



2021 Annual Report

The Journey to Accountability

PLSI
PARADIGM LEADERSHIP SUPPORT INITIATIVE

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The Journey to Accountability

In general, it is assumed that the existence of transparency would result in better governance, more accountability, and less corruption. In fact, the demand for accountability is often responded by increasing the level of transparency under the assumption that better and more information would allow citizens, governments, or markets to hold institutions accountable for their policies and performance.

However, even if in theory the link between transparency and accountability could seem obvious, in practice it is not always straightforward. The quality of the relationship between transparency and accountability depends on their purpose, definition, and implementation. There are no single conceptions of transparency and accountability. How those concepts are defined depends on why and who are demanding them, which in turn will determine how they are expected to be implemented and how they affect each other.

High levels of corruption and poor quality of public services in developing countries like Nigeria has over the years enhanced the demand for accountability from the civil society in its downward form. In recent years, bottom-up accountability mechanisms, also known as social accountability, have been highly valued as an alternative to the limited success of top-down accountability to curb corruption, especially in countries with a systematic problem of corruption and weak institutional systems (UNCAC 2004).

Moreover, the implementation of social accountability encounters several challenges, raising questions about how effective the involvement of citizens in monitoring public management actually is. Empirical studies conclude that social accountability processes and outcomes are heavily context dependent. Nevertheless, studies point to shared challenges, such as the means and quality of information provided by the government to the citizens, the capacity and education of those citizens to properly assess governmental performance, low levels of civic engagement or the co-optation of social representatives.

Considering these differences on how transparency and accountability can be formulated, does more transparency improve accountability? The answer to this question is threefold: yes when transparency is a pre-condition of

accountability; no when transparency has high costs; and it depends on the type of transparency and the type of accountability. It is not sufficient to make information accessible; the information needs to be relevant, released on time and communicated in a way that it can be understood by the receivers.

The link between transparency and accountability is a two-way relationship. On one hand, the model of accountability defines the type of transparency necessary. On the other hand, the quality of the information released determines what kind of accountability is possible. These interdependent relationships require thinking of transparency and accountability not only as meaningfully related concepts but in terms of what type of transparency and accountability can best serve to each other. Is it possible to have transparency without any form of accountability? If yes, of what essence is then that transparency?

Although, it is assumed that without citizens playing vital roles in bridging the gap between transparency and accountability, whatever information is made available by state institutions become irrelevant and inconsequential. In all honesty, one cannot say that transparency has not played any significant role in the level of accountability achieved so far in Nigeria no matter how insignificant. Civil Society Organizations have leveraged information provided by public institutions to demand sanctions by anti-corruption and oversight bodies and in some cases, information used by citizens and Civil Society Organizations are taken down to limit their capacities to demand sanctions.

In order words, Nigeria cannot be said to have achieved satisfactory transparency in policy formulation and implementation to facilitate increased citizens engagement and improved accountability. On the other hand, one can allude that the level of docility of citizens is tied to the level of transparency and simplicity of information made available to aid citizens understanding of public administration. It is therefore imperative that the Nigerian government continue to religiously implement the Freedom of Information Act 2011 at all levels of governance, public institutions making information available proactively and in simplified form to allow citizens understand and engage. Citizens must also be willing and ready to utilize information provided by government agencies to demand sanctions while oversight and anti-corruption bodies much be alive to their responsibilities of ensuring that people are held accountable for their actions and inactions.

2021 IN SUMMARY



2021 Annual Retreat

2021 began with renewed vigor to pursuing our organizational objectives. PLSI had its annual retreat to start the New Year with various trainings, engagements, and social activities. The retreat started with Mr. Ismael Adeleye, a retired Director at the Office of the Auditor General for the Federation who facilitated a virtual session on performance audit, compliance audit, and using of audit data to demand accountability from government.

A second workshop session was facilitated by Gabriel Okeowo, the Principal Lead at BudgIT Nigeria. Gabriel spoke to the team about running an organization effectively and efficiently.

Lastly, we had Joseph Amenaghawon from Open Society Initiative for West Africa (OSIWA) whose session focused on achieving the organizational objectives and the importance of activating PLSI's core values as part of strategies to realizing those objectives.



Key Media Engagements

PLSI hosted 13 episodes of its Value for Money radio show on Nigeria Info 95.1 FM through which PLSI facilitated citizens engagement with policy makers and elected representatives using audit information. PLSI utilized the platform to disseminate key accountability issues highlighted from the 2017 Audit Report of the Federal Government of Nigeria as well as 2013 – 2018 Audit Report on Niger Delta Development Commission (NDDC) to empower citizens with information needed to counter corruption and push for accountability.

Our Executive Director, Olusegun Elemo featured frequently on the monthly series of #AwakenTheCitizens radio show on Splash 105.5FM through which trending civic issues are discussed and policy solutions provided.

PLSI also featured regularly on TV Continental (TVC) to speak on various public finance and policy issues. Other media platforms through which PLSI highlighted its work in 2021 include Leadership Newspaper, The Nation Newspaper, Nigerian Tribune, Daily Trust, The Guardian, Arise TV, Authority Newspaper, Impact Business Radio etc



PLSI Project Officer, Abdulahi Adebayo; Procurement Officer Ifeoma Onuoha; Communication Intern Bolanle Agunloye and Kimberly (Nigeria Info Presenter) at the Nigeria Info FM, Abuja on the weekly Value for Money radio program.



Press Briefing by Civil Society Coalition on Audit in Nigeria (CSCAN) on findings from the 2008-2018 Audit Report on NDDC. R-L; Tolutope Agunloye (Budgit); Olusegun Elemo (PLSI); Mosunmola Akinsanya (PLSI) and Friday Odey (Accountability Lab).

PLSI



Rising National and Sub-national Debt

JOIN
Olusegun Elemo

on Splash
105.5 FM

Follow the discussion on:
@PLSInitiative



3:00 PM
TUESDAY,
JULY 13,
2021

Public Dialogue on Revenue Mobilization Efficiency in Nigeria

Our organization held public dialogue on taxes not remitted to the federation account by several agencies of government. PLSI highlighted issues of inefficiency in tax collection/remittance in Nigeria and identified cost of taxes not remitted to citizens and government. Public dialogue held in Abuja, Lagos and Kano States had in attendance officials from the Federal Inland Revenue Service (FIRS), Budget Office of the Federation, Independent Corrupt Practices and Other Related Offences Commission (ICPC), community leaders and citizens.

PLSI's analysis of taxes not remitted to government by 37 federal ministries, departments and agencies amounted to N4.1 billion. Our goal was to deepen compliance of government agencies with relevant financial regulations and sensitize government and citizens on the cost of weak fiscal regulation and poor implementation monitoring to substantially mobilize revenue through efficient and effective collection of Value Added Tax (VAT), Withholding Tax (WHT) and Pay As You Earn (PAYE) to improve quality of life for citizens and reduce inequality.



Representatives of MDAs Community Leaders and Citizens at the Abuja Public Dialogue.



Public Dialogue held in Lagos



Public Dialogue held in Kano



Policy Dialogue on Extractive Revenue Transparency and Accountability

As part of effort to increase public and stakeholders' demand for accountability in the management of Nigeria National Petroleum Corporation (NNPC) and subsidiaries' operations and revenue, PLSI held a High-Level Policy Dialogue on improving corporate Governance, Operational Efficiency and Revenue Management Practices at NNPC and its Subsidiaries. The policy dialogue focused on NNPC's 2019 Audited Financial Statement published in 2020 which revealed several underlining issues including operational transparency, accountability in management of revenue, solvency capability and ability to remain a going concern.

The Policy Dialogue held at Transcorp Hilton Hotel, Abuja on 23rd March 2021 brought together important stakeholders including industry operators, regulatory agencies, anti-corruption bodies, oversight institutions, civil society and media executives who are responsible for improving transparency and accountability in the management of extractive resources in Nigeria.

The primary objective of the Dialogue was to discuss corporate governance, operational and revenue management challenges affecting the Nigerian National Petroleum Corporation (NNPC) and subsidiaries using data from 2018 and 2019 NNPC group audited financial statements with a view to facilitating implementation of key policy recommendations.

Key outputs from the Dialogue included pledge by the Executive Secretary at Nigeria Extractive Industries Transparency Initiative (NEITI), Dr. Orji Ogonnaya to work with all stakeholders to ensure the passage of the Petroleum Industry Bill, Assurance by the Chairman Fiscal Responsibility Commission (FRC), Barr. Victor Muruako to work with PLSI, other stakeholders and media to improve revenue management issues of the extractive industries and finally the confirmation by The Chairman, Public Accounts Committee (House of Representatives), Honorable Oluwole Oke that the Committee will continue to ensure strict adherence to relevant laws by all agencies of government including the Nigerian National Petroleum Corporation (NNPC).



Cross section of participants at the high level policy dialogue.



NEITI's Executive Secretary Orji Ogbonnaya delivering his speech at the high level policy dialogue

Audit Reports Review and Analysis

PLSI team in partnership with the Civil Society Coalition on Audit in Nigeria (CSCAN) reviewed and analyzed 2008 – 2012 and 2013 – 2018 Audit Reports on Niger Delta Development Commission (NDDC) in February 2021 and highlighted 176 projects for which N91 billion was not accounted for.

PLSI and CSCAN between March and August 2021 monitored 115 out of 176 projects identified. The 115 public interest projects monitored were either abandoned, not executed, or poorly implemented in various Niger Delta communities.

Fiscal information of the 115 projects revealed that contracts awarded amounted to N98.5 billion, payments to contractors totaled N61.8 billion while the sum of N15.3 billion was not accounted for.

The PLSI team also engaged in a social media campaign to advocate public access to the 2019 Audit Report of the Federation of Nigeria. The report was published by the Office of the Auditor-General for the Federation after 85 days of campaign.

SOURCE | AuGF Report on NDDC 2008-2012

CONTRACT TYPE	CONTRACT VALUE
CONSTRUCTION OF EFFIOM BASSEY LAYOUT IN CALABAR, CROSS RIVERS STATE	₦249 993 432
AWARD DATE	AMOUNT PAID
10TH FEBRUARY, 2011	₦224 161 699
AWARD DETAILS	UNACCOUNTED SUM
NDDC/IPS/CRS/1007	₦114 957 866
LOCATION	
CROSS RIVERS STATE	
CONTRACTOR	
MELISSA PARTNOCI GLOBAL PROSPECTS LTD	
PROJECT STATUS	
PARTIALLY EXECUTED	

Audit Findings

Examination of the contract file and other documents revealed that the contract was completed in 2012 and commissioned in February, 2013. In checking through the payment records it was observed that the contractor had been paid a total sum of N224,161,699.26 retention inclusive as at May, 2013. The balance of N25,831,733.25 comprises of an unpaid items of N24,095,050.75 and contingency of N1,736,682.50. Further examination of the contract award BEME revealed that the scope of work comprised of 2km/2000m length of road network with the width of 8m and carriage width of 6m. The drains was one sided (2km).

During the physical inspection carried out at the project site together with the NDDC Cross Rivers State office Engineers the following observations were made:

(a) The team was told that the contractor executed the road contract project in two different locations of Effiom Bassey road and Nkese Effiom road.

(b) Inspection revealed that the area/site cleared, earthworks and drains done based on 760m road length executed was 6080m² and 1824m³ for items 202 - 203 as against 16000m² and 4800m³ provided for them in the BEME.

(c) Inspection revealed that the total reinforced concrete drains executed by this contractor was 760m as against 2000m provided for.

(d) Inspection revealed that only 760m length of road was executed with pavement and surfacing as against 2000m provided for in the award BEME.

(e) The team investigation and personal interview revealed that the walk way on the road was done by the State government.

Audit Issue

Payment for contract partially executed

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Community Engagement Meetings

We held engagement meetings in thirteen Niger Delta communities to empower citizens with audit information about public interest projects awarded by Niger Delta Development Commission (NDDC) between 2008 – 2018. The community engagements were held in the following communities: Ofunama community in Edo State, Ajatah community in Abia State, Uquo community and Ikot Akan community in Akwa Ibom State, Opokuma, Oloibiri, Nedugu, Odi, Trofani, Adagbabiri, Otuasega, Elebele and Amassoma communities in Bayelsa State. The meetings had in attendance community leaders, youths, women, girls, Persons Living with Disabilities (PLWD) and other excluded groups.

The engagement meetings served as opportunities to strengthen capacity of citizens to utilize audit information to counter corruption and push for accountability to improve delivery of social services. Citizens who are beneficiaries of the various projects awarded by NDDC were trained on how to petitions to anti-corruption agencies and were provided with logistics support to get their petitions submitted and investigated.



PLSI Project Officer, Abdulahi Adebayo with leaders, youth and women representatives of ofunama community, Edo State at the community engagement meeting.



Executive Director, Olusegun Elemo; Project Officer, Abdulahi Adebayo with leaders, youth and women representatives of Ikot Akan community, Akwa Ibom State at the community engagement meeting.



Traditional Leaders, Youths and other stakeholders of Elebele community, Bayelsa State after the community engagement meeting on NDDC projects in their community.

Institutional Engagement and Support

Review of Audit Reports by the Public Accounts Committees

PLSI monitored review hearing of Audit Reports by Public Accounts Committees of the National Assembly (House of Representative and Senate) where government agencies were invited to respond to audit queries and issues raised in reports of the Auditor-General for the Federation.

In the second quarter of 2021, officials of Ministries, Departments and Agencies such as University of Port Harcourt, Lake Chad Research Institute, Voice of Nigeria, Federal Polytechnic Nekede Imo State, Federal Ministry of Defense etc were invited to respond to queries of the Auditor-General in 2015 – 2017 Audit Reports of the Federation.



Picture session of Members of National Assembly and Representatives of MDAs at the PAC Hearing

PLSI Presents Memo at Public Hearing

Our team attended and presented a memorandum on our position on the Fiscal Responsibility Act (Repeal and Reenactment) Bill, 2020 at the Public Hearing organized by the Senate Committee on Finance on Tuesday 6th July 2021.

Our memorandum emphasized some fundamental issues in the proposed Bill such as funding for the Fiscal Responsibility Commission, operating surplus and general reserve fund, domestication of the Fiscal Responsibility Act at subnational level as well as offenses and penalties for violating fiscal regulations. PLSI provided useful recommendations for the Senate to consider before passing the proposed Bill.



PLSI Executive Director and other stakeholders at the public hearing on FRA (Repeal and Reenactment) Bill 2020.

Courtesy Visit to the Chairman, ICPC

PLSI on Wednesday 26th May 2022 visited the Chairman, Independent Corrupt Practices and Other Related Offences Commission (ICPC) to discuss possible areas our organization can further support the Commission to facilitate effective delivery of the Commission's legal mandate.

Our organization also leverage the visit to request speedy investigation and conclusion of petitions submitted to the Commission on highlighted audit issues.



Support to Fiscal Responsibility Commission

To strengthen the capacity of federal agencies especially the 122 schedule corporations to enable them remit to the Consolidated Revenue Fund what is due to government from the revenue they generated thereby supporting the federal government to achieve its revenue target to effectively implement programs and projects as captured in the budget, PLSI supported the Fiscal Responsibility Commission (FRC) to train Chief Executives and Accounting Officers on the application of the template for calculating operating surplus under the Fiscal responsibility Act, 2007.



OGP/SAE Index Advocacy Visit to Oyo State Government

The PLSI team alongside the team from Centre for Leadership, Strategy and Development visited the Oyo State Commissioner for Budget and Economic Planning, Barr. Niyi Farinto on Thursday 20th May 2021 to advance our advocacy for Oyo State to sign up to the Open Government Partnership (OGP) and to present PLSI's Subnational Audit Efficacy Index 2020 report in which Oyo State scored 40% and was ranked 25th out of 36 states in Nigeria.



Policy Briefs

Our team developed and published policy briefs in 2021 as part of effort to influence public policies bothering on public finance management practices, delivery of social services and management of natural resources. In the second quarter of 2021, four policy briefs were published to highlight policy actions needed to counter public sector corruption and improve delivery of services to underserved communities.

Policy Brief
VOL 1 Issue 1 March, 2021

Contract of the Construction of Faculty of Sciences Phase 1 (lot 1) in University of Abia executed with Irregularities.

By: Abdulahi Adebayo (Project Officer, PLSI)

Background

Corruption has remained a persistent phenomenon in Nigeria. It has become the norm for public officials to divert public funds meant for the implementation of developmental projects that would be of benefit to citizens for personal use. According to Transparency International's corruption index in 2020, Nigeria was ranked 149th out of the 180 listed countries with a score of 25% against corruption.

Corruption runs through every level of Nigerian government, from massive contract fraud across different MDAs, through petty bribery, money laundering schemes, embezzlement, ghost workers, abuse of power and office etc. It is estimated that corruption within the state apparatus might cost the country about 30% of its annual gross domestic profit (GDP).

Although, education is fundamental to achieving national development, the prevalence of corruption generally in Nigeria and particularly the education sector would not encourage realistic national development to take effect. This is simply because endemic corruption in the Nigeria education industry has created a vicious circle of deficit culture so intensive that virtually all good plans and budgetary provisions for improved facilities in the education industry ended up being



embezzled without corresponding budgeted infrastructure (Nw 2017).

This contract ambiguities or funds meant for educational that infrastructure and facilities teaching and learning would heightened lack of access to especially in tertiary institutions

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Policy Brief
VOL 1 Issue 2 March, 2021

Corruption and Funding as Impediments to the Completion of Niger Delta Regional Hospital (Cardiovascular) in Port Harcourt, Rivers State.

By: Sowande Bukola Paul (Research Officer, PLSI)



THE NATIONAL HEALTH ACT 2014 "provides a framework for standards and regulation for health services (the National Health System) which shall (a) encompass public and private providers of health services; (b) promote a spirit of cooperation and shared responsibility among all providers of health services in the Federation and any part thereof; (c) provide for persons living in Nigeria the best possible health services within the limits of available resources; (d) set out the rights and obligations of healthcare providers, health workers, health establishments and users; and (e) protect, promote and fulfill the rights of the people of Nigeria to have access to healthcare services".

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Subnational Audit Efficacy Index 2020

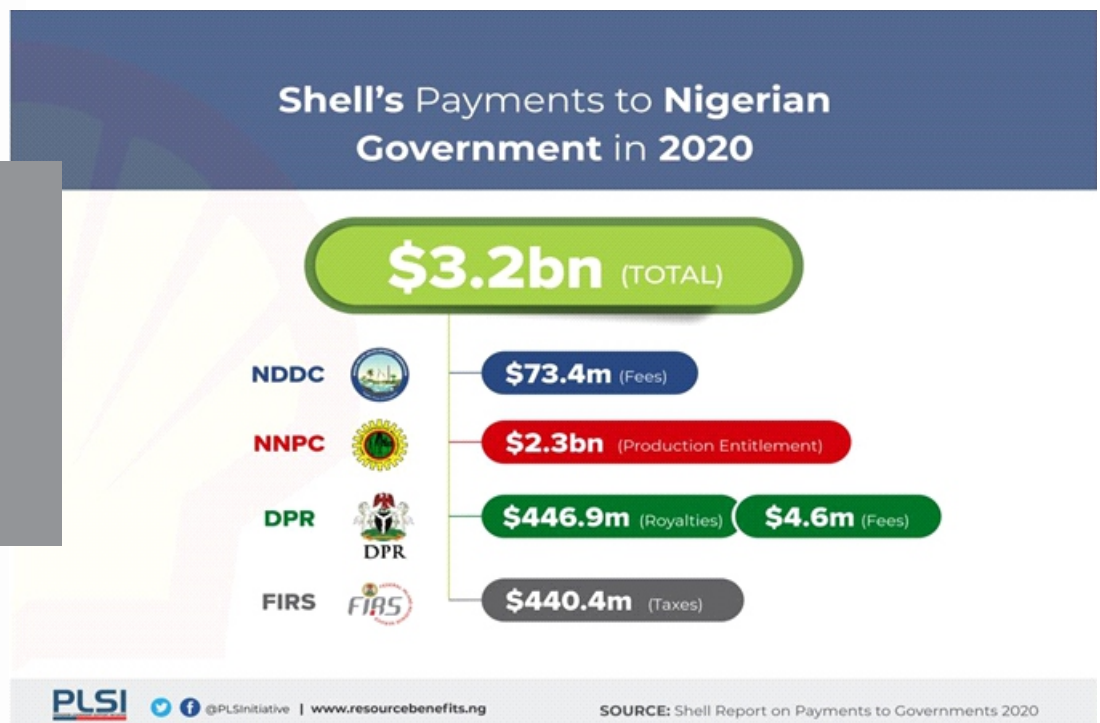
In May 2021, our organization launched the Subnational Audit Efficacy (SAE) Index 2020 aimed at assessing the level of transparency and accountability operational in the management of public funds in all 36 states of the federation of Nigeria through the lens of public audit and key actors in the public audit action cycle. SAE Index 2020 aggregates data from different sources to assess public finance management practices and accountability mechanism leveraging on the role of public audit in all 36 states of the federation of Nigeria.

For 2020 Index, Cross River, Delta, Akwa Ibom, Jigawa, Ekiti, Bauchi, Edo, Kaduna, Lagos, Niger, Zamfara and Rivers ranked 1st position scoring 70% while Enugu State Ranked 36th position scoring 20%. SAE Index 2020 report have prompted healthy competition to foster accountability in the management of public resources at the subnational level.



Payments to Governments

PLSI analyzed and visualized payments made to government agencies including Federal Inland Revenue Service (FIRS), Niger Delta Development Commission (NDDC), Department of Petroleum Resources (DPR) and Nigerian National Petroleum Corporation (NNPC) by Royal Dutch Shell PLC (Shell) as reviewed in the 2020 shell's report on payments to governments in Nigeria. The sum of \$440.4 million was paid to FIRS as taxes on three projects, \$73.4 million was paid to NDDC as fees on two projects, \$451.5 million was paid to DPR as royalties and Fees on three projects and \$2.3 billion was paid to NNPC as production entitlement on three projects. We leveraged the Freedom of Information (FOI) Act 2011 to request information from receiving agencies about utilization of the funds.



Technical Support to Kwara State Audit Process

PLSI provided technical support to Civil Society Organizations working in Kwara State to review the draft Kwara State Public Accounts Audit Bill 2021 and produced a memorandum adopted by 16 CSOs in Kwara State which was presented during the Public Hearing on the Bill held on Monday 28th June, 2021 by the Kwara State House of Assembly.



Independent Findings on Reports of the Auditor-General Presented to the Media

On Wednesday 15th September 2021, PLSI and other member organizations of the Civil Society Coalition on Audit in Nigeria presented to the media report of the Independent Findings on Compliance Audit Reports of the Auditor-General for the Federation on Niger Delta Development Commission (NDDC) (2008 – 2012) and (2013 – 2018).

The report 293-page report documented was produced by CSCAN with support from PLSI through the Value for Money initiative to provide independent assessment on focused projects captured in the reports of the Auditor-General for the Federation. The independent assessment conducted by CSCAN covered Bayelsa, Imo, Akwa Ibom, Cross River, Rivers, Delta, Abia, Ondo and Edo States.

Of the 115 projects monitored across the different states, six were on education, one health related, four on water, seventy-four on road infrastructure while twenty-nine of the projects fell within other categories. However, the independent findings report revealed that forty-six of the projects had been executed, twelve executed with irregularities, two were partially executed, four projects were executed by other agencies other than NDDC, three projects not executed at all, nineteen of the projects poorly implemented, eleven abandoned while eighteen of the projects could not be located by the CSCAN team.

Total amount not accounted for on the projects assessed stood at N15.3billion.



Mr Joshua Olufemi, Chief Executive Dataphyte, PLSI Procurement Associate Ifeoma Onuoha, Executive Director Olusegun Elemo and Mr Friday Odeh, the Country Director of Accountability Lab Nigeria at the launch of the independent findings report.

PLSI Celebrates Five Years of Amazing Impact

PLSI celebrated its fifth anniversary on 1st October 2021 and presented its research report titled “Achieving accountability and development in Nigeria” which examined compliance of federal ministries, departments, and agencies of government in Nigeria with Public Procurement Act, Financial Regulations, and other relevant laws over a five-year period between 2013 and 2017 to ascertain the level of waste and inefficiency in the utilization of public funds and the consequent impact on Nigeria's development.

The anniversary featured Ms. Patience - Oniha, Director-General of Debt Management Office, Nigeria and Prof. Andrew Zamani - Director, Institute of Governance and Development studies Nasarawa State University as the Keynote Speakers.

We also had Toyin Akinniyi - Africa Associate for Luminare Group, Gabriel Okeowo – Country Director, BudgIT and Hassan Idayat - Director, Centre for Democracy and Development feature on the panel session to discuss the theme.

Mr. Adedeji Osonuga (retired Director at Office of the Auditor-General for the Federation), who was the lead researcher presented the report.





Accountability Dialogue 2.0

As part of effort to foster civic participation in the audit process, we organized Accountability Dialogue 2.0 focused on independent findings on report of the Auditor-General on Niger Delta Development Commission (NDDC) 2008 – 2018 and 2017 Audit Report of the Federal Government of Nigeria.

The Dialogue on the NDDC Audit Reports was virtual held on Wednesday 15th December 2021 while the Dialogue on the 2017 Audit Report was a physical event held in Abuja on Thursday 16th December 2021.

Both Dialogues brought together, accountability stakeholders in Nigeria such as policy makers, Anti-Corruption Agencies, development partners, civil society organizations, media etc. to discuss strategies to strengthen Nigeria's anti-corruption crusade. The Dialogue produced Communique shared with policy makers to use to improve the accountability ecosystem in Nigeria.



Donor Support

Our work in fostering accountability in Nigeria using audit data has become increasingly important than ever especially in a closing civic environment like ours and we love to appreciate our partners including Open Knowledge Foundation, TrustAfrica, Natural Resource Governance Institute (NRGI), British Council, The European Union, Open Society Initiative for West Africa (OSIWA) and Luminate Group who have supported and supporting our effort in helping to improve delivery of services to Nigerians.

OUR PARTNERS



Fostering Public Accountability in Nigeria

At PLSI, we promote citizens' participation in public audit using creative technology tools.

We believe public accountability necessary for improved service delivery in Nigeria is possible **ONLY** with a vigilant and involved citizenry.

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