



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

**2019 Annual Performance Assessment (APA) Report**

**TARABA 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 Taraba 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 Taraba State and shows areas where the State was able to achieve results. In total, Taraba State achieved **4 (Four)** DLRs out of 15 DLRs applicable to 2019 with 2 DLRs achieved in 2018. 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 posted on the State’s website before the due date.
2. DLR 1.2: Expenditure outturn deviation is reduced to a level within the annual requirements for this result.
3. DLR 3.0: Develop a functional State-level TSA where all Government revenues are credited into before expenditure and develop a formally approved cash management strategy.
4. DLR 4.2: Increase its IGR revenue to achieve the minimum required nominal annual growth rate.
5. DLR 5.1: Biometric data of all the State’s civil servants and pensioners is captured and linked with the State’s payroll to reduce fraud.
6. DLR 5.2: The BVN data of all Civil servants and Pensioners is linked to the State’s payroll to address payroll fraud.
7. DLI 6.2: The should ensure that contracts information is properly published in line with the OCDS format. All gaps in information should be filled.
8. DLR 8: A Domestic Arrears Clearance Framework (ACF) is established and internal domestic arrears database with relevant balances placed online through a publicly accessible portal.
9. DLR 9: Strengthen the State’s debt sustainability by achieving the debt to revenue ratios within below the thresholds established for this DLR.

**Table 1: Assessment Results**

<b>Key:</b>	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: FY19 quarterly budget implementation reports published on average within 6 weeks of quarter-end to enable timely budget management		Average weeks taken for the online publication is 6.7 weeks after the quarter end
	DLR 1.2: FY19 deviation for total budget expenditure is < 25%		Budget deviation was 55.6%

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
<b>DLI 2:</b> 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.		Citizens' inputs from formal public consultations were published online on 28 <sup>th</sup> January 2020.
	DLR 2.2: Citizens' budget based on approved FY19 State budget published online by end April 2019.		Citizen's budget was published online by 29 <sup>th</sup> April 2019.
<b>DLI 3:</b> 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 did not have Cash Management Strategy
<b>DLI 4:</b> 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		This is a 2020 APA result assessed early. All requirements were met
	DLR 4.2: 2019-2018 annual nominal IGR growth rate meets target: -Basic target: 20%-39%, Stretch target: 40% or more		IGR nominal Growth Rate was 11%.
<b>DLI 5:</b> 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		The State has not conducted a Biometric exercise
	DLR 5.2: Link BVN data to at least 75 percent of current civil servants and pensioners on the payroll and payroll fraud addressed		The State has not linked BVN details of civil servants and pensioners to its payroll system
<b>DLI 6:</b> 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 agencies; and 3) Cover all MDAs receiving funds from the state budget.		Previously Achieved in 2018 APA
	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		The state should ensure that all contracts are published online in OCDS format.
<b>DLI 7:</b> Strengthened public debt management and fiscal responsibility framework	DLR 7.1: State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt; and 3) fiscal and debt rules/limits.		Previously Achieved in 2018 APA
	DLR 7.2: Quarterly state debt reports accepted by the DMO on average two months or less after the end of the quarter in 2019		Quarterly debt reports were submitted on average 6.3 weeks after each quarter end.
<b>DLI 8:</b> 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 <b>and</b> 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		State has no Arrears Clearance Framework and has not established Internal Domestic Arrears Database

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
<b>DLI 9:</b> 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%. <b>and</b> Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2019.		Monthly debt service deduction is 11.2% of Gross FAAC, and the Total Debt Stock to Revenue is 150.9%

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

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### 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 (14/09/2020 and 18/09/2020) with a team of 4 persons, starting with an opening meeting where all the information requested were handed over. The visit was concluded with an exit meeting where initial findings were discussed, and each state was given a 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
<b>DLI 1: Improved Financial Reporting and Budgeting Reliability</b>				
<b>DLR 1.1</b>	<b>Financial Year [2019] quarterly budget implementation reports published on average within [6 weeks] of each quarter-end to enable timely budget management</b>		<b>Not Achieved</b>	
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?	<p>The Quarterly budget implementation reports were posted online on:</p> <p><b>Q1-</b>  <a href="https://tarabastate.gov.ng/Finances/FIRST%20QUARTER%20OF%202019%20-%20BUDGET%20IMPLEMENTATION%20REPORT.pdf">https://tarabastate.gov.ng/Finances/FIRST%20QUARTER%20OF%202019%20-%20BUDGET%20IMPLEMENTATION%20REPORT.pdf</a></p> <p><b>Q2-</b>  <a href="https://tarabastate.gov.ng/Finances/2019%20TARABA%20STATE%202ND%20QUARTER%20BUDGET%20IMPLEMENTATION%20REPORT.pdf">https://tarabastate.gov.ng/Finances/2019%20TARABA%20STATE%202ND%20QUARTER%20BUDGET%20IMPLEMENTATION%20REPORT.pdf</a></p> <p><b>Q3-</b>  <a href="https://tarabastate.gov.ng/Finances/2019%20TARABA%20STATE%203RD%20QUARTER%20BUDGET%20IMPLEMENTATION%20REPORT.pdf">https://tarabastate.gov.ng/Finances/2019%20TARABA%20STATE%203RD%20QUARTER%20BUDGET%20IMPLEMENTATION%20REPORT.pdf</a></p> <p><b>Q4-</b>  <a href="https://tarabastate.gov.ng/Finances/2019%20TRS%204TH%20QUARTER%20BUDGET%20IMPLEMENTATION%20REPORT.pdf">https://tarabastate.gov.ng/Finances/2019%20TRS%204TH%20QUARTER%20BUDGET%20IMPLEMENTATION%20REPORT.pdf</a>  <a href="https://tarabastate.gov.ng/2019/12/26/mdas-detailed-budget-performance/">https://tarabastate.gov.ng/2019/12/26/mdas-detailed-budget-performance/.</a></p>	Unsatisfactory	The State should ensure that quarterly budget implementation reports are posted to the state official website on average within six weeks of the end of each quarter

		<ul style="list-style-type: none"> <li>• Q1 – (20/05/2019)- 7.1 weeks (50 days)</li> <li>• Q2 – (14/08/2019) – 6.4 weeks (45 days)</li> <li>• Q3 – (20/11/2019) – 7.3 weeks (51 days)</li> <li>• Q4 – (10/2/2020) – 5.9 weeks (41 days)</li> </ul> <p>Average week for the online publication is computed as below:</p> $\frac{7.1+6.4+7.3+5.9}{4}$ <p>Average = 6.7 Weeks (47 days)</p> <p>The team downloaded the quarterly budget Implementation Reports for all four quarters of the year 2019 and obtained evidence of a time stamp of the publications.</p>		
2	Do the reports each include, at a minimum, the approved original AND revised (if applicable) budget appropriation for the year against each organizational units (MDAs) for each of the core economic 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.	<p>From the review of the Quarterly Budget Implementation reports downloaded from the State’s website (see weblinks above), the team observed following:</p> <p>(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.</p> <p>(b) The Budget Implementation Reports include the actual expenditures for the quarter attributed to each as well as the cumulative expenditures for year to date.</p> <p>(c) The Budget Implementation Reports include the balances against each of the revenue and expenditure appropriations.</p> <p>(d) The State has no amended/revised or passed supplementary budgets, so the approved 2019 budget is the basis for the preparation of the reports.</p>	Satisfactory	
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?	Upon review of the State’s Budget Performance reports, they 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?	Upon further review of the State's Budget Performance reports, they stated the balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which include debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications.	Satisfactory													
<b>DLR 1.2</b>	<b>FY [2019] deviation from total budget expenditure is less than 25%</b>		<b>Not Achieved</b>													
1	<p>Has the State computed the difference between the original approved total budgeted expenditure for the fiscal/calendar year and the actual total budgeted expenditure in the fiscal/calendar year, divided by the original approved total budgeted expenditure, and expressed in positive percentage terms?</p> <p>Is the expenditure outturn deviation computed less than 25%</p>	<p>The State computed the budget deviation for 2019 to be 55.61%</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p> <table border="1" data-bbox="827 792 1415 1008"> <thead> <tr> <th></th> <th>Original Budget</th> <th>Actual Outturn</th> </tr> </thead> <tbody> <tr> <td>Capital (pg 10)</td> <td>74,578,533,883.10</td> <td>7,136,628,638.15</td> </tr> <tr> <td>Rec. Exp (pg 10)</td> <td>71,495,192,999</td> <td>57,700,154,762.44</td> </tr> <tr> <td><b>Total</b></td> <td><b>146,073,726,882.10</b></td> <td><b>64,836,783,400.57</b></td> </tr> </tbody> </table> $\frac{N146,073,726,882.10 - N64,836,783,400.57}{N146,073,726,882.10} \times 100 = 55.6\%$ <p>The budget performance deviation is 55.6%</p> <p><b>Source:</b> 2019 Audited Financial Statement (Cash Accounting) Pg. 10 and Approved Budget and Actual Expenditure or Appropriation Law Pg. 1.</p>		Original Budget	Actual Outturn	Capital (pg 10)	74,578,533,883.10	7,136,628,638.15	Rec. Exp (pg 10)	71,495,192,999	57,700,154,762.44	<b>Total</b>	<b>146,073,726,882.10</b>	<b>64,836,783,400.57</b>	Unsatisfactory	The State should reduce the annual budget deviation to a level below the limits set for this result.
	Original Budget	Actual Outturn														
Capital (pg 10)	74,578,533,883.10	7,136,628,638.15														
Rec. Exp (pg 10)	71,495,192,999	57,700,154,762.44														
<b>Total</b>	<b>146,073,726,882.10</b>	<b>64,836,783,400.57</b>														
<b>DLI 2: Increased Openness and Citizens' Engagement in the Budget Process</b>																

DLR 2.1	Citizens' inputs from formal public consultations are published online, along with the proposed FY [2020] budget		Achieved	
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?	<p><b>Documents obtained and reviewed include the attendance register and minutes of the consultations</b></p> <p>a) The LGAs that attended the town hall consultation for the proposed FY 2020 include: Takum, Donga, Wukari, Jalingo and Yorro.</p> <p>b) The CSOs representatives in attendance are: Rural Education Improvement and development and Center for Peace Education &amp; Community Development (CEPEACECODE).</p> <p>c) The sources of information from which our conclusions were drawn are: minutes of the consultations and attendance. The consultation with minutes titled "Minute of Consultative Meeting with Taraba Planning Commission (TPC) and Coalition of Civil Society Organizations in Taraba State", held on 26th Oct 2019 at CEPEACECODE OFFICE. -Another consultation with minutes titled "Minutes of Meeting with Community Development Officers (CDOs) of All Local Government Councils" held on 29th Oct, 2019 at the Conference Hall of the Ministry of Environment Jalingo. 10 attendees were called to confirm their attendance at the public consultations and their responses were satisfactory.</p> <p>d) The budget was drafted on 19 Dec 2019.</p> <p>e) Consultations were done before drafting the budget.</p>	Satisfactory	

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?	<p>a) Two CSO representatives in attendance jointly prepared the minutes and co-signed it.</p> <p>b) The minutes of the two consultation meetings is available on <a href="https://tarabastate.gov.ng/Finances/7%20-%20Attendance%20of%20CDOs_CBOs_MDAs.pdf">https://tarabastate.gov.ng/Finances/7%20-%20Attendance%20of%20CDOs_CBOs_MDAs.pdf</a> - <a href="https://tarabastate.gov.ng/2020/01/28/sftas-minutes-of-meeting-with-community-development-officers/">https://tarabastate.gov.ng/2020/01/28/sftas-minutes-of-meeting-with-community-development-officers/</a>, this was published on the 28<sup>th</sup> January 2020.</p> <p>c) See Appendix A for weblinks to the proposed/final budget</p>	Satisfactory	
<b>DLR 2.2</b> New	<b>Citizens' budget based on approved FY19 State budget published online by end April 2019.</b>		<b>Achieved</b>	
1 New	Has the State published online, on the State website(s) a <i>Citizens Budget based on the approved FY19 state budget</i> not later than 30 April 2019?	The Citizens budget based on the approved FY19 state budget was published on 29 <sup>th</sup> April, 2019. The link is <a href="https://tarabastate.gov.ng/Finances/Citizens_Guide_to_2019_Taraba_State_Budget.pdf">https://tarabastate.gov.ng/Finances/Citizens_Guide_to_2019_Taraba_State_Budget.pdf</a> accessed on (13/09/2020).	Satisfactory	
2 New	Is the Citizens Budget a comprehensible (to citizens) summary of the approved FY19 state budget?	<p>The IVA confirmed that the Citizens budget summarizes in a comprehensible manner to citizens the approved FY19 state budget and it is prepared in the format suggested to the State. It accurately includes the key budget information from the original budget, including the following;</p> <ol style="list-style-type: none"> <li>i. Simple explanation of the annual budget/citizens budget, page 6</li> <li>ii. Breakdown of revenues and expenditures as stated in step 3 above. Page 10-13</li> <li>iii. Budget deficit and how it will be financed was disclosed, pages 9 and 10</li> <li>iv. Sectoral Allocation (MDAs by MDAs) pages 13 &amp; 14</li> <li>v. Top 5 projects to be financed page 15</li> </ol>	Satisfactory	

DLI 3: Improved Cash Management and reduced Revenue Leakages through Implementation of State TSA				
<b>DLR 3.0</b>	<b>Improved cash management and reduced revenue leakages through implementation of State TSA</b>		<b>Not Achieved</b>	
1	Has the State established a functional State-level TSA?	<p>a. The state has not established a functional state-level TSA and has no cash management strategy.</p> <p>The State maintains the lead IGR account with Polaris Bank from (01/01/2019-15/10/2019) and VAT and TSA/FAAC Accounts with Zenith Bank Plc.</p> <p>b. The details of the multiple accounts are provided below:</p> <p>i. Internally Generated Revenue (IGR) Bank Name: Polaris Bank Ltd Account Number: 1790110767</p> <p>ii. Statutory Revenue (FAAC) Bank Name: (TSA) Zenith Bank Plc Account Number: 1010166191</p> <p>iii. VAT Bank Name: Zenith Bank Plc Account Number: 1012243117</p>	Unsatisfactory	
2	<p>Is there a formally approved cash management strategy in place?</p> <p>The Strategy should cover the processes through which the State Ministry of Finance or Budgets/Economic Planning is able to forecast cash commitments and requirements and provide reliable information on the availability of funds.</p>	The State has no cash management strategy.	Unsatisfactory	The State should develop an approved cash management strategy which covers the processes through which the State is able to forecast cash commitments and requirements and provide reliable information on the availability of funds.

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 no computer application (dashboard) where the State can view the cash balances in the bank accounts. There is no electronic dashboard to view all bank balances.	Unsatisfactory	The State should establish a cash management system that allows for a central view of cash balances in bank accounts on a single electronic dashboard.												
4	Does the TSA have one consolidated revenue treasury account for State revenues? Revenues collected by MDAs such as service fees no longer sit in individual MDA accounts at different commercial banks but are brought into the consolidated revenue account as part of the TSA.	<p>a) The State TSA is with Zenith Bank Plc.</p> <p>b) Not all government monies go through this account.</p> <p>c) Some government monies still sat in other revenue collecting banks. An interview with the Chairman of Taraba State Board of Internal Revenue showed that the Lead IGR account with Polaris Bank has been discontinued as the lead IGR bank as at 15/10/2019. Some revenue funds still sat in other revenue collecting banks from October 2019 to February 2020. The State started operating a new lead IGR bank with Access Bank in late February 2020 but is yet to conclude on the tripartite agreement with the TSBIR, Access Bank as the lead bank and other revenue collecting banks.</p> <p>d) The Zenith bank Statement was obtained</p>	Unsatisfactory	The State's TSA should have one consolidated revenue treasury account for state revenues.												
5	Does the TSA cover a minimum of 60% 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 2019. See the computation below:</p> <table border="1" data-bbox="774 1118 1362 1310"> <thead> <tr> <th></th> <th>Total Inflows</th> <th>Total Outflows</th> </tr> </thead> <tbody> <tr> <td>TSA Bank Statement</td> <td>71,142,262,580.82</td> <td>71,820,666,064.18</td> </tr> <tr> <td>Government Finances*</td> <td>53,283,790,155.81</td> <td>64,836,783,400.57</td> </tr> <tr> <td>Percentage</td> <td>134</td> <td>111</td> </tr> </tbody> </table> <p>The average percentage computation is:  <math display="block">\frac{134\% + 111\%}{2}</math></p>		Total Inflows	Total Outflows	TSA Bank Statement	71,142,262,580.82	71,820,666,064.18	Government Finances*	53,283,790,155.81	64,836,783,400.57	Percentage	134	111	Satisfactory	
	Total Inflows	Total Outflows														
TSA Bank Statement	71,142,262,580.82	71,820,666,064.18														
Government Finances*	53,283,790,155.81	64,836,783,400.57														
Percentage	134	111														

		<b>= 123%</b>		
		<p>The TSA covered 123% of the State’s finances and the excess over 100% was explained as being Local Government funds received through the State TSA.</p> <p>*Sources: 2019 Audited Financial Statement (Cashflow Statement) Pg.10 and the TSA Statement from Zenith Bank for 01/01/2019 – 31/12/2019)</p>		
<b>DLI 4: Strengthened Internally Generated Revenue (IGR) Collection</b>				
<b>DLR 4.1</b>	<b>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</b>		<b>Achieved</b>	
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?	<p>a) Taraba State Internal Revenue Service Law 2020 was approved and assented by the Governor on 26<sup>th</sup> June 2020.</p> <p>b) The Taraba State Internal Revenue Service Law 2020 contains the code and the rates.</p> <p>c) The State has only one Revenue Law</p> <p>d) The revenue code was approved on 26<sup>th</sup> June 2020</p> <p>e) The weblink of Taraba Board of Internal Revenue is: <a href="http://www.tarababir.gov.ng/downloads">www.tarababir.gov.ng/downloads</a>.</p> <p>f) The code includes all State IGR sources and the LGs (falling under the State) IGR sources. Section 2 “Tax” includes internally generated revenue, levy, rates, fees or any other revenue accruable to the government under Schedule 1 which lists the sources and rates of all the state revenues (tax and Non-tax). Schedule 2 similarly lists LGA Revenue Sources While Schedule 3 Provides for Presumptive tax revenue/ rates</p>	Satisfactory	

		g) The consolidated revenue code includes the rate chargeable for each IGR source		
2	Does the consolidated revenue code stipulate that the State Bureau of Internal Revenues (SBIR) or the State Internal Revenue Service (SIRS) as the sole agency responsible for State revenue (tax and non-tax) collection and accounting in the State?	The revenue law shows that the SBIR is the sole agency responsible for State revenue (tax and non-tax) collection and accounting in the State as seen below: a) Taraba State Internal Revenue Service Law, 2020 Part II section 7 (1b & 2) "Ensuring the effective and optimum collection of all revenue, including levies and penalties due to the State or Local Government under the relevant Federal and State Laws. "It shall be the sole responsibility of the Board to collect taxes due to the State.	Satisfactory	
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	a) The collection of revenue was made into accounts nominated by SBIRS as evidenced by mandate (MOU) nominating individual successful banks to collect IGR on behalf of Taraba State. Letter to open IGR account with Polaris bank account number 1790110767 being the Lead Bank was obtained b) The SBIR/SIRS has full oversight of accounts and is responsible for reporting and accounting for the 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.	a) The revenue code was approved by the State legislature on 26 <sup>th</sup> June 2020	Satisfactory	
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	a) IVA was able to download and keep a file copy of the law, Code, and rates b) The IVA downloaded the documents on 15 <sup>th</sup> September,2020 at exactly 9:30am	Satisfactory	

		c) Web link: <a href="https://tarabastate.gov.ng/Finances/Taraba%20State%20Board%20of%20Internal%20Revenue%20Law%202020.pdf">https://tarabastate.gov.ng/Finances/Taraba%20State%20Board%20of%20Internal%20Revenue%20Law%202020.pdf</a> .																														
<b>DLR 4.2</b>	<b>Annual nominal IGR growth rate meets target</b>		<b>Not Achieved</b>																													
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. Cash basis of accounting was used for revenue reporting in 2018 and 2019 from the Audited Financial Statements or State Auditor-General's Report.  b. The IVA computed the annual nominal IGR growth rate for this year APA. See the computation 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 DLR.																												
		<table border="1"> <thead> <tr> <th></th> <th>NGN</th> <th>NGN</th> <th>% GROWTH</th> </tr> <tr> <th>Item</th> <th>2018</th> <th>2019</th> <th></th> </tr> </thead> <tbody> <tr> <td>1. Reported IGR in AFS (Before Adjustments)</td> <td>6,922,496,761.49</td> <td>6,533,106,447.27</td> <td></td> </tr> <tr> <td>MDAs revenue (included in the IGR Outturn report) not reported in AFS</td> <td>2,739,376,841.84</td> <td>-</td> <td></td> </tr> <tr> <td>2. INVALID items to be deducted IF reported as part of IGR</td> <td>3,790,775,891.73</td> <td>-</td> <td></td> </tr> <tr> <td>Paris club refund</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>Reimbursements/refunds related to expenditures (e.g., from FGN for Federal roads)</td> <td>3,790,775,891.73</td> <td>-</td> <td></td> </tr> </tbody> </table>		NGN	NGN	% GROWTH	Item	2018	2019		1. Reported IGR in AFS (Before Adjustments)	6,922,496,761.49	6,533,106,447.27		MDAs revenue (included in the IGR Outturn report) not reported in AFS	2,739,376,841.84	-		2. INVALID items to be deducted IF reported as part of IGR	3,790,775,891.73	-		Paris club refund	-	-		Reimbursements/refunds related to expenditures (e.g., from FGN for Federal roads)	3,790,775,891.73	-			
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		3. "Adjusted IGR" for DLI 4.2 Calculation (A OR B)	-	-					
		Take reported total IGR and deduct any INVALID items i.e. (1) minus (2)	5,871,097,711.60	6,533,106,447.27	11%				
		<p>*Note: The IGR Outturn Report for 2018 as obtained from the State includes revenue from MDAs who have the power to generate and retain their revenue which is N2,739,376,841.84 but this figure was not reported in the 2018 Audited Financial Statement. The figure has been added back to 2018 IGR for comparability in the calculation of the nominal growth rate, as the corresponding amount for 2019 was included in the 2019 Audited Financial Statements</p>							
		$\frac{N\ 2019\ Adj\ IGR - N\ 2018\ Adj\ IGR}{N\ 2018\ Adj.\ IGR} \times 100$ $= ?? \%$ $\frac{6,533,106,447.27 - 5,871,097,711.60}{5,871,097,711.60} \times 100$ $= 11.3 \%$							
		The annual nominal growth is 11.3%.							
		Source: Year Audited Financial Statement Pg10 &21							
<b>DLI 5: Biometric Registration and Bank Verification Number (BVN) Used to reduce Payroll Fraud</b>									
<b>DLR 5.1</b>	<b>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</b>						<b>Not Achieved</b>		

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 has not used Biometrics to reduce payroll fraud through a completed biometric exercise for 75% of the current civil servants and pensioners on the State payroll.	Unsatisfactory	The State should ensure they cover 75% of current civil servants and pensioners  The state should ensure the biometric exercise is linked with payroll
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	a) The State has not linked the biometrics data to the State payroll to identify ghost workers.	Unsatisfactory	The data from the State's biometric exercise should be linked with payroll
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	a) The State has not linked the biometrics data to the State payroll to identify ghost workers to be removed.	Unsatisfactory	The State should complete the process of capturing all civil servants in the State and linking their biometric data to the payroll to identify ghost workers
<b>5.2</b>	<b>Link BVN data to at least [75] percent of current civil servants and pensioners on the payroll and payroll fraud addressed</b>		<b>Not Achieved</b>	
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 has not linked the Bank Verification Number data to 75% of its current Civil Servants and pensioners on the State payroll.	Unsatisfactory	The State should link the Bank Verification Numbers of its Civil Servants and Pensioners to the State payroll to prevent fraud.
2	Has the State taken steps to identify payroll fraud?	a) The State has not taken steps to identify payroll fraud.	Unsatisfactory	The State should take steps to combat payroll fraud and ensure these steps

				and results achieved are documented and verifiable.
<b>DLI 6: Improved Procurement Practices for Increased Transparency and Value for Money</b>				
<b>DLR 6.1</b>	<b>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</b>		<b>Previously Achieved in 2018 APA</b>	
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?	<ul style="list-style-type: none"> <li>a) The state has a public procurement legal framework</li> <li>b) It has been approved by the State legislature as a law on 10<sup>th</sup> January 2012.</li> <li>c) The authorizing body is State House of assembly and Governor</li> <li>d) The approval of the law occurred on 15<sup>th</sup> February 2012.</li> <li>e) The date of its online publication is on 31<sup>st</sup> December 2019</li> <li>f) The source of online publication is the State official Website: <a href="http://www.tocopo.tarabastate.gov.ng">www.tocopo.tarabastate.gov.ng</a></li> </ul> <p>Note: The State has met this DLI in the 2018 APA</p>	Satisfactory	
2	Does the law conform with the UNCITRAL Model Law which should provide for? 1) e-Procurement; 2) establishment of an independent procurement regulatory agency; and 3) cover all MDAs receiving funds from the State budget.	<p>The Taraba State Public Procurement Law is structured in line with the UNCITRAL Model and meets the requirements as shown below</p> <ul style="list-style-type: none"> <li>a) <b>E-Procurement.</b> (Compliant); S. 4 (e); The Council shall approve changes in the procurement process to adapt to improvements in modern technology. Compliant; S. 7 (q). The Bureau shall introduce, develop, update and maintain related database and technology.</li> <li>b) Establishment of the Public Procurement Agency and the Board is contained in Sections S. 7 (q). the Law. (Compliant).</li> </ul>	Satisfactory	

**2. Independence** - The results of our assessment of the legislation for independence are in the table below:

Required Provisions*	Result
The Functions and Powers of the Agency	Compliant; see sections 7 and 8
The composition of the board	Compliant; see section 3(2).
Membership of the Board/Council includes representatives from Professional bodies and associations.	Compliant; see sections 3(2)(f)
The grounds for removal of the Chief Executive of the agency.	Compliant; see section 9(4)
Regarding decisions of the Agency; Any other review after the Board's decision should be by judicial review	Compliant; See Section 56(7)

\*Provided by the World Bank

Note: The State has met this DLI in the 2018 APA

**3. Establishment of an independent procurement regulatory agency -**

- a) The law provides for the establishment of an independent procurement regulatory agency – Section 5(1 & 2).
- b) The law covers all MDAs receiving funds from State budget – Section 17(1)

3	Has the State instituted an independent procurement regulatory function, which may be performed through one or a combination of the following: bureau, commission,	<ul style="list-style-type: none"> <li>a) The State has instituted an independent procurement regulatory function</li> <li>b) It is being performed through Taraba State Bureau of Public Procurement</li> </ul>	Satisfactory	.
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	council, agency or any other type of entity set up for the statutory purpose?	<p>c) The agency is responsible for prescribing regulations and procedures for public procurements in accordance with the legal framework</p> <p>d) IVA visited the Taraba State Bureau of Public Procurement (BPP) Office, interviewed the Representative of Director General of BPP and the management staff. The agency was physically inspected, and some operational staff interviewed.</p> <p>e) The IVA team reviewed records of all procurements/cases/transactions handled by the Agency in the year under assessment. Only 2 cases/transaction handled by the agency were selected and conducted walkthroughs and file reviews.</p> <p>f) Physical inspection of the agency, interviews with operational staff selected at random, and reviewed records showed that the agency is functioning and effective.</p>		
<b>DLR 6.2</b>	<b>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]</b>		<b>Not Achieved</b>	
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)?	<p>a) The IVA obtained a schedule of all contracts awarded during the year under assessment above the threshold (as defined in the state procurement law).</p> <p>b) The data published online is only minimally in line with the Open Contracting Data Standards (OCDS). The State has created a website for OCDS viz. <a href="http://www.tocopo.tarabastate.gov.ng">www.tocopo.tarabastate.gov.ng</a> but the actual publication is not in line with OCDS format as the necessary information fields have not not been provided or fully populated. The contract values in particular and the budget are not provided.</p> <p>c) The date of publication is 31<sup>st</sup> December 2019</p> <p>d) The source of the publication is the State Website: <a href="http://www.tocopo.tarabastate.gov.ng">www.tocopo.tarabastate.gov.ng</a>.</p>	Unsatisfactory	The state should ensure that OCDS website is fully populated in accordance with OCDS format

		e) Physical inspection of the agency, interviews with operational staff selected at random, and reviewed records showed that the agency is functioning and effective.		
<b>DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework</b>				
<b>DLR 7.1</b>	<b>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.</b>		<b>Previously Achieved in 2018 APA</b>	
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?	a) DLI already achieved in 2018 APA	Satisfactory	
2	Does the legislation include provisions which 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.	DLI already achieved in 2018 APA	Satisfactory	
3	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.	a) DLI already achieved in 2018 APA	Satisfactory	
<b>DLR 7.2</b>	<b>Quarterly State debt reports accepted by the DMO on average two months or less after the end of the quarters in 2019</b>		<b>Achieved</b>	

1	<p>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?</p>	<p>a) The state produced quarterly domestic debt reports approved by the DMO on average of <u>1.5</u> months after the end of the quarter.</p> <p>We obtained evidence that the State produced quarterly SDDRs, which were submitted and received by the DMO as follows:</p> <ul style="list-style-type: none"> <li>• Q1 submitted on (31/05/2019), 8.7 weeks (61 days)</li> <li>• Q2 submitted on (01/08/2019), 4.6 weeks (32 days)</li> <li>• Q3 submitted on (22/11/2019) 6.0 weeks (42 days)</li> <li>• Q4 submitted on (07/02/2020).5.4 weeks (38 days)</li> </ul> $= \frac{8.7+4.6+6.0+5.4}{4}$ $= 6.2 \text{ weeks}$ <p>The SDDRs were submitted within an average of 1 months and 2 weeks (43 days).</p>	Satisfactory	
2	<p><b>Note: Have you reviewed for accuracy and completeness from the DMO:</b> The State Domestic and External Debt Report (SDEDR) along with all underlying data and supporting documents including the DMO templates and guidelines and standard internal protocols and data from CBN, DMO and FMOF Home Finance used by the DMO to cross-check the state's domestic debt figures.</p>	<p>We reviewed the DMO's Report on State Domestic and External Debt Report (SDEDR) with the Taraba State Debt Domestic Report and both showed the same amount of ₦82,321,127,723.11. The report was supported with the DMO's templates and guidelines.</p> <p>We reviewed the DMO report and the DMO report confirmed the accuracy and completeness of the State Domestic Debt Report.</p> <p>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.</p>	n/a	
<b>DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears</b>				

<p><b>DLR 8.0</b></p>	<p><b>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.</b>  <b>AND</b>  <b>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.</b></p> <p><b>-Basic target:</b> At least a 5% decline or maintain stock below N5 billion  <b>-Stretch target:</b> More than 20% decline</p>		<p><b>Not Achieved</b></p>	
<p>1</p>	<p>Has the State established an Arrears Clearance Framework (ACF)?</p>	<p>The state has not submitted to the IVA the annual state arrears recording, verification, and clearance report (SARVCR).</p>	<p>Unsatisfactory</p>	<p>The State should establish an Arrears Clearance Framework (ACF)</p>
<p>2</p>	<p>Does the ACF contain:  1) the planned actions to settle arrears; and  2) an explicit prioritization of expenditure arrears to be settled.</p>	<p>The State has not established an Arrears Clearance Framework (ACF).</p>	<p>Unsatisfactory</p>	<p>The ACF should contain:  1) Planned actions to settle arrears  2) An explicit prioritization of expenditure arrears to be settled</p>
<p>3</p>	<p>Has the ACF been published on a State official website?</p>	<p>The State has not established or published on the state website an Arrears Clearance Framework (ACF).</p>	<p>Unsatisfactory</p>	<p>The State should ensure the ACF is published on her Official website</p>
<p>4.</p>	<p>Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?</p>	<p>The State has not established an Arrears Clearance Framework (ACF).</p>	<p>Unsatisfactory</p>	<p>The State should ensure that the clearance of domestic expenditure arrears is</p>



				consistent with the ACF
5.	Has the State established an Internal Domestic Arrears Database?	The State has not established an Internal Domestic Arrears Database.	Unsatisfactory	<ul style="list-style-type: none"> <li>a) The state should ensure they establish an internal domestic arrears database.</li> <li>b) The Internal Domestic Arrears Database should include aggregate and individual amounts of contractors' arrears; aggregate amount of pension and gratuity arrears; aggregate amount of salary arrears and other staff claims</li> </ul>
6	Has the State published online elements of the internal domestic arrears database for the FY <b>2018</b> and FY <b>2019</b> reported on a State official website, which constitutes the online publicly accessible arrears database?	The State has not established an Internal Domestic Arrears Database.	Unsatisfactory	The State should ensure they publish online, elements of the Internal domestic arrears database.
7. New	Does the online publication include? <ul style="list-style-type: none"> <li>1) the aggregate amount of contractors' arrears;</li> <li>2) the aggregate amount of pension and gratuity arrears;</li> <li>3) the aggregate amount of salary arrears and other staff claims;</li> </ul>	The State has not published online elements of the internal domestic arrears database for the FY <b>2018</b> and FY <b>2019</b> on a State official website, which constitutes the online publicly accessible arrears database.	Unsatisfactory	<ul style="list-style-type: none"> <li>a) The State should ensure they publish online contractors with verified arrears above N20million.</li> <li>b) The state should ensure contractors</li> </ul>

	<p>4) other types of domestic arrears and</p> <p>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.</p>			are able to verify that their claims are accurately reported. Feedback mechanism
New	<p>Has the State met the following:</p> <p>(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.</p> <p><b>-Basic target:</b> At least a 5% year-on-year decline or maintain stock or arrears below N5billion.</p> <p><b>-Stretch target:</b> More than 20% year-on-year decline.</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 year, compared to the previous year, expressed in percentage terms.</i></p>	There is no online publication.	Unsatisfactory	The State should ensure they meet a Basic Target of reduction by at least 5% to meet the Basic Target or maintain a domestic debt stock below N5billion
<b>DLI 9: Improved Debt Sustainability</b>				
DLR 9.0	<p><b>Average monthly debt service deduction is &lt; 40% of gross FAAC allocation for FY [2019]</b></p> <p><b>AND</b></p> <p><b>Total debt stock at end Dec [2019] as a share of total revenue for FY [2019] meets target:</b></p>		<b>Not Achieved</b>	

<p><b>-Basic target: &lt; [140%]</b> <b>-Stretch target: &lt; [115%]</b></p>																									
<p>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 (1<sup>st</sup> January to 31<sup>st</sup> December 2019) to the gross FAAC allocation for the same calendar year? <b>Less than :&lt; [40%]</b></p>	<p>The IVA computed the percentage of total monthly service deductions/Gross FAAC Allocation for this year 2019 APA.</p> <p>Total Service Deduction <math>\frac{N5,879,903,164}{N52,560,422,460} \times 100</math> Gross FAAC  = 11.2%</p> <p><b>Source:</b> FMoF (FAAC)</p>	Satisfactory																							
<p>Has the State met: (ii) the ratio of total debt stock at end-of-year (31<sup>st</sup> December 2019) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1<sup>st</sup> January to 31<sup>st</sup> December 2019)? <b>-Basic target:&lt; [140%]</b> <b>-Stretch target: &lt; [115%]</b></p>	<p>The following tables show the calculations and adjustments made to arrive at the appropriate figures for this comparison.</p> <p><b>Total Public Debt</b></p> <table border="1" data-bbox="768 711 1430 954"> <thead> <tr> <th></th> <th>Financial Statements</th> <th>DMO figures (Adj)</th> </tr> </thead> <tbody> <tr> <td>Total Domestic Debts</td> <td>N78,628,397,875</td> <td>N84,327,701,741</td> </tr> <tr> <td>Total External Debts</td> <td>N7,536,051,054.00</td> <td>N6,405,643,395.90</td> </tr> <tr> <td><b>Total Public Debts</b></td> <td><b>N86,164,448,929</b></td> <td><b>N90,733,345,137</b></td> </tr> </tbody> </table> <p><b>Total annual revenue</b></p> <table border="1" data-bbox="756 1039 1325 1269"> <tbody> <tr> <td>2019 Adjusted IGR (see DLI 4.2)</td> <td>N6,533,106,447.27</td> </tr> <tr> <td>Gross FAAC Allocation</td> <td>N52,479,004,627.48</td> </tr> <tr> <td>Grants</td> <td>N1,113,929,009.30</td> </tr> <tr> <td>Other Revenues</td> <td>-</td> </tr> <tr> <td><b>Total Revenue**</b></td> <td><b>N60,126,040,084.05</b></td> </tr> </tbody> </table> <p>a. The State's domestic debt stock figure in the Federal DMO State Domestic and External Debt Report for 2019 is as at the end of Q4 2019.</p>		Financial Statements	DMO figures (Adj)	Total Domestic Debts	N78,628,397,875	N84,327,701,741	Total External Debts	N7,536,051,054.00	N6,405,643,395.90	<b>Total Public Debts</b>	<b>N86,164,448,929</b>	<b>N90,733,345,137</b>	2019 Adjusted IGR (see DLI 4.2)	N6,533,106,447.27	Gross FAAC Allocation	N52,479,004,627.48	Grants	N1,113,929,009.30	Other Revenues	-	<b>Total Revenue**</b>	<b>N60,126,040,084.05</b>	Unsatisfactory	The State should reduce its debt to revenue ratio to levels that will enable the achievement of the DLR.
	Financial Statements	DMO figures (Adj)																							
Total Domestic Debts	N78,628,397,875	N84,327,701,741																							
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We have computed the total debts stock Revenue percentage for the 2019 year, as follows:

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

$$\frac{N90,733,345,137}{N60,126,040,084.05} \times 100$$

$$= 150.9\%$$

**Sources:** For Total Revenue 2019 Audited Financial Statement, Pg 10. For Total Public Debt from DMO\* as at December 31,2019

\*Table 3 below holds a breakdown of the Total Debt.

\*\*Table 3(ii) holds the breakdown of Revenue

- b. The debt stock stated in the Federal DMO State Domestic and External Debt Report (SDEDR) is N90,733,345,137 which is not the same with the debt stock stated in the audited financial statements which is N86,164,448,929.
- c. There is a difference of N4,568,896,208
- d. The difference has been communicated to the State Accountant General and Federal DMO
- e. The difference has been calculated in value and percentage terms, as shown below
  - (i) Difference in value- N4,568,896,208
  - (ii) Difference in percentage
$$\frac{N90,733,345,137 - N86,164,448,929}{N90,733,345,137} \times 100$$
=5%
- f. The SDEDR was amended and resubmitted to the IVA along with explanations for any changes.

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

TARABA STATE	AMOUNT (₦)
BUDGET SUPPORT LOAN (SOURCE FMOF)	21,003,680,247
BAIL OUT (SALARIES) (SOURCE CBN)	8,549,996,735
RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	10,754,155,735
EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,117,333,802
STATE BONDS	-
COMMERCIAL BANK LOANS	3,917,114,871
CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	1,000,000,000
INFRASTRUCTURE LOANS (CBN FACILITIES)	-
MICRO SMALL MEDIUM ENTERPRISES DEVELOPMENT FUND (MSMEDF) SOURCE CBN)	2,000,000,000
JUDGEMENT DEBTS	-
GOVT - GOVT DEBTS	-
CONTRACTORS' ARREARS	226,370,675
PENSION AND GRATUITY ARREARS	27,759,049,676
SALARY ARREARS AND OTHER CLAIMS	-
OTHER DEBTS	-
<b>TOTAL DOMESTIC DEBT (TDD)</b>	<b>84,327,701,741</b>
<b>TOTAL EXTERNAL DEBT (TED)</b>	<b>6,405,643,396</b>
<b>TOTAL PUBLIC DEBT (TED+TDD)</b>	<b>90,733,345,137</b>

Table 3(ii): DLI 9 31 DECEMBER 2019 REVENUE FOR TARABA STATE

TEMPLATE: <b>OPTION A</b>	NGN
Item	2019
<b>1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)</b>	<b>52,479,004,627.48</b>
<b>1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)</b>	<b>41,650,263,129.59</b>
1.1.1 Gross statutory allocation	39,664,054,260.47
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	1,986,208,869.12
<b>1.2 VAT</b>	<b>10,828,741,497.89</b>
<b>2. Internally Generated Revenues (IGR) - Adjusted</b>	<b>6,533,106,447.27</b>
<b>3. Grants (internal and external)</b>	<b>1,113,929,009.30</b>
<b>4A. Other revenues (4.1 + 4.2 + 4.3)</b>	<b>-</b>
4.1 Investment Income (e.g. dividends)	-
4.2 Interest Earned	-
4.3 Miscellaneous	-
<b>Total Revenues and Grants Calculations</b>	
<b>A) Total Revenues and Grants is (1+2+3+4A)</b>	<b>60,126,040,084.05</b>

## 4. Response from the State

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

S/N	State Response to the draft report	IVA Follow-up, response, treatment
1	None	

## 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](mailto:sftas@oaugf.ng)

#### **Eligibility Criteria 2019 Part I - The online publication of Approved Budgets for 2020 by 31<sup>st</sup> January 2020**

Information Source(s)	Initial checks	Initial Comments / Observations	Follow up	Final Assessment
<a href="http://tarabastate.gov.ng/">http://tarabastate.gov.ng/</a>	A search was done on Taraba State website	The 2020 Budget was published on the State Official website, a copy was downloaded.	A request was made on 09/01/2020 to the focal persons to provide evidence of the approved 2020 budget and Governor's assent	<b>EC met</b>  A weblink was received from the focal person on 29/01/2020 which provided evidence of Governor's assent.

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 30<sup>th</sup> September 2019**

Source(s)	Initial Work Done	Initial Comments / Observation	Follow up	Final Assessment
<a href="http://tarabastate.gov.ng/finances/">http://tarabastate.gov.ng/finances/</a>	A search was done on the Taraba 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 30 <sup>th</sup> 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