



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

2021 Annual Performance Assessment (APA) Report

ANAMBRA STATE

By:

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



FINAL REPORT

DECEMBER 2022

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1. Executive Summary

This report details the outcome of the Annual Performance Assessment (APA) conducted on Anambra State for the 2021 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 2021 APA for Anambra State and shows areas where the State was able to achieve results. In total, Anambra State achieved 10 (Ten) DLRs out of 15 DLRs applicable to the 2021 APA, of which 1 (One) was DLR achieved in the 2019 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: FY21 quarterly budget implementation reports for Q1, Q2, Q3 and Q4 published on average within 4 weeks of quarter-end to enable timely budget management		
	DLR 1.2: FY21 deviation for total approved original budget expenditure is < 15%		
DLI 2: Increased openness and citizens' engagement in the budget process	DLR 2.1: Citizens' inputs from formal public consultations are published online, along with the proposed FY2022 budget and citizens' budget based on approved FY21 state budget published online by end April 2021 with functional online feedback mechanisms.		
	DLR 2.2: Citizen's Accountability Reports based on audited financial statements /reports are summarized and comprehensible versions of the audited statements and details of State government public consultations with citizens presenting the annual financial statements should be made available on the state official website (s) by 30th September of each subsequent financial year.		
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 80 percent of state government finances.		<ul style="list-style-type: none"> • The State did not have a functional TSA • The State TSA did not cover a minimum of 80% of the Government finances.
DLI 4: Strengthened Internally Generated Revenue (IGR) collection	DLR 4.1: State implementing a consolidated state revenue code covering all state IGR sources and stipulating that the state bureau of internal revenue is the sole agency responsible for state revenue collection and accounting. Code must be approved by the state legislature and published		The Revenue code does not include all sources of revenue for Local Governments
	DLR 4.2: 2020-2021 annual nominal IGR growth rate meets target		The IGR declined by 3.72%

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
	- Basic target: 20%-39% - Stretch target: 40% or more		
DLI 5: Biometric registration and Bank Verification Number (BVN) used to reduce payroll fraud	DLR 5.1: Biometric capture of at least 95 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 95 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	2019	
	6.2 No later than June 30, 2022, implement e-procurement in at least 4 MDAs (incl. Education, Health and Public Works) publish all contract award information in OCDS format on the online portal for the 4 MDAs AND For those MDAs without e-procurement: Publish contract award information above a threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available		
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.		No provisions were seen covering the responsibility for contracting state debt.
	DLR 7.2: Quarterly state debt reports accepted by the DMO on average two months or less after the end of the quarter in 2021 AND Annual state debt sustainability analysis and Medium-term debt management strategy published by end of December 2021.		
DLI 8: Improved clearance/reduction of the stock of domestic expenditure arrears	DLR 8: Domestic arrears as of end 2020 and end 2021 reported in an online publicly accessible database, with verification process in place. AND Percentage decline in the verified stock of domestic arrears at end 2021 compared to end 2020 meets target and is consistent with the state's arrears clearance framework. Basic target: At least a 5 percent decline or maintain stock below 5 billion naira Stretch target: More than 20 percent decline		<ul style="list-style-type: none"> • State has no Arrears Clearance Framework/The State ACF was not published online • State has not established Internal Domestic Arrears Database [or it does not include the required information] • The percentage decline in the verified stock of domestic arrears was less than 5% [or the stock of arrears was above 5 billion]

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
DLI 9: Improved debt sustainability	Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021 AND Total debt stock at end of December 2021 as a share of total revenue for FY2021 meets target: Basic target: < 120%, Stretch target: < 95%.	Basic 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 3.0: Develop a functional State-level TSA where all Government revenues (IGRs ad FAAC) are credited into before expenditure. Increase the percentage of state government finances flowing through the TSA to eventually ensure that all government finances flow through the TSA.
2. DLR 4.1: Review for amendments, the Revenue Law (alongside with the revenue code). The revenue law should clearly state the revenues' sources (including the Local Governments sources). The amended revenue law and code should be published online.
3. DLR 4.2: Improve its IGR collection to achieve significant year on year growth in nominal IGR.
4. DLR 7.1: Amendment of the Fiscal Responsibility law and Public Financial Management Law to provide for the responsibilities of contracting state debts.
5. DLR 8: A Domestic Arrears Clearance Framework (ACF) is established and an internal domestic arrears database with relevant balances is placed online through a publicly accessible portal. Domestic arrears are cleared year on year to achieve total arrears of less than N5bn or a year-on-year decline of at least 20%.

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 2021. To ensure a high-quality assessment, the IVA engaged the services of experts in Taxation, and Debt Management laws to review the legislation in place at each State.

2.2 Scope

This Annual Performance Assessment (APA) Report covers the State’s performance in 2021 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 2021 APA.

The verification protocol was set early in the preparation for the Program and all States, implementing agencies and other key stakeholders have been continuously sensitized on the requirements of the program and the protocol for 2021. 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 18/07/2022 and 22/07/2022 with a team of 7 (Seven) persons, starting with an opening meeting where all the information requested was to be handed over. The visits were concluded with an exit meeting where initial findings were discussed, and each state was given a further opportunity to provide clarifications and/or additional information.

The draft conclusions from the work done are set out in this Report and the State is expected to revert within five working days with any comments on the results by using the free text box in Section 4.

The Office of the Auditor-General for the Federation (OAuGF) and PricewaterhouseCoopers (PwC) are grateful to the State for the cooperation enjoyed during the assessment and hope the recommendations within this Report are found valuable towards improving fiscal transparency, accountability, and sustainability in the management of the public finances and resources of the State.

3. Assessment Results

3.1 Findings

Table 2: Findings

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLI 1: Improved Financial Reporting and Budgeting Reliability				
DLR 1.1	Financial Year [2021] quarterly budget implementation 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 https://www.anambrastate.gov.ng/documents-list/</p> <p>Q1- 2021 https://www.anambrastate.gov.ng/storage/ANSG2021-1st-Quarter-Report.pdf</p> <p>Q2- 2021 https://www.anambrastate.gov.ng/storage/ANSG-2021-HALF-YEAR-REPORT-FINAL.pdf</p> <p>Q3- 2021 https://www.anambrastate.gov.ng/storage/3rd-Quarter-Implementation-Report.pdf</p> <p>Q4- 2021 https://www.anambrastate.gov.ng/storage/4th-Quarter-Implementation-Report.pdf</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The State website was accessed on 20/07/2022.</p> <p>Dates of online publication are as follows:</p> <ul style="list-style-type: none"> • Q1 – 26/04/2021 - 3.71 weeks (26 days) • Q2 – 28/07/2021 - 4 weeks (28 days) • Q3 – 26/07/2021 - 3.71 weeks (26 days) • Q4 – 22/01/2022 - 3.14 weeks (22 days) <p>Average days (weeks) for the online publication was computed based on the last 4 quarters, as below:</p> $\frac{26+28+26+22}{4}$ <p>Average = 25.5 days (3.64 weeks)</p> <p>IVA downloaded the quarterly budget Implementation Reports for all four quarters for the year 2021, obtained and retained evidence of the timestamp of the publications.</p>		
2	Do the reports each include, at a minimum, the approved original AND revised (if applicable) budget appropriation for the year against each organizational units (MDAs) for each of the core economic classifications of expenditures (Personnel, Overheads, Capital, and	<p>From our review of the Quarterly Budget Implementation reports downloaded from the State’s website (see web links above), we observed the following:</p> <ol style="list-style-type: none"> a) The Budget Implementation Reports included the approved budget appropriation for the year against each organizational unit (MDAs) for each of the core economic classifications of expenditures. b) The Budget Implementation Reports included the actual expenditures for the quarter attributed to each 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	others), the actual expenditures for the quarter attributed to each MDA as well as the actual cumulative expenditures for the year to date, and balances against each of the revenue and expenditure appropriations.	<p>MDA as well as the actual cumulative expenditures for the year to date,</p> <p>c) The Budget Implementation Reports included the balances against each of the revenue and expenditure appropriations.</p> <p>d) The State has an amended/revised budget</p> <p>e) The Budget Implementation Reports showed both the approved original budget AND the approved revised budgets.</p> <p>The reports included the approved budget appropriation for the year for each of the core economic classifications of expenditures (Personnel, Overheads, Capital, and others); the actual expenditures for the quarter, and the balances against each of the revenue and expenditure appropriations.</p>		
3	Does the report state the actual expenditures for the quarter attributed to each MDA and each expenditure classification as well as the actual cumulative expenditures for the year to date?	The IVA reviewed the State's Budget Performance/implementation reports and confirmed that the reports included the actual expenditures for each quarter attributed to each MDA, each expenditure classification, as well as the actual cumulative expenditures for the year to date.	Satisfactory	
4	Does the report state balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which	The State's Budget Performance reports shows 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 includes debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
	will include debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications?															
DLR 1.2	FY [2021] deviation from total approved budget expenditure is less than 15%		Achieved													
1	<p>Has the State computed the difference between the Original/Approved total budgeted expenditure for the fiscal/calendar year 2021 and the actual total expenditure in the fiscal/calendar year 2021, divided by the Original approved total budgeted expenditure and expressed in positive percentage terms?</p> <p>Is the expenditure outturn deviation computed less than 15%</p>	<p>The State computed the budget deviation for 2021 to be 8.49%</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p> <table border="1" data-bbox="701 721 1394 1138"> <thead> <tr> <th></th> <th>Total Approved Budget (₦)</th> <th>Actual Outturn (₦)</th> </tr> </thead> <tbody> <tr> <td>Capital Exp. (Budget - Page 3)</td> <td>86,885,794,353</td> <td>57,578,248,336.32</td> </tr> <tr> <td>Rec. Exp. (Budget - Page 3)</td> <td>56,766,085,298</td> <td>73,873,749,225.59</td> </tr> <tr> <td>Total</td> <td>143,651,879,651</td> <td>131,451,997,562</td> </tr> </tbody> </table> $\frac{\text{₦}143,651,879,651 - \text{₦}131,451,997,562}{\text{₦}143,651,879,651} \times 100 = 8.49\%$ <p>The budget performance deviation is 8.49%</p>		Total Approved Budget (₦)	Actual Outturn (₦)	Capital Exp. (Budget - Page 3)	86,885,794,353	57,578,248,336.32	Rec. Exp. (Budget - Page 3)	56,766,085,298	73,873,749,225.59	Total	143,651,879,651	131,451,997,562	Satisfactory	
	Total Approved Budget (₦)	Actual Outturn (₦)														
Capital Exp. (Budget - Page 3)	86,885,794,353	57,578,248,336.32														
Rec. Exp. (Budget - Page 3)	56,766,085,298	73,873,749,225.59														
Total	143,651,879,651	131,451,997,562														

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		State Information Source: Year 2021 Audited Financial Statement Pages 25 & 26 (Actual Expenditure) and Approved Budget Expenditure Page 3.		
DLI 2: Increased Openness and Citizens' Engagement in the Budget Process				
DLR 2.1	<p>Citizens' inputs from formal public consultations are published online, along with the proposed FY [2022] budget</p> <p>AND</p> <p>Citizens' budget based on approved FY21 state budget published online by end April 2021 with functional online feedback mechanisms</p>		Achieved	
1	Did the State conduct at least one "town-hall" consultation before the proposed budget is drafted with the participation of local government authorities and State-based CSOs?	<p>The documents obtained and reviewed included the Minutes, attendance register and Pictures.</p> <p>a) IVA confirmed some of the LGAs that were in attendance to be:</p> <p>Awka North LGA - Hon Ikechukwu Offorkansi</p> <p>Aguata LGA - Okoye Ngozi</p> <p>Orunmba South LGA - Choma Ezeabikua</p> <p>Anambra East LGA - Nwabia Ezebuilo James</p> <p>Njikoka LGA - Nwode Oluchukwu</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>b) IVA confirmed that some of the Citizens, Citizens groups, State-Based CBOs, State-Based CSOs representatives in attendance included:</p> <p style="padding-left: 40px;"><u>For State’s Based CSO</u></p> <ul style="list-style-type: none"> i. Gender Perspective and Social Development Centre - Anekwe Eucharía ii. Creative mind for youths and community development - Ngouch Njoku Freema iii. Positive attitude to life Initiative - Onwuakpaelo Stella <p style="padding-left: 40px;"><u>For State’s Based CBO</u></p> <ul style="list-style-type: none"> i. Udo Women organization - Igbasi Faustina ii. Nigeria Youth Movement Igbedor Community - Enwochiola Henry iii. National Youth Council, Anambra North - Echezona Dunu <p>c) The sources of information from which our conclusions were drawn were minutes of meeting, attendance, and pictures.</p> <p>d) The date for the consultation was 13/10/2021 and the venue of the consultation on the budget proposal was the Ministry of Economic Planning Inter-Agency Board Room, Awka, Anambra State.</p> <p>e) IVA called 10 attendees to confirm their attendance at the public consultation.</p> <p>f) The budget was drafted on 14/10/2021. IVA obtained evidence of budget presentation to the House of Assembly to confirm that the drafting of the budget took place after the consultation</p>		

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>g) IVA compared the date of the consultation and the date of the draft budget. The consultation was done first.</p> <p>h) The date of online publication of the proposed budget was 25/10/2021.</p> <p>i) It was published before the deadline of 31 January 2022</p> <p>j) The web link for the publication of the proposed budget is https://www.anambrastate.gov.ng/storage/Proposed-FY-2022-Budget.pdf</p> <p>k) This was accessed by the IVA on 18/07/2022.</p>		
2	<p>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 2022 to enable citizens to find the inputs easily?</p> <p>a) The minutes of the public consultation meeting was co-signed by Chris Azor, a representative of the CSO. A copy of the minutes has been retained in file</p> <p>b) The title of the document is “Minutes of Stakeholders Interactive Session/Meeting on the 2022 Budget Held on Wednesday 13th October 2021 At The Ministry of Economic Planning Inter-Agency Board Room, Awka” and date of the Meeting is 13/10/2021</p> <p>c) The Organizations that the signatories represent are: (i) The Civil Based Organization (ii) The Civil Society Organizations (iii) Local Government (iv) The Non-Governmental Organization (v) Civil Servants</p> <p>d) The web link to the publication is https://www.anambrastate.gov.ng/storage/Citizens-Inputs-From-Stakeholders-Consultative-Forum-Attendance-List.pdf and date of publication was 25/10/2021</p> <p>This was accessed by the IVA on 18/07/2022</p>	Satisfactory	.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		e) The published minutes were adequately sign-posted on the State website.		
3	Has the State published online, on the State website(s) a Citizens Budget based on the Approved Budget (2021) not later than 30 April 2021?	<p>a) The Citizens budget, based on the Approved FY2021 Budget was published on 29/04/2021 before the due date via https://www.anambrastate.gov.ng/storage/2021-Citizens-Budget.pdf This was accessed by the IVA on 18/07/2022.</p> <p>b) A comparison of the Approved FY2021 Budget with the Citizens Budget was done and there were no discrepancies.</p> <p>c) The Citizen’s budget was prepared in the format suggested to the States in the Citizen Budget User Manual and Excel Template as follows:</p> <ul style="list-style-type: none"> i. Simple explanation of the annual approved budget/citizen’s budget. Pages 2-3 ii. The sources of revenues. Pages 14-15 iii. Sources of domestic and foreign grants, domestic loans, and other financing sources. Pages 16-18 iv. Total expenditure by economic classifications. Pages 8 v. The total revenue and grants, total expenditures, budget deficit, budget financing, and financing gap. Pages 8, 14-18 vi. Disclosure of Budget deficit and how it will be financed. Page 7 vii. Sectoral Allocation (by MDAs). Pages 9-11 viii. Top Projects to be financed (at least 5). Page 12 <p>d) The minimum required budget information outlined above extracted from the Citizen Budget User Manual and Template has been included.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
4	Is the Citizens Budget a comprehensible (to citizens) summary of the approved FY21 state budget?	The Citizens Budget included an explanation of the key components /information in the Approved FY21 Budget. We confirmed that the approved FY21 state budget was summarized in a comprehensible manner to the Citizens in the Citizens Budget	Satisfactory	
5	Does the State website have functional feedback and response online mechanisms?	<p>a) The State has established functional feedback and response online mechanisms on its website.</p> <p>b) The type of feedback mechanism established on the State website is an email mechanism.</p> <p>c) The State's feedback mechanism provides at a minimum:</p> <ul style="list-style-type: none"> i. Acknowledgement of receipt of comments/feedbacks from citizens ii. State's responses to comments/feedbacks iii. Display of timeframe and the State's Government contact details. <p>IVA obtained evidence of all the above.</p> <p>d) IVA sent an anonymous email to make some enquiries on the website in order to ascertain the functionality of the feedback mechanism. The State responded to the email. IVA concluded that the feedback mechanism is working.</p> <p>e) A demonstration was done by the State Ministry of Budget and Planning to provide evidence to demonstrate how the State has responded to feedback submitted online. The State was unable to provide other responses as people preferred to visit the office physically for enquiry rather than utilize the online platform.</p> <p>The State's feedback mechanism is functional.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		f) The web link is https://www.anambrastate.gov.ng/contact-ansg/		
DLR 2.2	Citizen's Accountability Report based on audited financial statements/report published online for FY2020 not later than 30th September 2021.		Achieved	
1	Did the State prepare the Citizens Accountability Report to explain the full Annual Audit Report in a summarized form?	<ul style="list-style-type: none">) The Citizen's Accountability Report has been downloaded.) A review was done on the downloaded Citizens Accountability Report.) The Citizen's Accountability Report was published on September 30, 2021 and a copy is retained in the file.) IVA compared the full Annual Audit Report for the year 2020 with the Citizen's Accountability Report and noted there were no discrepancies.) IVA obtained and reviewed the evidence of public consultations with Citizens to explain the FY2020 Financial Statement 	Satisfactory	
2	Has the State published a Citizens Accountability Report based on the Annual Financial statements/ Audit Report for FY 2020 not later than 30 September 2021?	<p>The Citizens Accountability Report based on the Annual Audit Report (2020) was published on 30/09/2021 via https://www.anambrastate.gov.ng/storage/Anambra-State-CARs-2020-1.pdf</p> <p>The IVA accessed the State website on 18/07/2022.</p> <ul style="list-style-type: none"> a) A comparison of the Annual Audit Report FY20 with the Citizens Accountability Report 2020 was done and there were no areas of discrepancies. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b) The Citizen’s Accountability Report was prepared according to the Template provided to the State. This was confirmed by identifying the following:</p> <ul style="list-style-type: none"> i) Simple explanation of the Citizens Accountability Report and Executive Summary Pages 3-4 ii) The Budget Outturn Pages 5-7 iii) The Revenue Outturn Pages 8-11 iv) The Expenditure Outturn Pages 11-14 v) The Audit Findings Pages 15-16 vi) The Audited Financial Statements Pages 16-20 vii) Top Sectoral Allocations Pages 21-30 viii) Top Value Capital Projects Page 31 ix) Citizens-Nominated Projects-Implementation Status Report Pages 35-39. <p>) The minimum required Citizen’s Accountability Report information outlined above extracted from the Template has been included.</p>		
3	Is the Citizens Accountability Report a comprehensible (to citizens) summary of the FY20 Annual Audit Report?	<p>a) The Citizen’s Accountability Report presents in a summarized manner the Audited Financial Statement FY2020.</p> <p>b) The Citizens Accountability Report included a concise explanation of the key components of the FY2020 Audited Financial Statements.</p> <p>c) The evidence and details of the public consultation that was held has been obtained. It included a presentation of the Annual Financial Statements i.e., the Citizen’s Accountability Report for 2020. IVA have retained the copies of the evidence obtained in the file.</p> <p>We confirmed that the FY2020 Annual Audit Report was summarized in a comprehensible manner to the Citizens in</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		the Citizens Accountability Report. We further confirmed that the CAR was published online by the deadline and presented at a public consultation held on 15/10/2021.		
<i>DLI 3: Improved Cash Management and reduced Revenue Leakages through Implementation of State TSA</i>				
DLR 3.0	Improved cash management and reduced revenue leakages through the implementation of State TSA		Not Achieved	
1	Has the State established a functional State-level TSA?	<p>a) The State has not established a functional State-level TSA</p> <p>b) The State TSA is the State’s IGR account, which does not include revenue from FAAC and VAT. The State maintains multiple accounts for IGR, FAAC and VAT, with details stated below:</p> <ul style="list-style-type: none"> • IGR Main Account (TSA) Bank: Fidelity Bank Plc Account name: ANSG Consolidated Int. Gen. Rev account. Account number:5030005088 • FAAC Account: Bank: Fidelity Bank Plc Account name: ANSG Statutory Revenue Allocation Accounts Account number: 5030026223 • VAT Account: Bank: Access Bank Plc Account name: ANSG VAT Account. Account number: 1226470457 	Unsatisfactory	The State should establish a functional TSA
2	Is there a formally approved cash management strategy in place?	Anambra State has an approved Cash Management Strategy (CMS):	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	The Strategy should cover the processes through which the State Ministry of Finance or Budgets/Economic Planning can forecast cash commitments and requirements and provide reliable information on the availability of funds.	<ul style="list-style-type: none"> a) The document's name is Anambra State Government Modern Cash Management Strategy (New Edition) b) The document was produced in 2019 and it was signed by the State's Accountant General; Hilary O. Obigwe (FCNA) c) The Strategy covers the processes through which the State Ministry of Finance or Budgets/Economic Planning can forecast cash commitments and requirements and provide reliable information on the availability of funds as seen in section 3.2 (Paragraph 2) and section. 3.3 d) The strategy mentioned in section 3.7 that cash sweepings from other collecting banks will be done routinely. Also, section 3.8 of the strategy states "all cash balances in excess of ₦5 million that sit for a maximum of four weeks in any MDA bank account will be swept back to the TSA." e) There is evidence of implementation of processes described in the Cash Management Strategy to forecast cash commitments and requirements and provide reliable information on the availability of funds. IVA checked the existence of cash commitments and requirements forecasts at the intervals stated in the Cash Management Strategy (monthly). The State applied the strategy to its forecasting of cash commitments and requirements through the provision of a cash plan. 		
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	<p>The State has a computer application where it can view the cash balances in its bank accounts.</p> <ul style="list-style-type: none"> a) The computer application's name is Anambra State TSA Dashboard. The producer of the application was AppMart Integrated Limited 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	(based on the approved cash management strategy)?	<p>b) The dashboard is in line with the approved cash management strategy. It shows the cash balances across all MDAs and the State’s collecting bank accounts</p> <p>c) The dashboard was developed in 2020</p>		
4	Does the TSA have one consolidated revenue treasury account for State revenues? Revenues collected by MDAs such as service fees no longer sit in individual MDA accounts at different commercial banks but are brought into the consolidated revenue account as part of the TSA.	<p>a) The following Revenue generating MDAs were visited: Ministry of Health, Ministry of Education, and Ministry of works. Accounts representatives in these 3 MDAs were interviewed. All 3 MDA representatives confirmed that all revenues collected by the MDAs are done centrally through the pay direct at the various commercial banks. The revenues are swept from the different collecting commercial Banks into the IGR Consolidated account maintained at Fidelity bank Plc which is also the State's TSA account. IVA obtained copies of treasury receipts and completed questionnaires as evidence of TSA in the three MDAs visited.</p> <p>b) The TSA of the State is the IGR account at Fidelity Bank Plc with the account name “ANSG Consolidated Int. Gen. Rev. Account” and account number is 5030005088.</p> <p>c) Not all government monies go through this account. Only the State’s IGR is collected into this account.</p> <p>d) Government monies do not sit in other revenue collecting banks. They are swept into the TSA account.</p> <p>e) The TSA bank Statement was obtained.</p>	Unsatisfactory	The State’s TSA should have one consolidated revenue treasury account for state revenues (FAAC and IGR)

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
5	Does the TSA cover a minimum of 80% 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 Cash flow Statement for the year ended 2021.</p> <p>See the computation below:</p> <table border="1"> <thead> <tr> <th></th> <th>Total Inflows (₦)</th> <th>Total Outflows (₦)</th> </tr> </thead> <tbody> <tr> <td>TSA Bank Statement</td> <td>37,039,065,303.57</td> <td>36,952,727,872.51</td> </tr> <tr> <td>Government Finances*</td> <td>117,682,402,093.27</td> <td>131,451,997,562</td> </tr> <tr> <td>Percentage</td> <td>31.47%</td> <td>28.11%</td> </tr> </tbody> </table> <p>The average percentage computation is:</p> $\frac{31.47\% + 28.11\%}{2} = 29.27\%$ <p>The TSA covered 29.27% of the State's finances.</p> <p>*Sources: 2021 Audited Financial Statement (Cash flow Statement) Page 23 and the TSA Bank Statement from Fidelity Bank Plc. for the period covering January 1, 2021, to December 31st, 2021</p>		Total Inflows (₦)	Total Outflows (₦)	TSA Bank Statement	37,039,065,303.57	36,952,727,872.51	Government Finances*	117,682,402,093.27	131,451,997,562	Percentage	31.47%	28.11%	Unsatisfactory	The State's TSA should cover all of Government Finances.
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Percentage	31.47%	28.11%														
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		Not Achieved													

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	revenue is the sole 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 full name of the extant Revenue Law is Anambra State Revenue Administration Law 2010 and was assented on 17th January 2011. b) The State Revenue Law does not have the Revenue code & rates. c) The State has one Revenue law. d) The Law was approved on 17th January 2011. e) The Revenue Law was posted on the State IRS website as follows: https://www.airs.an.gov.ng/wp-content/uploads/2019/12/Anambra-State-Revenue-Administration-Laws-compressed_compressed.pdf f) Anambra State Revenue Administration Law 2010 does not include the Consolidated IGR sources. g) Anambra State Revenue Administration Law does not include the rate chargeable for each IGR source. 	Unsatisfactory	The State should amend its current harmonized law to include all sources of revenue for local governments
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?	<ul style="list-style-type: none"> a) Section 11 (b): empowers the AIRS to ensure the effective and optimum collection of all revenue, including levies and penalties due to the State government under relevant Federal and State laws, however, it was not stated that the AIRS shall be the Sole entity responsible for the collection and accounting for all revenues in the State. b) Section 11(b) does not put it beyond doubt that the SIRS is the SOLE collector of State revenues and accountable for the same, even though it delegates 	Unsatisfactory	The State should amend its Tax legislation to make it explicit in the law that the SBIR/SIRS is the sole collector for all State government revenues.

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>some of the collections. The opportunity of preparing and passing the schedules should be taken to make this clear.</p> <p>c) Both conclusions of the IVA and the results of the expert review are aligned.</p>		
3	<p>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>	<p>a) IVA did not confirm if the SBIR/SIRS has full oversight of accounts and is responsible for the revenues since the existing revenue law was not amended and did not meet all requirements.</p>	Unsatisfactory	<p>The state should revalidate revenue accounts by ensuring SBIR/SIRS nominates such accounts</p>
4	<p>Is the code approved by the State legislature to have a legal basis, either as a law or a resolution?</p> <p>It cannot be an executive order with no legal basis. The approval shall occur by the 31 December of the year under assessment to count for that year, up to 31 December 2021.</p>	<p>The Anambra State Revenue Administration Law was approved by the State House of Assembly and assented to by the Governor on the 17th of January 2011. However, the Anambra State Revenue Administration Law 2010 does not include the Consolidated IGR sources.</p>	Unsatisfactory	<p>The State should ensure that required amendments to the law are concluded as soon as possible given upcoming APAs.</p>
5	<p>Is the Publication published online, so it is automatically available to the public/all taxpayers?</p>	<p>a) A copy of the Anambra State Revenue Administration Law has been downloaded; however, the published Law does not include the Consolidated IGR sources.</p> <p>b) The date and time that the IVA accessed and downloaded the document was 20th of July 2022.</p>	Unsatisfactory	<p>The State should publish the Revenue law, sources, and rates online.</p>

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																																
		c) https://airs.an.gov.ng/wp-content/uploads/2020/02/Anambra-State-Revenue-Administration-Laws.pdf																																		
DLR 4.2	Annual nominal IGR growth rate meets target		Not Achieved																																	
1	<p>Has the 2021-2020 annual nominal IGR growth rate met the basic or stretch targets?</p> <p>Basic Target: 20% - 39%</p> <p>Stretch Target: 40%</p>	<p>a. Cash basis of accounting was adopted by the State for both 2020 and 2021 Audited Financial Statements.</p> <p>b. The IVA computed the annual nominal IGR growth rate for this year APA.</p> <p>See the computation below:</p> <table border="1" data-bbox="690 732 1392 1357"> <thead> <tr> <th>REPORTING TEMPLATE: OPTION A</th> <th>₦</th> <th>₦</th> <th>% GROWTH</th> </tr> <tr> <th>Item</th> <th>2020</th> <th>2021</th> <th></th> </tr> </thead> <tbody> <tr> <td><i>Memo: Reported IGR in AFS (Before Adjustments)</i></td> <td>27,237,691,221</td> <td>25,453,011,294</td> <td>-7%</td> </tr> <tr> <td>VALID IGR items to be counted as IGR</td> <td>25,489,541,202</td> <td>24,540,175,711</td> <td></td> </tr> <tr> <td>Direct tax</td> <td>17,523,033,645</td> <td>16,740,324,937</td> <td></td> </tr> <tr> <td>Licences</td> <td>829,928,631</td> <td>776,192,723</td> <td></td> </tr> <tr> <td>Fees</td> <td>6,805,909,063</td> <td>5,850,466,307</td> <td></td> </tr> <tr> <td>Fines</td> <td>25,234,928</td> <td>42,628,988</td> <td></td> </tr> </tbody> </table>	REPORTING TEMPLATE: OPTION A	₦	₦	% GROWTH	Item	2020	2021		<i>Memo: Reported IGR in AFS (Before Adjustments)</i>	27,237,691,221	25,453,011,294	-7%	VALID IGR items to be counted as IGR	25,489,541,202	24,540,175,711		Direct tax	17,523,033,645	16,740,324,937		Licences	829,928,631	776,192,723		Fees	6,805,909,063	5,850,466,307		Fines	25,234,928	42,628,988		Unsatisfactory	The State should ensure significant year-on-year improvements in their IGR collection.
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Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations	
		Sales of goods and services	230,343,241	285,455,010				
		Earnings (Excluding interest or investment income)	23,881,755	806,635,694				
		Rent of govt. property/building	2,183,000	401,000				
		<i>Rent from Govt Land</i>	49,026,939	38,071,053				
		"Adjusted IGR" for DLI 4.2 Calculation						
		Sum of all VALID items of IGR if AFS has that detail	25,489,541,202	24,540,175,711	-3.72%			
		$\frac{\text{₦}24,540,175,711 - \text{₦}25,489,541,202}{\text{₦} 25,489,541,202} \times 100$ $=-3.72\%$						
		There was a decline in IGR by 3.72%						
		Source: 2021 Audited Financial Statement Page 23 Note 4 and Page 27						
DLI 5: Biometric Registration and Bank Verification Number (BVN) Used to reduce Payroll Fraud								

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 5.1	Biometric capture of at least [95] percent of current civil servants and pensioners completed and linked to payroll, and identified ghost workers taken off the payroll		Achieved	
1	Has the State used Biometrics to reduce payroll fraud through a completed biometric exercise for 95% of the current civil servants and pensioners on the State payroll?	<p>Anambra State commenced biometrics capturing of Civil Servants and Pensioners in March 2016 and completed the process in September 2019.</p> <p>a) The biometric data capture was outsourced to AppMart Integrated Ltd., ANETT Consultant and TENECE Professional Services.</p> <p>b) The total number of Civil Servants on the payroll as at 31st December 2021 was 12,535</p> <p>c) The total number of Pensioners on the payroll as at 31st December 2021 was 12,733</p> <p>d) The total number of Civil Servants and Pensioners on the State Nominal roll are 12,535 and 12,733 respectively. Also, the total number of Civil Servants and Pensioners on the State payroll as at 31st December 2021 are 12,535 and 12,733 respectively.</p> <p>e) The percentage difference between the Pensioners and Civil Servants records between 2020 and 2021 are 2.19% and 2.52% respectively. This is below the threshold of 10% required for further explanations and evidence from the State.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>f) The total number of Civil Servants linked to the biometrics database is 12,535. The total number of Pensioners linked to biometrics is 12,550. This is a total of 25,085</p> <p>g) The document obtained for our conclusion is the summary report from the Accountant General Office (Payroll office) on the State of biometrics capture in the State. IVA also viewed the biometrics database of the State and obtained screenshots of 20 civil servants and 20 pensioners each.</p> $\frac{25,085}{12,535 + 12,733} \times 100 = \frac{25,085}{25,268} \times 100 = 99.28\%$ <p>The State had captured 99.28% biometrics 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 the linkage of biometric data to the payroll on the 31st of March 2016</p> <p>b) A total number of 25,085 instances of biometrics data have been linked to the payroll (i.e. 12,535 Civil Servants, and 12,550 Pensioners)</p> <p>c) There were no ghost workers identified in 2021.</p> <p>d) No amount was lost or saved since no ghost worker was discovered in 2021</p> <p>e) In-year changes to the Civil Servants and Pensioners payrolls were captured by the biometric exercise in 2021 as a result of starters, leavers, deaths, etc.</p> <p>f) There are procedures in place for ensuring timely (within 3 months of the event) updates to the State payroll. This was contained in Anambra State Government Summary Report on Biometric and BVN</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>Data and Other Payroll Records for Civil Servants and Pensioners in 2021. These processes include:</p> <ul style="list-style-type: none"> • MDA-level checks and Verification: Each MDA in the State has an assigned Accountant from the Ministry of Finance who scrutinizes and validates the monthly payroll. • Automated check & identification of duplicate records, and/ or bank detail to avoid double records and payments. • The final monthly payrolls are sent to the Office of the Head of Service, Office of the Accountant General and other relevant authorities for confirmation before payment. • Immediate pin-off (exclusion from monthly payroll database) of the ghost workers when identified from verification exercise and upon the approval of the relevant authorities. <p>g) There were in-year changes to the Civil Servants and Pensioners payrolls as a result of starters, leavers, deaths, etc.</p> <p>h) These changes were captured by the biometrics exercise.</p> <p>i) The process in place for identifying and removing ghost workers and preventing payroll fraud include:</p> <ul style="list-style-type: none"> • Periodic physical verification biometric data capture / revalidation of payroll records • Multiple independent checks and approval of payroll records. There are several levels of approvals to ensure that no unauthorized beneficiary is paid. These checks include; independent upload, 3 independent checks and approvals, as well as 1 final authorization 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> Internal departmental audit, which is different from the audit conducted by the State Auditor General's Office Single sourcing of update requests. This includes all monthly update requests (inclusion, stoppage, and removal, etc.) MDA level checks and verification. 		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	<p>a) The State did not detect ghost workers and ghost pensioners in 2021.</p> <p>b) There were no records of ghost workers in 2021.</p> <p>c) There are no records (date/month) for ghost workers removed from the payroll in 2021. This is because no ghost worker was discovered during that period.</p> <p>d) The total payments (emoluments of employees and pensioners) for 2021 was ₦24,309,208,358.37 (₦5,670,694,523.60 for Pensioners and ₦18,638,513,834.77 for Civil Servants)</p> <p>e) The total payments (emoluments of employee and pensioners) were not altered because of ghost workers. This is because no ghost worker was identified and removed from the payroll in 2021.</p> <p>f) The source of this information included: the Summary Report from the Accountant-General's Office, Civil Servants payment and headcount summary as at 31st December 2021, and the Pension summary (per Sub-Treasury) as at 31st December 2021.</p>	Satisfactory	
5.2	Link BVN data to at least [95] percent of current civil servants and pensioners on the payroll and payroll fraud addressed		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Has the State linked the Bank Verification Number data to 95% of its current Civil Servants and pensioners on the State payroll?	<p>The State commenced its BVN Capture on the 31st March 2016 and completed the process in 2021.</p> <p>a) The consultants engaged to support the process were APPMart Integrated Ltd., and TENECE Professional Services.</p> <p>b) The total number of Civil Servants and Pensioners in the State are 12,535 and 12,733 respectively.</p> <p>c) The total number of Civil Servants and Pensioners on the State Nominal roll are 12,535 and 12,733 respectively.</p> <p>d) The BVN data of 12,535 Civil Servants and 12,142 Pensioners have been linked to the payroll as at December 2021 leaving a difference of 591.</p> <p>e) IVA obtained the summary report from the Accountant General Office, as well as nominal roll and payroll summary for Civil Servants and pensioners as at December 31st 2021. IVA also viewed the BVN records for Civil Servants on the State's database.</p> $\frac{24,677}{12,535 + 12,142} \times 100 = 97.66\%$ <p>The State has linked 97.66 % of the State's Civil Servants and Pensioners' BVN data to the payroll.</p>	Satisfactory	
2	Has the State taken steps to identify payroll fraud?	<p>a) All the Civil Servants (12,535) have BVN data, while only 12,142 Pensioners have BVN data. However, 591 Pensioners do not have BVN data.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> b) There was no record of payroll fraud in the assessment period as there were no cases of payroll fraud. c) There were no documented cases of payroll fraud identified in the assessment period. d) The total payments (emoluments of employees and pensioners) for 2021 was ₦24,309,208,358.37 (₦5,670,694,523.60 for Pensioners and ₦18,638,513,834.77 for Civil Servants) e) The emolument for Pensioners and Civil Servants remained the same. This is because no payroll fraud was identified during the assessment period. f) The source of information include: The Summary Report from the Accountant General's office; The Nominal and Payroll summary for the 2021 assessment period. 		
DLI 6: Improved Procurement Practices for Increased Transparency and Value for Money				
DLR 6.1	Existence of a public procurement legal framework and a procurement regulatory agency. Said legal framework should conform with the UNCITRAL Model Law and provide for: 1) e-Procurement; 2) establishment of an independent procurement regulatory agency and 3) cover all MDAs receiving funds from the State budget		Previously Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
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?	Previously Achieved in 2019 APA		
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.	Previously Achieved in 2019 APA		
3	Has the State instituted an independent procurement regulatory function, which may be performed through one or a combination of the following: bureau, commission, council, agency, or any other type of entity set up for the statutory purpose?	Previously Achieved in 2019 APA		
DLR 6.2	No later than June 30, 2022, implement e-procurement in at least 4 MDAs (incl. Education, Health and Public		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p>Works) publish all contract award information in OCDS format on the online portal for the 4 MDAs</p> <p>AND</p> <p>For those MDAs without e-procurement: Publish contract award information above a threshold set out in the State’s procurement law/regulation every month in OCDS format on the state website or online portal if available.</p>			
1	<p>Has the State achieved open contracting component of the DLI by publishing online, contract award information for all contracts awarded during the fiscal year (2021) 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)?</p>	<p>a) IVA obtained a schedule of all contracts awarded during the year under assessment. i.e Jan 2021-Dec 2021.</p> <p>b) In a bid to check for the completeness of the contract published online, for 2021, IVA compared the total contracts published online with the actual capital expenditure reported for the year in the FY2021 AFS. IVA noted that the total contracts awarded above the threshold and published online in line with the Open Contracting Data Standards (OCDS) amounted to ₦22,908,913,505.36 while the actual capital expenditure in the 2021 AFS is ₦57,578,248,336.32, resulting to a difference of ₦34,669,334,830.96.</p> <p>IVA communicated these findings to the State and the State responded thus:</p> <p>“DLR 6.2.2 query bothers on ready-made Schedule of all contracts within the State in Y2021 from all MDAs</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>notwithstanding the threshold. We are glad to provide these as attached. It was not ready made before the arrival of the IVA Team because it was not in the IVA APA Protocol shared with the State which has been the guiding light for our preparations for the assessment.</p> <p>However, the data at our disposal as in the attached excel sheet shows up to 87% of all payments reported in the AG's Financial Report for Y2021. Analysis of the data showed that they were mainly payments related to contracts that pre-dated the birth of the Anambra State Bureau of Public Procurement as the Bureau was established in June 2020 and those contracts would naturally not have passed through the Bureau which did not exist then.</p> <p>We are analyzing the remaining payments to provide any further data to close the minor gap of less than 13% differential between the AG's report and the attached excel and shall avail the IVA Team of such if it provides any new information in support of our current explanations.</p> <p>Worthy of note is that any payment that are of security nature would conventionally be outside the purview of the routine due diligence of the Bureau.”</p> <p>c) The State published the information on all contracts awarded for the year under assessment above the threshold online. The threshold amount is ₦100M.</p> <p>d) IVA confirmed the completeness of the list of contracts published online.</p> <p>e) The data published is in line with the Open Contracting Data Standards (OCDS)</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>f) The source of the publication is https://bpp.an.gov.ng/ocds/Home/table</p> <p>IVA interacted with the database administrator of the procurement bureau and visited the OCDS and E-procurement platforms online to ascertain whether all published contract information is in line with the OCDS format. IVA concluded that the published contract details are in line with the OCDS format</p> <p>g) The minimum contract award information that was published were:</p> <ol style="list-style-type: none"> I. Project name, II. Awarding institution, III. Award date, IV. Name of contractor, and V. The contract amount <p>h) There were no items from (g) above that were not published.</p> <p>i) The web link where data was published was https://bpp.an.gov.ng/ocds/Home/table.</p> <p>j) The contract award information published on the State's official website was accessible to the public.</p>		
2	Has the State implemented e-Procurement in at least 4 MDAs (including Education, Health, and Public Works) by June 30, 2022. The e-Procurement for the 2021 results DLI is the implementation of at least five modules: e-Registration, e-	<p>The State has implemented e-procurement in at least four (4) MDAs including Education, Health, Works, Power and Water Resources by 30th June, 2022. The weblink of the e-procurement portal is https://www.eprocure.bpp.an.gov.ng/</p> <p>a) A report on all transactions for the four MDAs during the period 1st January, 2022 to 30th June, 2022 was obtained directly from the e-procurement portal.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
<p>Publishing/Notification, e-Procurement Plan, e-Tendering and e-Evaluation/e-Awarding?</p>	<p>b) A separate report of procurements for all four MDAs for the period 1st January, 2022 to 30th June, 2022 was obtained from the Accountant-General.</p> <p>c) The go-live date for e-procurement at the 4 MDAs was 27/12/2021 and the evidence obtained to prove the go-live date for each of the five expected minimum functionalities are screenshots from when ministries were registered on the E-procurement platform and ready for use.</p> <p>d) For all four MDAs after go-live, a comparison with the system generated report was done and IVA confirmed that all transactions after go-live stated in the Accountant-General's report for the period 1st January, 2022 to 30th June, 2022 were conducted through the e-procurement system. The first transaction was on 7th April 2022. This was due to transition of government in the State on 17th March 2022.</p> <p>e) A sample of five (5) transactions at random for each of the 4 MDAs was selected and a walkthrough test of the procurement lifecycle was conducted. That is, 20 samples of contract information were chosen, and IVA conducted a test via the e-procurement portal by interfacing with it to confirm if any part of the contract transaction or whole transactions did not pass through the procurement life cycle. However, a review of the 5 sample contracts for the Ministry of Works shows differences from the schedule from Accountant General, especially documents titled Works 1 and Works 3. In response to the APA Issue raised to obtain clarifications, the State explained that " In the two instances above, both contracts are the same. The balances on the contract amount as shown</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>on the E-procurement portal are the outstanding payments due to the contractors."</p> <p>f) The selected transactions followed the procurement lifecycle.</p> <p>g) None of the parts of the transaction were conducted outside of the e-procurement system.</p> <p>h) The e-Registration, e-Publishing/Notification, e-Tendering and e-Evaluation/e-Awarding modules have been implemented and transactions processed through them for the period 1st January, 2022 to 30th June, 2022.</p> <p>i) The State had processed all of its procurement transactions at the 4 MDAs through the five minimum required modules after go-live for the period of 1st January, 2022 to 30th June, 2022.</p> <p>j) The evidence obtained are selected sample transactions and contract folders of the 20 selected contracts. It has been retained in the file</p>		
DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework				
DLR 7.1	State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt, and 3) fiscal and debt rules/limits.		Not Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Is there an Approved state-level public debt legislation through the passage of a State Fiscal Responsibility Law, OR the passage of the State Public Debt Management Law, OR the inclusion of the provisions of the Fiscal Responsibility Act (FRA) in the organic Public Financial Management Law?	<p>a) The State has provided copies of their approved state-level public debt legislations titled “State Public Finance Law 2020” and the “State Fiscal Responsibility Law 2010”</p> <p>b) The dates of approval/assent are as follows:</p> <p>i. Public Finance Law is 3rd March 2020 and</p> <p>ii. Fiscal Responsibility Law is 16th September 2010</p>	Satisfactory	
2	<p>Does the legislation include provisions that establish the following?</p> <p>1) Responsibilities for contracting state debt; 2) Responsibilities for recording/reporting state debt; and</p> <p>3) Fiscal and debt rules/limits for the state.</p>	<p>The legislations do not include all of the required provisions.</p> <p>a) The team’s review of the State Public Finance Law 2020 and Fiscal Responsibility Laws revealed that the State’s Debt Legislation met Criteria (ii) & (iii) but did not meet criteria (i). The sections of the code that met the Criteria (ii) and Criteria (iii) required provisions are section 44(5) of the FRL and section 14(1) of the FRL respectively</p> <p>b) The results of the expert review states that the State Debt Legislation did not satisfy criteria (i), hence DLI is not achieved. IVA has checked all references to sections of the law by the expert.</p> <p>c) Both conclusions (Team conclusions and expert conclusions) are aligned</p> <p>d) There were no differences in opinion and our conclusion</p> <p>Ensure the following are included:</p>	Unsatisfactory	The State should pass or amend its public debt legislation to reflect the provisions for establishing the responsibilities for contracting State’s Debt

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p><u>Criteria 1:</u> The State Debt legislation did not include provisions that establish the responsibilities for contracting state debt</p> <p><u>Criteria 2:</u> The State Debt legislation includes provisions which establish the responsibilities for recording/reporting state debt (section 44(5) of the FRL which states that “without prejudice to the specific responsibilities of the House of Assembly, the Ministry of Economic Planning shall maintain a comprehensive, reliable and current electronic database of internal and external public debts, guaranteeing public access to the information”) and</p> <p><u>Criteria 3:</u> The legislation includes provisions that establish Fiscal and debt rules/limits for the state. (Section 14(1) of the FRL states that “the estimates of aggregate expenditure and the aggregate amount appropriated by the House of Assembly for each financial year shall not be more than the estimated aggregate revenue plus a deficit, not exceeding three percent of the estimated gross domestic product or any sustainable percentage as may be determined by the House of Assembly for each financial year.”)</p>		
4	Has the State Debt Management Department (or Unit, Committee, Agency, Board, Bureau, Commission, Council) been operational during the APA year and performing the core function of recording and reporting state debt?	<p>The State Debt Management Department was operational during the 2021 APA year and performed the core function of recording and reporting state debt.</p> <p>a) The IVA interviewed the Head of Debt Management Department</p> <p>b) Head of Debt Management Department view: Mr. Onuzulike Theodore said since the establishment of the Department, the State debt reporting has improved and that his responsibility in the Department includes State Debt recording, reporting</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>and analysis. The Department has been actively and effectively functional. The Department has three (3) Staff (the Head Inclusive)</p> <p>c) IVA conducted a physical inspection of the Department and observed that the Department exists, and Pictures of official premises was obtained</p> <p>d) An interview with a random operational staff was conducted. Mr. Okoye Lotana, a staff of DMD stated that his role in the department is the preparation of the State Quarterly Debt Reports.</p> <p>e) The document reviewed is the SDDR, State External Debt Report, and the email between the State DMD & Federal DMO.</p>		
DLR 7.2	<p>Quarterly state debt reports accepted by the DMO on average two months or less after the end of the quarter in 2021</p> <p>AND</p> <p>Annual state debt sustainability analysis and Medium-term debt management strategy published by end of December 2021</p>		Achieved	
1	<p>Has the State produced quarterly State Domestic Debt Reports (SDDR), which are approved by the DMO on average two months after</p>	<p>a) The state submitted quarterly State Domestic Debt Reports (SDDR) (final versions) to the DMO on an average of 2 months after the end of each quarter.</p> <p>Note: that within 2 months means by the last day of the second month after the quarter end. Where there is a need to take an average (i.e. where one submission or</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	the end of the quarter in 2021?	<p>more is accepted later than the end of the second month after the quarter), the average number of days should be used – i.e 30.4 days per month, and 60.8 days make two months</p> <p>We obtained evidence that the State produced approved quarterly SDDR, which were submitted and received by the DMO as follows:</p> <ul style="list-style-type: none"> ● Q1 submitted on 17/05/2021 - 47 days, ● Q2 submitted on 11/08/2021 - 42 days, ● Q3 submitted on 19/11/2021 - 50 days and ● Q4 submitted on 30/03/2022 - 90 days $\frac{47+42+50+90}{4} = 229/4 = 57.25\text{days}$ <p>Average = 8.17 Weeks (57.25 days)</p> <p>Average = 2 Months</p> <p>The SDDR were submitted within an average of 2 months (The average number of days was 57.25 days).</p>		
2	<p>Note: Have you reviewed for accuracy and completeness from the DMO:</p> <p>The State Domestic and External Debt Report (SDEDR) along with all underlying data and supporting documents including the DMO templates</p>	<p>a) The Quarterly State Domestic Debt Reports (SDDR) from the Federal DMO, CBN, and FMOF, along with all underlying data and supporting documents were obtained.</p> <p>b) We will review the DMO’s Report on State Domestic and External Debt Report (SDEDR) with the Anambra State Debt Domestic Report along with all underlying</p>	N/A	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
<p>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>data. 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> <p>c) The Quarterly State Domestic Debt Reports (SDDR) submitted by the State have been compared with the State Audited Financial Statement.</p> <p>d) The debt stock figures reported in the SDDR have been compared with that of the State's Audited Financial Statement.</p> <p>e) The following discrepancies were noted during the comparison of the debt reports:</p> <ul style="list-style-type: none"> i. SDDR Figure: N58,533,039,048.72 ii. AFS Figure: N62,631,233,020.70 iii. Difference: N4,098,193,971.98 <p>f) The identified discrepancies were communicated to the State Focal Person through an APA Issue raised. The State responded as follows:</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>“1. Commercial Bank Loans: The State DMD is yet to reconcile the issues surrounding commercial bank loans.</p> <p>2. Commercial Agric Credit Scheme (CACs): Printer’s error on the part of the AFS.</p> <p>3. Bridging Facility: The State DMD was yet to receive the loan repayment/amortization schedule from the CBN during the time of reporting. The loan repayment/amortization schedule contains relevant information such as the loan amount, duration of the loan, and monthly repayment amount which are essential to recording/reporting loan debt categories.</p> <p>4. Contractor’s Arrears: Printer’s error on the part of the AFS.</p> <p>5. Gratuity Arrears: Printer’s error on the part of the AFS.”</p> <p>g) The State Domestic and External Debt Report (SDEDR) from the Federal DMO has been obtained and compared with the Quarterly State Domestic Debt Reports (SDDR) submitted by the State.</p>		
3	Has the State published online the State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) by 31 December 2021?	<p>a) The State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) was published on the State official website.</p> <p>b) The date of publication was 31/12/2021.</p> <p>c) The State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) was published by 31 December 2021. The Screenshot from the Website timestamp and the IT Backend State have been retained in the assessment file as evidence obtained to confirm the date of online publication</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		d) The web link is https://www.anambrastate.gov.ng/storage/Anambra-State-DSA-DMS-Report-as-at-31-12-2021-FINAL.pdf .		
4	Does the SDSA - DMSR include the following: 1) medium-term budget forecasts; 2) detailed and adequate description of the debt portfolio and borrowing options; including a summary analysis of the projections of performance indicators used to assess Debt Management Strategy, and their implications for cost-risk profile of State debt portfolio in 2025; and 3) adequate analysis of the debt and fiscal figures in the preceding calendar year?	<p>Upon review of the SDSA -DMSR, it included the following:</p> <p>(1) Adequate presentation of medium-term budget forecasts, including:</p> <p>(a) Presentation of MTB forecasts in either a table OR chart(s) (OR both table and chart(s)) with projected annual figures from 2021 to 2024.</p> <p>(b) Description of assumptions underpinning the MTB forecasts from 2021 to 2024: either a table with assumptions OR corresponding explanations in writing (OR both)</p> <p>(c) A summary analysis of MTB forecasts and their implications for fiscal and debt policies throughout the period 2021-2024</p> <p>(d) The presentation and analysis in the entire forecast period need to be of adequate quality, and do not contain illogical statements (e.g. negative figures for debt stock; contradictory or illogical statements or arguments, etc.)</p> <p>(2) A detailed and adequate description of the debt portfolio and borrowing options, including:</p> <p>(a) Presentation of debt and borrowing projections in the baseline scenario either using a table OR charts (OR both) with projected figures from 2021 to 2030.</p> <p>(b) Description of assumptions underpinning the borrowing options presented: either a table with</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>assumptions OR corresponding explanations in writing (OR both)</p> <ul style="list-style-type: none"> (c) A summary analysis of the debt projections and their implications for debt sustainability and fiscal policies throughout the period 2021-2030 (d) A summary analysis of the projections of performance indicators used to assess DMS throughout the period 2021-2025, and their implications for the cost-risk profile of the State debt portfolio in 2025. (e) The presentation and analysis in the entire forecast period need to be of adequate quality, and do not contain illogical statements (e.g. negative figures for debt and borrowing projections; contradictory or illogical statements or arguments, etc.) <p>(3) Adequate presentation and analysis of the debt and fiscal figures position in the preceding calendar year, which contains the following:</p> <ul style="list-style-type: none"> (a) Presentation of revenue, expenditure, budget balance, and debt information, at least for 2020: either a table OR charts (OR both table and chart(s)) with historical figures for at least 2020 (b) A summary analysis of the information presented on revenue, expenditure, budget balance, and debt in 2020: analysis (in writing) of fiscal and debt situation in 2020. (c) The presentation and analysis in the entire historical period need to be of adequate quality, and do not contain illogical statements (e.g. negative figures for debt and borrowing projections; contradictory or illogical statements or arguments, etc.) 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b) A review and comparison between the information (figures) contained in the assessment report of the SDSA-DMSR obtained from the DMO and the SDSA-DMSR obtained from the State Website was done.</p> <p>c) There were not any differences identified</p>		
<i>DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears</i>				
DLR 8.0	<p>Domestic arrears as of end 2020 and end 2021 reported in an online publicly accessible database, with verification process in place.</p> <p>AND</p> <p>Percentage decline in the verified stock of domestic arrears at end 2021 compared to end 2020 meets target and is consistent with the state's arrears clearance framework.</p> <p>Basic Target: At least a 5 percent decline or maintain stock below 5 billion naira</p> <p>Stretch Target: More than 20 percent decline</p>		Not Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Has the State established an Arrears Clearance Framework (ACF)?	The State has not established an Arrears Clearance Framework (ACF).	Unsatisfactory	The State should establish an Arrears Clearance Framework (ACF)
2	Does the ACF contain: 1) the planned actions to settle arrears; and 2) an explicit prioritization of expenditure arrears to be settled.	The State has not established an Arrears Clearance Framework (ACF).	Unsatisfactory	The ACF should contain: 1) Planned actions to settle arrears 2) An explicit prioritization of expenditure arrears to be settled
3	Has the ACF been published on a State official website?	a) The State has not established nor published its Arrears Clearance Framework (ACF) online.	Unsatisfactory	The State should ensure the ACF is published on her Official website
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	The State has not established an Arrears Clearance Framework (ACF).	Unsatisfactory	The State should ensure that the clearance of domestic expenditure arrears is consistent with the ACF
5.	Has the State established an Internal Domestic Arrears Database?	a) The State has established an internal Domestic Arrears Database. b) The State Internal Domestic Arrears Database includes the following:	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>a. The aggregate and individual amounts of contractors' arrears. The contractors' arrears database, at a minimum, includes the name of the contractor, the amount due at the end-of-year, the nature of the goods and services procured that generated the claim. The Contractors' arrears database does not include the billing data. The database shows the total domestic arrears stock at the end of each year.</p> <p>b. The aggregate amount of pension and gratuity arrears.</p> <p>c. The aggregate amount of other types of domestic arrears.</p> <p>The State Internal Domestic Arrears Database does not include the aggregate amount of Salary and other staff claims. In response to the IVA 's request for information about its Salary arrears, the State explained that they do not have Salary arrears. Also, the IVA confirmed from the State's 2021 AFS that there were no Salary arrears reported in 2021.</p> <p>c) There was no evidence provided to the IVA to confirm that a verification process is in place for the arrears.</p> <p>d) There was no evidence provided to confirm that the State has conducted verification of its arrear's balances.</p> <p>e) The IVA conducted tests to ascertain the accuracy of the figure in the internal domestic arrears database of Contractor Arrears provided by the State by cross-checking the balances therein with the balances in the State's 2021 AFS.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The balances are:</p> <ul style="list-style-type: none"> i. Contractor Arrears: ₦23,026,154,371.21 (in the internal domestic arrears database and 2021 AFS) ii. Judgement Debts: ₦984,603,688.44 (in both the Internal Domestic Arrears Database and the State's 2021 AFS) iii. Pension and Gratuity arrears: The sum of ₦6,333,911,843.94 was reported in the Internal Domestic Arrears Database while the sum of ₦6,333,981,843.94 was recognized in the State's 2021 AFS, leaving a difference of ₦70,000. g) The State has not submitted to the IVA its 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 2020 and FY 2021 reported on a State official website, which constitutes the online publicly accessible arrears database?	<ul style="list-style-type: none"> a) The State has published online some elements of its Internal Domestic Arrears Database as at the end of 2021. The IVA observed that the database only includes the Contractor arrears of the State for FY 2021. b) The State has published online some elements of its Internal Domestic Arrears Database as at the end of 2020 and 2021. The IVA compared the aggregate and individual information of Contractor arrears 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. 	Unsatisfactory	The State should ensure they publish online all elements of the Internal domestic arrears database.

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>c) The website supporting the online publicly-accessible arrears database contains an electronic link that permits any potential contractor creditor whose individual claim is not listed in the database to communicate this exclusion to the State Ministry of Finance, by filling a confidential form online and attaching supportive evidence of her claim. If the State Ministry of Finance confirms the validity of this claim, it shall be added to the Internal Domestic Arrears Database and included as relevant in the online publicly accessible arrears database.</p> <p>d) The IVA confirmed that the online web pages include a facility for contractors with arrears (creditors) to report any omissions to the State.</p> <p>e) The IVA tested the facility by filling an online request form and received an auto message of successful delivery of the request.</p> <p>f) No records were maintained by the State on the omissions reported by contractors in the year. In response to our request for the records, the State replied that they do not have any records of omissions reported by contractors. The IVA also reviewed the State’s online list of comments received from citizens of the State and observed that there were no comments received from contractors of the State.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>g) There were no reported omissions by contractors of the State in the year.</p> <p>The source of information is https://www.anambrastate.gov.ng/documents-list/ and https://docs.google.com/spreadsheets/d/1NjpvVoxk1dpFEZlh2q1TKPyTkGVF45Jf/edit#gid=1626647956</p>		
7.	<p>Does the online publication include?</p> <p>1) the aggregate amount of contractors' arrears;</p> <p>2) the aggregate amount of pension and gratuity arrears;</p> <p>3) the aggregate amount of salary arrears and other staff claims;</p> <p>4) other types of domestic arrears and</p> <p>5) a list of names of contractors with recognized arrears exceeding ₦20 million and information for contractors to be able to verify that their claims are being accurately reported in the database.</p>	<p>The online publication includes the aggregate amount of Contractor arrears alone. The database does not include the aggregate amount of pension and gratuity arrears and the aggregate amount of salary arrears and other staff claims.</p> <p>The online publication contains the names of contractors owed ₦20m in arrears and above.</p>	Unsatisfactory	The State should ensure they publish online all elements of its arrears database.
8.	Has the State met the following?		Unsatisfactory	The State should ensure a reduction

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations
<p>(i) Percentage decline in the verified stock of domestic arrears at end 2021 compared to end 2020 meets target and is consistent with the state's arrears clearance framework.</p> <p>Basic target: At least a 5 percent decline or maintain stock below 5 billion naira</p> <p>Stretch target: More than 20 percent 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 the year, compared to the previous year, expressed in percentage terms.</i></p>	Aggregate Amount of:	2021 (₦)	2020 (₦)	Diff. (%)		of domestic arrears debt stock to below ₦5 billion	
	Contractors Arrears	23,026,154,371.00	24,653,833,937.58	6.60			
	Pension and Gratuity arrears	6,333,981,843.94	4,419,299,391.09	-43.3			
	Salary arrears and Staff claims						
	Judgment Debt	984,603,688.44	984,603,688.44	0			
	Other types of domestic expenditure arrears						
	Total Domestic Arrears	30,344,739,903.38	30,057,737,017.11	-0.95			
		<p>a. We obtained the Domestic arrears figure from the State Internal Domestic Arrears (SIDA) database and confirmed it was the same as the balances stated within the AFS for 2021. However, we observed a difference of ₦70,000 between the Pension and Gratuity arrears in the Q4 SDDR of ₦6,333,981,843.94 and the State 2021 Internal Domestic Arrears (SIDA) of ₦6,333,911,843.94. The difference of ₦70,000 is not material so no further action was taken.</p> $\frac{\text{₦}30,057,737,017.11 - \text{₦}30,344,739,903.38}{\text{₦}30,057,737,017.11} \times 100 = 0.95\%$					

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations									
		The percentage increase is 0.95% Source: State internal domestic expenditure arrears database											
DLI 9: Improved Debt Sustainability													
DLR 9.0	<p>Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021</p> <p>AND</p> <p>Total debt stock at end of December 2021 as a share of total revenue for FY 2021 meets target:</p> <p>-Basic target: < 120%</p> <p>-Stretch target: < 95%</p>		Achieved (Basic target Met)										
1	<p>Has the State met:</p> <p>(i) the ratio of total debt stock at end-of-year (31st December 2021) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1st January to 31st December 2021)?</p> <p>-Basic target: < [120%]</p> <p>-Stretch target: < [95%]</p>	<p>The following tables show the calculations and adjustments made to arrive at the appropriate figures for this comparison.</p> <p><u>Total Public Debt*</u></p> <table border="1"> <thead> <tr> <th></th> <th>Financial Statements (₦)</th> <th>DMO/ SDEDR Figures (₦)</th> </tr> </thead> <tbody> <tr> <td>Total Domestic Debts</td> <td>62,631,233,020.70</td> <td>67,514,591,283.99</td> </tr> <tr> <td>Total External Debts</td> <td>42,522,080,252.87</td> <td>45,540,341,423.97</td> </tr> </tbody> </table>		Financial Statements (₦)	DMO/ SDEDR Figures (₦)	Total Domestic Debts	62,631,233,020.70	67,514,591,283.99	Total External Debts	42,522,080,252.87	45,540,341,423.97	Satisfactory (Basic Target Met)	
	Financial Statements (₦)	DMO/ SDEDR Figures (₦)											
Total Domestic Debts	62,631,233,020.70	67,514,591,283.99											
Total External Debts	42,522,080,252.87	45,540,341,423.97											

Disbursement Linked Indicators (DLIs) and Tests	Findings			Conclusion	Recommendations
(ii) Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021.	Total Public Debts	105,153,313,273.57	113,054,932,707.96		
	<u>Total Annual Revenue</u>				
2021 Adjusted IGR (see DLI 4.2)		24,540,175,711			
Gross FAAC Allocation**		65,740,636,977			
Grants		4,125,358,119			
Other Revenues		911,310,083			
Total Revenue		95,317,480,890			
a. The State’s domestic debt stock figure in the Federal DMO State Domestic and External Debt Report for 2021 is at the end of Q4 2021.					
We have computed the total debts stock / Revenue percentage for the 2021 year, as follows:					
Audited Financial Statements Computation					
$\frac{\text{₦}105,153,313,273.57 \times 100}{\text{₦}95,317,480,890} = 110.32\%$					
DMO Computation					
$\frac{\text{₦}113,054,932,707.96 \times 100}{\text{₦}95,317,480,890} = 118.60\%$					

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>We have computed the total debt service deduction / Gross FAAC Allocation percentage for the 2021 year, as follows:</p> $\frac{\text{₦}4,089,013,452}{\text{₦}65,740,636,978} \times 100 = 6.22\%$ <p>b. The debt stock stated in the Federal DMO State Domestic, and External Debt Report has been compared with the debt stock stated in the audited financial statement.</p> <p>Sources:</p> <ul style="list-style-type: none"> i. For Total Revenue 2021 Audited Financial Statement, Page 24 ii. For Total Public Debt from DMO* as at December 31, 2021 iii. NBS/OAGF (FAAC) <p>*Table 3(i) below holds a breakdown of the Total Debt. ** Refer to the FAAC table on DLI9 provided.</p>		

TABLE 3(i): DLI 9 31 DECEMBER 2021 STATE DEBT STOCK TABLES FOR ANAMBRA STATE

S/N	ANAMBRA STATE	2021 - AMOUNT (₦)
1	BUDGET SUPPORT LOAN (SOURCE FMOF)	21,943,540,631.39
2	BAIL OUT (SALARIES) (SOURCE CBN)	-
3	RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	-
4	EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,725,155,940.99
5	STATE BONDS	
6	COMMERCIAL BANK LOANS	-
7	CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	1,668,494,315.19
8	ACCELERATED AGRIC DEVELOPMENT SCHEME LOAN	375,000,000.00
9	BAIL-OUT (INFRASTRUCTURE)	
10	CBN DIFFERENTIATED CASH RESERVE REQ LOAN	
11	HEALTHCARE DEDUCTIONS	
12	BRIDGE FINANCE FACILITY	3,053,241,757.40
13	FAMILY HOMES FUND	
14	ANCHOR BORROWERS PROGRAMME	
15	OTHER FGN INTERVENTIONS	
16	MICRO SMALL MEDIUM ENTERPRISE DEVELOPMENT FUND (MSMEDF)	-
17	JUDGEMENT DEBTS	984,603,688.44
18	GOVT - GOVT DEBTS	404,488,735.43
19	CONTRACTORS' ARREARS	23,026,154,371.21

S/N	ANAMBRA STATE	2021 - AMOUNT (₦)
20	PENSION AND GRATUITY ARREARS	6,333,911,843.94
21	SALARY ARREARS AND OTHER CLAIMS	-
22	OTHER DEBTS	-
	TOTAL DOMESTIC DEBT (TDD)	67,514,591,283.99
	TOTAL EXTERNAL DEBT (TED)	45,540,341,423.97
	TOTAL PUBLIC DEBT (TED+TDD)	113,054,932,707.96

TABLE 3(ii): DLI 9 31 DECEMBER 2021 - ADJUSTED REVENUE TABLES FOR ANAMBRA STATE

TEMPLATE: OPTION A	₦
Item	2021
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	65,740,636,977
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	42,024,175,733
1.1.1 Gross statutory allocation	35,101,587,943
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	6,922,587,790
1.2 VAT	23,716,461,244
2. Internally Generated Revenues (IGR) – Adjusted	24,540,175,711
3. Grants (internal and external)	4,125,358,119
4A. Other revenues (4.1 + 4.2 + 4.3)	911,310,083
4.1 Investment Income (e.g. dividends)	783,346,135
4.2 Interest Earned	872,897
4.3 Miscellaneous	127,091,051
Total Revenues and Grants Calculations	
A) Total Revenues and Grants is (1+2+3+4A)	95,317,480,890

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		
2		
3		
4		