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

2019 Annual Performance Assessment (APA) Report

JIGAWA STATE

By:

The Office of the Auditor General for the Federation as the SFTAS Independent Verification Agent with support from JK Consulting Co. Ltd

November 2020

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1. Executive Summary

This Report details the outcome of the Annual Performance Assessment (APA) conducted on Jigawa State for the second (2019) 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 2019 APA for Jigawa State and shows areas where the State achieved results. In total, Jigawa State achieved 12 (twelve) DLRs out of 15 DLRs applicable to 2019. One of the achieved DLRs was due for assessment during the 2020 APA but has been assessed early as requested by the Programme.

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

1. DLR 1.1: Budget implementation reports should be published on average within 6 weeks of quarter end to enable timely budget management.

2. DLR 4.2: Increase its IGR to achieve a minimum of 20% nominal annual growth rate.

3. DLR 5.2: The BVN data of all Civil servants and Pensioners is linked to the State's payroll to address payroll fraud.

Furthermore, we noted that the debt stock stated in the Federal DMO State Domestic and External Debt Report debt stock was higher by N44,088,293,416.50 than the amount stated in the audited financial statement. This represents 92.07% difference.

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: FY19 quarterly budget implementation reports published on average within 6 weeks of quarter-end to enable timely budget management		The State published the reports on average 6.2 weeks after the quarter end.
	DLR 1.2: FY19 deviation for total budget expenditure is < 25%		Budget deviation was 19.98 %
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 FY2020 budget.		The minutes of public consultation was jointly signed by CSO representative and published online on 2nd January 2020.
	DLR 2.2: Citizens' budget based on approved FY19 State budget published online by end April 2019.		The Citizens' budget was published online on 29th April 2020.

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
DLI 3: Improved cash management and reduced revenue leakages through implementation of State TSA	DLR 3: TSA, based on a formally approved cash management strategy, established and functional, and covering a minimum of 60 percent of state government finances implementation of State TSA		The State has a functional TSA which covers 88% of the its 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		The State revenue code covers all IGRs sources and stipulates the SBIR as sole agency for revenue collection and accounting.
	DLR 4.2: 2019-2018 annual nominal IGR growth rate meets target: -Basic target: 20%-39%, Stretch target: 40% or more		The IGR declined by 9%.
DLI 5: Biometric registration and Bank Verification Number (BVN) used to reduce payroll fraud	DLR 5.1: Biometric capture of at least 75 percent of current civil servants and pensioners completed and linked to payroll, and identified ghost workers taken off the payroll		Biometrics capture covered 80% of State's civil servants and of pensioners.
	DLR 5.2: Link BVN data to at least 75 percent of current civil servants and pensioners on the payroll and payroll fraud addressed		BVN linked to 72% of State's civil servants and of pensioners on payroll.
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 Law is structured like the UNCITRAL Model Law and complied with the requirements.
	DLR 6.2: Publish contract award information above a threshold set out in the Operations Manual for 2019 on a monthly basis in OCDS format on the state website		Published Contract award information was in the OCDS format.
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.		This is a 2020 APA result assessed early. All three requirements were met.
	DLR 7.2: Quarterly state debt reports accepted by the DMO on average two months or less after the end of the quarter in 2019		The quarterly SDDR were submitted within an average of 4.7 weeks.
DLI 8: Improved clearance/reduction of stock of domestic expenditure arrears	DLR 8: Domestic arrears as of end 2019 reported in an online publicly accessible database, with a verification process in place and an arrears clearance framework established and Percentage decline in the verified stock of domestic arrears at end 2019 compared to end 2018 meets target and is consistent with the state's arrears clearance framework.	**Stretch target achieved**	Verified stock of domestic arrears declined by 20.23%
DLI 9: Improved debt sustainability	Total debt stock at end of December 2019 as a share of total revenue for FY2019 meets target: Basic target: < 140%, Stretch target: < 115%. and Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2019.	**Stretch target achieved**	Monthly debt service deduction is 5% of Gross FAAC, and the Total Debt Stock to Revenue is 67.23%

The Office of the Auditor-General for the Federation as Independent Verification Agent and JK Consulting Co. Ltd 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 Nigerian States to strengthen fiscal performance and sustainability: The State Fiscal Transparency, Accountability and Sustainability (SFTAS) Program for Results ("The Program"). In each of the four years, the Program will finance activities under two components: (i) a Program for Results (PforR) component in the amount of US$700 million and (ii) a Technical Assistance (TA) component in the amount of US$50 million. All States are able to 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 JK Consulting Co. Ltd 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 2019. To ensure a high-quality assessment, the IVA engaged the services of experts in Taxation, Procurement and Debt Management laws to review the legislation in place for each State.

2.2 Scope

This Annual Performance Assessment (APA) Report covers the State's performance in 2019 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 2019 APA. The results of the eligibility assessment were reported previously to each state, and are included in Appendix A.

The verification protocol was set early in the preparation for the Program and all States, implementing agencies and other key stakeholders have been continuously sensitised on the requirements of the program and on the protocol for 2019. 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 6/09/2020 to 12/09/2020 with a team of four persons, starting with an opening meeting where all the information requested were handed over. The visits were concluded with an exit meeting where the initial findings were discussed, and the state was given further opportunity to provide clarifications and/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 and JK Consulting Co. Ltd are grateful to the States for the cooperation enjoyed during the assessment and hope the recommendations within this Report are found valuable towards achieving the DLRs in the remaining years of the Program.

3. Assessment Results

3.1 Findings

Table 2: Findings

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 1.1	**Financial Year [2019] quarterly budget implementation reports published on average within [6 weeks] of each quarter-end to enable timely budget management**		**Not Achieved**	
1	Has the State published its quarterly budget implementation report to the State official website on average within six weeks of the end of each quarter?	The quarterly budget implementation reports were posted online on www.jsbepd.org within six weeks average of the end of each quarter as computed below: COMPUTATION OF AVERAGE WEEK FOR PUBLICATION OF QUARTERLY BUDGET IMPLEMENTATION REPORT	Unsatisfactory	

COMPUTATION OF AVERAGE WEEK FOR PUBLICATION OF QUARTERLY BUDGET IMPLEMENTATION REPORT

QUARTER	DATE OF PUBLICATION	DAYS	WEEKS	AVERAGE
Q1	May 14, 2019	44	6.3	
Q2	August 16, 2019	47	6.7	
Q3	November 14, 2019	45	6.4	
Q4	February 7, 2020	38	5.4	
TOTAL		**174**	**24.8**	**6.2**

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		Average week for the online publication is computed as this: $$\frac{6.3+6.7+6.4+5.4}{4}$$ Average = <u>6.2 weeks (43.5 days)</u> The IVA downloaded the quarterly budget implementation reports for all four quarters of the year 2019 and obtained evidence of a time stamp of the publications.		
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 classification of expenditures (Personnel, Overheads, Capital, and others), the actual expenditures for the quarter attributed to each as well as the cumulative expenditures for year to date, and balances against each of the revenue and expenditure appropriations.	The review of the quarterly budget implementation reports downloaded from the State's website www.jsbepd.org showed the following: (a) The budget implementation reports include the approved budget appropriation for the year against each organizational unit (MDAs) for each of the core economic classification of expenditures. (b) The budget implementation reports stated the actual expenditures for each quarter in the fourth quarter report, while the cumulative is captured in all the quarters. (c) There are balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications in the fourth quarter report. (d) The State does not have an amended/revised budget or passed supplementary budgets, so the 2019 budget is the basis of the preparation of the quarterly implementation reports. Also, the reports include the approved budget appropriation for the year for each of the core economic classification of	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		expenditures (Personnel, Overheads, Capital, and others); the actual expenditures for the quarter and the balances against each of the revenue and expenditure appropriations.		
3	Does the report State the actual expenditures for the quarter attributed to each MDA and each expenditure classification as well as the cumulative expenditures for year to date?	The review of the State's budget performance reports showed that 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 2019.	Satisfactory	
4	Does the report State balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which will include debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications?	The review of the State's budget performance reports showed that 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 on percentage bases in Q1 – Q3, while in Q4 the balance amount is stated.	Satisfactory	
DLR 1.2	FY [2019] deviation from total budget expenditure is less than 25%		Achieved	
1	Has the State computed the difference between the original approved total budgeted expenditure for the fiscal/calendar year and the actual total budgeted	The State computed the budget deviation for 2019 to be 19.98%	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
expenditure in the fiscal/calendar year, divided by the original approved total budgeted expenditure, and expressed in positive percentage terms? Is the expenditure outturn deviation computed less than 25%	The IVA computed the budget deviation for this APA year as follows: COMPUTATION OF EXPENDITURE DEVIATION | CLASSIFICATION	ORIGINAL BUDGET	ACTUAL OUTTURN
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Capital	76,535,000,000.00	61,867,637,413.05
Recurrent:	83,605,000,000.00	66,280,003,379.63
Personnel	50,645,000,000.00	41,772,702,481.92
Other Recurrent	32,960,000,000.00	24,507,300,897.71
TOTAL	160,140,000,000	128,147,640,792.68
DEVIATION		19.98% | $$\frac{₦160,140,000,000 - ₦128,147,640,792.68}{₦128,147,640,792.68} \times 100$$ $$= 19.98\%$$ The budget performance deviation is 19.98% **Source**: 2019 Audited Financial Statement Pg. 1 & 2 and Approved Budget Pg. 1 & 2. This was prepared using cash accounting.		
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 [2020] budget**		**Achieved**	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Did the State conduct at least one "town-hall" consultation before the proposed budget is drafted with participation of local government authorities and State-based CSOs?	Report of the town hall meeting including the attendance register were obtained and reviewed. IVA confirmed the following: a) LGAs that were in attendance during the town hall meeting are Jahun, Birinin Kudu, Dutse, Maigatari, Birniwa, Gwaram, Taura, Babura, Hadejia, Roni, Malam Madori, Gumel and Guri. b) CSOs representatives in attendance are Project Monitoring Partners (PMP), Action Against Hunger (ACF), United Nation International Children's Emergency Fund (UNICEF Jigawa), Jigawa Coalition of Civil Society on Food and Nutrition (JICON), MIGE Self Help Association, Nigerian Bar association (NBA), Gender and Social Inclusion (JSI), Central Management Committee (CMC), Jigawa Maternal Accountability Forum (JiMAF), and School Based Management Committee (SBMC). c) The sources of information on which the IVA based its conclusions were signed minutes of meeting, signed attendance and the programme pictures. d) The public consultation was held in September 19, 2019 at Sir Ahmadu Bello Hall, State Secretariat, Dutse. e) 10 attendees were called through the phone numbers stated on the attendance list to confirm their attendance at the public consultation. f) The draft budget was presented to the State House of Assembly on November 5, 2019 g) The public consultation preceded the draft budget.	Satisfactory	

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 2020 to enable citizens to find the inputs easily?	An individual representing Community Mobilization co-signed the minutes of meeting titled: RAPPORTEURS' REPORT OF THE ONE DAY TOWN HALL MEETING HELD ON 2020 BUDGET CITIZENS INPUT 19TH SEPTEMBER 2019. The proposed budget was published on November 12, 2019 and the minutes was published on January 2, 2020 at www.jsbepd.org. Weblink: https://www.jsbepd.org/images/ jsbepd_pics/2020_docs/2020_APPROVED/ 2020%20TOWNHALL%20MEETING %20REPORT.pdf Also see Appendix A for weblinks to the proposed/final budget	Satisfactory	
DLR 2.2 New	**Citizens' budget based on approved FY19 State budget published online by end April 2019.**			
1 New	Has the State published online, on the State website(s) a Citizens Budget based on the approved FY19 state budget not later than 30 April 2019?	The Citizens budget based on approved FY19 state budget was published on April 29, 2019 (before the due date) at www.jsbepd.org. Weblink: https://jsbepd.org/images/jsbepd_pics/J igawa%20State%202019%20Citizens%20 Budget%20%20%20Ver%201.pdf	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations

2
 	
New
	Is the Citizens Budget a comprehensible (to citizens) summary of the approved FY19 state budget?	The IVA confirmed that the Citizen's budget is comprehensible (to citizens) and a summary of the approved FY19 State budget. The Citizen's Budget was prepared in the format suggested to the states. Page numbers are stated in the report. It includes the key budget information from the original budget such as:
		
		    i. A simple explanation of the annual budget/citizen's budget (Page 7);
		    ii. Breakdown of revenues and expenditures (Pages 12 & 15);
		    iii. Sectoral Allocation (MDAs by MDAs) (Pages 16-20)
		    iv. Top projects to be financed (Page 21).
			Satisfactory	

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 implementation of State TSA**		**Achieved**	
1	Has the State established a functional State-level TSA?	a) The State has an established functional State-level TSA. b) The State operates one account with Zenith Bank Jigawa Branch with the following details: Account name: Jigawa State FAAC Account Account number: 1013586301	Satisfactory	
2	Is there a formally approved cash management strategy in place?	The State has an approved cash management strategy titled "Jigawa State Government Cash Management Strategy",	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	The Strategy should cover the processes through which the State Ministry of Finance or Budgets/Economic Planning is able to forecast cash commitments and requirements and provide reliable information on the availability of funds.	approved by the Commissioner for Finance and Economic Planning and the Accountant General on April 25, 2019. Section 3.2 page 13 of the Strategy contains the processes through which the State Ministry of Finance can forecast cash commitments and requirements and provide reliable information on the availability of funds. The strategy covers the sweeping of idle balances but is silent on the intervals of carrying out the sweeping. IVA obtained evidence of implementation of processes described in the cash management strategy on forecast cash commitments and sweeping of balances of other collecting banks in the states to the TSA.		
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)?	The State has a computer application named AutoPay and powered by Interswitch to enable the State to have a central view on a single electronic dashboard, the cash balances in the bank accounts. It is approved by the cash management strategy to be used and the application was deployed in 2018.	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	The TSA has one consolidated revenue treasury account for state revenues. The account is domiciled with Zenith bank with the following details: Account name: Jigawa State Government Revenue account Account number: 1011289787 IVA visited the Chairman of Jigawa State BIR and the Branch Manager of Zenith Bank Jigawa, who confirmed that revenues collected by collecting banks are swept into Jigawa	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
revenue account as part of the TSA.	State Government Revenue Account within 24 hours. Funds are transferred from the consolidated revenue to Jigawa State FAAC Account (TSA) based on instruction from the Accountant General. The bank statement was obtained and reviewed. It was discovered that all government monies do not sit in the other revenue collecting banks but go through this account to TSA.		
5 Does the TSA cover a minimum of 60% of the State Government's finances?	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 2019 as follows:	Satisfactory	

	TOTAL INFLOWS	TOTAL OUTFLOWS
TSA	110,196,161,475.59	110,404,796,231.28
GOVT. FINANCES	**122,796,803,525.20**	**128,180,785,741.70**
PERCENTAGE	**90%**	**86%**

The average percentage of cash flow was computed as:

$$\frac{90\% + 86\%}{2}$$

= 88%

The TSA covered 88% of the State's finances.

Sources: 2019 Audited Financial Statement (Cash flow Statement) Pg.1 & 2 and the TSA Statement from Zenith bank for January – December 2019

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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**		**Achieved**	
1	Does the State have up-to-date consolidated revenue code which includes all the State's IGR sources and all the local governments (falling under that State) IGR sources?	a) The name of the extant Revenue Law is Jigawa State Revenue (Codification and Consolidation) Law 2019, Law No. 04, 2019, approved on July 16, 2019. b) The Revenue Law, Code and Rates are posted on www.jsbepd.org. c) The code includes all State IGR sources and the LGs (falling under the State) IGR sources. d) The consolidated revenue code includes the rate chargeable for each IGR source.	Satisfactory	
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	a) The Jigawa State Revenue (Codification and Consolidate) Law of 2019 stipulates that the State Bureau of Internal Revenues (SBIR) is the sole Agency responsible for State revenue (tax and non-tax) collection and accounting in the State as provided in Section 5 on page 5 of the law which states that, "The object of the Service shall be to control and administer the various taxes, non-tax	Satisfactory	.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	and non-tax) collection and accounting in the State?	revenues and laws specified in the First Schedule or other laws made or to be made from time to time by the National Assembly, House of Assembly of Jigawa State or other regulations made thereunder by the Government of the State and to account for all such taxes and non-tax revenues collected in the State." Section 24(1-2) on page 13 states that: a) The Service shall have power to administer any Law on taxation in the State. b) Notwithstanding the provision of any law in the State, the Service shall have powers to control, administer and impose and collect the different taxes and levies within the State as provided in the Law.		
3	Is the collection of revenues is made into accounts(s) nominated by the SBIR OR SBIR has full oversight of the accounts and is responsible for reporting and accounting for the revenues	The account for revenue collections is not nominated by the SBIR; however, the SBIR has full oversight of the account, it is also responsible for reporting and accounting for revenues.	Satisfactory	
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.	The revenue code was approved by the State Legislatures on July 16, 2019.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	a) The revenue code is published online on www.jsbepd.org. b) A copy of the law, codes and rates was download on August 25, 2020 by 10.45am and a file copy was kept.	Satisfactory	
DLR 4.2	**Annual nominal IGR growth rate meets target**		**Not Achieved**	
1	Has the 2019-2018 annual nominal IGR growth rate met the basic or stretch targets? Basic Target: 20%-39% Stretch Target: 40% or more	a. The accounting basis used for revenue reporting in 2018 and 2019 observed from the Audited Financial statement is IPSAS Cash. b. The IVA computed the annual nominal IGR growth rate for this year APA as stated below:	Unsatisfactory	The State should improve on their IGR collection to at least achieve a 20% annual growth rate as the minimum required for this result.

Table within findings (row 1):

	2018	2019	GROWTH
Item	NGR	NGR	%
Reported IGR in AFS (Before Adjustments)	9,682,227,407	8,536,371,115	-12%
INVALID items to be deducted IF reported as part of IGR	5,050,104,910	4,341,870,480	
Paris club refund	-	-	
Reimbursements/refunds related to expenditures (e.g., from FGN for Federal roads)	4,237,349,298	3,704,313,421	
Interest Earned	812,755,612	607,557,059	
Miscellaneous			

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		Take reported total IGR and deduct any INVALID items i.e. (1) minus (2)		
		4,632,122,497 4,224,500,634 **-9%**		
		<u>2019 Adjusted IGR – 2018 Adjusted IGR</u> x 100 2018 Adjusted IGR <u>₦4,224,500,633.79 - ₦4,632,122,496.62</u> x 100 ₦4,632,122,496.62 There was a decline by 9% Source: 2019 Audited Financial Statement Pg. 1 & 2.		
DLI 5: Biometric Registration and Bank Verification Number (BVN) Used to reduce Payroll Fraud				
DLR 5.1	**Biometric capture of at least [75] 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 75% of the current civil servants and pensioners on the State payroll?	The State commenced and completed the Biometric data capture of its civil servants and pensioners in 2019. a) The exercise was handled by the staff of the State. b) The total number of civil servants in the State is 58,592, with 14,648 pensioners. The total number of staff on the State Nominal roll and Payroll is 73,240.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		c) 58,411 have been captured on biometrics data (civil servants 46,054 + Pensioners 12,357) d) The IVA obtained and reviewed the States biometrics database, the State's one-page report, the State's Payroll, State deletion report and other records. The percentage of biometrics capture is calculated as follows: $$\frac{\text{No. of Biometric Data Captured}}{\text{Total No. of Civil Servants + Pensioners}} \times 100$$ $$\frac{58,411}{73,240} \times 100$$ The State had captured 80% of the State's civil servants and pensioners.		
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	a) Linkage of the biometric data to the payroll is an ongoing exercise in the State. b) 58,411 instances of biometrics data have been linked to the payroll (i.e. 46,054 civil servants and 12,357 pensioners) c) 89 ghost workers and 676 ghost pensioners were detected during the biometric validations. d) N7,965,122.05 and N13, 234,697.93 were saved from the ghost civil servants and pensioners detected respectively. e) In-year changes to the civil servants and pensioners payrolls (as a result of starters, leavers, deaths etc.) are captured by the biometric exercise. f) There are procedures in place for ensuring timely (within 3 months of the event) updates to the payroll to reflect	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		leavers, retirees and deaths. In the event of resignation, termination or death of any civil servant, such person is removed from the payroll upon confirmation by the Head of Civil Service the month immediately following the month of confirmation. In the case of pensioners, the Salaries and Pensions Directorate collaborates with the Union in each of the Local Government Councils to report the death of any pensioner immediately. Families of the deceased persons also notify the Directorate of the death of any civil servant or pensioner and such people are removed from the payroll after necessary approval, the month immediately following the month of approval. g) Records of deletion and payroll for the relevant months were obtained and reviewed with samples of civil servants and pensioners with biometrics.		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	a) 89 ghost workers and 676 ghost pensioners were detected during the linkage. b) Records of deletion and payroll for the month before and payroll for the month after deletion were obtained for the identified ghost workers c) Identified ghost workers were removed from the payroll following month of confirmation as stated below: |	Civil Servants	Pensioners | |---|---|---| | Month identified | September, 2019 | May, 2019 | | Month removed | October, 2019 | June, 2019 | d) The source(s) of these information are the State's records of deletion and monthly payroll	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
5.2	**Link BVN data to at least [75] percent of current civil servants and pensioners on the payroll and payroll fraud addressed**		**Not Achieved**	
1	Has the State linked the Bank Verification Number data to 75% of its current Civil Servants and pensioners on the State payroll?	The State commenced the linkage of BVN data of the civil servant and pensioners in 2016. It is on-going as all are yet to be linked. a) The exercise is being carried out by the staff of the State. The State has 58,592 civil servants and 14,648 pensioners with a total no of staff on the State Nominal roll as 73,240. b) 52,371BVN data has been linked to the payroll. c) The IVA obtained a BVN report spooled from the system and randomly sampled 20 civil servants and 20 pensioners to validate the linkage of BVN data to payroll. They confirmed that the BVN and payroll is linked. The percentage of BVN data of civil servants and pensioners linked to payroll is calculated as follows: $$\frac{\text{No. of BVN Data Linked}}{\text{Total No. of Civil Servants + Pensioners}} \times 100$$ $$\frac{52,371}{73,240} \times 100$$ $$= 72\%$$ The State has linked 72 % of the States' civil servants and pensioners BVN data to the payroll.	Unsatisfactory	The State should link the Bank Verification Numbers of its Civil Servants and Pensioners to the State payroll to prevent fraud.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
2	Has the State taken steps to identify payroll fraud?	The State has deployed Internal Auditors to each government entity, who is responsible for the review and validation of the monthly payroll before it is being processed by the Salary Directorate. Variations to the payroll are usually sent to the Director, Internal Audit and the State's Auditor General for necessary review and approval before such variations are implemented.	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) establishment of an independent procurement regulatory agency and 3) cover all MDAs receiving funds from the State budget**		**Achieved**	
1	Does the State have a public procurement legal framework which must be approved by the State legislature to have a legal basis, either as a law or a resolution?	The State has a public procurement legal framework known as Due Process and Project Monitoring Bureau Law. The Procurement Law was passed and assented on the 13th December 2019, published online on 13th December, 2019 on http://www.jigawadueprocess.com/bureau_laws.html.	Satisfactory	

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.	The Jigawa State's Due Process and Project Monitoring Bureau Law conforms to the UNCITRAL Model Law and provides for the following: 1) **E-procurement** – Section 62(1-2), page 38 of the law provides: i. Not later than twelve (12) months from the enactment of this law or at such other time as the Governor may consider appropriate, the Bureau shall design and set up a secure electronic portal which shall be the primary source of information for all public procurement matters and opportunities within the purview of this law and its regulations issued under this law. ii. Subject to the provisions of this Law and its Regulations, it shall be lawful for any procuring entity to consider any or all of its tenders by electronic auction and or simulation on its electronic portal, provided that the use of the electronic system shall be transparent, efficient, and economical. - Section 22 (1i) Page 13 – Subject to the exceptions under this law, all procurement carried out by any procuring entity shall be conducted using applicable technology and electronic means, among others, for the procurement process and documentation 2) **Establishment of an Independent Procurement Regulatory Agency** – Section 3 page 4: There is hereby established for the State a body to be known as State Due Process and Project Monitoring Bureau which shall be a body corporate with perpetual	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	succession and a common seal with power to sue and be sued in its corporate name. Relevant sections to strengthen independence are tabulated below: 	Required Provisions*	Reference Sections
Complies with the composition of the board.	Section 7, Page 7
Complies with the membership of the Board/Council to include representatives from Professional bodies and associations.	Sections 7(e), Page 8.
Complies with the grounds for removal of the Chief Executive of the agency.	Section 14, Page 10.
Regarding decisions of the Agency; any other review after the Board's decision should be by judicial review	Section 71, Page 43. | *Provided by the World Bank 3) The law covers all **MDAs receiving Funds from the State Budget** – Section 84 (a-f)		
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?	a) The State has instituted an independent procurement regulatory function, performed through the Due Process and Project Monitoring Bureau. b) The Bureau is responsible for prescribing regulations and procedures for public procurement in accordance with the legal framework c) To ascertain that the Bureau is active and effective, IVA conducted the following procedures: i. An interactive session with the DG, the Management and a member of the board was held, where the IVA	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	was walked through the activities of the Bureau and achievements in the APA year.		
	ii. A physical inspection of the agency conducted shows that the bureau has a very conducive space to work and is well equipped for their mandate.		
	iii. An interview conducted with operational staff of the Agency revealed that the Bureau is active and effective.		
	iv. Documents reviewed are the State's procurement guidelines, Laws, Contract files during the year and publication of contract award.		
	d) A sample of 5 cases handled by the Bureau that are above the threshold in the year under assessment are:		
	i. Supply and Installations of Integrated Standalone Solar Powered Streetlight at Hammado-Gagarawa (200 Unit) Bosuwa (100 Unit) Iri (100 Units) Manga-Takwasa (120 Unit) and Unguwar Gawo-Batali-Kuzunzumi-Balarabe (200 unit). Total 720 Units (Lot 2)		
	ii. Supply and Installation of integrated standalone Solar Powered Streetlight at Buji (150 Units), Basirka/Digijin (120 Units), Kudai (100 Units), Balanngu-Sarawa (100 Units) Garin Gabas (160 Units) and Biriwa Tasha (100 units). Total 710 units (Lot-1)		
	iii. 2019 Rural Electrification Project at Kadira in Guri LGA (Lot-6)		
	iv. Construction of Babura Township Roads (10.28km) (Additional works)		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		v. Re-construction of B/kudu New General Hospital (Variations) e) A walk through of the five (5) cases has been done. f) Selected cases were handled effectively and the Agency is highly functional g) The IVA inspected the working environment of the bureau, reviewed procurement cases handled during the year of assessment and interviewed both the Bureau's management and random staff.		
DLR 6.2	**Publish contract award information above a threshold set out in the Operations Manual for 2019 on a monthly basis in OCDS format on [the State website/on the online portal]**		**Achieved**	
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(2019) that are above the threshold (as defined in the State procurement law or in the State procurement regulation(s), in line with the Open Contracting Data Standards (OCDS).	a) The IVA obtained a schedule of all contracts awarded during the year under assessment above the threshold of N100m as defined by the guideline. The data published on 31st December, 2019 on jigawaprocess.com/contracts_OCDS_resources.html. is in line with the Open Contracting Data Standards (OCDS). A copy of the online publication has been downloaded and retained. The awards published are for the entire year and the publication includes the necessary fields	Satisfactory	.
DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework				

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 7.1	State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt; and 3) fiscal and debt rules/limits.		**Achieved**	
1	Is there an Approved state-level public debt legislation through the passage of a State Fiscal Responsibility Law, OR the passage of the State Public Debt Management Law, OR the inclusion of the provisions of the Fiscal Responsibility Act (FRA) in the organic PFM Law?	There are Approved State-Level public debt legislation in the State through the Passage of the following laws: a) PUBLIC EXPENDITURE AND FINANCIAL MANAGEMENT LAW, 2020, LAW NO. 2 OF 2019 AS AMENDED, 2020. The law was passed by the State House of Assembly and assented by the Executive Governor in 17th July 2019 and the amended law assented by the State Governor on 13th July 2020. b) JIGAWA STATE ECONOMIC PLANNING AND FISCAL RESPONSIBILITY COUNCIL LAW, 2009. The law was passed by the State House of Assembly and assented by the Executive Governor in 26th May 2009.	Satisfactory	
2	Does the legislation include provisions which establish the following? 1) Responsibilities for contracting state debt; 2) Responsibilities for	A) From the IVA review, the Legislation includes provisions for: 1) Responsibilities for contracting state debt: State Public Expenditure and Financial Management Law, 2020 PART VII Section 45 (2) - The Commissioner shall sign-off on every loan/debt request	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
recording/reporting state debt; and 3) Fiscal and debt rules/limits for the state.	2) Responsibilities for recording/reporting State Debt: Economic Planning and Fiscal Responsibility Council Law 2009 Part X, Section 43(1) states "There shall be a Debt Management Unit which shall maintain comprehensive, reliable and up-to-date database of internal and external public debts including records of payment arrears and other contractual obligations and liabilities of the State. Such data should be in both physical and electronic form and public access to information on this shall be guaranteed" 3) Fiscal and Debt Rules/Limits for the State - Regarding fiscal and debt rules/limits for the State: Part x, Section 44(1-2): S44(1) - The State Government shall adopt overall limits for the amounts of consolidated debt of the State and all the Local Governments in consistence with the provisions of items 7 and 50 of part 1 of the second schedule to the constitution as well as consistent with the fiscal policy objectives of the state specified in the medium-term expenditure plans. S44(2) For the purpose of verifying compliance with the limits specified pursuant to subsection (1) of this section, the council shall periodically, not less than two times in any fiscal year, determine the amount of the consolidated debt of the state and all the local governments which must have been properly contracted. The law met the requirements.		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
4	Has the State Debt Management Department (or Unit, Committee, Agency, Board, Bureau, Commission, Council) has been operational during the APA year and performing the core function of recording and reporting state debt.	The State Debt Management Unit has been operational during the APA year. The IVA visited the State Debt Management Department to review the reports and correspondences of the DMO to ascertain that the Department has been operational during the APA year. The Office is located within the State Secretariat, the IVA captured the signage on the door post and the offices as evidence of its existence and being active and effective. The Office has three staff with a Director as the head.	Satisfactory	
DLR 7.2	**Quarterly State debt reports accepted by the DMO on average two months or less after the end of the quarters in 2019**			
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 2019?	The IVA confirmed that the State has submitted the quarterly SDDR to the DMO within the average of two months after the end of each quarter. We obtained evidence that the State produced quarterly SDDRs, which were submitted and received by the DMO as follows: (a) Q1 submitted on 16/4/19 - 2.3 weeks (16 days) (b) Q2 submitted on 29/7/19 - 4.1 weeks (29 days) (c) Q3 submitted on 21/11/19 - 7.4 weeks (52 days) (d) Q4 submitted on 4/2/20 – 5.0 weeks (35 days) Average = $\frac{2.3+4.1+7.4+5.0}{4}$ = 4.7 weeks	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		The SDDRs were submitted within an average of 4.7 weeks.		
2	**Note: Have you reviewed for accuracy and completeness from the DMO:** 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.	The IVA reviewed the DMO's Report on State Domestic and External Debt Report (SDEDR) with the Jigawa State Debt Domestic Report and both showed a discrepancy of ₦3,801,893,026.71. The DMO reported at total domestic debt of N38,412,419,974, while the State reported N34,610,526,947.73. The result of the review using the DMO templates and guidelines is higher than the State report. The IVA team reviewed the DMO report to confirmed the accuracy and completeness of the State Domestic Debt Report. The major area of discrepancy is the State's Budget Support Loan which was overstated by N3,551,038,315.45 A wider review was undertaken of the information and supporting schedules submitted by the DMO, and several clarifications and adjustments were made to correct errors and omissions in the State's submission to the DMO. Conclusions reached in this report are based on the amended DMO data.	n/a	The State should submit accurate quarterly domestic debt reports
DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears				
DLR 8.0	**Domestic arrears as of end 2019 reported in an online publicly accessible database, with a verification process in place and**	The State submitted to the IVA the annual State arrears recording, verification, and clearance report (SARVCR). There is no information on clearance as this was the first APA submission of the report.	**Achieved** Stretch Target met	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	an arrears clearance framework established. **AND** **Percentage decline in the verified stock of domestic arrears at end 2019 compared to end 2018 meets target and is consistent with the state's arrears clearance framework.** -**Basic target:** At least a 5% decline or maintain stock below N5 billion -**Stretch target:** More than 20% decline			
1	Has the State established an Arrears Clearance Framework (ACF)?	a) The State has established an Arrears Clearance Framework (ACF), approved and published on 30 December 2019 b) The IVA downloaded a copy from the state and obtained a hard copy of the ACF.	Satisfactory	
2	Does the ACF contain: 1) the planned actions to settle arrears; and 2) an explicit prioritization of expenditure arrears to be settled.	a) The ACF contains planned actions to settle arrears and an explicit prioritization of expenditure arrears to be settled. b) The plan in Page 5 of the ACF is to clear the arrears in three years by settling N1bn, N1.3b and N1.5bn for years 1, 2 and 3 respectively. It also shows that N1.2b has been appropriated in 2020 budget to settle contractual liabilities; out of which N1bn is earmarked for all payments below N10m most of which belongs to small contractors.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
3	Has the ACF been published on a State official website?	a) The IVA confirmed that the ACF has been published on a State official website http://www.jigawastate.gov.ng/budget/Arrears.pdf on the 30th of December, 2019 b) The IVA have downloaded a copy for validation	Satisfactory	
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	The consistency of the clearance with the ACF will be assessed in 2020 APA as the ACF was established in December 2019.	Satisfactory – in view of the total arrears being below the N5bn mark.	The State should ensure that the clearance of domestic expenditure arrears is consistent with the ACF

5.	Has the State established an Internal Domestic Arrears Database?	a) The State has established an Internal Domestic Arrears Database
		b) The Internal Domestic Arrears Database includes the following:
		  a. The aggregate and individual amounts of contractors' arrears.
		  b. The State has no pension and gratuities arrears
		  c. The State has no salary arrears
		    The State has no other types of domestic arrears
		
		c) There is a verification process in place for the arrears in the database at https://jsmof.org/index.php/departments/debt-management and https://www.jigawastate.gov.ng/Contractors.php
			Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		d) The IVA confirmed through Contractors Liabilities Verification report that the State has conducted verification of arrears balances. e) The IVA conducted test to ascertain the accuracy of the figure in the internal domestic arrears database, including cross-checking with State account balances and payroll records. The test result was consistent with the State's reports.The IVA confirmed the State's arrears balances with the figures provided by the DMO, the contractors' arrears were also investigated to confirm that they have all been duly verified to be valid claims. The IVA reviewed the verification process in place, the verification committee is chaired by the DG Public Procurement Bureau as they had to do with contractor's arrears. The IVA further asked and obtained from the State a written statement confirming that the balances reported by the State and verified by the IVA are valid balances.		
6	Has the State published online elements of the internal domestic arrears database for the FY **2018** and FY **2019** reported on a State official website, which constitutes the online publicly accessible arrears database?	a) The State has published online the required elements of Internal Domestic Arrears Database as at year end 2019 only, being the first year of operation at http://www.jigawastate.gov.ng/budget/Arrears.pdf 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 confirmed the consistency and accuracy of the information on the online publicly-accessible arrears database.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		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 such 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. The link is https://jsmof.org/index.php/departments/debt-management d) The IVA confirmed that the online webpages https://jsmof.org/index.php/departments/debt-management include a facility for contractor with arrears (creditors) to report any omissions to the State. e) The IVA tested the facility for contractors with arrears (creditors) to report any omissions to the State and observed that it is working appropriately. f) From the interview of the Director of the Debt Management Unit and the IT specialist, no contractor has reported omissions in the year.		

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations
7. New	Does the online publication include? 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 N20million and information for contractors to be able to verify that their claims are being accurately reported in the database.	The publication of the State Internal Domestic Arrears Database includes: 1) The aggregate amount of contractor's arrears amounting to N3,795,265,079.50 2) The aggregate amount of Pension and Gratuity Arrears with zero balance as the states owes no pension and gratuity arrears 3) The aggregate amount of Salary Arrears with zero balance as the states owes no Salary arrears 4) The aggregate amount of Other types of Domestic Arrears with zero balance as the states owes no other type of arrears A list of names of contractors with recognized arrears exceeding 20m (including arrears below 20m) and information for contractors to be able to verify their claims are being reported in the database.				Satisfactory	
New	Has the State met the following: (ii) Percentage decline in the verified stock of domestic arrears at end 2019 compared to end 2018 meets target and is consistent with the state's arrears clearance framework.	Aggregate Amount of:	2019 N	2018 N		Satisfactory Stretch target met	
		Contractors Arrears	3,013,777,475	3,778,197,577.96			
		Pension and Gratuity arrears					
		Salary arrears and Staff claims					
		Other types of domestic expenditure arrears					

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations

Total Domestic Arrears	3,013,777,475	3,778,197,577.96

We obtained the Domestic arrears figure from the State Internal Domestic Arrears (SIDA) database.
The percentage reduction on verified stock of arrears is computed as:

$$\frac{2018\ Figure - 2019\ Figure}{2018\ Figure} \times 100$$

$$\frac{N3,778,197,577.96 - N3,013,777,475}{N3,778,197,577.96} \times 100$$

$$= \frac{N764,420,102.96}{N3,778,197,577.96} \times 100$$

The percentage decline is = 20.23%

This meets the stretch target.

Source: State internal domestic expenditure arrears database.

The IVA sought additional to ensure the arrears verification process was effective and these are indeed verified balances. We confirmed the State's arrears balances with the figures provided by the DMO, the contractors' arrears were also

-Basic target: At least a 5% year-on-year decline or maintain stock or arrears below N5billion.
-Stretch target: More than 20% year-on-year decline.

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 year, compared to the previous year, expressed in percentage terms.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		examined to confirm that they have all been duly verified to be valid claims. We reviewed the verification process in place, the verification committee is chaired by the DG Public Procurement Bureau as the most significant balances had to do with contractor's arrears. The IVA further asked and obtained from the State a written statement confirming that the balances reported by the State and verified by the IVA are valid balances.		
DLI 9: Improved Debt Sustainability				
DLR 9.0	**Average monthly debt service deduction is < 40% of gross FAAC allocation for FY [2019] AND Total debt stock at end Dec [2019] as a share of total revenue for FY [2019] meets target: -Basic target: < [140%] -Stretch target: < [115%]**		**Achieved** Stretch target met	
	Has the State met: (i) the ratio of total monthly debt service (principal and interest) deductions from FAAC allocation during the calendar year of the year of assessment (1st January to 31st December 2019) to the gross FAAC allocation for the same calendar year? **Less than :< [40%]**	The IVA computed the percentage of total monthly debt service deductions/Gross FAAC Allocation for this year APA**.** Total Debt Service Deduction N3,128,250,829 x100 Gross FAAC N62,199,211,355 = 5 % **Source:** FMoF (FAAC)	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
Has the State met: (ii) the ratio of total debt stock at end-of-year (31st December 2019) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1st January to 31st December 2019)? **-Basic target:**< [140%] **-Stretch target:** < [115%]	The following tables show the calculations and adjustments made to arrive at the appropriate figures for the comparison of total debt stock at the end of 2019 and the total revenue collected throughout 2019. **Total Public Debt**		

Total Public Debt

	Financial Statements	DMO figure (Adj)
Total Domestic Debts	3,795,265,079.50	38,412,419,974
Total External Debts	0	9,471,138,522
Total Public Debts	3,795,265,079.50	47,883,558,497

Total annual revenue

2019 Adjusted IGR (see DLI 4.2)	4,224,500,635
Gross FAAC Allocation	62,199,211,355
Grants (Note 7)	4,194,508,819
Other Revenues (Note 4J)	607,557,059
Total Revenue**	71,225,777,868

We have computed the total debts stock / revenue percentage for the 2019 year, as follows:

$$\frac{\text{Total Public Debts*}}{\text{Total Revenue}} \times 100$$

$$47,883,553,497 \times 100$$

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Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		71,225,777,868		
		=67.23%		
		Sources: For Total Revenue: 2019 Audited Financial Statement, Pg 12. *Table 3 below holds a breakdown of the Total Debt **Table 3(ii) holds the breakdown of Revenue		
		a. The debt stock stated in the Federal DMO State Domestic and External Debt Report debt stock was higher with N44,088,293,416.50 that the amount stated in the audited financial statement. This represents 92.07% difference. b. The difference has been communicated to the State for explanation. c. The SDEDR was not amended and resubmitted to the IVA along with explanations for any changes.		

TABLE 3: DLI 9 31 DECEMBER 2019 STATE DEBT STOCK TABLE FOR JIGAWA STATE

JIGAWA STATE	AMOUNT (₦) DMO
BUDGET SUPPORT LOAN (SOURCE FMOF)	21,081,217,713
BAIL OUT (SALARIES) (SOURCE CBN)	-
RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	-
EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,117,333,802
STATE BONDS	-
COMMERCIAL BANK LOANS	-
CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	3,977,868,763
INFRASTRUCTURE LOAN (CBN FACILITY)	-
MICRO SMALL MEDIUM ENTERPRISES DEVELOPMENT FUND (MSMEDF) SOURCE CBN)	1,222,222,222
JUDGEMENT DEBTS	-
GOVT - GOVT DEBTS	-
CONTRACTORS' ARREARS	3,013,777,475
PENSION AND GRATUITY ARREARS	-
SALARY ARREARS AND OTHER CLAIMS	-
OTHER DEBTS	-
TOTAL DOMESTIC DEBT (TDD)	**38,412,419,974**
TOTAL EXTERNAL DEBT (TED)	**9,471,138,522**
TOTAL PUBLIC DEBT (TED+TDD)	**47,883,558,497**

TABLE 3(ii): DLI 9 31 DECEMBER 2019 - ADJUSTED REVENUE TABLE FOR JIGAWA STATE

Item	NGN
	2019
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	62,199,211,355
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	48,325,449,544
1.1.1 Gross statutory allocation	46,289,561,166
1.1.2 Derivation	
1.1.3 Other FAAC transfers (also known as Distribution) such excess PPT savings account, Forex equalization, excess bank charges, exchange rate gain, augmentation, others	2,035,888,378
1.2 VAT	13,873,761,811
2. Internally Generated Revenues (IGR) - Adjusted	4,224,500,635
3. Grants (internal and external)	4,194,508,819
4A. Other revenues (4.1 + 4.2 + 4.3)	607,557,059
4.1 Investment Income (e.g. dividends)	
4.2 Interest Earned	607,557,059
4.3 Miscellaneous	
Total Revenues and Grants Calculations	
A) Total Revenues and Grants is (1+2+3+4A)	71,225,777,868

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	The State is satisfactory with the report and has no objection.	Noted.

Appendix A

REPORT ON THE ACHIEVEMENT OF THE ELIGIBILITY CRITERIA FOR THE 2019 PERFORMANCE YEAR

YOUR STATE HAS BEEN ASSESSED AS HAVING MET THE ELIGIBILITY CRITERIA FOR THE 2019 PERFORMANCE YEAR.

This report sets out the assessed performance of the State against the set eligibility criteria for the States' Fiscal Transparency, Accountability and Sustainability Programme (SFTAS). It contains feedback and clarifications to enable the State prepare better for the next assessment. Note that the eligibility assessment will be conducted afresh on an annual basis and being deemed eligible in one year does not guarantee eligibility in subsequent years. Please visit the SFTAS guidelines for more detail on eligibility.

Any enquiries on the contents of this report should be routed through the State Focal persons to the following email address – sftas@oaugf.ng

Eligibility Criteria 2019 Part I - The online publication of Approved Budgets for 2020 by 31st January 2020

Information Source(s)	Initial checks	Initial Comments / Observations	Follow up	Final Assessment
http://www.jigawastate.gov.ng/budget/Statelaw.pdf	A search was done on the Jigawa State website	The 2020 Budget was published on the State Official website, a copy was downloaded. There was evidence of the 2020 Budgets being signed by the Governor.	N/A	EC met

Tests/checks performed	Results	Areas for improvement
Is the approved budget for 2020 available on any of the State Government Websites?	Yes	None
Was the approved budget published online before 31 January 2020?	Yes	None
Is the published budget clear and legible?	Yes	None
Can the budget be downloaded?	Yes	None
Do we have evidence of assent by the Governor?	Yes	None

Eligibility Criteria 2019 Part 2 - The online publication of Audited Financial Statements for FY2018 by 30th September 2019

Source(s)	Initial Work Done	Initial Comments / Observation	Follow up	Final Assessment
http://www.jigawastate.gov.ng/budget/auditreport2.pdf	A search was done on the Jigawa State Website and the Audited Financial Statements were downloaded.	The Audited Financial Statements were easily accessed and downloaded.	N/A	EC met

Tests/checks performed	Results	Areas for improvement
Were the Financial Statements (FS) for 2018 available on any of the State Government Websites? (and were the FS straightforward or difficult to find?)	Yes	None
Were the Financial Statement for 2018 available published online on or before 30th September 2019?	Yes	None
Are the published financial statements clear and legible?	Yes	None
Can the Financial Statements be downloaded?	Yes	None
Do we have evidence of audit by the State Auditor-General?	Yes	None
Are the financial statements complete, including primary statements and disclosure notes?	Yes	None
Are there any indications that balances within the financial statements are not credible	n/a	Please see the 2018 APA Report