



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

2020 Annual Performance Assessment (APA) Report

EDO 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
2. INTRODUCTION.....	5
2.1 OVERVIEW.....	5
2.2 SCOPE.....	5
3. ASSESSMENT RESULTS	7
3.1 FINDINGS.....	7
TABLE 3(I): DLI 9 31 DECEMBER 2020 STATE DEBT STOCK TABLES FOR EDO STATE	54
TABLE 3(II): DLI 9 31 DECEMBER 2020 - ADJUSTED REVENUE TABLES FOR EDO STATE	55
4. RESPONSE FROM THE STATE-	55

1. Executive Summary

This report details the outcome of the Annual Performance Assessment (APA) conducted on Edo 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 Edo State and shows areas where the State was able to achieve results. In total, Edo State achieved 11 (Eleven) DLRs out of 15 DLRs applicable to the 2020 APA out of which 3 (Three) DLRs were previously 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%		Budget deviation was 25%
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	Previously Achieved in 2019 APA	
	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 State IGR declined by 24%
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	Basic Target Achieved	

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
	procurement law/regulation every month in OCDS format on the state website or online portal if available. 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 AND <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		
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.	Previously Achieved in 2018 APA	
	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 AND Annual State debt sustainability analysis published by end of December 2020		
DLI 8: Improved clearance/reduction of the stock of domestic expenditure arrears	DLR 8: Domestic arrears as of end 2019 AND end 2020 reported in an online publicly accessible database, with a verification process in place. <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.	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%.		Total Debt Stock to Revenue is 186.27% which is > 150% by the end of December 2020.

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 9: Strengthened debt sustainability by achieving the levels of debt indicators that are below the thresholds established for this DLR.

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 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 requirements of the program and the protocol for 2020. The assessment results are binary (Pass or Fail), 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 31/01/2022 and 04/02/2022 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.

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 (www.edostate.gov.ng/edo-state-budget-performance) as follows:</p> <p>Q1. https://www.edostate.gov.ng/edo-state-government-budget-performance-january-march-2020/</p> <p>Q2. https://www.edostate.gov.ng/edo-state-government-budget-performance-january-june-2020/</p> <p>Q3. https://www.edostate.gov.ng/budget-performance-january-to-september-2020-third-quarter/</p> <p>Q4. https://www.edostate.gov.ng/edo-state-budget-performance-from-january-december-2020/</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>a) Q1 - (27/04/2020) - 3.86 weeks - 27 days b) Q2 – (27/07/2020) - 3.86 weeks - 27 days c) Q3 – (28/10/2020) - 4.0 weeks - 28 days d) Q4 – (27/01/2021) - 3.86 weeks - 27 days</p> <p>Average days (weeks) for the online publication was computed based on the last 3 quarters, as below:</p> $\frac{27+28+27}{3}$ <p>Average = 27.3 days (3.9 weeks)</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	<p>From our review of the Quarterly Budget Implementation reports downloaded from the State’s website</p> <p>Q1. https://www.edostate.gov.ng/edo-state-government-budget-performance-january-march-2020/ Q2. https://www.edostate.gov.ng/edo-state-government-budget-performance-january-june-2020/ Q3. https://www.edostate.gov.ng/budget-performance-january-to-september-2020-third-quarter/ Q4. https://www.edostate.gov.ng/edo-state-budget-performance-from-january-december-2020/</p> <p>we observed the following:</p> <p>a) The Budget Implementation Reports include the approved budget appropriation for the year against</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	revenue and expenditure appropriations.	<p>each organizational unit (MDAs) for each of the core economic classifications of expenditures.</p> <p>b) The Budget Implementation Reports include 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 include the balances against each of the revenue and expenditure appropriations.</p> <p>d) The State has Amended/Revised Budgets.</p> <p>e) The Budget Implementation Reports show both the Approved Original Budget AND the Approved Amended Budgets.</p> <p>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.</p>		
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	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	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
	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?	debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications.														
DLR 1.2	FY [2020] deviation from total amended budget expenditure is less than 15%		Achieved													
1	<p>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> <p>Is the expenditure outturn deviation computed less than 15%</p>	<p>The State computed the budget deviation for 2020 to be 13.32%</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p> <table border="1"> <tr> <td></td> <td>Total Amended Budget</td> <td>Actual</td> </tr> <tr> <td>Capital (pg1)</td> <td>49,451,017,232.00</td> <td>43,537,853,964.70</td> </tr> <tr> <td>Rec. Exp (pg1)</td> <td>79,425,529,300.00</td> <td>68,167,173,932.00</td> </tr> <tr> <td>Total</td> <td>128,876,546,532.00</td> <td>111,705,027,896.70</td> </tr> </table> <p>$\frac{\text{₱128,876,546,532.00} - \text{₱111,705,027,896.7}}{\text{₱128,876,546,532.00}} \times 100$</p> <p>= 13%</p> <p>The budget performance deviation is 13%</p>		Total Amended Budget	Actual	Capital (pg1)	49,451,017,232.00	43,537,853,964.70	Rec. Exp (pg1)	79,425,529,300.00	68,167,173,932.00	Total	128,876,546,532.00	111,705,027,896.70	Satisfactory	
	Total Amended Budget	Actual														
Capital (pg1)	49,451,017,232.00	43,537,853,964.70														
Rec. Exp (pg1)	79,425,529,300.00	68,167,173,932.00														
Total	128,876,546,532.00	111,705,027,896.70														

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
		Source: The year 2020 Audited Financial Statement Pg 1 and Approved Revised Budget Estimate Pg 1 (https://www.edostate.gov.ng/2020-approved-budget-summary/)														
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>(Documents obtained and reviewed by the IVA include the attendance register, copy of Invitation letter, communique issued after the meeting, pictures, and video of the event)</p> <p>a) IVA Confirmed some of the LGAs that were in attendance included: Oredo LGA, Esan South East LGA, Esan North LGA, Owan East LGA, Owan West LGA, Esan West LGA, Etsako Central LGA, Akoko=Edo LGA, Etsako West LGA. Iguebun LGA, Ovia North East LGA, Ovia South West LGA, Ikopoba-Okha LGA</p> <p>b) IVA confirmed some of the CSOs representatives in attendance included:</p> <table><tr><td>S/N</td><td>NAME</td><td>CSO</td></tr><tr><td>1</td><td>Prince Isreal Orekha-</td><td>Connected Advocacy</td></tr><tr><td>2</td><td>Oladele J Ogundele -</td><td>CAN</td></tr><tr><td>3</td><td>Benson Ibemere -</td><td>KADA Cinema</td></tr></table>	S/N	NAME	CSO	1	Prince Isreal Orekha-	Connected Advocacy	2	Oladele J Ogundele -	CAN	3	Benson Ibemere -	KADA Cinema	Satisfactory	
S/N	NAME	CSO														
1	Prince Isreal Orekha-	Connected Advocacy														
2	Oladele J Ogundele -	CAN														
3	Benson Ibemere -	KADA Cinema														

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>4 Clement Ghodaro - Academia UNIBEN</p> <p>5 Adeleye Uthman - Africa Network for Envr. & Eco Justice</p> <p>6 Christopher Ogholoh - NEWSAN & CERFADG</p> <p>7 Onome Otueroro - Friends of Special Children Foundation</p> <p>8 Roseline Odiase - NRECA</p> <p>9 Edegbe Princess-Creating Awareness Initiative</p> <p>10 Igbinoba Osasere John - Stand up for Teens and Children Foundation</p> <p>c) The sources of information from which our conclusions were drawn include attendance register, copy of the Invitation letter, agenda, a communique issued after the meeting, pictures, and video recording of the event.</p> <p>d) The date of the event was 9th November 2020, and the consultation on the budget proposal was held at the NEW Festival Hall, Government House, Benin City.</p> <p>e) 10 attendees were randomly selected and called to confirm their attendance at the public consultation.</p> <p>f) The date of the consultation was 9th November 2020 and the date of the draft budget was 10th November 2020. The town hall consultative meeting was held before the draft budget.</p> <p>g) The publication of the proposed budget was done on 25th January 2021, which was before the deadline of 31 January 2021.</p> <p>h) The weblink for the publication of the proposed budget is: https://www.edostate.gov.ng/y2021-proposed-budget/</p>		

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?	<ul style="list-style-type: none"> a) President Aigbokhan Esq is one of the CSOs that co-signed the Minutes, and a copy of the signed minutes has been retained on file b) The title of the document is Communique issued at the end of the stakeholder's consultative meeting on Edo State 2021-2023 medium-term expenditure framework (MTEF) and year 2021 budget preparation on Monday 9th November 2020. c) The signatories represent (i) All Honourable Commissioners (ii) Religious Bodies (iii) Academia (iv) The Civil Society Organizations (v) Local Government Chairmen (vi) The Non-Governmental Organization d) The weblink to the publication is https://www.edostate.gov.ng/consultative-forum-report-on-year-2021-budget/ 	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	
1.	Did the state conduct dissemination events to explain amendments to the FY2020 State budget and was adequate evidence of	<ul style="list-style-type: none"> a) The IVA reviewed all required documents, physical or virtual video records/ pictures with a list of attendees (with names, organizations, email addresses). 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	the events published online and by the due date?	<ul style="list-style-type: none"> b) The Amended Budget and the evidence of the dissemination events have been downloaded. c) The dissemination was done virtually on the 8th of July 2020. d) The evidence of the dissemination event was published online on September 30, 2020. The evidence of dissemination published online by the State via www.edostate.gov.ng/citizens-engagement-on-2020-approved-revised-budget/ and copies has been retained in the assessment file. e) IVA confirmed that the evidence of the dissemination event was published in the same location along with the Amended FY20 budget improved the State official website (www.edostate.gov.ng/citizens-engagement-on-2020-approved-revised-budget/) f) IVA confirmed that the date of publication of the evidence of the dissemination events was 29th July 2020. g) A screenshot of the web page and the date of publishing of the event were obtained and confirmed from the back-end, as evidence to confirm the dates of online publication. It was published before September 30, 2020. h) The weblink of publication is https://www.edostate.gov.ng/citizens-engagement-on-2020-approved-revised-budget/ 		
2	Has the State published online, on the State website(s) a Citizens Budget based on the Amended	a) The Citizens budget based on the Amended Budget (2020) was published before the due date via (https://www.edostate.gov.ng/edo-state-revised-citizens-budget/) accessed on (30 th September 2020).	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	Budget (2020) not later than 30 September 2020?	<p>b) The comparison of the Amended Budget 2020 with the Citizens Budget was done and there were no significant areas of discrepancies.</p> <p>c) IVA confirmed that the Citizen's budget was prepared in the format suggested to the States in the Citizen Budget User Manual and Excel Template by confirming if any discrepancies exist among the following:</p> <p>I. Simple explanation of the annual amended budget/citizens budget. ₦128.88bn Total Budget Expenditure. Page 2 & 4</p> <p>II. The sources of revenues. Internally Generated Revenue ₦26.28bn, Statutory Allocation ₦29.35bn, Aids & Grants ₦17.6bn, Share of Excess Crude ₦1.5bn, Value Added Tax ₦10.12bn, Other FAAC Revenues ₦19.48bn, Opening Balance ₦6bn. Page 3</p> <p>III. Sources of domestic and foreign grants SFTAS ₦5bn, Covid-19 FGN Support ₦1bn, UBE ₦3.5bn, Refund (From FGN) ₦0.5bn, Covid-19 Individual/Corporate Support ₦0.8bn, SFTAS Additional Financing 5bn and foreign grants- European Union (Edo SEEFOR) ₦1.8bn, domestic loans CBN Special Development Loan 2.5bn, and other financing sources Foreign Loan World Bank (CSDP) ₦0.5bn, World Bank (Edo P4R) ₦12.9bn, World Bank (RAAMP) 2bn, World Bank FGN/IFAD/NDDC ₦0.6bn. Pages 7, 8 & 12.</p> <p>IV. Total expenditure by economic classifications. ₦27,298,517,232.00</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>V. The total revenue and grants ₦110.33bn, total expenditures ₦128.88bn, budget deficit ₦18.55bn, budget financing, and financing gap. Page 3, 4 and 10-12</p> <p>VI. Disclosure of Budget deficit ₦18.55bn and how it will be financed. Page 10</p> <p>VII. Sectoral Allocation (by MDAs). Page 6</p> <p>VIII. Top Projects to be financed (at least 5). Pages 13-19</p> <p>There is no area of discrepancy</p> <p>d) The minimum required budget information outlined above (extracted from the Citizen Budget User Manual and Template) has been included.</p> <p>e) The suggested format was used and there were no discrepancies.</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 (page 2)</p> <p>b) The Citizens Budget include Data on reallocation and adjusted spending priorities (pages 5 & 6).</p> <p>c) IVA confirmed that the amended FY20 state budget was summarized in a comprehensible manner to the Citizens in the Citizens budget.</p>	Satisfactory	
4	Does the State website have functional feedback and response online mechanisms?	<p>a) The State has established a functional feedback and response online mechanisms on its website.</p> <p>b) The types of feedback mechanisms established on the State website are email and telephone lines.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>c) The State's feedback mechanism provides at a minimum:</p> <ul style="list-style-type: none"> ○ Acknowledgement of receipt of comments/feedbacks from citizens ○ State's responses to comments/feedbacks are as follows: "Thanks for contacting us! We will be in touch with you shortly". <p>Subsequently, the State responded through an email showing the link where IVA can respond to the requested information.</p> <ul style="list-style-type: none"> ○ Display of timeframe and the State's government contact details. <p>d) Tests conducted to ascertain the functionality of the feedback mechanism include an email to the email address provided and a call to the phone number provided - +234 703 584 3992. All platforms proved effective.</p> <ul style="list-style-type: none"> ○ The IVA sent an email to the State's website without informing the focal person, making a request for information. The response was gotten within two hours of the mail. ○ The IVA put a call through to the phone number on the website and received a positive response to the request. <p>e) A demonstration was done by the State Ministry of Finance or State Ministry of Budget and Planning to provide further evidence to demonstrate how the State has responded to feedback submitted online.</p> <p>Screenshot of responses from the web portal, Back-end operations in the treatment of comments.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The IVA did a walk through on the web feedback portal and got evidence of communication between the State and the guests. The evidence obtained was reviewed and show the following:</p> <ul style="list-style-type: none"> i. they contain accurate information ii. they are consistent with feedback received and iii. responses provided online are considered relevant and reliable. <p>f) From IVA assessment, it was concluded that the State's feedback mechanism is functional, considering the response time to request, an appropriate response to calls, and evidence of comments and interactions online.</p> <p>g) www.edostate.gov.ng/financials/</p>		
DLI 3: Improved Cash Management and reduced Revenue Leakages through Implementation of State TSA				
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?	<p>a. The State does not have a functional State-level TSA.</p> <p>b. The State operates multiple accounts. See details below:</p> <ul style="list-style-type: none"> • IGR Main Account: EDSG IGR Consolidation Acct., Account Number: 0062962350, Sterling Bank 	Unsatisfactory	The State should establish a functional TSA

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> ● FAAC Account: EDO STATE GOVERNMENT STATUTORY REVENUE, Account Number: 0696164965, Access Bank ● VAT Account: EDO STATE GOVERNMENT (VALUE ADDED TAX) Account Number: 0696164989, Access Bank 		
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 State's Cash Management Strategy document is called "Cash Management Strategy" Edo State Government.</p> <p>b) The document was produced in 2018 and Signed by the then Perm. Sec/Accountant-General - Roland O. Ogbemor on the 18th of June, 2018.</p> <p>c) The State Cash Management Strategy in Section 2 (2.2) stated that (a) "All MDAs shall furnish their monthly expenditure needs for consolidation by the Funds Department (Cash Management Unit) at the OAG. (b) The Monthly cash payment needs shall be based on capital commitments to be settled in the month as well as recurrent needs for the specific month." showed that it covered the processes mentioned.</p> <p>d) The Strategy stated in terms of cash sweeping that "All revenue will be collected into the TSA main account through the revenue account opened with the twenty banks in Nigeria for ease of collection. These accounts should be zero-based and balances in this account should be swept weekly as an incentive to the banks and also considering the size of the collection."</p> <p>e) IVA obtained the evidence of implementation of processes described in the cash management strategy to forecast cash commitments and requirements and</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		provide reliable information on the availability of funds (by checking the existence of cash commitments and requirements forecasts at the intervals stated in the cash management strategy (monthly, quarterly, etc). The State has applied the strategy to its forecasting of cash commitments and requirements.		
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 name of the application is Bank Account Monitoring System (BAMS). It was produced by Nigerian Interbank Settlement System.</p> <p>b) It is in line with the approved cash management strategy.</p> <p>c) It was deployed in 2018</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) IVA interviewed payers of fund into State Government Revenue Account, who explained the process of fee payments and other payments into EIRS designated Account to ascertain the payment procedure. IVA also interviewed relevant government officials of MDAs and obtained documentary evidence on the process. Interviews with relevant government officials of MDAs and collection of documentary evidence were done and it was observed that fee payers do not pay directly to the MDAs but pay into designated banks by the EIRS which are swept to the consolidated IGR account.</p> <p>b) The State Revenue TSA called EDSG IGR Consolidation Acct. is with Sterling Bank.</p> <p>c) Only the State IGR goes through this account</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
		d) Government monies do not sit in the other revenue collecting banks. e) The TSA bank Statement was obtained.														
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><tr><td></td><td>Total Inflows (₦)</td><td>Total Outflows(₦)</td></tr><tr><td>TSA Bank Statement</td><td>27,643,513,747.12</td><td>27,544,039,787.42</td></tr><tr><td>Government Finances*</td><td>114,519,034,106.17</td><td>97,048,824,430.7</td></tr><tr><td>Percentage</td><td>24%</td><td>28%</td></tr></table> <p>The average in percentage computation is:</p> <p style="text-align: center;"><u>24 % + 28 %</u></p> <p style="text-align: center;">2</p> <p style="text-align: center;">= 26%</p> <p>The TSA covered 26% of the State’s finances.</p> <p>*Sources: 2020 Audited Financial Statement (Cash flow Statement) Pgs. 6-14 and the TSA Statement from (Sterling Bank) for (01/01/2020 - 31/12/2020).</p>		Total Inflows (₦)	Total Outflows(₦)	TSA Bank Statement	27,643,513,747.12	27,544,039,787.42	Government Finances*	114,519,034,106.17	97,048,824,430.7	Percentage	24%	28%	Unsatisfactory	The State’s TSA should cover all of the Government Finances.
	Total Inflows (₦)	Total Outflows(₦)														
TSA Bank Statement	27,643,513,747.12	27,544,039,787.42														
Government Finances*	114,519,034,106.17	97,048,824,430.7														
Percentage	24%	28%														
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?	This DLR was previously achieved in the 2019 APA		
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?	This DLR was previously achieved in the 2019 APA		
3	Is the collection of revenues made into account(s)	This DLR was previously achieved in the 2019 APA		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	nominated by the SBIR OR SIRS have full oversight of the accounts and is responsible for reporting and accounting for the revenues?			
4	<p>Is the code approved by the State legislature to have a legal basis, either as a law or a resolution?</p> <p>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.</p>	This DLR was previously achieved in the 2019 APA		
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	This DLR was previously achieved in the 2019 APA		
DLR 4.2	2020 nominal IGR collection is equal to or higher than the 2019 nominal IGR collection		Not Achieved	
1	<p>Has the 2020-2019 annual nominal IGR growth rate met the basic or stretch targets?</p> <p>Basic Target: N/A</p>	<p>a. The accounting basis used for revenue reporting in 2019 and 2020 was the Accruals Basis.</p> <p>b. The IVA computed the annual nominal IGR growth rate for this year APA. See the computation below:</p>	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	<table><tr><th>REPORTING TEMPLATE: OPTION A</th><th>NGN</th><th></th><th>% GROWTH</th></tr><tr><th>Item</th><th>2019</th><th>2020</th><th></th></tr><tr><td>Memo: Reported IGR in AFS (Before Adjustments)</td><td>28,017,309,193</td><td>35,227,994,683</td><td>26%</td></tr><tr><td>VALID IGR items to be counted as IGR</td><td>33,637,421,494</td><td>25,471,094,931</td><td></td></tr><tr><td>Direct tax</td><td>21,621,118,919</td><td>17,663,827,777</td><td></td></tr><tr><td>Personal income tax (PAYE)</td><td></td><td></td><td></td></tr><tr><td>Licenses</td><td>683,974,189</td><td>734,608,217</td><td></td></tr><tr><td>Levies</td><td></td><td></td><td></td></tr><tr><td>Fees</td><td>10,432,220,411</td><td>6,399,789,056</td><td></td></tr><tr><td>Fines</td><td>34,002,909</td><td>18,778,506</td><td></td></tr><tr><td>Charges</td><td></td><td></td><td></td></tr><tr><td>Sales of goods and services</td><td>101,426,909</td><td>124,691,441</td><td></td></tr><tr><td>Earnings (Excluding interest or investment income)</td><td>627,525,823</td><td>386,328,804</td><td></td></tr><tr><td>Rent of govt property/building</td><td>6,202,163</td><td>123,367,353</td><td></td></tr><tr><td>Other</td><td>130,950,171</td><td>19,703,777</td><td></td></tr><tr><td>"Adjusted IGR" for DLI 4.2 Calculation</td><td></td><td></td><td></td></tr><tr><td>Sum of all VALID items of IGR if AFS has that detail</td><td>33,637,421,494</td><td>25,471,094,931</td><td>-24%</td></tr></table> <div><div>₦25,471,094,931 – ₦33,637,421,494</div><div>₦33,637,421,494</div><div>x 100</div><div>= -24%</div></div>				REPORTING TEMPLATE: OPTION A	NGN		% GROWTH	Item	2019	2020		Memo: Reported IGR in AFS (Before Adjustments)	28,017,309,193	35,227,994,683	26%	VALID IGR items to be counted as IGR	33,637,421,494	25,471,094,931		Direct tax	21,621,118,919	17,663,827,777		Personal income tax (PAYE)				Licenses	683,974,189	734,608,217		Levies				Fees	10,432,220,411	6,399,789,056		Fines	34,002,909	18,778,506		Charges				Sales of goods and services	101,426,909	124,691,441		Earnings (Excluding interest or investment income)	627,525,823	386,328,804		Rent of govt property/building	6,202,163	123,367,353		Other	130,950,171	19,703,777		"Adjusted IGR" for DLI 4.2 Calculation				Sum of all VALID items of IGR if AFS has that detail	33,637,421,494	25,471,094,931	-24%		
REPORTING TEMPLATE: OPTION A	NGN		% GROWTH																																																																								
Item	2019	2020																																																																									
Memo: Reported IGR in AFS (Before Adjustments)	28,017,309,193	35,227,994,683	26%																																																																								
VALID IGR items to be counted as IGR	33,637,421,494	25,471,094,931																																																																									
Direct tax	21,621,118,919	17,663,827,777																																																																									
Personal income tax (PAYE)																																																																											
Licenses	683,974,189	734,608,217																																																																									
Levies																																																																											
Fees	10,432,220,411	6,399,789,056																																																																									
Fines	34,002,909	18,778,506																																																																									
Charges																																																																											
Sales of goods and services	101,426,909	124,691,441																																																																									
Earnings (Excluding interest or investment income)	627,525,823	386,328,804																																																																									
Rent of govt property/building	6,202,163	123,367,353																																																																									
Other	130,950,171	19,703,777																																																																									
"Adjusted IGR" for DLI 4.2 Calculation																																																																											
Sum of all VALID items of IGR if AFS has that detail	33,637,421,494	25,471,094,931	-24%																																																																								
		There is a decline in growth by 24%.																																																																									

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		Source: 2020 Audited Financial Statement Pg. 2, 10-14		
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		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 and completed the Biometric data capture of the civil servant and pensioners in 2009</p> <p>a) The Biometric data capture exercise was not outsourced to any Consultant but was handled by Edo State Information Communication Technology Agency (ICTA).</p> <p>b) The total number of civil servants is 14,857.</p> <p>c) The total number of pensioners is 9,621.</p> <p>d) The total number of staff on the State Nominal roll is 14,857 and Payroll is 14,857</p> <p>e) The State has captured 14,857 civil servants and 9,621 pensioners on its Biometric database.</p> <p>f) The documents obtained to reach our conclusions are:</p> <ul style="list-style-type: none"> • Edo State Staff and Pensioners BVN Analysts for December 2020 (one-page report), • Edo State Biometrics verification process flow (one-page chart), 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<ul style="list-style-type: none"> • Edo State Biometric Enrolment Slips • Biometric summary of Staff and Pensioners enrolment as of December 2020 • Screenshots of data from Biometric Verification & Enrolment System of Staff and Pensioners • Screenshots of data from Oracle Application confirming the streaming of Biometric Enrolment data of Staff and Pensioners to the payroll. <p>BIOMETRICS COMPLETION RATE</p> <p><u>No of Biometric Data Captured x 100</u> Total No of Civil Servants + Pensioners on payroll</p> $\frac{24,478}{14,857 + 9,621} \times 100$ $= \frac{24,478}{24,478} \times 100$ $= 100\%$ <p>The State had captured 100% biometrics of the State's civil servants and pensioners on its payroll.</p> <p>NOTE: The 2019 APA report shows that the total no of pensioners was 12,778 as at that year end. The number has reduced to 9,621 in 2020, meaning a reduction of 3,157 pensioners within one year.</p> <p>Note that the 2019 and 2020 Biometric and BVN exercises were said not to have identified any ghost workers.</p> <p>The State was asked to explain the reason of the reduction in pensioners and the State responded that "the total</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>count of pensioners as at December 2019 payroll is 12,778. Before the mass retirement, as at May 2019, the total count was 11,679 and after the mass retirement in June 2019, the figure rose to 12,577. As at December, 2019 the figure was put at 12,778. This was as a result of pensioners that retired between July and December, 2019. The figure presented on the SFTAS report of 9,621 was as a result of the one week “AM Alive screening exercise” report of November, 2020. Meanwhile, the December, 2020 payroll total count was 10,402. The difference of 781 is the pensioners screened between the expiration of the one week and when the report was implemented on the December 2020 payroll. Pensioners not captured within the one-week screening exercise (for diverse reasons) kept coming for screening (which was continuous exercise) which invariably increased the payroll figure monthly. A total of 1892 pensioners from the 12,778 pensioners on December 2019 payroll have not yet been reactivated as at May 2022 payroll”.</p> <p>The IVA noted the State’s response to the report and retained the evidence provided in the assessment file.</p>		
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	<p>a) The State commenced and finished the linkage of the biometric data to the payroll in 2009.</p> <p>b) The State has captured 14,857 civil servants and 9,621 pensioners whose biometrics data have been linked to the payroll</p> <p>c) The state informed IVA that they did not identify ghost workers in 2020 because they have been using Biometrics since 2009.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>We reviewed records of retired staff and confirmed they were no longer on the payroll by querying a selected sample of 40 retired personnel on the payroll.</p> <p>d) There was no ghost worker in the period under review.</p> <p>e) The in-year changes to the civil servants and pensioners payrolls (because of starters, leavers, deaths, etc.) are being captured during the biometric exercise. A selected sample of 40 retired personnel were cross-checked on the Biometric database and confirmed that they were adequately captured.</p> <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 procedures in place are as follows: A memo is initiated by the Permanent Secretary of the concerned staff and addressed to the Managing Director of Information Communication Technology Agency requesting for the stoppage of salary. Action is being taken immediately by the MD/ICTA pending further directives for payments. The documents obtained to support the conclusion on this were: Scanned copies of Initiating memos for stoppage of salaries, approval of Permanent Secretaries, minutes of Managing Director/ICTA on the directive for stoppage of salaries, and a screenshot of payroll system to confirm the stoppage of salaries.</p> <p>g) There were changes to the civil servant and pensioner payrolls during the fiscal year (as a result of starters, leavers, deaths, etc.),</p> <p>h) The changes were already captured by the biometric exercise.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		i) The procedures put in place by the State to identify and remove ghost workers are through Biometric capturing of civil servants and pensioners and the linking of the Biometric data with the BVN data to the payroll in the Oracle Application.		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	a) The State commenced and finished the linkage of the biometric data to the payroll in 2009. The ghost workers detected during the linkage in 2009 were removed in 2010. The State claimed that no ghost worker was detected in the period under assessment. Hence, question (b) to (f) are not applicable.	Satisfactory	
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 BVN data capture of the civil servant and pensioners in 2012</p> <p>a) The BVN data capture of the civil servant and pensioners was not outsourced but was handled by Edo State ICTA.</p> <p>b) The total number of civil servants is 14,857.</p> <p>c) The total number of pensioners is 9,621.</p> <p>d) The total number of staff on the State Nominal roll is 14,857 while the total number of pensioners on the Nominal Roll is 9,621.</p> <p>e) The total number of staff whose BVN were linked to the payroll is 14,421 while the total number of pensioners whose BVN were linked to the payroll is 9,080.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>f) The documents obtained to conclude are:</p> <ul style="list-style-type: none"> • Edo State Staff and Pensioners BVN Analysts for December 2020 (one-page report), • Edo State Oracle Application Reports on Civil Servants and Pensioners without BVN as at December 2020 • Edo State Oracle Application Reports on Civil Servants and Pensioners with BVN as at December 2020 • Screenshots of data from Paycheck (Oracle Application on Payroll) for Staff and Pensioners • Screenshots of data from Oracle Application confirming the streaming of Biometric Enrolment data of Staff and Pensioners to the payroll. <p>PERCENTAGE OF BVN LINK TO PAYROLL</p> $\frac{\text{No of BVN Data Linked} \times 100}{\text{Total No of Civil Servants + Pensioners on payroll}}$ $= \frac{23,501 \times 100}{14,857 + 9,621}$ $= \frac{23,501 \times 100}{24,478}$ $= 96\%$ <p>The State has linked 96% of the State's civil servants and pensioners' BVN data to the payroll.</p> <p>NOTE: The 2019 APA report shows that the total no of pensioners was 12,778 as at that year end. The number</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>has reduced to 9,621 in 2020, meaning a reduction of 3,157 pensioners within one year.</p> <p>Note that the 2019 and 2020 Biometric and BVN exercises were said not to have identified any ghost workers.</p> <p>The State was asked to explain the reason of the reduction in pensioners and the State responded that “the total count of pensioners as at December 2019 payroll is 12,778. Before the mass retirement, as at May 2019, the total count was 11,679 and after the mass retirement in June 2019, the figure rose to 12,577. As at December, 2019 the figure was put at 12,778. This was as a result of pensioners that retired between July and December, 2019. The figure presented on the SFTAS report of 9,621 was as a result of the one week “AM Alive Screening Exercise” report of November, 2020. Meanwhile, the December, 2020 payroll total count was 10,402. The difference of 781 is the pensioners screened between the expiration of the one week and when the report was implemented on the December 2020 payroll. Pensioners not captured within the one-week screening exercise (for diverse reasons) kept coming for screening (which was continuous exercise) which invariably increased the payroll figure monthly. A total of 1892 pensioners from the 12,778 pensioners on December 2019 payroll have not yet been reactivated as at May 2022 payroll”.</p> <p>The IVA noted the State’s response to the report and retained the evidence provided in the assessment file.</p>		
2	Has the State taken steps to identify payroll fraud?	a) The total number of staff with BVN data is 14,421 while 436 staff are without BVN data. Also, the total number	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>of pensioners with BVN data is 9,080 while 541 pensioners are without BVN data.</p> <p>b) The State commenced and completed the BVN data linkages of the civil servant and pensioners in 2012. The State claimed that no payroll fraud was identified during the period under assessment as the government has automated its payroll activities.</p>		
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) establishment of an independent procurement regulatory agency and 3) cover all MDAs receiving funds from the State budget		Previously Achieved in 2019 APA	
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 previously achieved in the 2019 APA		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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.	This DLR was previously 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 previously achieved in the 2019 APA		
DLR 6.2	<u>Basic Target:</u> 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.		Basic Target Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p><u>Stretch Target:</u> 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	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	<ul style="list-style-type: none"> a) The IVA obtained a schedule of all contracts awarded during the year under assessment above the threshold of N10m (as defined in the state procurement law) b) The data published is in line with the Open Contracting Data Standards. c) The publication was done monthly, with the last publication being December 2020. d) The source of the publication is from the Edo State Public Procurement Agency and the Open contracting online portal. The links are below - 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	Open Contracting Data Standards (OCDS)?	http://edpms.edostate.gov.ng/ocds/monthlyrep2.php as well as Jan 2020 – https://www.edoppa.org.ng/certificate-of-compliance-reg2-jan-2020/ Feb 2020 - https://www.edoppa.org.ng/certificate-of-compliance-february2020/ Mar 2020 – https://www.edoppa.org.ng/certificate-of-compliance-march-2020/ Apr 2020 – https://www.edoppa.org.ng/certificate-of-compliance/ May 2020 - https://www.edoppa.org.ng/certificate-of-compliance-as-at-may-2020/ Jun 2020 - https://www.edoppa.org.ng/certificate-of-compliance-as-at-june/ Jul 2020- https://www.edoppa.org.ng/certificate-of-compliance-as-july-2020/ Aug 2020 - https://www.edoppa.org.ng/certificate-of-compliance-august-2020/ Sep 2020 - https://www.edoppa.org.ng/certificate-of-compliance-for-september-2020/ Oct 2020 - https://www.edoppa.org.ng/certificate-of-compliance-as-at-october-2020/ Nov 2020 - https://www.edoppa.org.ng/certificate-of-compliance-as-at-november-2020/ Dec 2020 - https://www.edoppa.org.ng/certificate-of-compliance-as-at-december-31st/		

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<ul style="list-style-type: none"> • All contracts awarded during the 2020 fiscal year that are above the threshold were published as stated in the Edo State Procurement Law. <p>However, Procurement records published by the State are inconsistent.</p> <p>For example, the monthly report for October 2020 published via the OCDS portal (at http://edpms.edostate.gov.ng/ocds/monthlyrep2.php) shows just one contract awarded in October (16 Oct 2020) for N200m. However, the monthly report shown via the PPA website (https://www.edoppa.org.ng/certificate-of-compliance-as-at-october-2020/) shows 5 contracts awarded, none of which are the same as the one contract shown on the OCDS website. The State was asked to provide clarification and further evidence that the complete procurement records were published.</p> <p>The State responded that “the observed difference in the OCDS and the PPA website is primarily a timing difference. As a result, the OCDS publication typically comes after the publication on the PPA website. While the PPA’s website publishes only contract award information, the OCDS portal reports contract date from planning to implementation. Thus, the contracts awarded in Month X which are at various stages of implementation will only be published in the OCDS portal when being implemented (after contract signing and possible mobilization where applicable). For example, the contract awarded for printing and supply of 447,360 copies of answer booklets awarded to Alowiz</p>		

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
		<p>publishing ltd for N10,289,280 in October 2020 is subsequently published in the OCDS portal in the month of December due to the implementation lag.</p> <p>Also, the contract for the printing and supply of 647,000 copies of question papers awarded to Printing and Packaging Aids (Nig) Ltd at the sum of N16,184,000.00 in October 2020 was captured in the OCDS publication of December, 2020.</p> <p>Against this backdrop, you may wish to note, that the observed difference is a timing difference as the OCDS publication typically comes after the website publications. That the subsequent publication of contracts in OCDS is dependent on the nature of the procurement and the timeliness of the implementation. The website publications are indeed a listing of certified contracts for award by the Agency. That all contract awards certified by the Agency are published on monthly basis”.</p> <p>The IVA noted the State’s response and retained the evidence provided in the assessment file.</p> <ul style="list-style-type: none"> ● The data published is in line with the open Contracting Data Standard (OCDS) showing details on Planning, Tender, Award, Contract, and Implementation for each contract awarded. ● To confirm these, we checked: The list of contracts awarded in 2020 on the OCDS report and the online publication of the state and agency. 	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>e) The minimum contract award information that was published:</p> <ul style="list-style-type: none"> • Project name, • awarding institution, • award date, • name of contractor, and • contract amount was published. <p>f) All items above were published.</p> <p>g) The weblinks for the publication are http://edpms.edostate.gov.ng/ocds/monthlyrep2.php and https://www.edoppa.org.ng/</p> <p>The contract award information published is accessible to the public.</p> <p>The State should provide an explanation for the inconsistency in the Procurement records published by the State while responding to this report.</p>		
2	Had the State signed up to the SaaS e-Procurement Framework Contract as at 31 Dec 2020?	<p>a) The State has signed the SaaS e-Procurement Framework Contract</p> <p>b) A soft copy and hard copy of the SaaS e-Procurement Framework Contract has been obtained</p> <p>c) The state signed the framework contract on 1st December 2020</p>	Satisfactory	
3	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	<p>a) The State has not implemented e-procurement in at least 3 MDAs (Education, Health, and Public Works).</p> <p>b) A walkthrough of the 5 transactions from each MDA has not been done (with at least 2 categories of expenditure from goods, works, or services), because</p>	Unsatisfactory	The State should ensure that e-procurement is implemented in all MDAs and at least 3 MDAs in the first

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	implementation of e-Publishing/Notification module for contract notice and contract award?	<p>the State has not implemented e-procurement in at least 3 MDAs.</p> <p>c) The State has not implemented e-procurement in at least 3 MDAs, Hence, this may not be applicable.</p> <p>d) The State has not implemented the E-Publishing/Notification module for contract notice and contract award. IVA confirmed that the E-Publishing/Notification module for contract notice, and contract award was not effective during the year 2020.</p>		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.		The State has previously achieved this in 2018 APA	
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	This DLR was previously achieved in the 2018 APA		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	the Fiscal Responsibility Act (FRA) in the organic Public Financial Management Law?			
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.	This DLR was previously achieved in the 2018 APA		
4	Has the State Debt Management Department (or Unit, Committee, Agency, Board, Bureau, Commission, Council) been operational during the APA year and performing the core function of recording and reporting state debt?	This DLR was previously achieved in the 2018 APA		
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		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	Annual state debt sustainability analysis published by end of December 2020			
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>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 10/08/2020 - 41 days after the quarter-end, • Q3 submitted on 30/10/2020, - 30 days after the quarter-end • Q4 submitted on 08/02/2021. - 39 days after the quarter-end $= \frac{41+30+39}{3}$ <p>Average = 5 weeks (36.6 days)</p> <p>The SDDRs were submitted within an average of 1Month and 1 week (36.6 days).</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</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 compared the DMO's Report on State Domestic and External Debt Report (SDEDR) with the Edo State Debt Domestic Report along with all underlying data and</p>	Not Applicable	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
<p>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>there were differences in the figures reported in both documents.</p> <p>Total Domestic Debt recorded in the SDEDR was ₦87,476,416,763 while total Domestic debt recorded in Q4 2020 SDDR was ₦80,788,643,573.19 leaving a difference of ₦6,687,773,189.91. The report was supported with the DMO's templates and guidelines.</p> <p>We also reviewed the DMO report it did not confirm the <u>accuracy</u> and <u>completeness</u> of the State Domestic Debt Report due to the discrepancy stated above.</p> <p>(c) The Quarterly State Domestic Debt Reports (SDDR) submitted by the State have 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> <ol style="list-style-type: none"> 1. SDDR Figure: ₦80,788,643,633.19 2. AFS Figure: ₦79,454,444,923.82 3. Difference: ₦1,334,198,648.99 <p>(f). APA issue was raised on the discrepancies and the State responded, that the figure in the SDDR report quoted by DMO contains loan balances that have since been paid off, hence will not be captured in the State FY2020 AFS.</p> <p>(g) The State Domestic and External Debt Report (SDEDR) from the Federal DMO has been compared with the</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>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) There were inconsistencies noted as follows:</p> <ul style="list-style-type: none"> i. SDEDR (DMO) Figure: ₦87,476,416,763 ii. SDDR (State) Figure: ₦80,788,643,573.19 iii. Difference: ₦6,687,773,189.90. <p>(j) APA issue was raised on the above discrepancies and the State responded that “The reason for the discrepancies in the figures stated by DMO Abuja and DMO Edo is as follows:</p> <p>The DMO Abuja debt stock was overstated by the capitalized interest which was not known to States nationally”.</p>		
3 New	Has the State published online, the State Debt Sustainability Analysis Reports (SDSAR) 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 was 30/12/2020</p> <p>(c) The SDSAR was published by 30th December 2020, which was before the deadline of 31st December, 2020.</p> <p>The evidence obtained include the screenshot taken from the IT back end of the State's website showing the date of online publication and it has been retained in the assessment file.</p> <p>(d) The weblink for publication of SDSAR is https://www.edostate.gov.ng/edo-2020-s-dsa-report/</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>Upon review of the State Debt Sustainability Analysis Report (SDSAR), it 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> <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) A review and comparison between the information (figures) contained in the assessment report of the SDSAR obtained from the DMO and the SDSAR obtained from the State Website were done.</p> <p>(c) No difference was identified.</p>	Satisfactory	
DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears				
DLR 8.0	<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.		Achieved (Stretch Target Met)	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<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 domestic arrears at end 2020 compared to end 2019 consistent with the state's arrears clearance framework or maintain stock below 5 billion.</p>			
1	Has the State established an Arrears Clearance Framework (ACF)?	<p>a) The State has established an Arrears Clearance Framework (ACF)</p> <p>b) The IVA has obtained a copy of the ACF from the state</p> <p>c) The establishment of the ACF occurred by 31 December 2020.</p> <p>d) The ACF was established before FY 2020 as confirmed in the 2019 APA review</p>	Satisfactory	
2	Does the ACF contain: 1) the planned actions to settle arrears; and 2) an explicit prioritization of	<p>a) The ACF contains planned actions to settle arrears and an explicit prioritization of expenditure arrears to be settled.</p> <p>b) The evidence seen while reviewing the ACF that shows the ACF contained the two stated requirements</p>	Satisfactory.	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	expenditure arrears to be settled.	<p>are Section 1.6 on the Description of the State's Policy on Arrears (Page 7-13) and, Section 3 on the Prioritization Criteria for Arrears Clearance (Page 19 - 20)</p> <p>Other documents submitted by the State to confirm the ACF exists are: Domestic Arrears Committee Term of Reference, and the State Arrears Recording, Verification, and Clearance Report (SARVCR).</p>		
3	Has the ACF been published on a State official website?	<p>a) We confirmed that the ACF has been published on a State official website</p> <p>b) We have downloaded a copy for validation</p> <p>c) The weblink; for publication of 2020 ACF is https://www.edostate.gov.ng/edo-state-acf-2020/</p> <p>The evidence obtained was a screenshot of the ACF 2020.</p>	Satisfactory	
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	<p>The clearance of domestic expenditure arrears is consistent with the ACF.</p> <p>IVA tested and confirmed that as the ACF Section 3.2 provides that, "individuals arrears to be paid immediately and focus payment of funds on lowest-paid workers that may be vulnerable to cash flow problems", it was confirmed that the State offset 100% salary and other staff claims arrears amounting to N98,012,647.00.</p>	Satisfactory	
5.	Has the State established an Internal Domestic Arrears Database?	<p>a) State has established an internal domestic arrears database.</p> <p>b) The Internal Domestic Arrears Database includes the following:</p>	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. (Page 1-3) ii. The aggregate amount of pension and gratuity arrears. (Page 1) iii. There were no aggregate amount of salary arrears and staff claims iv. There were no aggregate amount of other types of domestic arrears c) There is a verification process in place for the arrears in the database. d) IVA confirmed through the evidence provided by the State that the State has conducted verification of arrears balances. <p>IVA confirmed that the State has conducted a verification of arrears balances through the activities of the Domestic Arrear Clearance Committee. as an institutional arrangement charged with the overall arrears clearance process, including recording, verification, and classification of domestic expenditure arrears. (see Page 20-22 of ACF).</p> <ul style="list-style-type: none"> e) The IVA conducted a test to ascertain the accuracy of the figure in the internal domestic database. f) The state submitted to the IVA the annual state arrears recording, verification, and clearance report (SARVCR) 		
6	Has the State published online elements of the internal domestic arrears database for the FY 2019 and FY 2020 reported on a State	<ul style="list-style-type: none"> a) State has published online the required elements of Internal Domestic Arrears Database as at end of 2019 and 2020 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	official website, which constitutes the online publicly accessible arrears database?	<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 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) 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) IVA put a call through to the phone number available +234 703 584 3992, and a message on the comment link on the website https://www.edostate.gov.ng All these were active as the message was delivered and acknowledged was delivered and there was a response through a designated officer.</p> <p>f) No omission was reported by contractors to the state.</p> <p>g) The web link is: https://www.edostate.gov.ng/edo-state-online-domestic-expenditure-arrears-data-base-december-2020/</p> <p>IVA confirmed that the link is working</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations												
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>a) The online publication includes an aggregate amount for contractors' arrears.</p> <p>b) The online publication includes aggregate amounts for pension and gratuity arrears.</p> <p>c) The state does not have salary arrears and other staff claims.</p> <p>d) The state does not have other types of domestic arrears.</p> <p>e) The online publication contains the names of contractor's owed ₦20m in arrears and above.</p> <p>Given the above, IVA requires that the State should provide weblink(s) for the schedule of the names of contractor's owed ₦20m in arrears and above, while responding to this report.</p> <p>The State responded as follows:</p> <p>Schedule of the names of contractor's owed ₦20m in arrears and above - https://www.edostate.gov.ng/outstanding-capital-liabilities-unpaid-certificates/</p> <p>(Under Other Documents section 7th on the right)</p> <p>IVA confirmed that the weblink is functional.</p>				Satisfactory													
8.	<p>Has the State met the following:</p> <p>(i) Percentage decline in the verified stock of domestic</p>	<table><tr><td>Aggregate Amount of:</td><td>2020</td><td>2019</td><td>% diff.</td></tr><tr><td>Contractors Arrears</td><td>5,312,828,155.96</td><td>9,685,058,704</td><td>45%</td></tr><tr><td>Pension and Gratuity arrears</td><td>20,001133,096.38</td><td>23,622,119,865</td><td>15%</td></tr></table>	Aggregate Amount of:	2020	2019	% diff.	Contractors Arrears	5,312,828,155.96	9,685,058,704	45%	Pension and Gratuity arrears	20,001133,096.38	23,622,119,865	15%				Satisfactory	
Aggregate Amount of:	2020	2019	% diff.																
Contractors Arrears	5,312,828,155.96	9,685,058,704	45%																
Pension and Gratuity arrears	20,001133,096.38	23,622,119,865	15%																

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations														
	<p>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> <p>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.</p>	<table><tr><td>Salary arrears and Staff claims</td><td></td><td>98,012,647</td><td>100%</td></tr><tr><td>Judgment Debt</td><td></td><td></td><td></td></tr><tr><td>Other types of domestic expenditure arrears</td><td></td><td></td><td></td></tr><tr><td>Total Domestic Arrears</td><td>25,313,961,252.34</td><td>33,405,191,216</td><td>24%</td></tr></table> <p>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 AFS for 2020</p> <p>$\frac{₦33,405,191,216 - ₦25,313,961,252.34}{₦33,405,191,216} \times 100 = 24.22$</p> <p>The percentage decline is 24%</p> <p>Source: State internal domestic expenditure arrears database</p>	Salary arrears and Staff claims		98,012,647	100%	Judgment Debt				Other types of domestic expenditure arrears				Total Domestic Arrears	25,313,961,252.34	33,405,191,216	24%			
Salary arrears and Staff claims		98,012,647	100%																		
Judgment Debt																					
Other types of domestic expenditure arrears																					
Total Domestic Arrears	25,313,961,252.34	33,405,191,216	24%																		
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:					Not Achieved															

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																						
	-Basic target: < [150%] -Stretch target: < [125%]																									
1	Has the State met: (i) the ratio of total debt stock at end-of-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)? -Basic target:< [150%] -Stretch target: < [125%]	<p>The following tables show the calculations and adjustments made to arrive at the appropriate figures for this comparison.</p> <p><u>Total Public Debt</u></p> <table><tr><th></th><th>Financial Statements</th><th>DMO/SDEDR Figures</th></tr><tr><td>Total Domestic Debts</td><td>79,454,444,924.16</td><td>87,476,416,763</td></tr><tr><td>Total External Debts</td><td>106,513,994,073.22</td><td>106,794,294,058</td></tr><tr><td>Total Public Debts</td><td>185,968,438,997.38</td><td>194,270,710,820</td></tr></table> <p><u>Total annual revenue</u></p> <table><tr><td>2020 Adjusted IGR (see DLI 4.2)</td><td>25,471,094,932</td></tr><tr><td>Gross FAAC Allocation</td><td>64,322,662,652</td></tr><tr><td>Grants</td><td>11,957,671,471</td></tr><tr><td>Other Revenues</td><td>2,546,214,262</td></tr><tr><td>Total Revenue</td><td>104,297,643,317</td></tr></table> <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 debts stock / Revenue percentage for the 2020 year, as follows:</p> <p style="text-align: center;">$\frac{194,270,710,821 \times 100}{104,297,643,317}$ =186.27%</p>		Financial Statements	DMO/SDEDR Figures	Total Domestic Debts	79,454,444,924.16	87,476,416,763	Total External Debts	106,513,994,073.22	106,794,294,058	Total Public Debts	185,968,438,997.38	194,270,710,820	2020 Adjusted IGR (see DLI 4.2)	25,471,094,932	Gross FAAC Allocation	64,322,662,652	Grants	11,957,671,471	Other Revenues	2,546,214,262	Total Revenue	104,297,643,317	Unsatisfactory	The State should reduce its debt to revenue ratio and ensure the debt is sustainable. As a general guide, debt stock should not be more than 125% of Revenues and should ideally be much less.
	Financial Statements	DMO/SDEDR Figures																								
Total Domestic Debts	79,454,444,924.16	87,476,416,763																								
Total External Debts	106,513,994,073.22	106,794,294,058																								
Total Public Debts	185,968,438,997.38	194,270,710,820																								
2020 Adjusted IGR (see DLI 4.2)	25,471,094,932																									
Gross FAAC Allocation	64,322,662,652																									
Grants	11,957,671,471																									
Other Revenues	2,546,214,262																									
Total Revenue	104,297,643,317																									

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>Sources:</p> <ol style="list-style-type: none"> 1. For Total Revenue from 2020 Audited Financial Statement, Page 1 on Financial Highlight, Page 2 of CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (INCOME & EXPENDITURE, and Note 42 Page 47 5. For Total Public Debt from DMO as at December 31, 2020, Line 14T of STATE DEBT REVISED AND RECONCILED 2020 SDEDR dated 02.02.2022 from Federal DMO. 2. NBS/OAGF (FAAC) <p>*Table 3(i) below holds a breakdown of the Total Debt.</p> <ol style="list-style-type: none"> b. The debt stock stated in the Federal DMO State Domestic, and External Debt Report (SDEDR) is ₦194,270,710,821, while the debt stock computed from (Supplementary Note 15.2 and Supplementary Note 16) the audited financial statements is ₦185,968,438,997.38. c. There is a difference of ₦8,302,271,823.62 (State understatement of Debt stock). However, an APA issue has been raised and a response from the State is included in “e” below. d. The difference has been communicated to the State for an explanation, e. The difference has been calculated in value as ₦8,302,271,823.62 and in percentage terms as 4.3%, $(8,302,271,823.62/194,270,710,821 \times 100)$. <p>The State responded that the discrepancies noted in the SDEDR were due to the DMO Abuja debt stock which was</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		overstated by capitalized interest, which was not known to States Nationally.		

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

EDO STATE	2020 - AMOUNT (₦)
BUDGET SUPPORT LOAN (SOURCE FMOF)	21,407,336,301.00
BAIL OUT (SALARIES) (SOURCE CBN)	14,414,237,640.00
RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	10,990,987,201.00
EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,073,986,673.00
STATE BONDS	-
COMMERCIAL BANK LOANS	-
CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	3,440,105,393.00
INFRASTRUCTURE LOANS (CBN FACILITIES)	-
MICRO SMALL MEDIUM ENTERPRISES DEVELOPMENT FUND (MSMEDF) SOURCE CBN)	2,000,000,000.00
JUDGEMENT DEBTS	-
GOVT - GOVT DEBTS	-
CONTRACTORS' ARREARS	5,191,337,177.00
PENSION AND GRATUITY ARREARS	20,001,133,096.00
SALARY ARREARS AND OTHER CLAIMS	-
OTHER DEBTS	957,293,282.00
TOTAL DOMESTIC DEBT (TDD)	87,476,416,763.00
TOTAL EXTERNAL DEBT (TED)	106,794,294,058.00
TOTAL PUBLIC DEBT (TED+TDD)	194,270,710,821.00

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

TEMPLATE: OPTION A	₦
Item	2020
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	64,322,662,652
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	48,988,141,746
1.1.1 Gross statutory allocation	30,669,730,230
1.1.2 Derivation	13,121,996,566
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	5,196,414,950
1.2 VAT	15,334,520,907
2. Internally Generated Revenues (IGR) - Adjusted	25,471,094,932
3. Grants (internal and external)	11,957,671,471
4A. Other revenues (4.1 + 4.2 + 4.3)	2,546,214,262
4.1 Investment Income (e.g. dividends)	2,533,900,886
4.2 Interest Earned	7,242,345
4.3 Miscellaneous	5,071,031
Total Revenues and Grants Calculations	
A) Total Revenues and Grants is (1+2+3+4A)	104,297,643,317

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>I am directed to acknowledge receipt of the Edo State Draft Report on SFTAS 2020 APA original DLIs 1-9 and wish to respond, give clarification(s) and provide further submission of proof for achieving DLIs 1.2, 2.1, 5.1, 5.2, 6.2 and 8.0.</p> <p>The attached documents are the relevant submissions to address each of the issues raised on the DLIs listed above for your kind review and consideration.</p>	<p><u>DLI 2.1:</u></p> <p><u>Issue resolved.</u></p> <p><u>DLI 5.1 and 5.2:</u></p> <p><u>Issue resolved.</u></p> <p><u>DLI 6.2:</u></p> <p><u>Issue resolved.</u></p> <p><u>DLI 8:</u></p> <p><u>Issue resolved.</u></p>
2	<p>WEBLINKS FOR ONLINE PUBLICATION FOR DLI 2. 1 AND DLI 8.0</p> <p>DLI 2.1: Proposed FY 2021 Budget – https://www.edostate.gov.ng/y2021-proposed-budget/ (Under Citizens Engagement section 4th Document on the right)</p> <p>DLI 8.0: Schedule of the names of contractor's owed ₦20m in arrears and above - https://www.edostate.gov.ng/outstanding-capital-labilities-unpaid-certificates/ (Under Other Documents section 7th on the right)</p>	Noted.
3		
4		

