



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

2020 Annual Performance Assessment (APA) Report

KEBBI STATE

By:

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



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Table of Contents

1.	<u>EXECUTIVE SUMMARY</u>	3
2.	<u>INTRODUCTION</u>	5
2.1	<u>OVERVIEW</u>	5
2.2	<u>SCOPE</u>	5
3.	<u>ASSESSMENT RESULTS</u>	7
3.1	<u>FINDINGS</u>	7
	TABLE 3(i): DLI 9 31 DECEMBER 2020 STATE DEBT STOCK TABLES FOR KEBBI STATE	60
	TABLE 3(ii): DLI 9 31 DECEMBER 2020 - ADJUSTED REVENUE TABLES FOR KEBBI STATE	61
4.	<u>RESPONSE FROM THE STATE</u>	62

1. Executive Summary

The report details the outcome of the Annual Performance Assessment (APA) conducted on Kebbi 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 Kebbi State and shows areas where the State was able to achieve results. In total, Kebbi State achieved 14 (Fourteen) DLRs out of 15 DLRs applicable to the 2020 APA.

Table 1: Assessment Results

Key:	Achieved	Not Achieved	Previously Achieved
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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 35%
DLI 2: Increased openness and citizens' engagement in the budget process	DLR 2.1: Citizens' inputs from formal public consultations are published online, along with the proposed FY2021 budget.		
	DLR 2.2: Evidence of dissemination event to explain amendments to FY2020 State budget published online along with the Citizens' budget based on Amended FY2020 State budget by end September 2020 with functional online feedback mechanisms		
DLI 3: Improved cash management and reduced revenue leakages through the implementation of State TSA	DLR 3: TSA, based on a formally approved cash management strategy, established and functional, and covering a minimum of 70 percent of state government finances.		
DLI 4: Strengthened Internally Generated Revenue (IGR) collection	DLR 4.1: State implementing a consolidated state revenue code covering all state IGR sources and stipulating that the state bureau of internal revenue is the sole agency responsible for state revenue collection and accounting. Code must be approved by the state legislature and published		
	DLR 4.2: 2020-2019 annual nominal IGR growth rate meets target: i.e. 2020 nominal IGR collection is equal to or higher than the 2019 nominal IGR collection	Stretch Target Met	
DLI 5: Biometric registration and Bank Verification Number (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		

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
	<p>DLR 6.2: (Basic Target) Framework contract for e-Procurement signed by 31 December 2020 AND Publication of contract award information above the threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available.</p> <p>DLR. 6.2 (Stretch Target) Implement e-Procurement in at least 3 MDAs (incl. Education, Health and Public Works) and publish all contract award information in OCDS format on the online portal for the 3 MDAs 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</p>	Basic Target Met	
DLI 7: Strengthened public debt management and fiscal responsibility framework	DLR 7.1: State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt; and 3) fiscal and debt rules/limits.		
	<p>DLR 7.2: Quarterly state debt reports for Q2, Q3, and Q4 accepted by the DMO on average two months or less after the end of the quarter in 2020 AND Annual State debt sustainability analysis published by end of December 2020</p>		
DLI 8: Improved clearance/reduction of the stock of domestic expenditure arrears	<p>DLR 8: Domestic arrears as of end 2019 AND end 2020 reported in an online publicly accessible database, with a verification process in place.</p> <p><u>Stretch Target:</u> Domestic arrears as of end 2019 and end 2020 reported in an online publicly-accessible database, with verification process in place AND at least a 5 percent decline in the verified stock of domestic arrears at end 2020 compared to end 2019 consistent with the state's arrears clearance framework or maintain stock of arrears below 5 billion.</p>	Stretch Target Met	
DLI 9: Improved debt sustainability	Total debt stock at end of December 2020 as a share of total revenue for FY2020 meets target: Basic target: < 150%, Stretch target: < 125%.	Stretch Target Met	

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.

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 had some input/ support from experts in Taxation, Procurement, and the Debt Management Office (DMO) to review the legislation and returns in place in this State.

2.2 Scope

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

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

In advance of the performance assessments, all States were provided with the detailed information requirements for the assessments, a proposed itinerary for the assessment visit, and a template with which to report the results achieved. The assessments were conducted between 21/2/2022 and 25/2/2022 with a team of 6 team members 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 the 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) is 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</p> <p>Q2</p> <p>https://www.kebbistate.gov.ng/sites/default/files/KBSG%20Budget%20Performance%20Report%20Q2%202020%20PUB180720.pdf</p> <p>Q3</p> <p>https://www.kebbistate.gov.ng/sites/default/files/KBSG%20Budget%20Performance%20Report%20Q3%202020%20PUB281020.pdf</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>Q4</p> <p>https://www.kebbistate.gov.ng/sites/default/files/KBSG%20Budget%20Performance%20Report%20Q4%202020%20PUB280121.pdf</p> <p>(a) Q2 – (18/7/2020)- 2.6weeks (18days)</p> <p>(b) Q3 – (28/10/2020) - 4weeks (28days)</p> <p>(c) Q4 – (28/1/2021) - 4weeks (28days)</p> <p>Average days (weeks) for the online publication was computed based on the last 3 quarters, as below:</p> $\frac{18+28+28}{3}$ <p>Average = 25 days (3.6 weeks)</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	<p>From our review of the Quarterly Budget Implementation reports downloaded from the State's website (see weblinks above), we observed the following:</p> <p>a) The Budget Implementation Reports included approved budget appropriation for the year against each organizational unit (MDAs). for each of the core economic classifications of expenditures</p> <p>b) The State Budget Implementation Reports included the actual expenditures for the quarter</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	expenditures for the quarter attributed to each as well as the cumulative expenditures for the year to date, and balances against each of the revenue and expenditure appropriations.	<p>attributed as well as the cumulative expenditures for the year to date.</p> <p>c) The Budget Implementation Reports included balances against each of the revenue and expenditure appropriations</p> <p>d) Kebbi State has FY 2020 approved amended/revised budget.</p> <p>e) The State Budget implementation Reports show both the Approved Original Budget and Approved Revised Budget figures. However, this only applies to Q3 and Q4. The Q2 Budget Implementation Report does not show the Approved Revised Budget figures because as at the end of the quarter, the FY2020 revised budget had not been assented to</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, the IVA observed that the actual expenditures for each quarter are attributed to each MDA and each expenditure classification as well as the cumulative expenditures for the year to date.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations						
4	Does the report state balance against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and ‘Other Expenditures’ which will include debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications?	Upon review of the State’s Budget Performance reports, the IVA observed that 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’ included Consolidated Revenue Charges, public debt charges and other expenditure not attributable to any of the other three (3) economic classification.	Satisfactory							
DLR 1.2	FY [2020] deviation from total amended budget expenditure is less than 15%		Not Achieved							
1	Has the State computed the difference between the Amended approved total budgeted expenditure for the fiscal/calendar year and the actual total expenditure in the fiscal/calendar year, divided by the Amended approved total budgeted	<div>The State has computed its budget performance deviation to be 35%.</div> <div>We computed the Budget Performance Deviation for this APA year to be 35% using the cash base figure from the Cash Flow Statement in the 2020 Audited Financial Statement. See computation Below:</div> <table><tr><td></td><td>Total Amended Budget (₱)</td><td>Actual Outturn (₱)</td></tr><tr><td>Cap Exp (pg8)</td><td>57,687,177,764.00</td><td>26,689,783,008.98</td></tr></table>		Total Amended Budget (₱)	Actual Outturn (₱)	Cap Exp (pg8)	57,687,177,764.00	26,689,783,008.98	Unsatisfactory	The State should prepare accurate budgets and reduce the budget deviation to a level below the limits set for this result.
	Total Amended Budget (₱)	Actual Outturn (₱)								
Cap Exp (pg8)	57,687,177,764.00	26,689,783,008.98								

Disbursement Linked Indicators (DLIs) and Tests		Findings			Conclusion	Recommendations
	expenditure and expressed in positive percentage terms?	Rec Exp (pg8)	38,290,613,627.00	35,738,427,250.29		
		Public Debt (pg8)	3,705,898,624.00	2,478,848,911.84		
		Total	99,683,690,015.00	64,907,059,171.11		
	Is the expenditure outturn deviation computed less than 15%	<div>$\frac{\text{₦}99,683,690,015.00 - \text{₦}64,907,059,171.11}{\text{₦}99,683,690,015.00} \times 100$$= 35\%$</div> <p>The budget performance deviation is 35%</p> <p>Source: The year 2020 Audited Financial Statement captured the actual outturn for Capital Expenditure in Page 8, Recurrent Expenditure in Page 8, and the Public Debt in Page 8.</p> <p>The year 2020 Approved Revised Budget captured the Revised Budget amount for capital expenditure in Page 1, Recurrent Expenditure in Page 1.</p> <p>The Source of the values used in the computation is from both Hard and Softcopies of the Audited Financial Statement.</p>				
DLI 2: Increased Openness and Citizens’ Engagement in the Budget Process						
DLR 2.1	Citizens’ inputs from formal public consultations are published online, along				Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	with the proposed FY [2021] budget			
1	Did the State conduct at least one “town-hall” consultation before the proposed budget is drafted with the participation of local government authorities and State-based CSOs?	<p>The IVA obtained and reviewed Minutes of the public consultation, pictures of attendees, and the Attendance register showing the names of attendees, organization, and email address of attendees.</p> <p>a) The IVA confirmed that the LGAs in attendance included the following shown below:</p> <ul style="list-style-type: none"> i. Birnin ii. Gwandu iii. Arewa <p>b) The IVA confirmed that the CSO representatives who were in attendance included:</p> <ul style="list-style-type: none"> i. Ibrahim Abdullahi Ngaski (Chairman Coalition of NGOs) ii. Ibrahim Bello (Kebbi Concerned Citizens) iii. Abdullahi Tukur (F.R.C.N) <p>c) The source of information from which the IVA conclusions were drawn included the Attendance record of the public consultation duly signed by attendees as well as Minutes of the public consultation jointly prepared and signed by CSO representatives.</p> <p>d) The date and venue of the consultation on the Budget proposal were 5th November 2020 and</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>the Presidential Banquet Hall, Birnin Kebbi respectively.</p> <p>e) The IVA took a random sample from the attendance of the public consultation and made phone calls to Ten (10) respondents. All respondents confirmed their attendance.</p> <p>f) The soft copy of the 2021 Draft Proposed Budget downloaded by the IVA from the State website was not dated. However, the date of the presentation of the Draft Budget to the State House of Assembly was on the 25th of November 2020.</p> <p>g) The Public consultation on the 2021 Proposed Budget was held on 5th November 2021. The IVA observed that the 2021 Draft proposed budget was not dated. However, the IVA obtained evidence showing the date the Draft Budget was presented to the State House of Assembly on 25th November 2020. Considering the above evidence, the IVA can conclude that the Public consultation was held before the proposed budget was drafted.</p> <p>h) The 2021 Proposed Annual Budget was published on 25/11/2020 which is before the deadline of 31 January 2021.</p> <p>i) https://kebbistate.gov.ng/sites/default/files/Draft%202021%20Budget%20of%20Rejuvenation%20Final%20Version.pdf</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) Ibrahim Abdullahi Ngaski (Chairman Coalition of NGOs) co-signed the Minutes of the public consultation. A copy of the Minute was retained in the IVA assessment file. b) Report on the 2021 Budget Town Hall Meeting held 5th November 2020 c) The Signatories represented the coalition of NGOs d) https://kebbistate.gov.ng/sites/default/files/SUP02%20-%20REPORT%20ON%202021%20BUDGET%20TOWN%20HALL%20MEETING%20-%20PUB171120.pdf 	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 the events	<ul style="list-style-type: none"> a) The IVA reviewed minutes of the dissemination event, pictures of attendees, and an attendance list detailing the name of attendees, organizations, and email addresses of attendees b) A copy of the amended budget and evidence of the dissemination events have been downloaded from the state website. 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	published online and by the due date?	<p>c) The dissemination was done physically.</p> <p>d) The evidence of the dissemination event was published on the State website on 27/7/2020 before September 30, 2020 deadline. The minutes of the dissemination event were kept on file by the IVA.</p> <p>e) The IVA confirmed that the evidence of the dissemination event and the FY2020 budget were published in the same place. Both documents were posted on the Kebbi State website</p> <p>f) The evidence of the dissemination event was published on the state website on 27th July 2020. The IVA obtained screenshots of the publication date from the back end of the IT service provider.</p> <p>g) https://kebbistate.gov.ng/dissemination-events-explain-amendment-2020-budget</p>		
2	Has the State published online, on the State website(s) a <i>Citizens Budget based on the Amended Budget (2020)</i> not later than 30 September 2020?	<p>a) The Citizens budget based on the Amended Budget (2020) was published before the due date via https://kebbistate.gov.ng/sites/default/files/KBSG%20COVID-19%20Responsive%20Citizen%20Budget%202020%20with%20Explanatory%20Notes%20_0.pdf accessed on (22/2/2022).</p> <p>b) A comparison of the FY 2020 revised budget and the Citizen's Budget was conducted by the IVA.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The IVA Team did not notice any areas of discrepancies.</p> <p>c) Kebbi State provided the IVA with the excel template provided to them by the Home Finance Department. The IVA compared the contents of the excel template with the citizens' budget and confirms that the Citizens Budget was prepared in the format suggested by the Home Finance Department. It accurately includes the key budget information from the Revised Budget, including the following:</p> <ul style="list-style-type: none"> I. Simple explanation of the annual amended budget/citizens' budget. (page 2) II. Sources of domestic and foreign grants, domestic loans, and other financing sources. – pages 15-19 III. Budget deficit, budget financing, and financing gap - pages 25-26 IV. Disclosure of Budget deficit (if any) and how it will be financed. V. Top Projects to be financed (at least 5) -page 14 VI. Sectoral Allocation by MDA's – pages 8 - 9 VII. Sources of Revenue - page 6 VIII. Total expenditure by economic classification – page 7 <p>d) The Minimum budget information outlined above has been included in the Citizens' Budget.</p> <p>e) The IVA did not identify any significant difference. The Citizens Budget captures all relevant requirements captured in DLR 2.2C</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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 Budget</p> <p>b) The Citizens Budget included data on reallocation and adjusted spending priorities</p> <p>c) The IVA confirmed that the Amended FY20 State Budget was summarized in a comprehensible manner to the Citizens in the Citizens budget.</p> <p>The IVA observed that the State has included in the Citizens Budget relevant information like the total revenue, revenue sources, total expenditure, expenditure classification, and expenditure allocation by MDA's which is in line with the contents of the Approved Revised Budget. In addition to our findings, the Budget Summary table in the State's Citizens budget captures the same budget figures for classes of Revenue, Expenditure, and Public Debt as with the State's Approved Revised Budget. The IVA confirms that the Citizens Budget captures in a summarized manner all relevant information in the Amended Budget.</p>	Satisfactory	
4	Does the State website have functional feedback and response online mechanisms?	<p>a) Kebbi State has established a functional feedback and response online mechanism on its website</p> <p>b) Kebbi State operates a social media feedback mechanism by maintaining a social media presence on Twitter. The Citizens can communicate with the State via the State's Twitter handle by commenting on the budget-related post and receiving feedback from the</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>State. The State also operates an Email feedback mechanism</p> <p>c) In this type of feedback mechanism operated, there is no acknowledgement of receipt of comments from citizens or a display of timeframe for response or state government contact details. The IVA observed that the State can either respond directly to citizens' comments on the comments section or send direct messages to the citizen. The screenshot of the State's response to comments from citizens to support the above conclusion was retained in the assessment file.</p> <p>d) The IVA logged into the Twitter website from the Twitter link posted on the State official website. A test of the functionality was done by commenting on a post. The IVA also sent a direct email message to the State via the email feedback mechanism to confirm the existence of the central receiving email. This was confirmed to be the email of the IT service provider. The IT person receives the mail from citizens and forwards it to the relevant office for a response.</p> <p>e) The IVA interviewed the State IT service provider on how Citizens' comments are received and treated. The IT service provider receives mails from citizens and forwards relevant comments to the relevant office for a response. Screenshot evidence of State response to citizens have been obtained by the IVA</p> <p>f) In the opinion of the IVA, the IVA concluded that Kebbi State has established a reasonable social</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>media presence on Twitter, such that allows the State's Citizens to get updates and feedback on budget-related matters. The State has also established a functional Gmail account for receiving emails from citizens.</p> <p>g) https://twitter.com/kebbimbep and https://mail.google.com/mail/u/0/?fs=1&tf=cm&source=mailto&to=dolekaina.nura@kebbistate.gov.ng</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		Achieved	
1	Has the State established a functional State-level TSA?	<p>a. The State has established a functional State-level TSA.</p> <p>b. The State operates one account.</p> <p>c. The State TSA details; Bank: UBA Account Name: Accountant General's Account Kebbi State, Account Number; 1013572209.</p>	Satisfactory	
2	Is there a formally approved cash	The State has a Cash Management Strategy.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p>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>a) The name of the Cash Management Strategy is "Kebbi State Government Cash Management Strategy", and</p> <p>b) It was produced in October 2020 and signed by both the Honourable Commissioner for Finance and the Accountant General of the State.</p> <p>c) The strategy includes 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 as stated on Page 21 (Cash Planning).</p> <p>d) The State's Cash Management Strategy stated, "The State shall maintain a TSA model whereby the TSA is maintained in a single financial institution and associated zero balance ledger sub-accounts (ZBAs) are maintained in other banks where balances are swept not later than 2 pm every Friday or at such other earlier time as the State may decide from time to time." Sweeping is being practiced by the State as it can be seen on the TSA Bank Statement.</p> <p>e) Cash Plan and Cash Management Strategy was obtained as evidence of implementation of processes described in the cash management strategy to forecast cash commitments and requirements and a check on the existence of cash commitments and requirements forecasts at the intervals stated in the Cash Management Strategy has been done. There is the availability of funds as seen in the TSA Statement.</p>		
3	Does the TSA have a system of cash	The State has an application where the State can view the cash balances in the TSA.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	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)?	<ul style="list-style-type: none"> a) The State created an application for this purpose. b) The name of the application is NIBSSPAY. The producer of the application is Klug and Heimer Consult. c) The system is in line with the Cash Management Strategy. d) It was deployed in February 2020. e) There was a physical observation of the central view of cash balances on the dashboard, and f) A screenshot has been obtained and retained on file. 		
4	Does the TSA have one consolidated revenue treasury account for State revenues? Revenues collected by MDAs such as service fees no longer sit in individual MDA accounts at different commercial banks but are brought into the consolidated revenue account as part of the TSA.	<ul style="list-style-type: none"> a) The State TSA covers all IGR accounts: b) The IVA team visited 3 Revenue generating MDA's (Ministries of Health, Education, and Works). The Revenue focal persons at each MDA were interviewed. The TSA Bank Operator and Selected Fee Payers were also interviewed. c) The completed TSA Questionnaire for the Revenue Generating MDA's, TSA Bank Operator, and Selected Fee Payers were obtained. Copies of the E-Receipt and Bank Tellers were also obtained. d) The State TSA details. Bank: UBA Account Name: Accountant General's Account Kebbi State, Account Number; 1013572209 e) All the State Government monies (FAAC and IGR) go through this account. f) Government monies are swept from other revenue collecting banks to the TSA. g) The TSA Bank Statement was obtained. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
5	Does the TSA cover a minimum of 70% of the State Government's finances?	<p>The IVA computed the total cash inflow and outflow from the TSA account against the total government 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>52,451,980,635.44</td><td>53,975,766,754.22</td></tr><tr><td>Government Finances*</td><td>75,691,836,499.50</td><td>64,907,060,672.79</td></tr><tr><td>Percentage</td><td>69%</td><td>83%</td></tr></table> <p>The average is percentage computation is:</p> $\frac{69\% + 83\%}{2}$ <p>= 76%</p> <p>The TSA covered 76% of the State's finances.</p> <p>Having observed the reversal entries in the TSA Bank Statements, the IVA recalculated the inflows and outflows using the spotted items total which were subtracted to establish the adjusted figures as stated below:</p> <p>Total Inflow: ₦52,451,980,635.44</p> <p>Total Outflow: ₦53,975,766,754.22</p> <p>Total Reversal Entry: ₦4,551,369,238.97</p> <p>Adjusted Inflow: ₦47,900,611,396.47</p> <p>Adjusted Outflow: ₦49,424,397,515.25</p>		Total Inflows (₦)	Total Outflows (₦)	TSA Bank Statement	52,451,980,635.44	53,975,766,754.22	Government Finances*	75,691,836,499.50	64,907,060,672.79	Percentage	69%	83%	Satisfactory	
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Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
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Percentage	63.3	76.1														
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		Achieved													

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	agency responsible for state revenue collection and accounting. Code must be approved by the state legislature and published			
1	Does the State have an up-to-date consolidated revenue code that includes all the State's IGR sources and rates and all the local governments (falling under that State) IGR sources and rates?	<ul style="list-style-type: none"> a) The name of the extant Revenue Law for Kebbi State is "A Law to Make Provision for the Repeal and Re-enactment of Law No. 002 Of 2019 for the Administration and Collection of Revenue Due to the State Government and Local Government Councils and to Establish the Relevant Administrative Structures Connected Therewith "and the date of assent into Law is 28th of December 2020. b) The Revenue Code & Rates are embedded in the published Revenue Law. c) The State has only one Revenue Law. d) The State Revenue Law was approved and has been published in the State official Gazette. e) The weblinks for the publication Revenue Law is: https://www.kebbistate.gov.ng/sites/default/files/Assented%20Admin%20and%20Collection%20of%20Revenue.pdf f) The Revenue Law included all State IGR sources and the LGs IGR sources (falling under the State). g) The Revenue Law included the rate chargeable for each IGR source. 	Satisfactory	
2	Does the consolidated revenue code stipulate that the State Bureau of	a) The Kebbi State Revenue Law NO: 010 of 2020 stipulates that the State Internal Revenue Service is the sole agency responsible for State Revenue, and	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	Internal Revenues (SBIR) or the State Internal Revenue Service (SIRS) as the sole agency responsible for State revenue (tax and non-tax) collection and accounting in the State?	<p>b) Section 12 (2) of the Kebbi State Revenue Law NO: 010 of 2020 stated that the collection of all taxes, levies, fees, fines, and rates collectible by all MDA's and the LGA in the State is delegated to the Board. And</p> <p>Section 12 (3) of the Kebbi State Revenue Law NO: 010 of 2020 stated that the Board shall be responsible for ensuring the effective and optimum collection of all revenue including levies, fees, fines, and penalties due to the State from all MDA's and the LGA under the relevant laws.</p>		
3	Is the collection of revenues made into account(s) nominated by the SBIR OR SIRS have full oversight of the accounts and is responsible for reporting and accounting for the revenues?	<p>a) The collection of revenues is made into account(s) nominated by the Kebbi State Board of Internal Revenue is responsible for reporting and accounting for the revenues. Section of 3(3) (1) of the Kebbi State Revenue Law NO: 010 of 2020 stated that "There is hereby established for the State a Single Central Revenue Account (hereinafter called "the Account") for all the Internally Generated Revenue of the State".</p> <p>b) The Kebbi State Board of Internal Revenue has full oversight of accounts and is responsible for reporting and accounting for the revenues.</p>	Satisfactory	
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</p>	<p>a) The Kebbi State Revenue Law NO: 010 of 2020 was approved by the State House of Assembly and assented to by the Governor on 28th December 2020. Letters to the Banks requesting that accounts be opened have been obtained.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																
	the year under assessment to count for that year, up to 31 December 2020.																			
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	a) The IVA was able to download and keep in a file, a copy of the Revenue Law. b) The Revenue Law was posted on the State website on the 30 th of December 2020 and the IVA assessed and downloaded Revenue Law on the 21 st of February 2022. c) The Web link is stated below; d) https://www.kebbistate.gov.ng/sites/default/files/Assented%20Admin%20and%20Collection%20of%20Revenue.pdf	Satisfactory																	
DLR 4.2	2020 nominal IGR collection is equal to or higher than the 2019 nominal IGR collection		Achieved (Stretch Target Met)																	
1	Has the 2020-2019 annual nominal IGR growth rate met the basic or stretch targets? Basic Target: N/A Stretch Target: equal to or higher than the 2019 nominal IGR collection	a. Cash basis of accounting was adopted for the 2019 and 2020 Audited Financial Statements. b. The IVA computed the annual nominal IGR growth rate for this year’s APA. See the computation below: <table><tr><td>REPORTING TEMPLATE: OPTION A</td><td>₦</td><td>₦</td><td>% GRO WTH</td></tr><tr><td>Item</td><td>2019</td><td>2020</td><td></td></tr><tr><td>Memo: Reported IGR in AFS (Before Adjustments)</td><td>7,367,334,837</td><td>7,976,260,800</td><td>8%</td></tr><tr><td></td><td></td><td></td><td></td></tr></table>	REPORTING TEMPLATE: OPTION A	₦	₦	% GRO WTH	Item	2019	2020		Memo: Reported IGR in AFS (Before Adjustments)	7,367,334,837	7,976,260,800	8%					Satisfactory	
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Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations																																									
		<table><tr><td>VALID IGR items to be counted as IGR</td><td>7,301,103,841</td><td>7,810,328,532</td><td></td></tr><tr><td>Taxes</td><td>6,445,557,644</td><td>7,050,154,300</td><td></td></tr><tr><td>Fines</td><td>396,045,864</td><td>315,360,829</td><td></td></tr><tr><td>Fees</td><td>265,030,576</td><td>210,240,553</td><td></td></tr><tr><td>Licences</td><td>71,961,250</td><td>25,505,285</td><td></td></tr><tr><td>Earnings</td><td>35,426,119</td><td>41,258,726</td><td></td></tr><tr><td>Sales</td><td>81,327,611</td><td>96,270,360</td><td></td></tr><tr><td>Rent of Govt Property</td><td>5,754,777</td><td>71,538,480</td><td></td></tr><tr><td></td><td></td><td></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>7,301,103,841</td><td>7,810,328,532</td><td>7%</td></tr></table> <p>$\frac{\text{₦7,810,328,532} - \text{₦7,301,103,841}}{\text{₦7,301,103,841}} \times 100$</p> <p>= 7%</p> <p>The annual nominal growth is 7%</p> <p>Source: The year 2020 Audited Financial Statement Page 07</p>	VALID IGR items to be counted as IGR	7,301,103,841	7,810,328,532		Taxes	6,445,557,644	7,050,154,300		Fines	396,045,864	315,360,829		Fees	265,030,576	210,240,553		Licences	71,961,250	25,505,285		Earnings	35,426,119	41,258,726		Sales	81,327,611	96,270,360		Rent of Govt Property	5,754,777	71,538,480						"Adjusted IGR" for DLI 4.2 Calculation				Sum of all VALID items of IGR if AFS has that detail	7,301,103,841	7,810,328,532	7%		
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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					Achieved																																										

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	identified ghost workers taken off the payroll			
1	Has the State used Biometrics to reduce payroll fraud through a completed biometric exercise for 90% of the current civil servants and pensioners on the State payroll?	<p>The State had commenced and continued the Biometric data capture of the civil servants and pensioners in the State.</p> <p>a) The Biometric data capture exercise was outsourced to Dada books system Ltd.</p> <p>b) The total number of civil servants is 21,544</p> <p>c) The total number of pensioners is 6,394</p> <p>d) The total number of staff on the State Nominal roll and Payroll is 27,938 (Civil Servants and Pensioners)</p> <p>e) A total of 27,938 Biometric data of Civil Servants (21,544) and Pensioners (6,394) has been captured.</p> <p>f) The following documents were obtained and reviewed:</p> <p>i. A copy of the Nominal Roll for all State Civil Servants.</p> <p>ii. A copy of the Nominal Roll for all State Pensioners.</p> <p>iii. A report from the Biometric Database system Manager (Dada Books System Ltd) on the numbers of persons registered.</p> <p>iv. A report from the State Salaries Department on the numbers of Civil Servants and Pensioners paid for the year under review.</p> <p><u>NO. of Biometric Data Captured x 100</u> Total No of Civil Servants+ Pensioner on payroll</p> <p><u>27,938 x 100</u> 21,544+6,394</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p style="text-align: center;">= 100%</p> <p>The State had captured 100% of the State's civil servants and pensioners on its payroll.</p>		
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	<p>a) The State commenced Biometric data linkages of both Civil Servants and Pensioners to the State Payroll in 2016 and achieved 100% as at December, 2020.</p> <p>b) The total of 27,938 Biometric data of Civil Servants (21,544) and pensioners (6,394) were linked to the payroll as at 31st December, 2020</p> <p>c) 292 ghost workers were detected during the biometric validations.</p> <p>d) The sum of ₦12,140,011 was saved from the ghost workers detected between Jan to December 2020 (Progress Report on payroll submitted by Director of salaries).</p> <p>e) In-year changes to the Civil Servants and Pensioner payrolls (as a result of starters, leavers, deaths, etc.) were adequately captured during the Biometric exercise.</p> <p>f) The State payroll system was designed in a way that automatically reflects changes made immediately (within one month) after necessary approval and authorization have been received from the Hon. Commissioner for Finance to effect changes to the payroll due to leavers, retirement, deaths, etc. The following documents were obtained and reviewed to support the conclusion:</p> <p>I. Files containing Hon. Commissioner for Finance approval on the removal of ghost workers from the State payroll.</p> <p>II. State payroll and Nominal Roll.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>III. Samples of randomly selected ghost workers from the list, tracing them to the payroll and discovered that they were being removed from payroll immediately (within one month)</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 captured by the biometric exercise.</p> <p>i) There are procedures in place for ensuring timely (within 3 months of the event) updates to the payroll to reflect leavers, retirees, and deaths. In a death case, a letter of notification is sent from the department of the deceased person to Payroll Department through the Hon. Commissioner for Finance and payment of the person is stopped immediately.</p>		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	<p>a) A total of 292 ghost workers were detected during the biometric linkage.</p> <p>b) Remita Payroll System generated the reports on identified ghost workers and there is a file for identified ghost workers in the Director State Salaries Office.</p> <p>c) The identified ghost workers detected in May 2020, were deleted immediately from the payroll in the month of detection.</p> <p>d) The payroll figure before their removal from payroll is ₦1,474,766,164</p> <p>e) The payroll figure after they have been removed is ₦1,464,096,149</p> <p>f) The sources of the above information were a summary of payroll linkage with biometrics and</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		BVN as at December, 2020 and screenshots of pay summary obtained for 2020.		
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 had commenced and continued the linkage of BVN data of the civil servant and pensioners in the State.</p> <ul style="list-style-type: none"> a) The BVN data linkage to payroll was outsourced to Dadabooks system Ltd b) The total no. of civil servants is 21,544 c) The total no. of pensioners is 6,394 d) The total no. of staff on the State Nominal roll is 27,938 e) A total of 27,938 BVN data of Civil Servants (21,544) and pensioners (6,394) has been linked to the payroll. f) The following documents were obtained and reviewed: <ul style="list-style-type: none"> i. A copy of the Nominal Roll for all State Civil Servants ii. A copy of the Nominal Roll for all State Pensioners iii. A report from the Database system Manager (Dadabooks system Ltd) on the numbers of Persons' BVN linked to payroll iv. A report from the State Salaries Department on the numbers of Civil Servants and Pensioners whose BVN data 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>were linked to payroll and were paid during the year under review</p> $\frac{27,938 \times 100}{27,938} = 100\%$ <p>The State has linked 100% of the State's Civil Servants and Pensioners' BVN data to the payroll.</p>		
2	Has the State taken steps to identify payroll fraud?	<p>a) 27,938 BVN data of Civil Servants (21,544) and pensioners (6,394) had been linked to the State payroll.</p> <p>b) Remita payroll System generated the reports on identified ghost workers.</p> <p>c) The State identified 292 ghost workers detected from May to December, 2020 which were deleted immediately from the payroll in the month of detection.</p> <p>d) The payroll figure before the fraud identification is ₦1,474,766,164</p> <p>e) The payroll figure after the fraud has been dealt with and removed from further payments is ₦1,464,096,149.</p> <p>f) The sources of the above information were One Page Update on Payroll clean up exercise for 2020, Active Civil Servants Biometrics and BVN Reports as at December, 2020.</p>	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		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	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			
1	Does the State have a public procurement legal framework that must be approved by the State legislature to have a legal basis, either as a law or a resolution?	<p>a) The State has a public procurement legal framework referred to as Kebbi State Price Intelligence and Public Procurement Law, 2020 – S.1 which Repealed the earlier Law of 003 of 2016.</p> <p>b) The framework was approved by the State legislature and assented to by the Governor as a law.</p> <p>c) The framework was passed and assented to by the Governor on 29th September, 2020.</p> <p>d) The law has been passed.</p> <p>e) The authorizing body is the Kebbi State House of Assembly</p> <p>f) The law was published on 3rd December 2020 and approved on the 29th of September, 2020.</p> <p>The source of the publication is the Kebbi State official website:</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		https://www.kebbistate.gov.ng/bill-law-repeal-and-re-enact-price-intelligence-and-public-procurement-bureau-law-no-3-2016-and-0		
2	Does the law conform with the UNCITRAL Model Law which should provide for? 1) e-Procurement; 2) establishment of an independent procurement regulatory agency, and 3) cover all MDAs receiving funds from the State budget.	<p>The IVA observed that the law conformed with the UNCITRAL Model Law.</p> <p>a) The results of the team’s review of the Procurement Law covered all sections of the UNCITRAL Model law. The Sections of the law that met the three requirements of UNCITRAL model law are listed below:</p> <ul style="list-style-type: none"> ● E-procurement: S 46 (1-3) ● Establishment of independent regulatory agency S 5(1 & 2), S14(a-c) ● Coverage of all MDAs in the State: S 2 <p>b) The results of the procurement consultant review were received by the IVA and all references to sections of the law checked were listed below:</p> <ol style="list-style-type: none"> i. <u>Establishment of e-procurement</u>: Section 46(1&2) of PIPPL, 2020 ii. <u>Function & powers of the Agency</u>: Section 15 & 16 of PIPPL, 2020 iii. <u>Membership of Board</u>: Section 6(1)d of PIPPL, 2020 iv. <u>Ground for removal of CEO</u>: Section 18 (3) a-d of PIPPL, 2020 v. <u>Coverage of MDAs</u>: Section 2(1) of PIPPL, 2020 vi. <u>Decision of the Agency is subject to judicial review</u>: Section 91 (2) of PIPPL, 2020 vii. <u>UNCITRAL model</u>: Procurement law of 2020 aligned with UNCITRAL Model law 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations				
		<p>c) We confirmed that both conclusions (Team conclusions and expert conclusions) aligned</p> <p>d) No disparity was observed between the IVA and procurement consultant reviews</p> <p>The Kebbi State Public Procurement Law was structured in line with the UNCITRAL Model and met the requirements as shown below:</p> <p>1. E-Procurement - We noted the following during our review of legislation:</p> <ul style="list-style-type: none">• The Procurement Council is to approve changes in the procurement Process to adapt to improvements in modern technology. S. 31 (1)• The Bureau is to establish a single internet portal that shall serve as a primary and definitive source of all information on government procurement. S. 46 (1)• The Bureau is to introduce, develop, update and maintain related databases and technology. S. 16 (h and gg) <p>The law, therefore, complies with the requirements for e-procurement.</p> <p>2. Independence - The results of our assessment of the legislation for independence are in the table below:</p> <table><tr><th>Required Provisions*</th><th>Result</th></tr><tr><td>The Functions and Powers of the Agency</td><td>Compliant; see sections 15 & 16 of PPA 2020</td></tr></table>	Required Provisions*	Result	The Functions and Powers of the Agency	Compliant; see sections 15 & 16 of PPA 2020		
Required Provisions*	Result							
The Functions and Powers of the Agency	Compliant; see sections 15 & 16 of PPA 2020							

Disbursement Linked Indicators (DLIs) and Tests		Findings		Conclusion	Recommendations								
		<table><tr><td>The composition of the board</td><td>Compliant; See sections 6 (1 & 2) of PPA 2020</td></tr><tr><td>Membership of the Board/Council includes representatives from professional bodies and associations.</td><td>Compliant; see sections 6 (1a-d) of PPA 2020</td></tr><tr><td>The grounds for removal of the Chief Executive of the agency.</td><td>Compliant; see sections 18 (3a-d), of PPA 2020</td></tr><tr><td>Regarding decisions of the Agency; Any other review after the Board’s decision should be by judicial review</td><td>Compliant; See Section 91 (2 & 3) of PPA 2020</td></tr></table>	The composition of the board	Compliant; See sections 6 (1 & 2) of PPA 2020	Membership of the Board/Council includes representatives from professional bodies and associations.	Compliant; see sections 6 (1a-d) of PPA 2020	The grounds for removal of the Chief Executive of the agency.	Compliant; see sections 18 (3a-d), of PPA 2020	Regarding decisions of the Agency; Any other review after the Board’s decision should be by judicial review	Compliant; See Section 91 (2 & 3) of PPA 2020			
The composition of the board	Compliant; See sections 6 (1 & 2) of PPA 2020												
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The grounds for removal of the Chief Executive of the agency.	Compliant; see sections 18 (3a-d), of PPA 2020												
Regarding decisions of the Agency; Any other review after the Board’s decision should be by judicial review	Compliant; See Section 91 (2 & 3) of PPA 2020												
		<p>*Provided by the World Bank</p> <p>3. Establishment of an independent procurement regulatory agency -</p> <p>a) The law in Sections 5 (1& 2) and 14 (a-c) of Procurement law 2020 provided for the establishment of an independent procurement regulatory agency.</p> <p>b) The law in Sections 2 (1a) & d (i-ii) of Procurement law 2020 covered all MDAs receiving funds from the State budget.</p>											
3	Has the State instituted an independent procurement regulatory function, which may be performed through one or a	a) The State has instituted an independent procurement regulatory function referred to as the Price Intelligence and Public Procurement Bureau (PIPPB)		Satisfactory									

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	combination of the following: bureau, commission, council, agency, or any other type of entity set up for the statutory purpose?	<p>b) The procurement function is being performed through a Bureau</p> <p>c) The Bureau is responsible for prescribing regulations and procedures for public procurements.</p> <p>d) The evidence obtained to demonstrate that the regulatory agency is active and effective are pictures of the Office Signpost, Contract files, filled Questionnaires from the CEO and two staff, and Procurement law approved by the Governor. Lastly, meeting with the Chief Executive and management staff also served as evidence of activeness of the Bureau in the year of assessment.</p> <p>The procurements transactions handled by the Bureau that was used in performing the reviews are Wakaso multi-bus ventures: completion of Ino church at Iko rade & const of 10 cemetery wall fence ₦77,452,458.1; Roadmap const & global link ltd: contract of Ino islamiyya school at Danlayi, const of 2 mosques at regular kolo 52,195,000; Sambel general merchants: construction of 2 blocks of 2 classroom islamiyya school at Jega& gindi, renovation of 1 Islamiyya Schl of Ginga & supply of students Islammiyya school uniforms at Jega in Jega local govt constituency ₦29,997,000; Yahal multi global investment ltd: const of 3 mosques at Unguwar Kane, gyazama & kamtu ₦39,995,000; Dangari integrated services ltd: const of 6 hand pumps in Kali, bani, maje, u/kaba illo,kasati ₦54,842,067; Sambell general merchants ltd: procurement of 6 Toyota Camry 2019 model(full option) & 19 Toyota Camry 2019(D4 normal option vehicles) ₦655,535,000</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 6.2	<p><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.</p> <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</p>		Basic Target Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	month in OCDS format on the state website or online portal if available.			
1	Has the State achieved open contracting component of the DLI by publishing online, contract award information for all contracts awarded during the fiscal year (2020) that are above the threshold (as defined in the State procurement law or the State procurement regulation(s), in line with the Open Contracting Data Standards (OCDS)?	<ul style="list-style-type: none"> a) The IVA has obtained a schedule of all contracts awarded during the year under assessment above the threshold (as defined in Section 46(3) of the states' procurement law) b) The data was published online in line with the Open Contracting Data Standards (OCDS) c) The date of publication is 31st December 2020 d) The source of the publication: https://www.kebbistate.gov.ng/kebbi-state-list-awarded-contracts-2020 e) The IVA downloaded the contract award publication in line with OCDS format from the State website and checked 5 files to confirm the completeness and accuracy of the transaction. f) The minimum contract award information that was published online contained the details listed below: <ul style="list-style-type: none"> (i) Project name, (ii) awarding institution, (iii) award date, (iv) name of contractor, and (v) contract amount was published. g) The items from (f) above were all published h) The Web link where data was published: https://www.kebbistate.gov.ng/sites/default/files/LIST%20OF%20AWARDED%20CONTRACTS%20OF%202020_1.pdf i) The IVA concluded that the contract award information was published online on the state's official website and was accessible to the public. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>Also, the IVA noted that the portal shows a total of 52 contracts with a total value of approx. N8.3bn. This is at variance with a Capex outturn of N26.3bn for 2020, and indicates the online publication is incomplete. Note the DLR requires the publication of all contracts above the set threshold. Hence, the State is required to provide a copy of the contract register which includes all capital expenditure for the year 2020 while giving response to this report. Otherwise, this DLR is not achieved.</p> <p>The State responded as follows:</p> <p>“Attached is a copy of Kebbi State Contracts Register 2020 as requested in respect of DLI 6 in the draft report.”</p> <p>IVA reviewed the list of contracts register for 2020 which shows a total of 190 contracts.</p>		
2	Had the State signed up to the SaaS e-Procurement Framework Contract as at 31 Dec 2020?	<p>a) Kebbi State has signed the SaaS e-Procurement Framework Contract.</p> <p>b) Both Hard and Soft copy of the SaaS e-Procurement Framework Contract was obtained and retained by the IVA in the assessment file.</p> <p>c) SaaS e-procurement framework contract was signed by the State on 26th September, 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	<p>a) The State has not implemented e-procurement in at least 3 MDAs (Education, Health, and Public Works). The APA issue response from the State showed that e-procurement was not implemented in the Year 2020 but rather went live in December 2021 with the Weblink: eprocurement.kebbistate.gov.ng</p>	Unsatisfactory	The State should implement e-procurement in all MDAs and at least 3 MDAs in the first instance (including Education, Health, and Public Works).

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	results DLI is the implementation of e-Publishing/Notification module for contract notice and contract award?	b) A walkthrough of the 5 transactions could only be done for Works, However, 3 walkthroughs were done for Education and 2 for Health. The reason for the limited walkthrough is that only a few transactions were awarded by the Ministries of Health and Education. c) The selected transactions followed the procurement lifecycle. d) The State has not implemented the E-Publishing/Notification module for contract notice and contract award. E-publishing/notification was not effective during the year 2020.		
DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework				
DLR 7.1	State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt, and 3) fiscal and debt rules/limits.		Achieved	
1	Is there an Approved state-level public debt legislation through the passage of a State Fiscal Responsibility Law, OR the passage of the State	a) The State passed the State Fiscal Responsibility Law and the Fiscal Responsibility Amendment Law. Copies of both laws have been obtained and retained by the IVA.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	Public Debt Management Law, OR the inclusion of the provisions of the Fiscal Responsibility Act (FRA) in the organic Public Financial Management Law?	b) The Fiscal Responsibility Law was signed and approved by the governor on 25 July 2021 and the Fiscal Responsibility Amendment Law was signed and approved by the governor on 24 December 2021.		
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.	a) The IVA reviewed the State FR law and noted that it included the following provisions: (i) establishing responsibilities for contracting state debt: Section (4)(2)(i) of the FRAL amends Section 47 of the FRL and states that the State Governor through the Debt Management Office of the Ministry of Finance shall be responsible for contracting state debt. (ii) establishing responsibilities for recording and reporting state debt: Section (4)(2)(ii) of the FRAL amends Section 47 of the FRL and states that the State Governor through the Debt Management Office of the Ministry of Finance shall be responsible for maintaining a reliable database of all loans taken or guaranteed by it, its application, contractual and supplier debt obligations, pension liabilities and other contingent liabilities. Also, for reporting, Section (4)(2) (iii) provides for the publishing [information on debt management] on its website, the level of indebtedness, including the names of persons or corporations the Government is indebted to.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>(iii) establishing fiscal and debt rules or limits.: Section 16(1) - (2) of the FRL states that the Government shall take appropriate measures to manage the revenue deficit, fiscal deficit, and outstanding debt to sustainable levels. The Governor shall adopt fiscal measures to (a) reduce the ratio of revenue deficit to total revenue receipt with a medium goal of below 5 percent to be attained by the end of a financial year or such other goal as may be determined from time to time, and (b) reduce the ratio of fiscal deficit to estimated gross state domestic product with a medium-term goal of not more than 2.5 percent fiscal deficit to gross state domestic product to be attained by the end of a financial year or such other goal as may be determined from time to time.</p> <p>b) The expert DMO conclusion is that the laws enacted by the state met all three criteria as stated in the verification protocol. There was, however, a recommendation for the state to expressly state the body/person authorized to execute loan agreements on behalf of the state.</p> <p>c) The IVA confirmed that both conclusions (Team conclusions and expert conclusions) aligned</p>		
4	Has the State Debt Management Department	a) There is an operational State Debt Management Department based on the provision of the State	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	(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?	<p>FRL and the interview and verification conducted by the IVA,</p> <p>b) The State Debt Management Office is performing its core function of recording and reporting state debt including the quarterly domestic debt reporting to the DMO, by 31 December 2020 as these reports were obtained by the IVA.</p> <p>Evidence of submitted quarterly domestic reports was obtained. A physical inspection of the Department or agency was conducted and IVA notes that the office is functional. Staff was interviewed at random, and the historical files of the agency were reviewed. Pictures of the official premises were also obtained by the IVA. The documents reviewed include the amortization schedule for internal loans, offers for credit facilities from various banks, quarterly domestic debt reports.</p>		
DLR 7.2	<p>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</p> <p>AND</p> <p>Annual state debt sustainability analysis</p>		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	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>a) The state submitted quarterly State Domestic Debt Reports (SDDR) (final versions) to the DMO on an average of 0.65 months after the end of each quarter.</p> <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 (17/07/2020) - 17 days after the quarter-end, • Q3 submitted on (11/11/2020), - 42 days after the quarter-end and • Q4 submitted on (23/12/2020), - 0 days after the quarter-end $\frac{17+42+0}{3}$ <p>Average = 19.67 days (2.8 weeks)</p> <p>The SDDRs were submitted within an average of 0.65 months (19.67 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</p>	<p>a) The reconciled Quarterly State Domestic Debt Report (SDDR) from the Federal DMO, CBN, and FMOF, along with all underlying data and supporting documents have been obtained.</p> <p>b) We reviewed the DMO's Report on State Domestic and External Debt Report (SDEDR) with</p>	n/a	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
<p>underlying data and supporting documents including the DMO templates and guidelines and standard internal protocols and data from CBN, DMO, and FMOF Home Finance used by the DMO to cross-check the state's domestic debt figures.</p>	<p>the Kebbi State Debt Domestic Report along with all underlying data and both showed a difference of ₦3,062,956,558. The report was supported with the DMO's templates and guidelines.</p> <p>We reviewed the DMO report and the DMO report confirmed the <u>accuracy</u> and <u>completeness</u> of the State Domestic Debt Report.</p> <p>c) The Quarterly State Domestic Debt Reports (SDDR) submitted by the State has been compared with the State Audited Financial Statement.</p> <p>d) The debt stock figures reported in the SDDR has been compared with that of the State's Audited Financial Statement</p> <p>e) There were no discrepancies noted during the comparison.</p> <ol style="list-style-type: none"> 1. SDDR Figure: ₦56,810,548,829.06 2. AFS Figure: ₦56,810,548,829.06 3. Difference (If any): None <p>f) There was no discrepancy identified.</p> <p>g) The State Domestic and External Debt Report (SDEDR) from the Federal DMO has been compared with the Quarterly State Domestic Debt Reports (SDDR) submitted by the State.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>h) The debt stock figures reported in the SDEDR, has been compared with those of the SDDR submissions by each state</p> <p>i) State if there are any errors or inconsistencies.</p> <p>i. SDEDR (DMO) Figure: ₦59,873,505,314</p> <p>ii. SDDR (State) Figure: ₦56,810,548,756</p> <p>iii. Difference (If any): ₦3,062,956,558</p> <p>APA Issue Reports have been issued to the state and responses gotten are stated below:</p> <p>I. For the domestic debt - While Kebbi State is aware of the differences stated above. We reiterate the correctness of our value as ₦56,810,548,756.31 while we shall continue to engage Federal DMO to justify changes in the Amortisation schedule which was the main reason for variances in the amount reported between the Federal DMO and the State DMO.</p> <p>a) For the external debt - The reported difference of ₦43,608,961 or 0.2% is due to the difference in the use of Exchange Rate between the State and DMO in translating the External Loan into Naira. Further review will be done with the Federal DMO to reconcile the rate used.</p>		
3	Has the State published the State Debt Sustainability Analysis	a) The State Debt Sustainability Analysis Report (SDSAR) was published on the State's official website.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
New	Reports (SDSAR) online by 31 December 2020?	<ul style="list-style-type: none"> b) The date of publication is 31 December 2020. c) The SDSAR was published by 31 December 2020 d) The web link for the online publication is: https://www.kebbistate.gov.ng/sites/default/files/KEBBI%20STATE%202020%20DSA%20REPORT%20-%20FINAL.pdf e) Evidence of timestamp has been obtained and screenshots are taken from the IT back end of the State's website showing the date of online publication 		
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> <ul style="list-style-type: none"> (1) Adequate presentation of medium-term budget forecasts, including: <ul style="list-style-type: none"> (a) Presentation of MTB forecasts (b) Description of assumptions underpinning the MTB forecasts (2) A detailed and adequate description of the debt portfolio and borrowing options, including: <ul style="list-style-type: none"> (a) Presentation of debt and borrowing projections in the baseline scenario. (b) Description of assumptions underpinning the borrowing options. (3) Adequate presentation and analysis of the debt and fiscal figures position in the preceding calendar year. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>a) The IVA has reviewed and compared the information (figures) contained in the assessment report of the SDSAR obtained from DMO with that of the SDSAR obtained from the State's website and noted that the DMO has stated that the SDSAR fulfils all the three minimum requirements established in the Verification Protocols (VP) for SFTAS DLI 7.2 Component of SDSAR for the year 2020</p> <p>The IVA has carried out additional checks using the DLR 7.2 checklists provided.</p> <p>b) There is no difference between the IVA's conclusion and the DMO's assessment</p>		
DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears				
DLR 8.0	<p>Basic Target: Domestic arrears as of end 2019 and end 2020 are reported in an online publicly-accessible database, with a verification process in place.</p> <p>Stretch Target: Domestic arrears as of end 2019 and end 2020 reported in an online publicly-accessible database, with</p>		Achieved (Stretch Target Met)	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p>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) We have obtained a copy of the ACF from the State</p> <p>c) The Arrears Clearance Framework (ACF) was established on 14 December 2020 which is before the 31 December 2020 deadline</p> <p>d) There are 2 weeks between the establishment of the ACF and the 31st December 2020 year-end.</p>	Satisfactory	
2	Does the ACF contain: 1) the planned actions to settle arrears; and 2) an explicit prioritization of expenditure arrears to be settled.	<p>a) The ACF contains the planned actions to settle arrears;</p> <p>- an effective Stocktaking and Verification of all existing Domestic Arrears which will enable the State government to understand the extent,</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>composition, and the age of the State unpaid bills and prioritize their clearance</p> <ul style="list-style-type: none"> - a Time-table, a reliable Database, and a Cut-off date for inclusion of new arrears to encourage timely reporting - A database of valid outstanding payments should be established and maintained centrally by the Ministry Of Finance or its agency (Debt Management Department) who should keep it up-to-date showing the discharge of arrears and any subsequent additions to the stock. <p>b) The ACF contains an explicit prioritization of expenditure arrears to be settled as stated below:</p> <ul style="list-style-type: none"> - Arrears to economically sensitive or vulnerable sectors, such as salaries of low-income workers, pensions, and social benefits, should be prioritized. - Older obligations should have priority over newer obligations. - Arrears that accrue interest and penalty charges should have priority. - Arrears that may result in legal action, disruption of essential services, or cost 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>escalation of future supplies to government should be prioritized.</p> <p>- Payment of foreign currency-denominated debt should be prioritized if domestic currency devaluation is outpacing domestic inflation</p> <p>The government should prioritize the clearance of intra- government debts, as this can be done administratively through the annual budget at a minimal net cost</p>		
3	Has the ACF been published on a State official website?	<p>a) IVA confirmed that the ACF has been published on the Kebbi State official website</p> <p>b) IVA has downloaded a copy for validation</p> <p>c) The weblink of publication is https://kebbistate.gov.ng/sites/default/files/The%20Arrears%20Clearance%20Framework%20Kebbi%20%28Final%29.pdf</p> <p>d) The date of publication is 14 December 2020</p>	Satisfactory	
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	<p>IVA has reviewed the clearance of arrears in the year (i.e. the payments made to clear arrears), and confirms that they have been cleared by the prioritization methodology and other criteria stated in the ACF:</p> <p>I. Older gratuity arrears were paid first based on the prioritization agenda in the ACF</p> <p>Arrears to low-income earners (pensioners) were cleared during the year</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
5.	Has the State established an Internal Domestic Arrears Database?	<ul style="list-style-type: none"> a) The State has established an Internal Domestic Arrears Database. b) The Internal Domestic Arrears Database includes the following: <ul style="list-style-type: none"> a. The aggregate amount of contractors' arrears which is ₦14,665,192,280.91 b. The aggregate amount of gratuity arrears which is ₦6,625,719,052.91 c. The arrears database does not include the aggregate amount of salary arrears and other staff claims as the state does not have salary arrears. d. The state has no other type of domestic arrears. c) There is a verification process in place for the arrears in the database as stated in the ACF. d) We confirmed through the schedule and explanation provided by the State that the State has conducted verification of arrears balances. e) A test was conducted to ascertain the accuracy of the figures in the internal domestic arrears database. The figures in the Arrears Database were compared with the figures in the Audited Financial Statement and State Domestic Debt Report and we observed that there was no discrepancy 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		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 official website, which constitutes the online publicly accessible arrears database?	<p>a) The State has published online the required elements of the Internal Domestic Arrears Database as at the end of 2019 and 2020.</p> <p>b) The IVA has 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) An email (dmo@kebbistate.gov.ng) has been stated on the Kebbi State Government website that potential individual contractors whose claim was not listed on the database can send an email to and also attach evidence of their claim.</p> <p>d) An email is stated on the website of the Kebbi State government for contractors with arrears (creditors) to report any omissions to the State</p> <p>e) A mail was sent as a test to the contractor's email stated on the Kebbi state government's website and a response was obtained</p> <p>f) IVA did not obtain records from the state on the omissions reported by contractors in each year</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>as the state has stated no such claim was received.</p> <p>g) There was no omission of contractor arrears that was found to be validly included in the internal domestic arrears database.</p> <p>h) The weblink of the publication of the accessible arrears database is https://kebbistate.gov.ng/sites/default/files/Contractual%20Arrears%202020%20-%20PUB%2031-12-20.pdf.</p>		
7.	<p>Does the online publication include?</p> <p>) the aggregate amount of contractors' arrears;</p> <p>) the aggregate amount of pension and gratuity arrears;</p> <p>) the aggregate amount of salary arrears and other staff claims;</p> <p>) other types of domestic arrears and</p> <p>5) a list of names of contractors with recognized arrears exceeding ₦20 million and information for</p>	<p>The IVA has checked the online publicly-accessible arrears database and confirms it includes the following:</p> <p>a) The aggregate amount of contractors' arrears above 20 million which is ₦13,226,737,230.35</p> <p>b) The database includes the aggregate amount of pension and gratuity arrears.</p> <p>c) The arrears database does not include the aggregate amount of salary arrears and other staff claims as the state does not have salary arrears.</p> <p>d) The state has no other type of domestic arrears.</p> <p>e) A list of names of contractors with recognized arrears exceeding 20 million naira and information for contractors to be able to verify that their claims are being accurately reported in the database.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations																												
	contractors to be able to verify that their claims are being accurately reported in the database.																																		
8.	<p>Has the State met the following:</p> <p>(i) Percentage decline in the verified stock of domestic arrears at end 2020 compared to end 2019 meets target and is consistent with the state’s arrears clearance framework.</p> <p>-Stretch target: At least a 5% year-on-year decline or maintain stock or arrears below ₦5 billion.</p> <p><i>The clearance/reduction of domestic expenditure arrears (contractors, pension and gratuity arrears, salary arrears, and other staff claims) is defined as the decline in the nominal stock of total domestic expenditure arrears at the end of the</i></p>	<table><tr><td>Aggregate Amount of:</td><td>2020</td><td>2019</td><td>Diff. (%)</td></tr><tr><td>Contractors Arrears</td><td>14,665,192,280</td><td>26,626,919,192</td><td>45</td></tr><tr><td>Pension and Gratuity arrears</td><td>6,625,719,052</td><td>5,785,901,441</td><td>-15</td></tr><tr><td>Salary arrears and Staff claims</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Judgment Debt</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Other types of domestic expenditure arrears</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Total Domestic Arrears</td><td>21,290,911,333</td><td>32,412,820,634</td><td>34</td></tr></table>				Aggregate Amount of:	2020	2019	Diff. (%)	Contractors Arrears	14,665,192,280	26,626,919,192	45	Pension and Gratuity arrears	6,625,719,052	5,785,901,441	-15	Salary arrears and Staff claims	0	0	0	Judgment Debt	0	0	0	Other types of domestic expenditure arrears	0	0	0	Total Domestic Arrears	21,290,911,333	32,412,820,634	34	Satisfactory	
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Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations									
	<i>year, compared to the previous year, expressed in percentage terms.</i>	<p>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 SDDR and the AFS for 2020</p> $\frac{\text{₦}21,290,911,333 - \text{₦}32,412,820,634}{\text{₦}21,290,911,333} \times 100$ <p>= -34%</p> <p>The percentage decline is 34%</p> <p>Source: State internal domestic expenditure arrears database</p>											
DLI 9: Improved Debt Sustainability													
DLR 9.0	<p>Total debt stock at end Dec [2020] as a share of total revenue for FY [2020] meets target:</p> <p>-Basic target: < [150%] -Stretch target: < [125%]</p>		<p>Achieved (Stretch Target Met)</p>										
1	<p>Has the State met:</p> <p>(i) the ratio of total debt stock at end-of-year (31st December 2020) of the year of assessment to the total revenue collected during the calendar year of the year of assessment</p>	<p>The following tables showed the calculations and adjustments made to arrive at the appropriate figures for this comparison.</p> <p>Total Public Debt</p> <table><tr><th></th><th>Financial Statements (₦)</th><th>DMO/SDEDR Figures (₦)</th></tr><tr><td>Total Domestic Debts</td><td>56,810,548,757.06</td><td>59,873,505,314.00</td></tr><tr><td>Total External Debts</td><td>16,571,405,092.16</td><td>16,615,014,053.00</td></tr></table>		Financial Statements (₦)	DMO/SDEDR Figures (₦)	Total Domestic Debts	56,810,548,757.06	59,873,505,314.00	Total External Debts	16,571,405,092.16	16,615,014,053.00	<p>Satisfactory</p>	
	Financial Statements (₦)	DMO/SDEDR Figures (₦)											
Total Domestic Debts	56,810,548,757.06	59,873,505,314.00											
Total External Debts	16,571,405,092.16	16,615,014,053.00											

Disbursement Linked Indicators (DLIs) and Tests		Findings		Conclusion	Recommendations	
	(1 st January to 31 st December 2020)? -Basic target:< [150%] -Stretch target: < [125%]	Total Public Debts	73,381,953,849.22	76,488,519,366.00		
		Total annual revenue				
		2020 Adjusted IGR (see DLI 4.2)	7,801,870,768.00			
		Gross FAAC Allocation	54,125,890,500			
		Grants	6,901,000,000.00			
		Other Revenues	165,932,268			
		Total Revenue	69,004,151,300			
		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. The calculation of the Debt-to-Revenue ratio shown below was assessed as Satisfactory ’.				
		We have computed the total debts stock / Revenue percentage for the 2020 year, as follows:				
		$\frac{\text{₦}76,488,519,366.00}{\text{₦}69,004,151,300.00} \times 100$ =111%				
Sources:						
i. For Total Revenue: 2020 Audited Financial Statement, Note 25, Page51; Statement of Consolidated Revenue Fund, Page 12; OAGF (FAAC)						
ii. For Total Public Debt: From DMO* as of December 31, 2020, ₦76,488,519,366.00						
*Table 3(i) below holds a breakdown of the Total Debt.						

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b. The debt stock stated in the Federal DMO State Domestic, and External Debt Report is not the same as the debt stock stated in the audited financial statement.</p> <p>c. There is a difference, the discrepancy is because of States debt figures in the AFS and the DMO adjusted figures made invalidating the data with CBN and FMO.</p> <p>d. The difference has been communicated to the State for an explanation. The State DMO has stated that the difference comes from the closing exchange rate difference between the US dollars and the Nigerian Naira as at the time these loans were converted for reporting.</p> <p>e. The difference has been calculated in value and percentage terms, (Total DMO Debt ₦76,488,519,366.00 - Total State Debt ₦73,381,953,849.22) / Total DMO Debt ₦76,488,519,366.00 = 4%</p> <p>the SDEDR was not amended and resubmitted to the IVA along with explanations for any changes.</p>		

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

KEBBI STATE	2020 - AMOUNT (₦)
BUDGET SUPPORT LOAN (SOURCE FMOF)	21,329,147,260
BAIL OUT (SALARIES) (SOURCE CBN)	6,393,646,104
RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	-
EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,053,751,860
KEBBI HOME SAVING & LOAN	987,628,884
ACCELERATED AGRIC.CREDIT SCHEME (CACS)	818,419,873
CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	
INFRASTRUCTURE LOANS (CBN FACILITIES)	-
MICRO SMALL MEDIUM ENTERPRISES DEVELOPMENT FUND (MSMEDF) SOURCE CBN)	-
JUDGEMENT DEBTS	-
GOVT - GOVT DEBTS	-
CONTRACTORS' OBLIGATION	14,665,192,281
PENSION AND GRATUITY ARREARS	6,625,719,053
SALARY ARREARS AND OTHER CLAIMS	-
OTHER DEBTS	-
TOTAL DOMESTIC DEBT (TDD)	59,873,505,314
TOTAL EXTERNAL DEBT (TED)	16,615,014,053
TOTAL PUBLIC DEBT (TED+TDD)	76,488,519,366

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

TEMPLATE: OPTION A	NGN
Item	2020
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	54,125,890,500
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	39,028,411,665
1.1.1 Gross statutory allocation	34,634,610,891
1.1.2 Derivation	
1.1.3 Other FAAC transfers (also known as Distribution) such as excess PPT savings account, Forex equalization, excess bank charges, exchange rate gain, augmentation, others	4,393,800,774
1.2 VAT	15,097,478,835
2. Internally Generated Revenues (IGR) - Adjusted	7,810,328,532
3. Grants (internal and external)	6,901,000,000
4A. Other revenues (4.1 + 4.2 + 4.3)	165,932,268
4.1 Interest and Dividend	63,080,716
4.2 Interest Earned	0.00
4.3 Miscellaneous	102,851,552
Total Revenues and Grants Calculations	7,109,190,994
A) Total Revenues and Grants is (1+2+3+4A)	69,004,151,300

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	Attached is a copy of Kebbi State Contracts Register 2020 as requested in respect of DLI 6 in the draft report.	The State's Response is noted. The details have been included in the report.
2		
3		
4		