,626.66 - \text{N}123,284,691,568.04}{\text{N}132,002,391,626.66} \times 100 = 7\%$ <p>The budget performance deviation is 7%</p> <p>Source: 2020 Audited Financial Statement (Page 43 for Actual Capital Expenditure, Page 15 for Actual Recurrent Expenditure and Approved Revised Budget (Page 5 to Page 6 for Budgeted Expenditure figures.</p> <p>The amended annual budget figures shown in the AFS do not differ from the signed amended budget/appropriation.</p>	Based on Cash Basis	Total Amended Budget	Actual	Capital (pg6) (pg43)	87,131,992,508.43	76,971,657,010.95	Rec. Exp (pg5) (pg15)	44,870,399,118.23	46,313,034,557.09	Total	132,002,391,626.66	123,284,691,568.04		
Based on Cash Basis	Total Amended Budget	Actual													
Capital (pg6) (pg43)	87,131,992,508.43	76,971,657,010.95													
Rec. Exp (pg5) (pg15)	44,870,399,118.23	46,313,034,557.09													
Total	132,002,391,626.66	123,284,691,568.04													

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The source of the values used in the calculations was from a part of the hard copies of the AFS which are available in the online AFS.</p> <p>IVA has compared both Expenditure figures in Cash flow and Statement of Financial performance. No differences were noted.</p>		
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?	<p>The documents obtained and reviewed include the following: Attendance register (name, organization, address/community/LGA, contact, email & signature), and minute of the meeting.</p> <p>a) LGAs that were in attendance are: Onicha, Abakaliki, Ezza-South, Afikpo South, Afikpo North, Ishielu, Izzi, Ohaozara, Ezzi North, Ohankwu, Ezza North, Ebonyi</p> <p>b) The CSOs representatives in attendance are: Comrade Leonard -NLC, Comrade Michael Nwonu-TUC, Comrade Francis Egwu, -NUT, Barr. Grace Ifeanacho Chima-FIDA, Dr. Mrs Ngozi Nwiziti - NGO, HRN Eze Charles Mkpuma-Traditional Ruler, Mrs Chris Otuonye Nnenna-Market Woman, Mrs Azu Collins - CSO, Chief Alu Ikechukwu Onwa -Town Union, Comrade</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>Nwali Emmanuel - Student Mr. Christian Onyibe John-Physically Challenge.</p> <ul style="list-style-type: none"> c) The sources of information from which our conclusions were drawn are minutes, attendance, pictures, etc. d) The date of consultation on the budget proposal is 1st December 2020 and the Venue is Akanu -Ibiam International Conference Centre, Abakaliki. e) 10 attendees were randomly selected and called to confirm their attendance at the public consultation. f) The budget was drafted on 2nd December 2020. g) The date of the consultation is 1st December 2020, and the date of the draft budget is 2nd December 2020. This indicates that consultation came first. h) The publication of the proposed budget was done on 2nd December 2020 using an IT back-end service provider, this was before the deadline of 31 January 2021. i) The weblink: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202012020908135676EBSG_FY2021_Budget_Draft_Estimates.pdf 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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) CSO that co-signed the Minutes are:</p> <p>Mr. Azu Collins - CSO. Chief Alu Ikechukwu Onwa -Town Union; Comrade Nwali Emmanuel - Student. Mr. Christian Onyibe John-Physically Challenged Persons. Comrade Leonard - Nigeria Labour Congress (NLC). Comrade Michael Nwonu- Town Union Congress (TUC). Comrade Francis Egwu - Nigerian Union of Teachers (NUT). Barr. Grace Ifeanacho Chima - FIDA. Dr. Mrs. Ngozi Nwiziti- Non-Governmental Organization (NGO). HRN Eze Charles Mkpuma-Traditional Ruler. Mrs. Chris Otuonye Nnenna-Market Woman Association.</p> <p>A copy of the signed minutes has been retained on file.</p> <p>b) The title of the consultation was “Minutes of Meeting of The Ebonyi State 2021 Citizen Budget Inputs And Public Consultation at Akanu -Ibiam International Conference Centre, Abakaliki” and the date of the Minutes was 1st December 2020.</p> <p>c) The signatories are representatives of the following organizations: Market women, student, Physically Challenged Persons, Nigeria Labour Congress (NLC), Town Union Organisation (TUC) Non-Governmental Organisation (NGO), FIDA,</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>Nigeria Union of Teachers (NUT), Nigeria Union of Journalist (NUJ), Traditional rulers, Town Union, etc.</p> <p>d) The web link to the published Minute of Meeting: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202101281215009233Minutes_Final_2021_Citizens_Budget.pdf</p>		
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	
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?	<p>a) IVA reviewed all required documents such as pictures, minutes, list of attendees including their names, organizations, and email addresses.</p> <p>b) The Amended Budget and the evidence of the dissemination events have been downloaded</p> <p>Amended budget: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202009261038270642EBONYI_STATE_2020_REVISIED_CITIZENS_BUDGET.pdf</p> <p>Dissemination: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202009291305121680disseminati</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>on_for_the_2020_amended_budget_citizens_budget.pdf</p> <p>c) The dissemination was done virtually and physically on 28th September 2020 at the Ministry of Finance Conference Hall.</p> <p>d) Evidence of the dissemination event was published online on 29th September 2020 which was before September 30, 2020. The evidence of dissemination published online by the State are minutes of the meeting, attendance list, picture. Copies have been obtained and retained in the file.</p> <p>e) Evidence of the dissemination event was published in the same location as the Amended FY20 budget.</p> <p>f) The date of publication of the evidence of the dissemination event is 29th September 2020. The evidence obtained to confirm the dates of online publication is IT back-end timestamp</p> <p>g) The weblink to the online publication Dissemination: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202009291305120680dissemination_for_the_2020_amended_budget_citizens_budget.pdf Amended budget: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202009261038270642EBONYI_STATE_2020_REVISIED_CITIZENS_BUDGET.pdf</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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?	<p>a) The Citizens budget based on the Amended Budget (2020) was published on 26th September 2020 which is before the due date of 30th September 2020 via: https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202009261038270642EBONYI_STATE_2020_REVISIED_CITIZENS_BUDGET.pdf accessed on 14/02/2022</p> <p>b) A comparison of the Amended Budget 2020 with the Citizens Budget was done and there were no significant 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 by checking that no discrepancies exist among the following:</p> <ul style="list-style-type: none"> i. Simple explanation of the annual amended budget/citizens budget (page 1) ii. The sources of revenues page (6-7) iii. Sources of domestic and foreign grants, domestic loans, and other financing sources (page 8) iii. Total expenditure by economic classifications (page 7) iv. The total revenue and grants, total expenditures, budget deficit, budget financing, and financing gap (page 6) 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>v. Disclosure of Budget deficit (if any) and how it will be financed.</p> <p>vi. Sectoral Allocation by MDAs (page 9)</p> <p>vii. Top Projects to be financed at least 5 (page 10)</p> <ol style="list-style-type: none"> 1. Dualization of Abakaliki -Afikpo road 2. Completion of Agricultural industrial Clusters. 3. Construction of GTC Agba agba elu isu 4. Completion of International Market, 5. Dualization of Mpu Obiozara road. <p>d) The minimum required budget information outlined above (extracted from the Citizen Budget User Manual and Template) has been included.</p> <p>e) A different format was not used, as it has been compared with the suggested format, there are no significant differences identified</p>		
3	Is the Citizens Budget a comprehensible (to citizens) summary of the amended FY20 state budget?	<p>a) The Citizens Budget included an explanation of the key changes between the Original FY20 Budget and the Amended FY20 Budget as shown on page 1 paragraph 2 of the citizen budget.</p> <p>b) The Citizens Budget included Data on reallocations and adjusted spending priorities as shown on page 1 of the Citizen budget.</p> <p>We confirmed that the amended FY20 state budget was summarized in a comprehensible manner to the Citizens in the Citizens budget.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
4	Does the State website have functional feedback and response online mechanisms?	<p>a) The State has established functional feedback and response online mechanisms on its website.</p> <p>b) The type of feedback mechanism established on the State website is a complaint and comment section</p> <p>c) The State's feedback mechanism provides at a minimum the following:</p> <ul style="list-style-type: none"> i. Acknowledgement of receipt of comments/feedbacks from citizens (an instant response was sent to the comment section provided on the state official website after IVA posted a sample comment) ii. State's responses to comments/feedbacks (The State's response to the sample comment posted was "The dissemination event was held at the Ministry of Finance Conference Hall on 28th September 2020") iii. Display of timeframe is 1 hour and the State's government contact detail is ebsgfeedback@ebsggov.com <p>d) IVA conducted a walkthrough test under the State personnel guidance to confirm the functionality of the feedback mechanism. IVA posted a question on the comment section of the website and obtained a response from the State. The test result revealed that the feedback mechanism is functional.</p> <p>e) The State Ministry of Finance demonstrated how they have responded to comments in the past by</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>providing a screenshot of the responses. Copies have been obtained and retained in the file.</p> <p>f) The State's feedback mechanism is functional</p> <p>g) Weblink: https://www.ebonyistate.gov.ng/Laws_and_Financials/</p>		
<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		Achieved	
1	Has the State established a functional State-level TSA?	<p>a. The State has established a functional state-level TSA.</p> <p>b. The State has multiple accounts, and the account details are as follows:</p> <ul style="list-style-type: none"> ● IGR Main Account: Account name: Ebonyi State consolidated IGR Account Account number: 1016884688 Bank Name: UBA Plc ● FAAC Account (TSA): Account name: Ebonyi State Government Treasury Single Account Account number: 1001158077 Bank Name: UBA Plc ● VAT Account: Account name: Ebonyi State VAT Account Account number: 1011080726 Bank Name: Zenith Bank Plc 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
2	<p>Is there a formally approved cash management strategy in place?</p> <p>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.</p>	<p>The State has a cash management strategy.</p> <p>a) The Document’s name is “Ebonyi State Government Cash Management Strategy (First Edition Strategy)”</p> <p>b) It was produced in 2020 and was signed by the Hon. commissioner for Finance & Economic Development.</p> <p>c) The Strategy on pages 12 & 13, section two, par. 2.2 & 2.2.3 covers 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.</p> <p>d) The strategy states that cash sweeping from revenue collecting banks into the IGR pool account should be at the end of the month before it finally ends up in the State’s TSA on the last working day of every month (page 17 par. 3 & page 27 par. 5 of the cash management strategy)</p> <p>e) There is evidence of implementation of processes described in the cash management strategy to forecast cash commitments and requirements and provide reliable information on the availability of funds (the existence of cash commitments and requirements forecasts at the intervals stated in the cash management strategy (monthly) was checked (i.e., the monthly cash plan was checked)). (i.e., the State has applied the strategy to its forecasting of cash commitments and requirements)</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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 a computer application where the State can view the cash balances in the bank account(s).</p> <p>a) The computer application name is EBSGfinance.net, the producer of the application is Degolojan.</p> <p>b) It is in line with the approved cash management strategy (page 16 par.2.6)</p> <p>c) It was deployed in 2019</p>	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.	<p>a) The following Revenue generating MDAs were visited, Ministry of Health, Ministry of Education, and Ministry of Works. The Director of Accounts (DA) in these three MDAs were interviewed. All three DAs confirmed that all revenues collected by the MDAs were done centrally through the IRS portal at the various commercial banks. The revenues were swept at the end of the month from the different collecting commercial Banks into the IGR pool account maintained at the UBA Bank Plc and eventually moved on the last working day of every month into the TSA. The answered TSA Questionnaire for the Revenue Generating MDA's, 5 Selected Fee Payers as well as copies of the treasury receipt were also obtained as evidence to confirm the existence of TSA at each MDA visited.</p> <p>b) The TSA of the State is the FAAC account in UBA bank with account number: 1001158077</p> <p>c) All government monies go through this account.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
		<p>d) All government monies do not sit in the other revenue collecting banks.</p> <p>e) The TSA bank Statement was obtained.</p>														
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 finances inflows and outflows as contained in the Cashflow Statement for the year ended 2020.</p> <p>See the computation below:</p> <table border="1"> <thead> <tr> <th></th> <th>Total Inflows</th> <th>Total Outflows</th> </tr> </thead> <tbody> <tr> <td>TSA Bank Statement**</td> <td>84,134,514,002.31</td> <td>70,758,953,031.64</td> </tr> <tr> <td>Government Finances*</td> <td>103,760,409,045.95</td> <td>118,692,244,995.20</td> </tr> <tr> <td>Percentage</td> <td>81%</td> <td>60%</td> </tr> </tbody> </table> <p>The average is percentage computation is:</p> $\frac{81\% + 60\%}{2}$ <p style="text-align: center;">= 70%</p> <p>The TSA covered 70 % of the State's finances.</p> <p>There are some inflows and outflows in December 2020 TSA Account Statements that led to push up of totals on both the inflows and outflows.</p> <p>These entries were adjusted for and taken from the TSA Account. In particular, we excluded transfers from the EBSG salary account for the year as it is</p>		Total Inflows	Total Outflows	TSA Bank Statement**	84,134,514,002.31	70,758,953,031.64	Government Finances*	103,760,409,045.95	118,692,244,995.20	Percentage	81%	60%	Satisfactory	
	Total Inflows	Total Outflows														
TSA Bank Statement**	84,134,514,002.31	70,758,953,031.64														
Government Finances*	103,760,409,045.95	118,692,244,995.20														
Percentage	81%	60%														

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations															
	<p>unlikely the funds are from any other source than the FAAC, VAT and IGR Accounts, for which entries are already reflected in the TSA.</p> <p>We also excluded transfers into and out of the sinking fund all through the year, as these are expected to be cash flows within the TSA</p> <p>Adjust TSA Bank Statements Computation**</p> <p>Therefore, the following adjustments were made to the total inflows and total outflows in the TSA Bank Statements:</p> <table border="1" data-bbox="682 699 1346 1101"> <thead> <tr> <th></th> <th>Total Inflows</th> <th>Total Outflows</th> </tr> </thead> <tbody> <tr> <td>TSA Bank Statements</td> <td>91,671,737,783.99</td> <td>89,816,049,538.83</td> </tr> <tr> <td>Sinking Funds</td> <td>(3,537,223,781.68)</td> <td>(15,057,096,507.19)</td> </tr> <tr> <td>Transfer from EBSG Salary Account</td> <td>(4,000,000,000.00)</td> <td>(4,000,000,000.00)</td> </tr> <tr> <td>Balance</td> <td>84,134,514,002.31</td> <td>70,758,953,031.64</td> </tr> </tbody> </table> <p>*Sources: 2020 Audited Financial Statement (Cash Flow Statement) Page 18 and the TSA Statement from (UBA Plc: 1001158077) for (1 January to 31 December 2020).</p>		Total Inflows	Total Outflows	TSA Bank Statements	91,671,737,783.99	89,816,049,538.83	Sinking Funds	(3,537,223,781.68)	(15,057,096,507.19)	Transfer from EBSG Salary Account	(4,000,000,000.00)	(4,000,000,000.00)	Balance	84,134,514,002.31	70,758,953,031.64		
	Total Inflows	Total Outflows																
TSA Bank Statements	91,671,737,783.99	89,816,049,538.83																
Sinking Funds	(3,537,223,781.68)	(15,057,096,507.19)																
Transfer from EBSG Salary Account	(4,000,000,000.00)	(4,000,000,000.00)																
Balance	84,134,514,002.31	70,758,953,031.64																
DLI 4: Strengthened Internally Generated Revenue (IGR) Collection																		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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		Previously Achieved in 2019 APA	
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?	Previously Achieved		
2	Does the consolidated revenue code stipulate that the State Bureau 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?	Previously Achieved		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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?	Previously Achieved		
4	Is the code approved by the State legislature to have a legal basis, either as a law or a resolution? 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.	Previously Achieved		
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	Previously Achieved		
DLR 4.2	2020 nominal IGR collection is equal to or higher than the 2019 nominal IGR collection		Achieved (Stretch target met)	
1	Has the 2020-2019 annual nominal IGR growth rate met the basic or stretch targets?	a. The accounting basis used for revenue reporting in 2019 and 2020 from the Audited Financial	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations																																								
<p>Basic Target: N/A</p> <p>Stretch Target: equal to or higher than the 2019 nominal IGR collection</p>	<p>Statements or State Auditor-General’s Report is IPSAS Accrual</p> <p>b. The IVA computed the annual nominal IGR growth rate for this year’s APA. See the computation below:</p> <table border="1" data-bbox="663 448 1257 1406"> <thead> <tr> <th data-bbox="663 448 837 581">REPORTING TEMPLATE: OPTION B</th> <th colspan="2" data-bbox="837 448 1136 581">NGN</th> <th data-bbox="1136 448 1257 581">% GROWTH</th> </tr> <tr> <th data-bbox="663 581 837 630">Item</th> <th data-bbox="837 581 987 630">2019</th> <th data-bbox="987 581 1136 630">2020</th> <th data-bbox="1136 581 1257 630"></th> </tr> </thead> <tbody> <tr> <td data-bbox="663 630 837 760">1. Reported IGR in AFS (Before Adjustments)</td> <td data-bbox="837 630 987 760">11,263,006,651</td> <td data-bbox="987 630 1136 760">22,216,467,921</td> <td data-bbox="1136 630 1257 760">97%</td> </tr> <tr> <td data-bbox="663 760 837 812"></td> <td data-bbox="837 760 987 812"></td> <td data-bbox="987 760 1136 812"></td> <td data-bbox="1136 760 1257 812"></td> </tr> <tr> <td data-bbox="663 812 837 967">2. INVALID items to be deducted IF reported as part of IGR</td> <td data-bbox="837 812 987 967">1,487,775,366</td> <td data-bbox="987 812 1136 967">1,705,351,318</td> <td data-bbox="1136 812 1257 967"></td> </tr> <tr> <td data-bbox="663 967 837 1045">Paris club refund</td> <td data-bbox="837 967 987 1045"></td> <td data-bbox="987 967 1136 1045"></td> <td data-bbox="1136 967 1257 1045"></td> </tr> <tr> <td data-bbox="663 1045 837 1123">Proceeds from loan recovery</td> <td data-bbox="837 1045 987 1123">289,782,362</td> <td data-bbox="987 1045 1136 1123">911,950,539</td> <td data-bbox="1136 1045 1257 1123"></td> </tr> <tr> <td data-bbox="663 1123 837 1253">Sale of govt property, privatization proceeds</td> <td data-bbox="837 1123 987 1253"></td> <td data-bbox="987 1123 1136 1253"></td> <td data-bbox="1136 1123 1257 1253"></td> </tr> <tr> <td data-bbox="663 1253 837 1305">Savings</td> <td data-bbox="837 1253 987 1305"></td> <td data-bbox="987 1253 1136 1305"></td> <td data-bbox="1136 1253 1257 1305"></td> </tr> <tr> <td data-bbox="663 1305 837 1406">Investment Income (e.g. dividends)</td> <td data-bbox="837 1305 987 1406">17,332,800</td> <td data-bbox="987 1305 1136 1406">57,268,513</td> <td data-bbox="1136 1305 1257 1406"></td> </tr> </tbody> </table>	REPORTING TEMPLATE: OPTION B	NGN		% GROWTH	Item	2019	2020		1. Reported IGR in AFS (Before Adjustments)	11,263,006,651	22,216,467,921	97%					2. INVALID items to be deducted IF reported as part of IGR	1,487,775,366	1,705,351,318		Paris club refund				Proceeds from loan recovery	289,782,362	911,950,539		Sale of govt property, privatization proceeds				Savings				Investment Income (e.g. dividends)	17,332,800	57,268,513			
REPORTING TEMPLATE: OPTION B	NGN		% GROWTH																																								
Item	2019	2020																																									
1. Reported IGR in AFS (Before Adjustments)	11,263,006,651	22,216,467,921	97%																																								
2. INVALID items to be deducted IF reported as part of IGR	1,487,775,366	1,705,351,318																																									
Paris club refund																																											
Proceeds from loan recovery	289,782,362	911,950,539																																									
Sale of govt property, privatization proceeds																																											
Savings																																											
Investment Income (e.g. dividends)	17,332,800	57,268,513																																									

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations
		Interest Earned	1,132,367,637	544,464,828			
		Proceeds from loan recovery	48,292,567	191,667,437			
		3. "Adjusted IGR" for DLI 4.2 Calculation (A OR B)					
		Take reported total IGR and deduct any INVALID items i.e. (1) minus (2)	9,775,231,285	20,511,116,603	110%		
		$\frac{N20,511,116,603 - N9,775,231,285}{N9,775,231,285} \times 100$ $= 110\%$ <p>The annual nominal growth is 110%</p>					
		Source: 2020 Audited Financial Statement (Page 18)					
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					Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	workers taken off the payroll			
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 and completed the Biometric data capture of the civil servant and pensioners in June 2012.</p> <p>a) It was outsourced to AppMart Integrated Limited.</p> <p>b) The total number of civil servants is 9,606</p> <p>c) The total number of pensioners is 2,684</p> <p>d) The total number of staff on the State Nominal roll and the payroll is 12,290</p> <p>e) Biometrics data that has been captured for pensioners and civil servants is 12,290</p> <p>f) The documents obtained to derive our conclusion were sourced from a biometrics report from the Ministry of Finance-Central Payroll Office and the nominal roll which was sighted.</p> $\frac{12,290 \times 100}{9606 + 2684} = 100\%$ <p>The State had captured 100% of the State's civil servants and pensioners on its payroll.</p>	Satisfactory	
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	<p>a) The State commenced and completed the linkage of biometric data to payroll in June, 2012.</p> <p>b) The total number of staff and pensioners that are linked to biometrics data linked to the payroll is 12,290</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>c) No ghost workers were detected during the biometric validations.</p> <p>d) No ghost workers were detected thus no money was saved.</p> <p>e) There are in-year changes to the civil servant and pensioners payrolls as a result of retirement and deaths.</p> <p>f) The procedure in place for ensuring timely (within 3 months of the event) updates to the payroll to reflect leavers, retirees, and deaths is such that letters are sent to the salary payroll unit from the MDAs. Samples of such letters have been collected and filed as evidence. Furthermore, the system is configured in such a way that it automatically removes retired civil servants from the payroll.</p> <p>g) There were changes to the civil servant and pensioner payrolls during the fiscal year as a result of retirement and deaths.</p> <p>h) These changes were captured in the biometric exercise.</p> <p>i) The procedure in place to identify and remove ghost workers is outlined in (f) above which ensures that retired, dead, terminated civil servants are removed from the payroll.</p>		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	<p>a) No ghost workers were detected during the linkage as no linkage was done in FY 2020.</p> <p>b) There were no records of ghost workers as none were identified.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>c) No identified ghost workers were removed from the payroll.</p> <p>d) No ghost workers were removed from payroll.</p> <p>e) The source of this information is a “Report on Biometric Capture of Civil Servant/pensioners in Ebonyi State Payroll System” dated 16-02-2022, a copy of which has been retained on file.</p>		
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 and completed the linkage of BVN data of the civil servant and pensioners in June 2012</p> <p>a) It was outsourced to AppMart Integrated Limited biometric and 2GDB consulting for linkage of BVN</p> <p>b) The total no of civil servants is 9,606</p> <p>c) The total no of pensioners is 2,684</p> <p>d) The total no of staff on the State Nominal roll is 12,290</p> <p>e) The total number of staff whose BVN has been linked to the payroll is 12,290</p> <p>f) The source of information was obtained from the report of biometric capturing of civil servants and pensioners directly from the database of the State.</p> <p style="text-align: center;"><u>12,290 x 100</u> 9606 + 2684</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		= 100% The State has linked 100 % of the State’s civil servants and pensioners’ BVN data to the payroll.		
2	Has the State taken steps to identify payroll fraud?	<ul style="list-style-type: none"> a) The total number of staff with BVN is 12,290 and none without BVN data. b) No record was kept for payroll fraud c) No payroll fraud was identified. d) The payroll figure is ₦1,825,953,267.17 for pensioners and for civil servants is ₦8,287,134,508.08 bringing it to a total of ₦10,113,087,775.25 e) The payroll figure remains the same as no payroll fraud was identified f) The source of this information is a report of biometric capturing of civil servants provided by the Central Pay Office and a one-page report provided by the state 	Satisfactory	
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) e-Procurement; 2)		Not Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	establishment of an independent procurement regulatory agency and 3) cover all MDAs receiving funds from the State budget			
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?	<p>a) The state has a public procurement legal framework.</p> <p>b) It has been approved by the State legislature as a law or resolution.</p> <p>c) The dates it was passed and assented to by the Governor are on 10th June 2020 (for original law) and 27th May 2021(for its amendment).</p> <p>d) The Procurement Law has been passed</p> <p>e) The Procurement Law has been passed by the State Assembly and assented to by the Governor.</p> <p>f) The dates of approval of the law are 10th June 2020 (for original law) and 27th May 2021 (for its amendment).</p> <p>This is a 2021 result assessed early. All requirements were met, for the Laws that were passed during the year 2021.</p>	Satisfactory	
2	Does the law conform with the UNCITRAL Model Law which should provide for? 1) e-Procurement; 2) establishment of an independent procurement regulatory agency, and 3) cover all MDAs receiving funds from the State budget.	<p>The law does not sufficiently conform to the UNCITRAL Model Law.</p> <p>a) IVA results of the review of the law, revealed that the Procurement Law did not meet the three requirements as stated in Section 22</p> <p>b) The result of the expert (the Procurement Law met the requirement) has been reviewed and all</p>	Unsatisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>references to sections of the law by the expert have been checked.</p> <p>c) Both conclusions (Team conclusions and expert conclusions) are aligned.</p> <p>d) Conclusions between the team and the expert are aligned</p> <p>The Ebonyi State Public Procurement and Related Matters Law NO 016_of_2020 is structured in line with the UNCITRAL Model and meets the requirements as shown below:</p> <p>1. E-Procurement -IVA noted the following during our review of legislation.</p> <ul style="list-style-type: none"> ● The Procurement Council is to approve changes in the procurement Process to adapt to improvements in modern technology. S. 22 ● The Bureau is to establish a single internet portal that shall serve as a primary and definitive source of all information on government procurement. S. 22 ● The Bureau is to introduce, develop, update and maintain related databases and technology. S. 22 <p>The law, therefore, complies with the requirements for e-procurement.</p> <p>2. Independence - The results of our assessment of the legislation for independence are in the table below:</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings		Conclusion	Recommendations												
		<table border="1"> <thead> <tr> <th>Required Provisions*</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>The Functions and Powers of the Agency</td> <td>Compliant; see sections 10 & 11</td> </tr> <tr> <td>The composition of the board</td> <td>Compliant; See Section 6(2)</td> </tr> <tr> <td>Membership of the Board/Council includes representatives from professional bodies and associations.</td> <td>Compliant; see sections 6 (2)(d)</td> </tr> <tr> <td>The grounds for removal of the Chief Executive of the agency.</td> <td>Partially Compliant; see section 12(4).</td> </tr> <tr> <td>Regarding decisions of the Agency; Any other review after the Board's decision should be by judicial review</td> <td>Compliant; See Section 7(8) of the Amendment Law</td> </tr> </tbody> </table>	Required Provisions*	Result	The Functions and Powers of the Agency	Compliant; see sections 10 & 11	The composition of the board	Compliant; See Section 6(2)	Membership of the Board/Council includes representatives from professional bodies and associations.	Compliant; see sections 6 (2)(d)	The grounds for removal of the Chief Executive of the agency.	Partially Compliant; see section 12(4).	Regarding decisions of the Agency; Any other review after the Board's decision should be by judicial review	Compliant; See Section 7(8) of the Amendment Law			
Required Provisions*	Result																
The Functions and Powers of the Agency	Compliant; see sections 10 & 11																
The composition of the board	Compliant; See Section 6(2)																
Membership of the Board/Council includes representatives from professional bodies and associations.	Compliant; see sections 6 (2)(d)																
The grounds for removal of the Chief Executive of the agency.	Partially Compliant; see section 12(4).																
Regarding decisions of the Agency; Any other review after the Board's decision should be by judicial review	Compliant; See Section 7(8) of the Amendment Law																
		<p>*Provided by the World Bank</p> <p>The following areas where the expert view is that the legislation is substantially or partially compliant.</p> <p>i. Does it establish an independent procurement board - The state needs to amend several provisions that give expansive powers to the Governor for approval of projects sometimes without recourse to the Bureau. These sections include but are not limited to S.7(f), S. 11(5) S.23, 27(4)b, S. 64(3), S.64(3), S. 46(3). These provisions concentrate too much powers in the person of the</p>															

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>Governor. It will be difficult for the Council and the Bureau to achieve any reasonable levels of independence in practice with the level of concentration of powers in the Governor</p> <p>3. Establishment of an independent procurement regulatory agency -</p> <p>a) The State has instituted an independent procurement regulatory function known as Ebonyi State Council on Public Procurement see section 6</p> <p>b) The procurement law covers all MDAs receiving funds and covers all MDAs receiving funds in procurement see section 20 (1) (a) - (c)</p> <p>The law is structured to a certain degree in line with the UNCITRAL Model Law yet the over concentration of powers in the Governor shown in Sections S.7(f), S. 11(5) S.23, 27(4)b, S. 64(3), S.64(3), S. 46(3) is contrary to the basic principles of separation of regulatory and implementation powers and checks and balances which is central to the UNCITRAL Model Law</p> <p>However, the State should amend the law to:</p> <ul style="list-style-type: none"> ▪ substitute Governor with Bureau in Sections 46 (3) of the ESPPL, 2020 ▪ substitute Governor with Council in Sections 11 (5) of the ESPPL, 2020 ▪ add provisions for removal of a member of the Council 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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?	<ul style="list-style-type: none"> a) The State has instituted an independent procurement regulatory function known as Bureau of Public Procurement. b) The procurement regulatory function is being performed through a bureau that is set up for the statutory purpose. c) The bureau is responsible for prescribing regulations and procedures for public procurements by the legal framework. d) IVA visited the Ebonyi State Bureau of Public Procurement (BPP) Office, interviewed the Chief Executive of BPP and the management staff. The agency was physically inspected and interviewed some operational staff. Furthermore, samples of 5 cases were selected at random, and conducted walkthroughs and file reviews were. e) 5 records for procurements/cases/transactions handled by the Agency were used in performing the walkthrough to confirm the effective handling of the selected cases. 	Satisfactory	
DLR 6.2	Basic Target: Framework contract for e-Procurement 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.		Stretch Target Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p>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>			
1	<p>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</p>	<p>a) IVA obtained a schedule of all contracts awarded during the year under assessment above the threshold (N50,000,000.00) (as defined in the state procurement law - Section 27)</p> <p>b) The data published is in line with the Open Contracting Data Standards (OCDS)</p> <p>c) The date of publication is 2020</p> <p>d) The source of the publication is the OCDS portal.</p> <p>A physical inspection of the Bureau was conducted, and IVA observations confirmed the existence of a functional State instituted procurement regulatory</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	Contracting Data Standards (OCDS)?	<p>function which is performed through the Ebonyi State Bureau of Public Procurement.</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) award date, (iv) name of contractor, and (v) the contract amount was published. <p>f) All items (e) above that were published</p> <p>g) The weblink where data was published is http://www.ebonyieprocure.eb.gov.ng/award_contract_.php</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 e-Procurement Framework Contract as at 31 Dec 2020?	<p>a) The State has not signed the SaaS e-Procurement Framework Contract.</p> <p>b) No copy of the SaaS e-Procurement Framework Contract was obtained</p> <p>c) IVA confirmed that the State has put in place its separate framework before 31 December 2020, to implement e-Procurement</p>	Satisfactory	
3 New	Has the State implemented e-procurement in at least 3 MDAs (including Education, Health, and Public Works) the E-Procurement for the 2020 results DLI is the implementation of e-Publishing/Notification	<p>a) The State has implemented e-procurement in at least 3 MDAs (Education, Health, and Public Works).</p> <p>b) A walkthrough of all transactions from MDA has been done (with at least 2 categories of expenditure from goods, works, or services)</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	module for contract notice and contract award?	<p>c) The selected transactions followed the procurement lifecycle.</p> <p>d) The State has implemented the E-Publishing/Notification module for contract notice and contract award.</p> <p>IVA confirmed that it was effective during the year 2020.</p> <p>IVA reviewed the e-procurement portal and confirmed that the portal contained evidence of implementation of e-Publishing/Notification module for contract notice and contract award.</p> <p>The relevant web links for the e-procurement website is http://www.ebonyieprocure.eb.gov.ng/index.php</p> <p>We observed that 36 contracts were awarded in FY 2020 and out of the contracts, Ministry of Work & Transport awarded 3, Ministry of Education awarded 7 and Ministry of Health awarded 10.</p> <p>It showed the e-procurement systems were operational in the APA year.</p>		
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		Previously Achieved in 2019 APA	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	debt, and 3) fiscal and debt rules/limits.			
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?	Previously Achieved		
2	Does the legislation include provisions that establish the following? 1) Responsibilities for contracting state debt; 2) Responsibilities for recording/reporting state debt; and 3) Fiscal and debt rules/limits for the state.	Previously Achieved		
4	Has the State Debt Management Department (or Unit, Committee, Agency, Board, Bureau, Commission, Council) been operational during the APA year and	Previously Achieved		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	performing the core function of recording and reporting state debt?			
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		Achieved	
1	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 (07/08/2020) 38 days, ● Q3 submitted on (11/11/2020) 42 days and ● Q4 submitted on (03/02/2021) 34 days. $\frac{38+42+34}{3}$ <p>Average = 5 weeks and 3 days (38 days)</p> <p>The SDDRs were submitted within an average of two (2) months (Thirty-Eight Days (38 days)).</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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 templates and guidelines and standard internal protocols and data from CBN, DMO, and FMOF Home Finance used by the DMO to cross-check the state's domestic debt figures.</p>	<p>a) The Quarterly State Domestic Debt Reports (SDDR) from the Federal DMO, CBN, and FMOF, along with all underlying data and supporting documents were obtained.</p> <p>b) We reviewed the DMO's Report on State Domestic and External Debt Report (SDEDR) with the Ebonyi State Debt Domestic Report along with all underlying data and both showed different amounts of ₦74,178,098,387.85 and ₦69,274,665,362.56 respectively. Hence, a difference of (₦4,903,433,025.29). The report was supported with the DMO's templates and guidelines</p> <p>We reviewed and confirmed the <u>accuracy</u> and <u>completeness</u> of the State Domestic Debt Report.</p> <p>A wider review was undertaken of the information and supporting schedules submitted by the DMO, an APA issue was raised to the State requesting clarification for the identified discrepancies. The State in its response stated that the difference is as a result of the interest element wrongly included in CBN/FGN report.</p> <p>c) The Quarterly State Domestic Debt Reports (SDDR) submitted by the State have been compared with the State Audited Financial Statement.</p>	N/A	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<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) No discrepancies were noted during the comparison. i.SDDR Figure: N 44,213,730,467.15 ii.AFS Figure: N 44,213,730,467.15</p> <p>f) Since no discrepancies, no actions were taken.</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> <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) Below were inconsistencies identified: Internal Debts i. SDEDR (DMO) Figure: N49,051,213,663.77 ii. SDDR (State) Figure: N44,213,730,467.15 iii. Difference: N4,837,483,196.62 External Debts i. SDEDR (DMO) Figure: N25,126,884,724.08 ii. SDDR (State) Figure: N25,060,934,895.41 iii. Difference: N65,949,828.67</p> <p>j) An APA issue was raised to the State requesting clarification for the discrepancies identified above. The State in its response stated that the difference is because of interest elements wrongly included in CBN/FGN report for internal debt. While external debts difference is the repayment made</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		on the State's behalf by DMO Abuja for which they are yet to receive advice, in the bi-annual report as at the time the AFS was being prepared.		
3 New	Has the State published the State Debt Sustainability Analysis Reports (SDSAR) online by 31 December 2020?	<p>a) The State Debt Sustainability Analysis Report (SDSAR) was published on the State's official website.</p> <p>b) The date of publication is 31 December 2020.</p> <p>c) The SDSAR was published by the 31 December 2020 deadline. IVA obtained screenshots taken from the IT back end of the State's website showing date of online publication.</p> <p>d) The web link is https://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202012310853578079Ebonyi_State_Government_2020_DSA__Report.pdf</p>	Satisfactory	
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), the SDSAR included the following:</p> <p>(1) Adequate presentation of medium-term budget forecasts, including:</p> <p>(a) Presentation of MTB forecasts</p> <p>(b) Description of assumptions underpinning the MTB forecasts</p> <p>(2) A detailed and adequate description of the debt portfolio and borrowing options, including:</p> <p>a. Presentation of debt and borrowing projections in the baseline scenario.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b. Description of assumptions underpinning the borrowing options</p> <p>(3) Adequate presentation and analysis of the debt and fiscal figures position in the preceding calendar year.</p> <p>b) IVA reviewed, compared, and confirmed that the information (figures) contained in the assessment report of the SDSAR obtained from DMO with that of the SDSAR obtained from the State's website are the same.</p>		
DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears				
DLR 8.0	<p><u>Basic Target:</u> 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><u>Stretch Target:</u> Domestic arrears as of end 2019 and end 2020 reported in an online publicly-accessible database, with a verification process in place</p> <p>AND</p> <p>at least a 5 percent decline in the verified stock of</p>		Achieved (Stretch Target met)	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	domestic arrears at end 2020 compared to end 2019 consistent with the state's arrears clearance framework or maintain stock below 5 billion.			
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) The IVA obtained a copy of the ACF from the State c) The Arrears Clearance Framework (ACF) was established in 2019 and covers FY 2019 to FY 2024 as stated on Page 18 d) The duration of time between the establishment of the ACF (2019) and 31st December 2020 year-end, is adequate to allow time for the implementation of the ACF as observed in the state (SARVCR). 	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 ACF on page 9-15, paragraph 2.2 and paragraph 2.2.3 contained the two requirements stated in (a) above. The other document submitted by the state to confirm that the ACF exists is the (SARVCR). 	Satisfactory	
3	Has the ACF been published on a State official website?	<ul style="list-style-type: none"> a) The ACF has been published on a State official website 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b) The IVA has downloaded a copy for validation.</p> <p>c) Weblink - http://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202008051504257730Ebonyi_State_Arrears_Clearance_Framework.pdf IVA obtained the IT back-end timestamp as evidence to confirm the date of publication.</p>		
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	<p>The Established ACF is consistent with the clearance of domestic expenditure arrears.</p> <p>A walkthrough test was conducted using the ACF and the SARVCR to confirm the clearance of arrears by the State. The IVA observed that the process of domestic Debt reduction is consistent with the ACF and the State's SARVCR as stated in Page 4 of the SARVCR.</p>	Satisfactory	
5.	Has the State established an Internal Domestic Arrears Database?	<p>a) The State has established an Internal Domestic Arrears Database.</p> <p>b) The Internal Domestic Arrears Database includes the following:</p> <p>a. The aggregate and individual amounts of contractors' arrears. For contractors' arrears, at a minimum, the internal domestic arrears database must also include the name of the contractor, the amount due at the end-of-year, the nature of the goods and services procured that generated the claim, and billing</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>data (as applicable). The database shows the total domestic arrears stock at the end of each year.</p> <p>b. The aggregate amount of pension and gratuity arrears.</p> <p>c. The aggregate amount of salary arrears and other staff claims- (Not Applicable)</p> <p>d. The aggregate amount of other types of domestic arrears</p> <p>c) The verification process is in place for the arrears in the database</p> <p>d) The IVA confirmed through the evidence provided (the Q4 Internal Domestic Arrears Database) that the State has conducted verification of arrears balances.</p> <p>e) The IVA conducted tests to ascertain the accuracy of the figure in the internal domestic arrears database, underlying contract data, etc.</p> <p>f) The state submitted to the IVA the annual state arrears recording, verification, and clearance report (SARVCR)</p>		
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 the online publicly accessible arrears database?	<p>a) The State has published online the required elements of the Internal Domestic Arrears Database as at the end of 2019 and 2020.</p> <p>b) The IVA compared the aggregate and individual information available on the online publicly accessible arrears database with the information in the internal domestic arrears database and verified the consistency and accuracy of the</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>information on the online publicly accessible arrears database.</p> <p>c) The website supporting the 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, If the State Ministry of Finance confirms the validity of this claim, it shall be added to the internal domestic arrears database and included as relevant in the online publicly accessible arrears database.</p> <p>d) The IVA confirmed that the online web pages include a facility for contractors with arrears (creditors) to report any omissions to the State.</p> <p>e) The result observed from the test of the facility indicated that contractors with arrears (creditors) can report any omissions to the State. Screenshot evidence of the result was obtained and retained in the assessment file.</p> <p>Note: The IVA raised queries on the platform to test its functionality giving room for contractors to report any omissions to the State.</p> <p>f) There was no valid omission for restatement.</p> <p>g) The source of information is the DMO, (i.e., insert the web link - http://ebonyistate.gov.ng/Laws_and_Financials/resources/202012310712057004The_Internal_Domestic_Arrears_Data_Base_for_Fourth_Quarter_2020.pdf)</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations								
7.	<p>Does the online publication include?</p> <ol style="list-style-type: none"> 1) the aggregate amount of contractors' arrears. 2) the aggregate amount of pension and gratuity arrears. 3) the aggregate amount of salary arrears and other staff claims. 4) other types of domestic arrears and 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>The online publication includes the aggregate amount for the three types of arrears as shown in this weblink: http://ebonyistate.gov.ng/Laws_and_Financials/resources/202012310712057004The_Internal_Domestic_Arrears_Data_Base_for_Fourth_Quarter_2020.pdf</p> <p>The aggregate amount of salary arrears and other staff claim was not stated as Ebonyi State has no salary arrears and other staff claims.</p> <p>The online publication contains the names of contractors owed ₦20m in arrears and above. Weblinkhttp://www.ebonyistate.gov.ng/Laws_and_Financials/resources/202012310710569334Contractors_Exceeding_N20m_as_at_December_31st_2020.pdf</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</p>	<table border="1"> <thead> <tr> <th>Aggregate Amount of:</th> <th>2020</th> <th>2019</th> <th>% diff.</th> </tr> </thead> <tbody> <tr> <td>Contractors Arrears</td> <td>499,319,470.33</td> <td>2,500,000,000.00</td> <td>80%</td> </tr> </tbody> </table>	Aggregate Amount of:	2020	2019	% diff.	Contractors Arrears	499,319,470.33	2,500,000,000.00	80%	Satisfactory	
Aggregate Amount of:	2020	2019	% diff.									
Contractors Arrears	499,319,470.33	2,500,000,000.00	80%									

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations																		
<p>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> <p><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></p>	<table border="1"> <tr> <td>Pension and Gratuity arrears</td> <td>3,806,746,867.67</td> <td>7,470,481,068.48</td> <td>49%</td> </tr> <tr> <td>Salary arrears and Staff claims</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Judgment Debt</td> <td>83,327,926.91</td> <td>185,000,000</td> <td>55%</td> </tr> <tr> <td>Other types of domestic expenditure arrears (SEVERANCE ARREARS).</td> <td>0</td> <td>103,000,000</td> <td>100%</td> </tr> <tr> <td>Total Domestic Arrears</td> <td>4,389,394,264.86</td> <td>10,258,483,087.48</td> <td>%57.21</td> </tr> </table>	Pension and Gratuity arrears	3,806,746,867.67	7,470,481,068.48	49%	Salary arrears and Staff claims	0	0	0	Judgment Debt	83,327,926.91	185,000,000	55%	Other types of domestic expenditure arrears (SEVERANCE ARREARS).	0	103,000,000	100%	Total Domestic Arrears	4,389,394,264.86	10,258,483,087.48	%57.21				
	Pension and Gratuity arrears	3,806,746,867.67	7,470,481,068.48	49%																					
	Salary arrears and Staff claims	0	0	0																					
	Judgment Debt	83,327,926.91	185,000,000	55%																					
	Other types of domestic expenditure arrears (SEVERANCE ARREARS).	0	103,000,000	100%																					
	Total Domestic Arrears	4,389,394,264.86	10,258,483,087.48	%57.21																					
<p>We obtained the Domestic arrears figure from the State Internal Domestic Arrears (SIDA) database, and confirmed it was not the same as the balances stated within the SDDR and the AFS for 2020, An APA issue was sent to the state.</p> <p><u>N10,258,483,087.48 – N4,389,394,264.86 X100</u></p> <p style="text-align: center;">N10,258,483,087.48</p> <p style="text-align: center;">= 57.21%</p> <p>The percentage decline is 57.21%</p>																									

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																
		Source: State internal domestic expenditure arrears database																		
DLI 9: Improved Debt Sustainability																				
DLR 9.0	<p>Total debt stock at end Dec [2020] as a share of total revenue for FY [2020] meets target:</p> <p>-Basic target: < [150%] -Stretch target: < [125%]</p>		Achieved (Stretch target met)																	
1	<p>Has the State met:</p> <p>(i) the ratio of total debt stock at end-of-year (31st December 2020) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1st January to 31st December 2020)?</p> <p>-Basic target:< [150%] -Stretch target: < [125%]</p>	<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 border="1"> <thead> <tr> <th></th> <th>Financial Statements</th> <th>DMO/SDEDR Figures</th> </tr> </thead> <tbody> <tr> <td>Total Domestic Debts</td> <td>44,213,730,467.15</td> <td>49,051,213,664</td> </tr> <tr> <td>Total External Debts</td> <td>25,060,934,895.41</td> <td>25,126,884,724</td> </tr> <tr> <td>Total Public Debts</td> <td>69,274,665,362.56</td> <td>74,178,098,388,</td> </tr> </tbody> </table> <p>Total annual revenue</p> <table border="1"> <tbody> <tr> <td>2020 Adjusted IGR (see DLI 4.2)</td> <td>20,511,116,603</td> </tr> <tr> <td>Gross FAAC Allocation</td> <td>47,523,374,941</td> </tr> </tbody> </table>		Financial Statements	DMO/SDEDR Figures	Total Domestic Debts	44,213,730,467.15	49,051,213,664	Total External Debts	25,060,934,895.41	25,126,884,724	Total Public Debts	69,274,665,362.56	74,178,098,388,	2020 Adjusted IGR (see DLI 4.2)	20,511,116,603	Gross FAAC Allocation	47,523,374,941	Satisfactory	
	Financial Statements	DMO/SDEDR Figures																		
Total Domestic Debts	44,213,730,467.15	49,051,213,664																		
Total External Debts	25,060,934,895.41	25,126,884,724																		
Total Public Debts	69,274,665,362.56	74,178,098,388,																		
2020 Adjusted IGR (see DLI 4.2)	20,511,116,603																			
Gross FAAC Allocation	47,523,374,941																			

Disbursement Linked Indicators (DLIs) and Tests	Findings		Conclusion	Recommendations						
	<table border="1"> <tr> <td data-bbox="659 241 1066 289">Grants</td> <td data-bbox="1071 241 1255 289">16,110,913,474</td> </tr> <tr> <td data-bbox="659 292 1066 341">Other Revenues</td> <td data-bbox="1071 292 1255 341"></td> </tr> <tr> <td data-bbox="659 344 1066 393">Total Revenue</td> <td data-bbox="1071 344 1255 393">84,747,138,360</td> </tr> </table>	Grants	16,110,913,474	Other Revenues		Total Revenue	84,747,138,360			
Grants	16,110,913,474									
Other Revenues										
Total Revenue	84,747,138,360									
	<p data-bbox="659 456 1289 553">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 data-bbox="659 613 1276 678">We have computed the total debts stock / Revenue percentage for the 2020 year, as follows:</p> $ \frac{74,178,098,388}{84,747,138,360} \times 100 = 87.5\% $ <p data-bbox="680 911 789 935">Sources:</p> <ul style="list-style-type: none"> <li data-bbox="659 951 1199 1016">iv. For Total Revenue 2020 Audited Financial Statement, Page-25 <li data-bbox="659 1040 1297 1105">v. For Total Public Debt from DMO* as of December 31, 2020 <li data-bbox="659 1130 926 1154">vi. NBS/OAGF (FAAC) <p data-bbox="659 1179 1247 1243">*Table 3(i) below holds a breakdown of the Total Debt.</p> <ul style="list-style-type: none"> <li data-bbox="659 1268 1297 1398">a. The debt stock stated in the Federal DMO State Domestic and External Debt Report is the same as the debt stock stated in the audited financial statement. 									

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>b. There are differences between state debt figures in state AFS and the DMO adjusted figures.</p> <p>c. The difference has been communicated to the State for an explanation. An APA issue was sent to the State. The response of the State is as follows:</p> <p>Domestic Loan: Prior to every submission of the State DMD report to DMO office Abuja, there is normally a draft copy sent by the State DMD to DMO office Abuja which both parties must review/reconcile to ascertain its correctness before a final copy is accepted by DMO office Abuja. This review was done from Quarter 1 to Quarter 4 and all reviews were confirmed and accepted by DMO Abuja for each quarter. The end of year figures was also accepted by DMO office Abuja to be consistent with the CBN/FGN figures. Looking at the above CBN/FGN figures, it shows that the report should have also included the interest element of the loan which should be treated separately since principal repayment is the main consideration in loan repayment; take for example the situation where the total loan granted to the State Government for Budget Support is N17,569,000,000.00 but CBN/FGN report shows that N21,407,336,300.76 was outstanding as at year end. This figure is far above the total loan granted to the Ebonyi State for Budget Support and clearly shows that CBN/FGN report must have included the interest element which should not be. CBN/FGN shouldn't have reported a figure higher than the total loan granted to the state as outstanding as at the end of the quarter, however the on-going</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>reconciliation between CBN/DMO and the State Governments should correct some of these anomalies at the end.</p> <p>External Loan: The State Government has no physical input regarding the figures generated and posted as External loan repayment. The management of all external loans is therefore carried out by DMO office Abuja, which they do and send bi- annual reports to State Governments for their review and adoption. The figure in our State Annual Financial Statement (AFS) reflects the report sent down to us bi-annually by DMO office Abuja as at the date of preparation of the AFS which might not have included the repayment(s) still being awaited for in an expected bi-annual report. The difference therefore should represent a repayment made on our behalf by DMO Abuja for which we were yet to receive some advice for in the bi-annual report as at the time the AFS was being prepared.</p> <p>d. The difference has been calculated in value terms, and The State did not amend and resubmit its SDEDR to the IVA.</p>		

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

EBONYI STATE	2020 - AMOUNT (₦)
BUDGET SUPPORT LOAN (SOURCE FMOF)	21,407,336,301.00
BAIL OUT (SALARIES) (SOURCE CBN)	3,669,588,016.00
RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	-
EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,057,319,999.00
STATE BONDS	-
COMMERCIAL BANK LOANS	-
CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	6,527,575,083.00
INFRASTRUCTURE LOANS (CBN FACILITIES)	-
MICRO SMALL MEDIUM ENTERPRISES DEVELOPMENT FUND (MSMEDF) SOURCE CBN)	2,000,000,000.00
JUDGEMENT DEBTS	83,327,927.00
GOVT - GOVT DEBTS	-
CONTRACTORS' ARREARS	499,319,470.00
PENSION AND GRATUITY ARREARS	3,806,746,868.00
SALARY ARREARS AND OTHER CLAIMS	-
OTHER DEBTS	2,000,000,000.00
TOTAL DOMESTIC DEBT (TDD)	49,051,213,664.00
TOTAL EXTERNAL DEBT (TED)	25,126,884,724.00
TOTAL PUBLIC DEBT (TED+TDD)	74,178,098,388.00

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

TEMPLATE: OPTION A	NGN
Item	2020
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	47,523,374,941
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	33,094,407,308
1.1.1 Gross statutory allocation	29,344,523,637
1.1.2 Derivation	
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	3,749,883,671
1.2 VAT	14,428,967,633
2. Internally Generated Revenues (IGR) - Adjusted	20,511,116,603
3. Grants (internal and external)	16,110,913,474
4A. Other revenues (4.1 + 4.2 + 4.3)	601,733,342
4.1 Investment Income (e.g. dividends)	57,268,513
4.2 Interest Earned	544,464,828
4.3 Miscellaneous	
Total Revenues and Grants Calculations	
A) Total Revenues and Grants is (1+2+3+4A)	84,747,138,360

3. 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	NONE	
2		
3		
4		