

BUDGET OFFICE OF THE FEDERATION

Workshop on

“Strengthening Budget Implementation for Enhanced Project Execution and Service Delivery”

2009 BUDGET: EXPERIENCES IN IMPLEMENTATION IN THE FEDERAL MINISTRY OF AGRICULTURE AND WATER RESOURCES

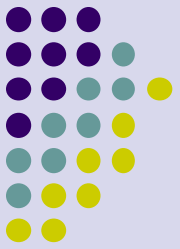
by

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DIRECTOR (PROCUREMENT), FMAWR

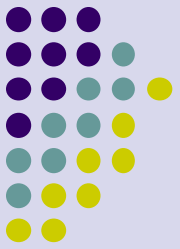
Date: Monday 15th -16th February, 2010
Venue: Transcorp Hilton Hotel, Abuja
Time: 9:00am each day



● **“A PESSIMIST IS ONE
WHO MAKES
DIFFICULTIES OF HIS
OPPORTUNITIES AND
AN OPTIMIST IS ONE
WHO MAKES
OPPORTUNITIES OF HIS
DIFFICULTIES”**

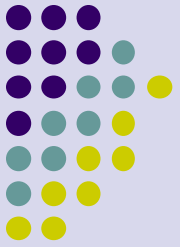
-- HARRY S. TRUMAN

PREAMBLE



BUDGET IMPLEMENTATION IS THE OVERALL EXECUTION OF PLANNED PROJECTS AND PROGRAMMES OF GOVERNMENT IN THE BUDGET TO ACHIEVE PHYSICAL DEVELOPMENT OF INFRASTRUCTURE, STIMULATE ECONOMIC, SOCIAL DEVELOPMENT AND GENERAL WELL BEING OF THE CITIZENRY. THIS INVOLVES THE PROCESS OF PROJECT/PROGRAMME DEVELOPMENT, PROCUREMENT OF GOODS, WORKS AND SERVICES CRITICAL FOR THE ACTUALIZATION OF GOVERNMENT DEVELOPMENT AGENDA.

PROCUREMENT & IMPLEMENTATION CYCLE



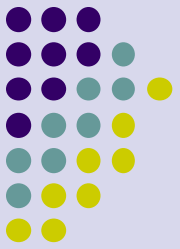
- ❑ PROJECT INITIATION IN LINE WITH NEEDS ASSESSMENT
- ❑ PROCUREMENT PLANNING
- ❑ BUDGETARY PROVISION/APPROPRIATION
- ❑ ADVERTISEMENT
- ❑ INVITATION TO TENDER (TECHNICAL & FINANCIAL BID PROCESS)
- ❑ OPENING OF TENDER – INVITE CSO/NGOs
- ❑ BID EVALUATION PROCESS (DETERMINATION OF WINING BID) BASED ON CLEARLY ESTABLISHED CRITERIA
- ❑ PPC CERTIFICATION/MTB/FEC APPROVALS

**PROCUREMENT
CYCLE**

- ❑ CONTRACT EXECUTION
- ❑ SUPERVISION & MONITORING
- ❑ PAYMENT ON TIME
- ❑ COMMISSIONING AND USE
- ❑ OPERATION & MAINTENANCE

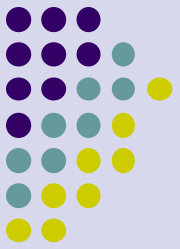
IMPLEMENTATION

KEY ISSUES ON 2009 BUDGET IMPLEMENTATION



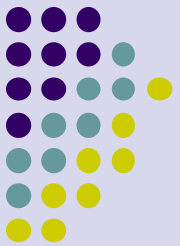
1. **E-PAYMENT**
2. **REVIEW OF APPROVAL THRESHOLD.**
1. **FAIRLY EARLY RELEASE OF FUNDS FOR
PROJECTS/PROGRAMMES**
2. **EXTENSION OF CAPITAL BUDGET
IMPLEMENTATION TO MARCH 31,
2010.**

PROCUREMENT METHOD ADOPTED IN 2009



- **OPEN COMPETITIVE BIDDING**
- **SELECTIVE – RESTRICTIVE BIDDING**
- **REPEAT PROCUREMENT**
- **DIRECT PROCUREMENT**

2009 IMPLEMENTATION STATUS - FMAWR



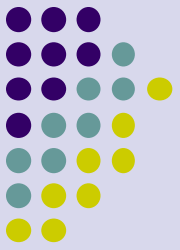
- ❑ **TOTAL CAPITAL BUDGET FOR 2009 = ₱138,928,699,319.00**
- ❑ **MINISTRY'S MAIN BUDGET FOR 2009 = ₱ 58,997,417,034.00**
- ❑ **BALANCE FOR PARAST.& AGENCIES = ₱ 79,931,282,285.00**

❑ **COMMENCEMENT = FEBRUARY, 2009**

❑ PERFORMANCE	No. of Contracts	Amount
• Awards by FEC	= 51	– ₱ 163,286,354,810.00
• Awards by MTB	= 306	– ₱ 25,648,414,614.51
• Total No. of Contracts	= 357	– ₱ 188,934,769,424.51

***These include Funds from SPECIAL INTERVENTION FUND – For Agriculture and RICE LEVY**

2009 IMPLEMENTATION STRATEGY



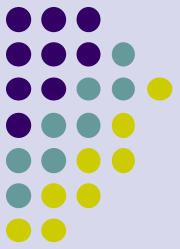
- EARLY APPROVAL OF 2009 PROCCUREMENT WORK PLAN**
- EARLY REVIEW OF ALL PROCUREMENT ADVERTISEMENTS**
- STRICT ADHERANCE TO FGN PROCUREMENT GUIDELINE AND CIRCULARS.**
- DEPLOYMENT OF COMPETENT AND SKILLED OFFICERS IN BID EVALUATIONS**
- CONFIDENCE BUILDING: Involvement of Line/Procuring Units in the Procurement**

2009 IMPLEMENTATION STRATEGY (cont'd)



- EARLY INUAGURATION OF PPC AND MTB.
- ENSURING COMPLIANCE ON THE USE BPP STANDARD BIDDING DOCUMENT.
- TRAINING OF OFFICERS (NEED BASIS)
- ADHERENCE TO THE ESTABLISHED TIME-LINE FOR BUDGET IMPLEMENTATION
- ENSURING THAT FINAL DESIGN OF PROPOSED PROJECTS ARE COMPLETED BEFORE COMMENCING ACTUAL IMPLEMENTATION
- EARLY RESOLUTION OF ALL PETITIONS BY AGGRIEVED BIDDERS

CHALLENGES



PRESSURE

LACK OF COMMITMENT AND UNDERSTANDING OF THE ENTIRE PROCUREMENT PROCESS.

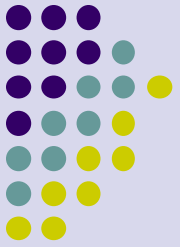
LACK OF STAFF MOTIVATION

LACK OF INCENTIVES (TO FORESTALL CORRUPT TENDENCIES)

ZERO FUNDING OF THE PROCUREMENT DEPARTMENT

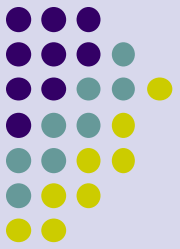
INADEQUATE PROJECT SUPERVISION: MONITORING AND EVALUATION OF PROJECTS

WAY FORWARD



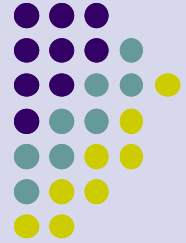
- ❑ **STRENGTHENING THE PROCUREMENT PROCESSES AS A CENTRAL COMPONENT IN THE EFFORT TO IMPROVE THE USE OF PUBLIC FUNDS AND ENHANCING SERVICE DELIVERY TOWARDS ACHIEVING VALUE FOR MONEY.**
- ❑ **NEED FOR EARLY APPROVAL OF BUDGET AND EARLY RELEASE OF APPROPRIATED FUNDS**
- ❑ **PROPER AND EFFECTIVE MONITORING OF ALL PROCUREMENTS AND PROJECT IMPLEMENTATION AS STIPULATED IN THE PROCUREMENT ACT 2007**
- ❑ **COMMITMENT OF STAKEHOLDERS TO THE FOUR CORE OBJECTIVES OF PROCUREMENTS**
 - **Competition**
 - **Economy and Efficiency**
 - **Value for Money**
 - **Transparency**

CONCLUSION



**EFFICIENT AND EFFECTIVE BUDGET
IMPLEMENTATION BY MDAs IS
CRITICAL TO THE WHOLESOME
REALIZATION OF THE SEVEN POINT
AGENDA OF THE FEDERAL
GOVERNMENT.**

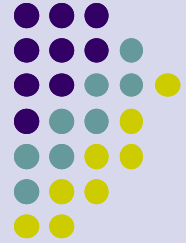
**“WE CAN, WE CAN MAKE
NIGERIA BETTER !!**



**WE CAN ACHIEVE THE
7-POINT AGENDA OF MR.
PRESIDENT, YES, WE CAN”**

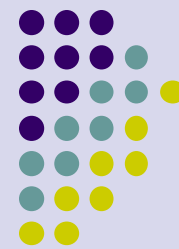
***WE HAVE TO DELIVER TO THE PEOPLE:
INFRASTRUCTURE, FOOD, WATER,
HEALTH CARE, SOCIAL SERVICES,
SECURITY, ETC.***

IN IMPLEMENTING..



**“DON’T DO THE
WRONG THING TO
KEEP A FRIEND
OR TO MAKE ONE”**

-- SRI HAROLD



Thank You!