MEMORANDUM PRESENTED BY THE HONOURABLE MINISTER OF POWER, WORKS AND HOUSING TO THE INVESTIGATIVE COMMITTEE ON BREACH OF PRIVILEGE, VIOLATION OF APPROPRIATION ACT AND INCITEMENT OF THE NIGERIAN PUBLIC (HR.26/2017) AT THE HOUSE OF REPRESENTATIVES CONFERENCE ROOM 034 ON FRIDAY, 28TH JULY 2017

My presence here is in response to the letter dated 20th July 2017, with the above captioned title stating into alia that:

"The House of Representative at its sitting on 4th July, 2017 resolved to set up an Ad-Hoc Committee to Investigate the Statement credited to the Hon. Minister of Power, Works and Housing to the effect, that 'leaislators have stark and worrisome knowledge of the budget process.' The Hon. Minister also queried the power of the National Assembly to alter the 2017 proposal after the budget budaet defence exercise. thereby members of the public against the legislature.

"In view of the sensitivity of the above statements credited to the Hon. Minister and by virtue of the important position he occupies in this administration, it is pertinent to situate the Hon. Minister's statement for the benefit of the Nigerian people."

The letter was signed by Honorable Aliyu Sani Madaki and a copy is attached as **Annexure I** to this memorandum.

Whilst I welcome the opportunity to be here to discuss the developmental issues concerning the budget, the letter does not state the format of the investigation; and how the hearing will be conducted.

I have therefore prepared this memorandum to guide my representation in the hope that it will also be useful to the Committee.

Permit me to preface my specific responses with a general statement about the purpose and intent of the comments that have prompted this investigation.

That general statement is to the effect that, like many Nigerians, I have been concerned about the state and pace of development of our country's infrastructure and the consequences they have on our quality of life and expectations.

My views have been expressed in speeches at public fora, and also in presentations made to the oversight committees that relate to the Ministry of Power, Works and Housing in both Houses of Parliament.

As far as roads are concerned, I have argued that we should build roads which connect our states, which drive our economy, which move our fuel, which moves our food and which help us to import and export goods.

Any road that does not connect to the last point necessary to drive our economy is a road to nowhere.

With regard to power, I have made a similar case about the need to produce the power, transport and distribute it, as priority. Unless we do these, it is my view that no real results can be expected in terms of the purpose of the rural electrification projects.

The position is not different with housing which must take into consideration locating them in places with existing infrastructure like roads and electricity or water supply; otherwise people will be reluctant to live in them.

This general preface represents the basis why I hold the view that our budgeting priorities and processes must change from what we have done since 1999, if we truly expect to see a different result from what we have had.

I have no doubt that all of you, whatever the side of the political divide you belong, want to see some development in Nigeria that is worthy of the name in your lifetime, as I do.

This is one thing that I believe we share in common. What I suppose we do not share in common or agree about is the route to that development. To that extent I think it is a healthy disagreement that should not make us disagreeable.

Furthermore, the matter is a matter of public knowledge over which many people have spoken in the past, and I believe that in speaking about it, I contribute my own views of the argument.

This is the context in which I granted the interview to The Cable news on Friday 16th June 2017 which was published on Wednesday 21st June 2017.

Throughout the interview I spoke about projects across different zones of Nigeria and the problems with my Ministry's budget.

Indeed after the Appropriation Bill was passed, the Ministry of Budget and Planning had written to all ministries asking us to comment about changes in our budget between the budget proposal and estimates presented by Mr. President to Parliament, and the Appropriation Bill passed by Parliament.

My Ministry had responded in writing and detail containing substantially what I said in the interview, which had then become a matter of public record which anybody could have obtained under the Freedom of Information Act.

In my view, saying so by way of interview did not change what was already a matter of public record.

To that extent, I do not think that amounts to inciting the public against the Legislature. That was not my purpose, and that is not my

With respect I also do not think that there has been a violation of the 2017 Appropriation Act by words spoken in the interview.

As for the allegation that I said: "Legislators have stark and worrisome knowledge of the budget process."

I did not say so of legislators as a whole. I know many of them and I know the capacity they bring to the public place and the sacrifices some of them have made.

What I said was specific in relation to the **SPOKESPERSON** not the legislators as a whole.

I did not say so in my interview to The Cable. Because as I have said repeatedly this was about Development not about personalities. What I said in relation to knowledge of the Budget process was in reply to what the spokesperson said in response to my interview that I was being <u>untruthful</u>, a grave personal allegation, and in response to the part where he said:

"To the specific issues raised, it is very misleading and calculated mischief to simply say that N5 billion was taken from the budget for 2nd Niger Bridge. The truth is that in the 2016 Budget, N12 billion was appropriated for the 2nd Niger Bridge and not a Kobo was spent by the Ministry. Not a Kobo. The money was returned."

This was what I was responding to, because no money was released to us for the 2nd Niger bridge. The contract for Early Works IV approved by FEC in the First Quarter of 2017 has still not been funded. So we did not refund money.

The reason I responded was not only because it was not true, but because members of the public were calling to ask me why the Ministry returned money, when the Ministry never received money.

It of course occurred to me that there may be a mix up in the distinction between a budget, (as approved estimates of expenditure), and the financing of the approval by cash.

This is a common error; and it only speaks to knowledge or lack thereof; which is what I spoke about.

I also do not know some things and I have been the first to admit publicly if I don't know the thing, and I have never taken offence if someone else pointed it out.

As for why the Budget for the 2nd Niger Bridge was not utilized, I have said we have not got the funds to pay the contractor, which is the reason, but I will provide details of the Procurement's difficulties when I speak to the issue of the 2nd Niger bridge which your invitation asks me to respond to.

But before I do so, let me invite your attention to

- a. **Annexure II, II(a-c)** the 2017 part of our 3 (Three) year revolving plan for Nigeria's Road and Bridge Network, for 2017 2019.
- b. **Annexure III, III (a)** our Plan for 44 Federal Highways in 2017 as contained in the Budget proposals and the changes that have been made to it in the Appropriation Bill passed by Parliament.
- c. In addition to the plan for 44 (Forty-Four) major highway construction, I wish to also draw your attention to the Tour of 34 states, by the Ministry which I led in the First Quarter of 2017 and the 63 (Sixty-Three) roads we identified and prepared for Emergency intervention ahead of the rainy season to give relief to Nigerians, subject to appropriation. Please see **Annexure IV**.

What you will observe is that no zone has been left behind.

Indeed the Federal Character Commission which is the statutory Institution to enforce compliance recently has this to say about our Ministry's compliance in a Speech delivered by the Acting Chairman, Dr. Shettima Bukur Abba at the 23rd National Council on Works in Abuja on 20th July 2017 when he said:

"The priority given to the Lagos – Ibadan Super highway, the Kano Maiduguri dual carriageway, the Second Niger bridge that have defied previous governments, and housing projects that has sprang up in every state of the Federation are projects that cut across not only geographical zones but also states of the Federation.

"I am also pleased to note that these years (sic) ministry's budget has taken into consideration regional and national spread in sighting projects to be executed. We are convinced that these projects are Federal character compliant and of benefit to all Nigerians."

Honorable members, I will now proceed to respond to the specifics of:

A. The status of reconstruction work and budgetary provision of Lagos-Ibadan expressway in 2016 and 2017 - **Annexure V,V (a i-ii)**

B. The status of reconstruction work and budgetary provision for Abuja-Kano expressway in 2016 and 2017 - **Annexure V (b)**

C. The status of 2nd Niger bridge – Annexure V(c-ci)

Babatunde Raji Fashola, SAN Honourable Minister Power, Works and Housing

24th July 2017





INVESTIGATIVE COMMITTEE ON BREACH OF PRIVILEGE, VIOLATION OF APPROPRIATION ACT AND INCITEMENT OF THE NIGERIAN PUBLIC (HR. 26/2017)

The Hon. Minister, Federal Ministry of Power, Works & Housing, Abuja.

20th July, 2017

INVITATION TO APPEAR BEFORE AN INVESTIGATIVE COMMITTEE

The House of Representatives at its sitting on 4th July, 2017 resolved to set up an Ad-Hoc Committee to Investigate the Statement credited to the Hon. Minister of Power, Works and Housing to the effect, that "legislators have stark and worrisome knowledge of the budget process." The Hon. Minister also querried the power of National Assembly to alter the 2017 budget proposal after the budget defence exercise, thereby inciting the members of the public against the legislature.

In view of the sensitivity of the above statements credited to the Hon. Minister and by virtue of the important position he occupies in this administration, it is pertinent to situate the Hon. Minister's statement for the benefit of the Nigerian people.

Consequently, the Hon. Minister is hereby invited to provide insight as follows:

i. to validate his statement and circumstances that necessitated the statement to the effect that "legislators have stark and worrisome knowledge about budget process,"

li the status of reconstruction work and budgetary provision for Lagos-Ibadan express way in 2016 and 2017,

lii the status of reconstruction work and budgetary provision for Abuja-Kano express way in 2016 and 2017 and

lv. status of 2nd Niger Bridge.

The meeting is scheduled to hold as follows:

Date:

Friday, 28th July, 2017

Venue:

Conference Room 034 (House of Representatives)

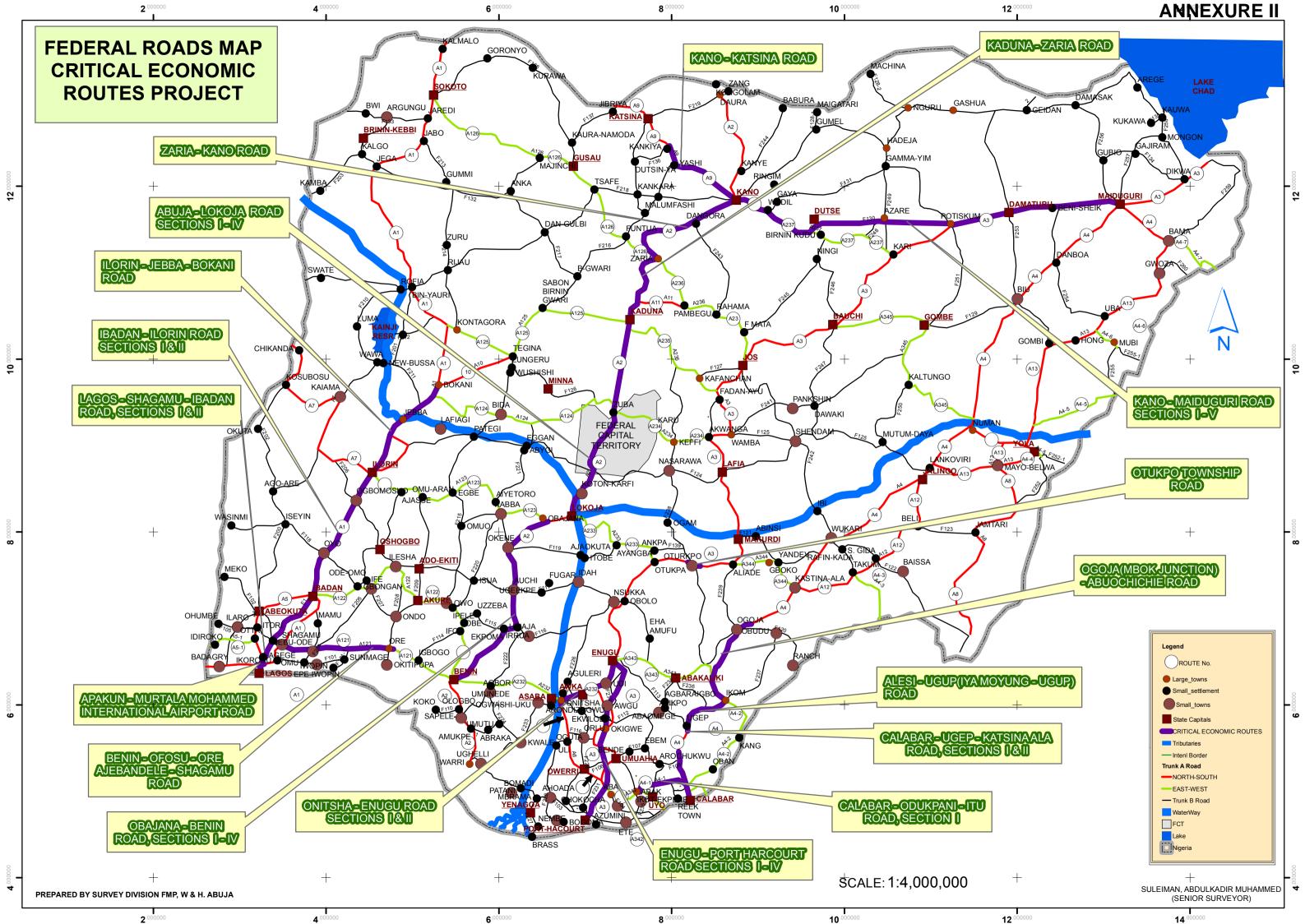
Time:

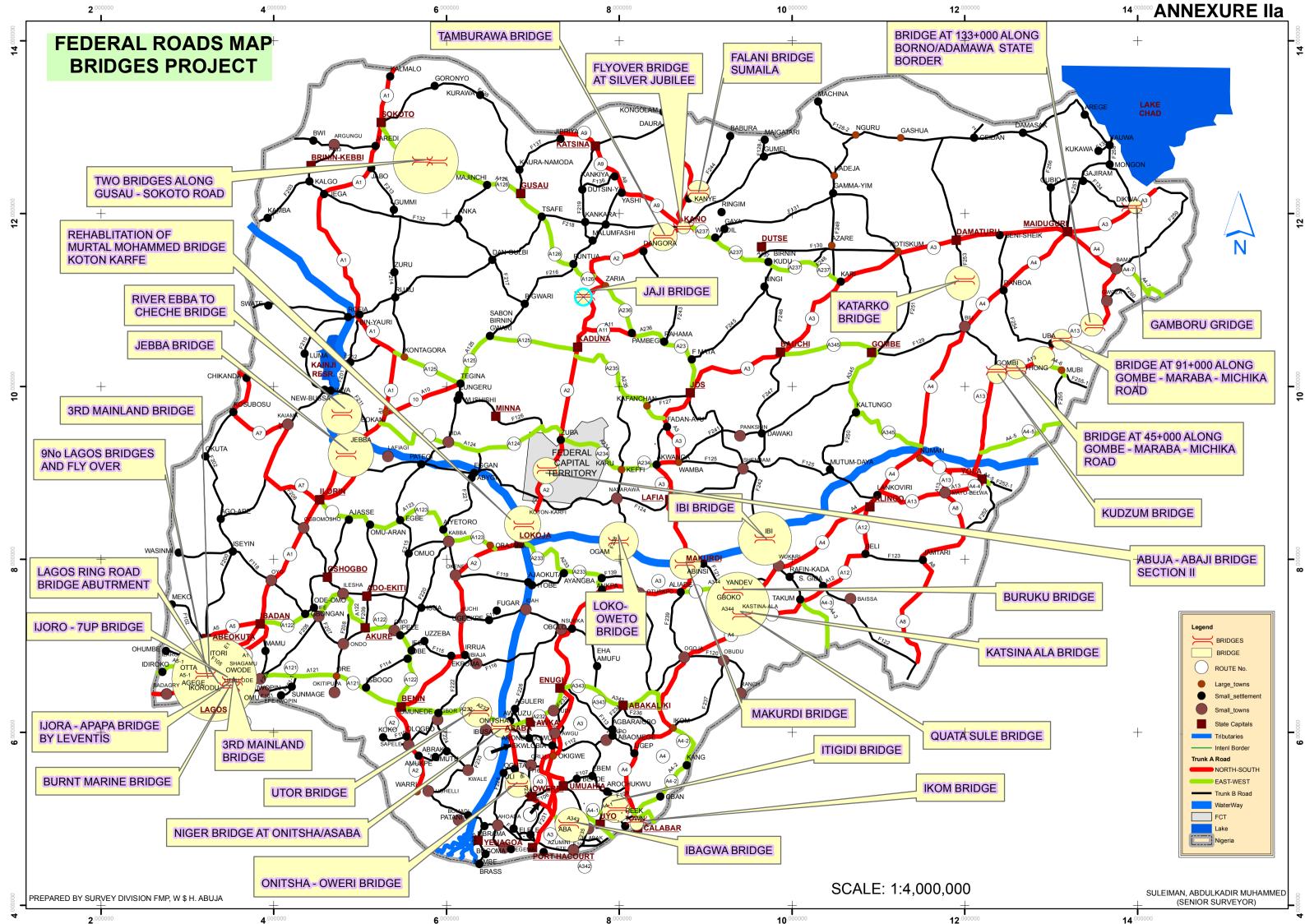
10.00 a.m.

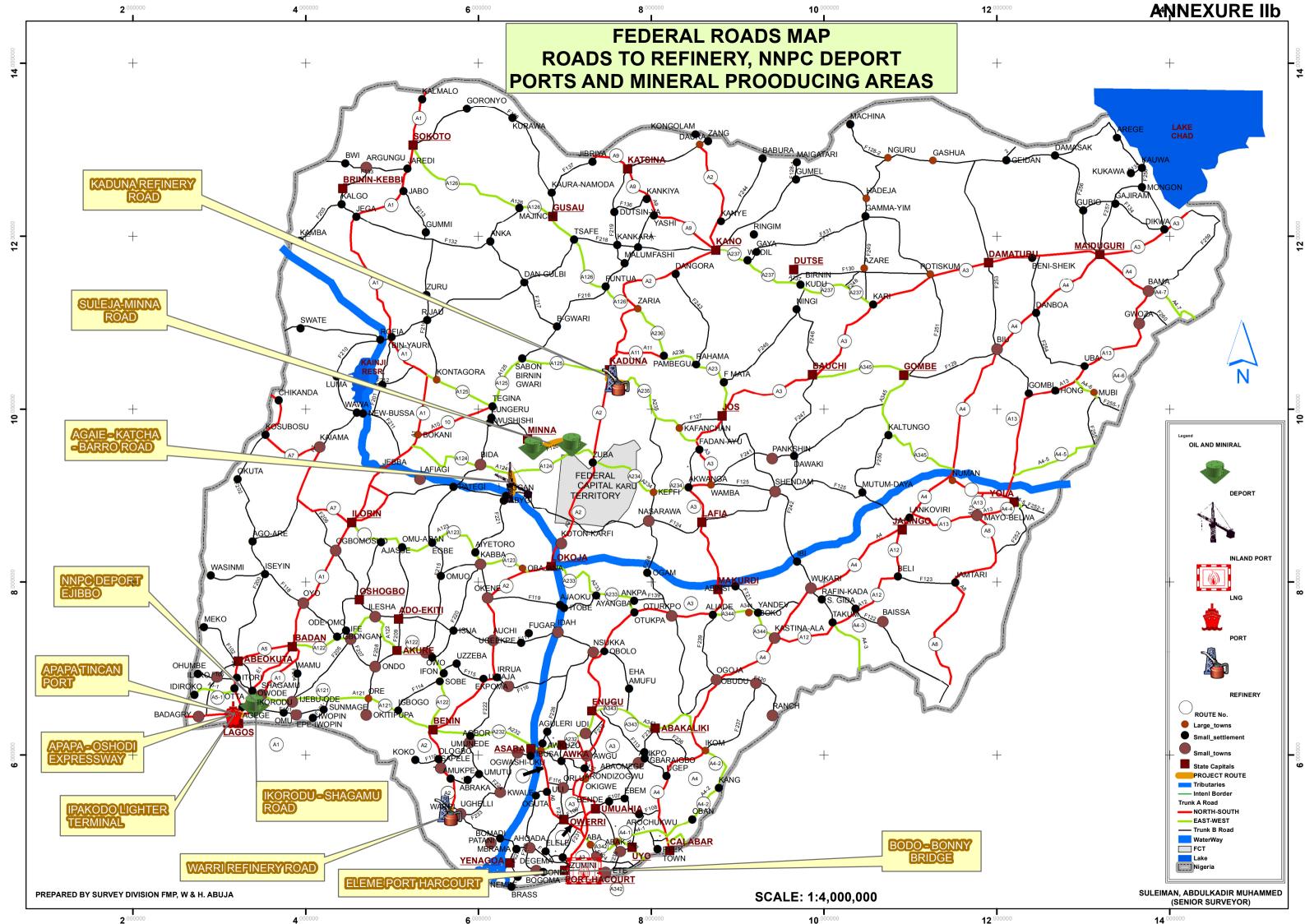
While we expect your prompt attendance, please, accept the assurances of my highest regards.

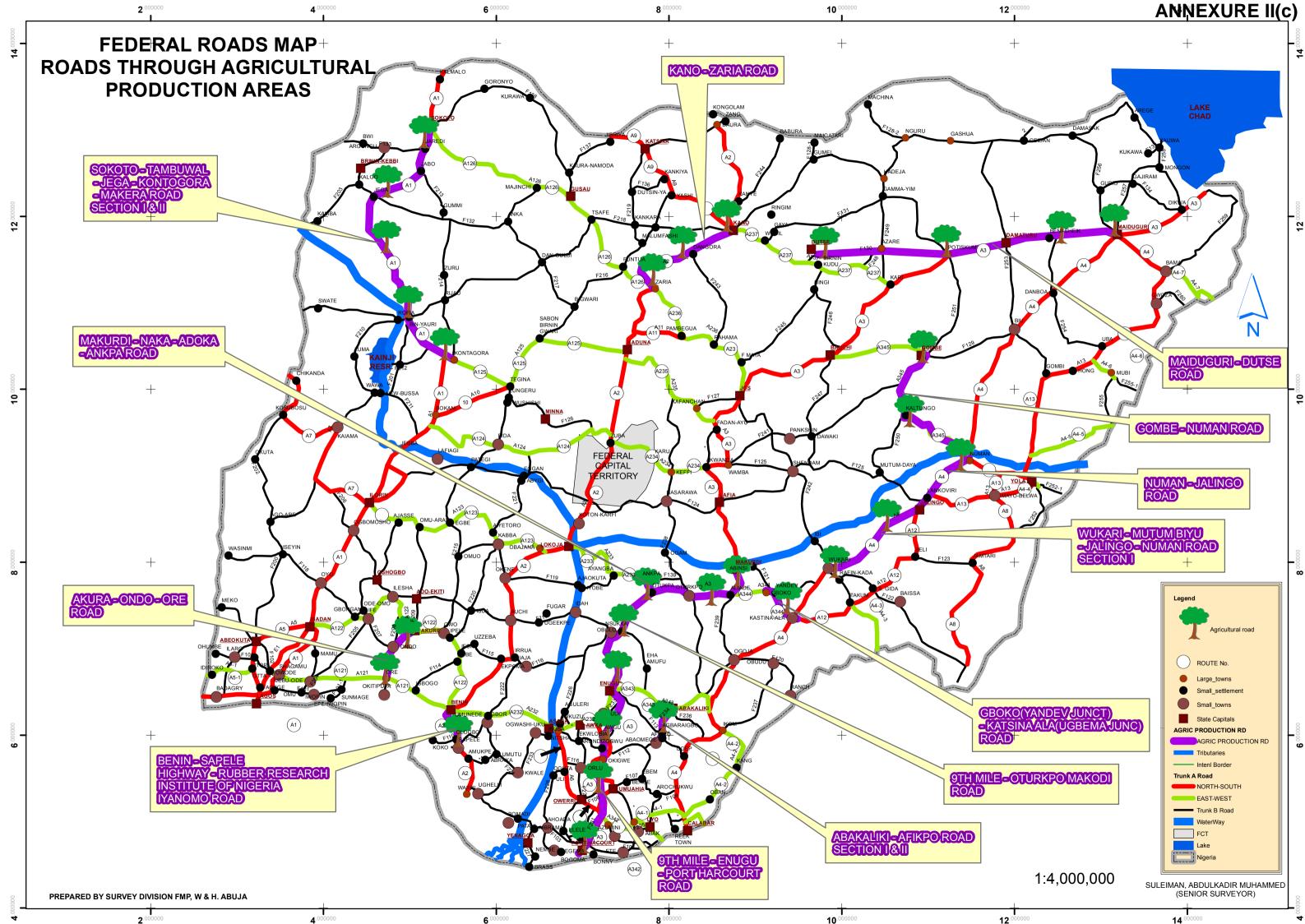
Hon. ALIYU SANI MADAKI

Chairman











	0231001001	FEDERAL MINISTRY OF POWER, WORKS & HOUSING - HQTRS	2017 APPROPRIATION BILL	2017 APPROPRIATION BY NASS
S/NO	CODE	LINE ITEM		AMOUNT =N=
		COMPARISON OF 2017 PROPOSALS AND APPROPRIATION FOR KEY HIGHWAY PROJECTS		
		WORKS SECTOR REHABILITATION/RECONSTRUCTION AND EXPANSION OF LAGOS-	163,823,943,591	140,871,193,123
1	FMOWP95277802	SHAGAMU-IBADAN DUAL CARRIAGEWAY SECTIONS I & II IN LAGOS AND OYO STATES	31,500,000,000	10,000,000,000
2	FMOWP40459276	CONSTRUCTION OF 2ND NIGER BRIDGE INCLUDING ACCESS ROADS PHASES 2A & 2B IN ANAMBRA AND DELTA STATES	12,000,000,000	7,000,000,000
3	FMOWP51908718	CONSTRUCTION OF OJU/LOKO-OWETO BRIDGE TO LINK LOKO AND OWETO WITH APPROACH ROADS C/NO.6108	7,000,000,000	9,000,000,000
4	FMOWP04386547	CONSTRUCTION OF BODO-BONNY ROAD WITH A BRIDGE ACROSS THE OPOBO CHANNEL IN RIVERS STATE C/NO.6247	9,000,000,000	7,000,000,000
5	FMOWP10501548	DUALIZATION OF KANO-KATSINAROAD PHASE 1: KANO TOWN AT DAWANAU ROUNDABOUT TO KATSINA STATE BORDER IN KANO 2,000,000,000 STATE		1,500,000,000
6	FMOWP12506562	REHABILITATION OF ENUGU-PORT HARCOURT DUAL CARRIAGEWAY SECTION I (LOKPANTA-UMUAHIA) IN ENUGU, ABIA AND RIVERS STATES. C/N 6208		3,600,000,000
7	FMOWP12506563	REHABILITATION OF ENUGU-PORT HARCOURT DUAL CARRIAGEWAY SECTION II (UMUAHIA - ABA) IN ENUGU, ABIA AND RIVERS STATES	9,000,000,000	3,600,000,000
8	FMOWP12506564	REHABILITATION OF ENUGU-PORT HARCOURT DUAL CARRIAGEWAY SECTION III (ENUGU - LOKPANTA) IN ENUGU, ABIA AND RIVERS STATES	7,000,000,000	1,715,000,000
9	FMOWP12506565	REHABILITATION OF ENUGU-PORT HARCOURT DUAL CARRIAGEWAY SECTION IV (ABA - PORTHARCOURT), IN ENUGU, ABIA AND RIVERS STATES		1,715,000,000
10	FMOWP13062059	RECONSTRUCTION OF OUTSTANDING SECTIONS OF BENIN- OFOSU-ORE-AJEBANDELE-SHAGAMU EXPRESSWAY IN ONDO AND OGUN STATES C/NO 6241	F F00 000 000	5,500,000,000
11	FMOWP13062060	RECONSTRUCTION OF OUTSTANDING SECTIONS OF BENIN- OFOSU-ORE-AJEBANDELE-SHAGAMU EXPRESSWAY PHASE III IN ONDO STATE C/NO 6133	5,500,000,000	4,500,000,000
12	FMOWP73424328	REHABILITATION OF APAPA-OSHODI ROAD EXPRESSWAY IN LAGOS PHASE II SECTIONS I & 2	7,833,708,266	5,100,884,863
13	FMOWP13392466	DUALIZATION OF KANO-MAIDUGURI ROAD, (SECTION I, KANO-WUDIL-SHUWARIN) C/N 5878		4,000,000,000
14	FMOWP13392467	DUALIZATION OF KANO-MAIDUGURI ROAD, (SECTION II, SHUWARIN-AZARE) C/N 5879		3,400,000,000
15	FMOWP13392468	DUALIZATION OF KANO-MAIDUGURI ROAD (SECTION III, AZARE - POTISKUM)	14,000,000,000	1,930,000,000
16	FMOWP13392469	DUALIZATION OF KANO-MAIDUGURI ROAD (SECTION IV, POTISKUM - DAMATURU)		1,930,000,000
17	FMOWP13392470	DUALIZATION OF KANO-MAIDUGURI ROAD (SECTION V, DAMATURU - MAIDUGURI)		1,930,000,000
18	FMOWP21388281	DUALIZATION OF SULEJA-MINNA ROAD IN NIGER STATE SECTIONS &	2,800,000,000	2,240,000,000
19	FMOWP21801206	DUALIZATION OF OBAJANA JUNCTION TO BENIN ROAD PHASE 2 SECTIONS I (OBAJANA JUNCTION - OKENE), IN KOGI AND EDO STATES		1,700,000,000
20	FMOWP21801207	DUALIZATION OF OBAJANA JUNCTION TO BENIN ROAD PHASE 2 SECTION II, (OKENE - AUCHI), IN KOGI AND EDO STATES	9,000,000,000	1,700,000,000
21	FMOWP21801208	DUALIZATION OF OBAJANA JUNCTION TO BENIN ROAD PHASE 2 SECTION III (AUCHI - EHOR) IN KOGI AND EDO STATES	7,000,000,000	3,600,000,000
22	FMOWP21801209	DUALIZATION OF OBAJANA JUNCTION TO BENIN ROAD PHASE 2 SECTION IV (EHOR - BENIN) IN KOGI AND EDO STATES		2,250,000,000
23	FMOWP35311106	DUALIZATION OF ABUJA-ABAJI-LOKOJA ROAD IN FCT AND KOGI STATE	9,000,000,000	7,128,120,000
24	FMOWP24428219	DUALIZATION OF IBADAN-ILORIN ROAD SECTION II: OYO- OGBOMOSHO IN OYO STATE CONTRACT NO. 1793A	3,000,000,000	5,000,000,000
25	FMOWP86898269	EMERGENCY REHABILITATION/ MAINTENANCE OF THIRD MAINLAND BRIDGE IN LAGOS, PART I, C/NO. 6238 (RESTORATION OF DEFECTIVE SUBSTRUCTURE PILES (UNDERWATER). BPP 'NO OBJECTION' OBTAINED BUT CONTRACT NOT AWARDED DUE TO PAUCITY OF FUNDS) 5,355,176,494		3,504,141,195
26	FMOWP29283135	EMERGENCY REPAIRS OF ACCESS ROAD TO APAPA/TINCAN ISLAND PORT-NNPC DEPOT (ATLAS COVE) C/NO.6246 IN LAGOS STATE	700,000,000	550,000,000

NATIONAL ASSEMBLY 1 2017 APPROPRIATION

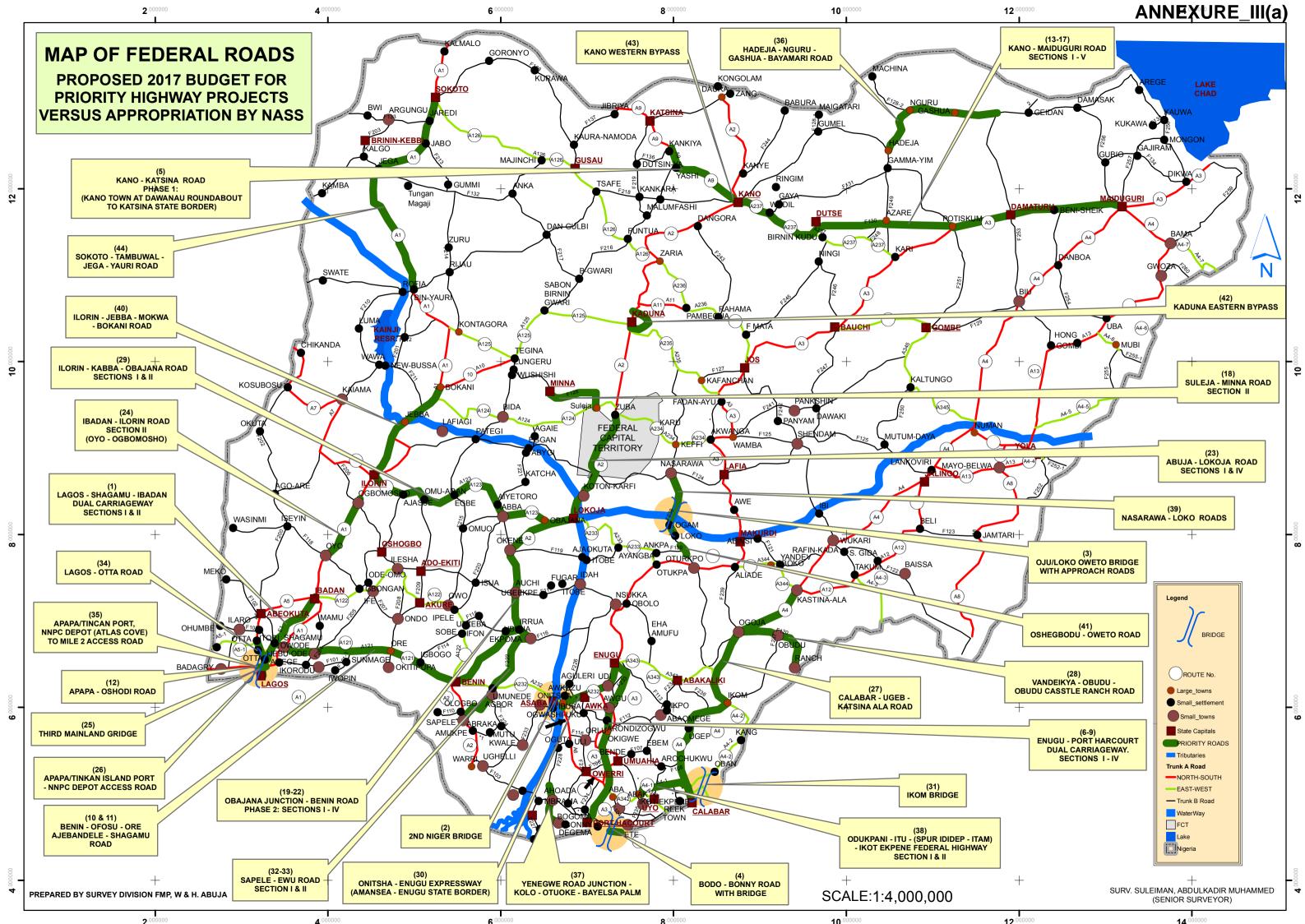


	0231001001	FEDERAL MINISTRY OF POWER, WORKS & HOUSING - HQTRS	2017 APPROPRIATION BILL	2017 APPROPRIATION BY NASS
S/NO	CODE	LINE ITEM		AMOUNT =N=
27	FMOWP34231517	REHABILITATION OF CALABAR-UGEP-KATSINA ALA ROAD IN CROSS RIVER STATE	3,000,000,000	2,400,000,000
28	FMOWP07656019	REHABILITATION OF VANDEIKYA-OBUDU-OBUDU CATTLE RANCH ROAD (VANDEIKYA-OBUDU SECTION) IN BENUE STATE C/NO.6156	1,000,000,000	800,000,000
29	FMOWP40855067	REHABILITATION OF ILORIN - KABBA - OBAJANA ROAD SECTIONS I & II IN KWARA /KOGI STATES C/NO 6212	1,200,000,000	1,650,000,000
30	FMOWP41156091	REHABILITATION OF ONITSHA-ENUGU DUAL CARRIAGEWAY IN ANAMBRA AND ENUGU STATES	5,000,000,000	7,500,000,000
31	FMOWP41935735	CONSTRUCTION OF IKOM BRIDGE (NPC RECOMMENDATION TO ALIGN WITH CALABAR PORT DREDGING) C/NO.6255	1,000,000,000	700,000,000
32	FMOWP45901943	DUALISATION OF SAPELE-EWU ROAD: SECTION I IN DELTA AND EDO STATE	4 500 000 000	1,500,000,000
33	FMOWP45901944	DUALISATION OF SAPELE-EWU ROAD: SECTION II IN DELTA AND EDO STATE	4,500,000,000	3,500,000,000
34	FMOWP48960014	ADDENDUM III TO DUALIZATION OF LAGOS-OTTA ROAD IN LAGOS STATE C/NO.3278A	1,785,058,831	1,218,047,065
35	FMOWP52393188	ACCESS ROAD TO APAPA/TINCAN PORT, NNPC DEPOT (ATLAS COVE) TO MILE 2 C/NO.6005	1,200,000,000	860,000,000
36	FMOWP55897084	REHABILITATION OF HADEIJIA-NGURU-GASHUA-BAYAMARI ROAD IN JIGAWA AND YOBE STATES	2,300,000,000	2,700,000,000
37	FMOWP58742794	CONSTRUCTION OF YENEGWE-OKAKI-KOLO-NEMBE-BRASS ROAD IN BAYELSA STATE C/NO.5990	750,000,000	500,000,000
38	FMOWP61986048	DUALIZATION OF ODUKPANI - ITU - (SPUR IDIDEP - ITAM) - IKOT EKPENE FEDERAL HIGHWAY SECTIONS & II (CROSS RIVER & AKWA IBOM STATES)	3,700,000,000	3,500,000,000
39	FMOWP66633247	RECONSTRUCTION OF NASARAWA-LOKO ROAD IN NASARAWA STATE C/NO.5846	1,000,000,000	800,000,000
40	FMOWP66807562	REHABILITATION OF ILORIN-JEBBA-MOKWA-BOKANI ROAD IN KWARA STATE C/NO.6210	3,500,000,000	3,300,000,000
41	FMOWP74007342	CONSTRUCTION OF OSHEGBUDU-OWETO ROAD IN BENUE STATE C/NO. 6265	1,000,000,000	1,650,000,000
42	FMOWP75382800	CONSTRUCTION OF KADUNA EASTERN BYPASS C/NO.5346	1,000,000,000	800,000,000
43	FMOWP80877737	CONSTRUCTION OF KANO WESTERN BYPASS C/NO.5960	1,000,000,000	2,700,000,000
44	FMOWP92609320	REHABILITATION OF SOKOTO - TAMBUWAL - JEGA- YAURI I IN SOKOTO/KEBBI STATES	3,200,000,000	3,700,000,000

Federal Republic of Nigeria 2017 APPROPRIATION ACT ANNEXURE III



	0231001001	FEDERAL MINISTRY OF POWER, WORKS & HOUSING - HQTRS	2017 APPROPRIATION BILL	2017 APPROPRIATION BY NASS
S/NO	CODE	LINE ITEM		AMOUNT =N=



IMPORTANT AND CRITICALLY FAILED ROADS LIST FOR URGENT PALLIATIVE REPAIR WORKS

S/	ZONE	STATE	ROAD TITLE	SCOPE OF WORKS	VETTED AMOUNT
NO					(₦)
1	NORTH EAST	GOMBE	Construction of Bridge at Km32+000 Along Billiri - Filiya - Taraba S/B	Repairs of potholes, failed sections and reinstatement of washouts	520,212,214.94
2			Repairs of Billiri - Filiya Road	Repairs of potholes, failed sections and reinstatement of washouts	840,326,958.24
3		YOBE	Emergency Repairs of Failed Sections of Potiskum - Ngalda - Gombe S/B Route No. F251 (338)	Scarification, patching of potholes and asphalt overlay	7,825,727,233.17
4			Emergency Repairs on the Failed Sections of Potiskum - Kari - Bauchi S/B Route F131 (333)	Scarification, patching of potholes and asphalt overlay	2,459,620,998.27
5		TARABA	Rehabilitation of Tella Road and Bridge 2 Abutment	Scarification, pothole repairs and asphalt overlay	442,207,788.75
6			Apawa - Junction - Zing - Adamawa S/B Route 477	Scarification, pothole repairs and asphalt overlay of the road	2,240,046,711.00
7	·	BAUCHI	Emergency Repairs along Bauchi - Darazo - Kari Road	Reinstatement of collapsed culvert, repair of potholes and asphalt overlay	1,334,034,371.25
8		ADAMAWA	Emergency Repairs of Failed Sections Along Numan - Lafia - Gombe S/B Road	Repair of potholes and asphalt overlay	580,000,000.00

9			Emergency Repairs of Failed Sections Along Numan - Jalingo Road	Repair of potholes and asphalt overlay	512,530,368.00
10			Emergency Repairs of Failed Sections Along Numan - Guyuk (Borno S/B)	Repair of potholes and asphalt overlay	525,051,456.06
11			Emergency Repairs of Failed Sections Along Ngurore - Mayobelwa Road	Repair of potholes and asphalt overlay	250,053,782.69
12		BORNO	Emergency Repairs of Biu - Numan	Rehabilitation of failed sections	1,523,014,185.00
13			Emergency Repairs of Biu - Garkida - Adamawa S/B	Repair of potholes, scarification and asphalt overlay	1,753,053,225.00
14	NORTH WEST	KADUNA	Rehabilitation of Kaduna - Birnin Gwari Road	Repair of potholes, scarification and asphalt overlay	180,000,000.00
15		KEBBI	Emergency Repairs of Kebbi - Argungu - Sokoto S/B	Protection of embankment and reinstatement of failed box culvert	32,974,265.13
16		ZAMFARA	Emergency repair of Gusau - Chafe - Katsina	Repair of culverts and washout	100,000,000.00
17		SOKOTO	Repair of Washout along Rimawa - Sabonbirni - Niger Republic Road (Km11+700)	Reinstatement of washout on shoulder and embankment	60,000,000.00
18			Repair of Washout on Rimawa - Sabonbirni - Niger Republic Road(Km36+000 - Km36+200) and bridge	Reinstatement of washout on shoulder and bridge embankment	350,600,000.00

		embankment t Km61+900(LHS)		
19	JIGAWA	Repairs of Kano S/B - Garki - Gumel - Malam Madori - Hadeija Road	Patching of potholes and asphalt overlay	700,000,000.00
20		Repairs of Kano S/B - Birnin Kudu - Babaldu - Gwaram - Bauchi S/B Road	Patching of potholes and asphalt overlay	350,000,000.00
21		Repairs of Babaldu - Malumuwa - Bauchi S/B Road	Patching of potholes and asphalt overlay	120,000,000.00
22		Repairs of Gumel - Maitagari - Niger Republic Border Road	Patching of potholes and asphalt overlay	800,000,000.00
23		Repairs of Gamayin Bukangu - Bauchi S/B Road	Patching of potholes and asphalt overlay	670,000,000.00
24		Repairs of Kano S/B - Kazaure - Katsina S/B	Patching of potholes and asphalt overlay	270,000,000.00
	KANO	Repairs of Yaryasa Bridge Km 9+000 on Kafin - Maiyaki - Tudun Wada - Kaduna S/B	Repairs of abutment and expansion joints	10,892,700.00
26		. Repairs of Yaryasa Bridge Km 41+000 on Kafin - Maiyaki - Tudun Wada - Kaduna S/B	Repairs of abutment and expansion joints	7,656,862.00
27	KATSINA	Repair of Katsina Dutsinma - Kankara Road	Patching of potholes	35,000,000.00

28	NORTH CENTRAL	BENUE	Emergency Repairs of Makurdi - Lafia Road	Patching of potholes and asphalt overlay	99,758,949.15
29			Emergency Repairs of Makurdi – Gboko road (Km0+000 – Km30+000)	Scarification and patching of potholes and asphalt overlay	1,064,452,725.00
30		KOGI	Repairs of Okene - Kabba Road	Scarification and patching of potholes	65,171641.50
31			Repairs of Kabba - Omuo Road	Scarification and patching of potholes	172,560,654.00
32		KWARA	Repair of Ajase- Offa – Erinle – Osun State Boundary KM8+000 to KM35+000	Scarification and patching of potholes	650,000,000.00
33		NASARAWA	Repairs of Keffi - Abuja Road	Scarification and patching of potholes	295,253,756.80
34			Repairs of Keffi - Gittata - Kaduna S/B Border	Scarification and patching of potholes	457,405,341.12
35			Nasarawa - Toto - Abaji	Scarification and patching of potholes	469,717,165.01
36		NIGER	Repairs of Jebba - Mokwa Road (3.735Km)	Scarification and patching of potholes	918,044,774.12
37			Maintenance/Repairs of Bida — Lapai-Lambata road CH 0+000 — CH120+500	Scarification and patching of potholes and asphalt overlay	4,309,107,027.75
38		,	Emergency Repairs of failed sections of Makera – Tegina road (2.35km)	Scarification and patching of potholes and asphalt overlay	604,000,784.90
39	SOUTH WEST	ONDO	Emergency Repairs of Ibillo - Isu - Epinmi - Akungba Road	Scarification, repairs of washouts and vegetation control	99,576,776.50
40			Emergency Repairs of Owo - Akure	Scarification, provision of drains and asphalt overlay	235,000,000.00

41		OSUN	Emergency Repairs of Ilesa- Ijebu - Ijesa Road	Repair of failed sections, patching of potholes and repair of shoulders	545,595,700.80
42			Emergency Repairs of Ijebu -Ijesa – Ekiti State Border road, Section I	Scarification failed sections, provision of drains and asphalt overlay	636,787,098.50
43			Emergency Repairs of Ijebu -Ijesa – Ekiti State Border road, Section II	Reinstatement of washout on shoulder and asphalt overlay	591,191,399.64
44			Emergency Repairs of Ibadan - Ile - Ife - Ilesa Road; Osun S/B - Ilesha	Scarification, provision of drains and asphalt overlay	175,000,000.00
45		оуо	Emergency Repairs of Ibada - Ile - Ife - Ilesa Road	Scarification, provision of drains and asphalt overlay	150,000,000.00
46		OGUN	Emergency Repairs of Ijebu Ode - Epe - Ibadan Road	Scarification, provision of drains and asphalt overlay	286,557,851.55
47		LAGOS	Emergency Repairs of Ikorodu - Shagamu	Scarification, provision of drains and asphalt overlay	124,778,990.45
48	SOUTH EAST	EBONY!	Emergency Repairs of Abakaliki - Oferekpe Road	Scarification, construction of lined drains and asphalt overlay	99,996,911.74
49		ENUGU	Nsukka - Adani - Anambra S/B Road (CH38+800 - CH49+200)	Scarification, construction of lined drains and asphalt overlay	99,976,122.75
50		ABIA	Emergency Repair of Umuokpor Failed Section on Ikot Ekpene - Aba Road	Removal of unsuitable, provision of drains and culverts and asphalt overlay	166,931,057.25
51		IMO	Emergency Repairs of Ihiala - Orlu - Umuduru Road	Scarification, laying of stone base and asphaltic courses	98,541,899.24

52		IMO	Repairs of Owerri - Okigwe Road	Scarification and repair of potholes	97,345,222.23
53		IMO	Repairs of Owerri – Onitsha Dual Carriageway (Route No.25A)	Scarification and repair of potholes	271,304,993.90
54			Repairs of Mbaise - Umuahia Road	Scarification and repair of potholes	102,545,783.88
55	SOUTH -	AKWA – IBOM	Repair of critically failed sections on Ikot Ekpene – Ikot Umoessien – Aba State Border road	Repair of potholes, scarification, and asphaltic wearing course	155,350,995.66
56		BAYELSA	Emergency repairs of Ebiama – Yenegoa road	Scarification, base course and asphaltic wearing course, patching of potholes,	1,075,028,902.50
57		EDO	Emergency Repairs of Auchi - Igarra - Ibillo - Ose Bridge Road	Repair of potholes, scarification, laying of stone base and asphaltic wearing course	99,905,505.00
58			Repair of embankment washout at CH28+350 and CH28+500 on Benin – Ofosu – Shagamu road	Earth works, Scarification, base course and asphaltic wearing cours	176,829,295.87
59		CROSS RIVER	Emergency Repairs of Abouchichie - Gakem Road	Scarification and repair of potholes	195, 703,250.00
60		DELTA	Vegetation control & Desilting of median separator along Benin – Asaba Dual Carrageway at CH44+200 – CH133+000	Vegetation control and Desilting of median	19,940,000.00
61			Rehabilitation of major failed portions of Asaba – Illa – Ebu – Edo State border road	Scarification, base course and asphaltic wearing course, patching of potholes,	2,121,583,048.96

62		Flood control at Igbodo, Benin – Asaba Expressway	Construction of culverts and drains, vegetation control and Desilting drainage structures	119,127,741.70
63		The emergency repairs of Warri – Sapele – Edo State border road	Scarification and repair of potholes	160,980,569.22
	TOTAL			41,308,351,806.19



REYNOLDS CONSTRUCTION COMPANY

RC. 6541

(Building and Civil Engineering Contractors)

Head Office:

No. 28 Ebitu Ukiwe Street Off Obafemi Awolowo Way Jabi District P.M.B. 5059, Wuse, Abuja Tel.: 07064171835-7, 08054090165-7

OF THE HON, MA 0 5 JUN 2017 E-mail: info@rcenigeria.com

Lagos Office: No. 39 Oduduwa Way GRA

Ikeja

P.O.Box 5990, Marina, Lagos Tel.: 07034111134-08054001201

Wiebsiten wedung Ul Hower, West

Friday, 2 June 2017

The Honourable Minister Federal Ministry of Power, Works and Housing Headquarters Abuja

Dear Sir

Acknowledgement Copy

REHABILITATION, RECONSTRUCTION AND EXPANSION IBADAN DUAL CARRIAGEWAY SECTION IBADAN), CONTRACT NO. 6205

NOTICE OF SUSPENSION OF WORK

We write to draw your kind attention to the worsening financial situation of the above Project and to solicit your intervention to ease the continuation of work on Site.

At the moment, the outstanding debt on approved Certificates for certified works stands at \$\frac{\text{\text{\text{\text{\text{\text{47}}}}}\end{certificates}}{29.277,294}. It is noted that the 28-day window allowed for payment of the Certificates by Clause 60.4 of the Conditions of Contract ("CC") had long expired, In addition, there is another Certificate (No. 19) of №1,108,334,258 under processing. Thus, making a total of \(\frac{148}{288}, 937, 611, 552\). The mounting debt profile on this Project is worrisome.

While we remain committed to a successful execution and completion of this important Project, funding remains a major challenge in spite of efforts being made by the Government. The irregular payment and the attendant cash-flow problem are adversely affecting Project's planning and execution. At the moment, we are finding it increasingly difficult to source funds elsewhere for the huge capital outlay required for further work.

In view of the dire situation, we shall be constrained to suspend further execution of work unless there is an appreciable improvement in the Project's cash flow and adequate funding arrangement is put in place for further works. This painful decision is bound to delay the scheduled completion of the Project, in addition to the inherent cost implications.

This letter is, therefore, a notice of our intention to suspend further execution of the project, pursuant to Clause 68(5) of the CC. In that unfortunate event, we shall require payment of the outstanding debt as well as full coverage of our attendant expenses and losses before resumption of work. A corresponding extension of time shall also become imperative, pursuant to Clause 44 of the CC.

While assuring you our co-operation, we shall gratefully appreciate an intensification of funding efforts to prevent an avoidable disruption of the Program of Work.

Yours faithfully,

REYNOLDS, CONSTRUCTION COMPANY (NIGERIA) LIMITED

M. NAKHLA

MANAGING DIRECTOR

cc: Motorways Asset Limited

TIN 1000665487

VAT No. LOV050026541

Directors:

Arc. A. S. Odeyemi, R. Paluch (Israeli), M. Hefling (Israeli), M. Nakhla (Israeli) (Managing) Alternates: O. Gome (Israeli), J. Berkovich (Israeli)



JUN 2017 MABUSHI ABUJA Mistry of Power, Work

ANNEXURE V(a)(ii)

per herry



goon Chy

7-6-6 0-1

The Honourable Minister

Federal Ministry of Power, Works and Housing Headquaters

Abuja F.C.T.

Mabushi

Division Office West

6 H Pranch Office

15 ljora Causeway | ljora

Lagos

P.O Box 3643

e-mail: division.west@Julius-Berger.com

Lagos, 2017-06-02

o/ref.: D16.00.1.LSE.L.17.0276

The Rehabilitation, Reconstruction and Expansion Works on Re.: Lagos - Ibadan Dual Carriageway Section 1 (Lagos - Shagamu) (Contract No. 6204)

Honourable Minister,

We formally expressed our concerns about the availability of adequate funding for the above-mentioned project and urgently requested for confirmation that the required project funding for the continuation of the Works, in full force, is available. In this regard we refer to:

- our meeting with Motorways Assets Limited and representatives of The 1) Infrastructure Bank PLC on 18 May 2017 in Abuja, FCT, and
- 2) our correspondence D16.00.1.LSE.L.17.0240, dated 19 May 2017 sent to Motorways Assets Limited c/o The Infrastructure Bank PLC and copied to the Federal Ministry of Power, Works and Housing,
- 3) our correspondence D16.00.1.LSE.L.17.0242, dated 22 May 2017, sent to the Honourable Minister of the Federal Ministry of Power, Works and Housing,
- the meeting organized by the Honourable Minister at the Federal Ministry of 4) Power, Works and Housing on 01 June 2017 involving all project stakeholders.

Honourable Minister, it has become evident, that the required adequate funding for the continuation of the project is not available. We trust you will understand that therefore and as a consequence of the unacceptable financial risk to Julius Berger Nigeria PLC we are left with no choice than to immediately commence suspension of the Works on the Project, as earlier notified.

./.



16.00.1.LSE.L.17.0276 Lagos, 2017-06-02

In order to avoid damages to completed sections of permanent works during an indefinite period of suspension, certain ongoing activities have to be completed prior to suspension. We have therefore attached an overview of the current status and remaining essential works until reaching final cessation of all construction activities by mid July 2017.

We shall keep contemporary records on a daily basis of the equipment and personnel remaining at the site during the suspended period and shall submit them to the Engineer. These records shall be used as the basis for calculation of the cost incurred by the Contractor during the suspension period.

Assuring you of our best intentions at all times, we remain

Yours faithfully,

JULIUS BERGER NIGERIA PLO Division West Management

1/10/

W. Loesser Division Manager T/Meletschus

Commercial Division Manager

encl.: as mentioned above

cc.: Managing Director, Motorways Asset Limited

c/o The Infrastructure Bank PLC

ANNEXURE V(c)(i) JULIUSBERGER work a water

Amady , the Mass The Honourable Minister Federal Ministry of Power, Works & Housing has Invested Headquarters then was fulle steras Mabushi, Abuja

to protein this project

so an CPC, redeen them for titled with come

06/06/2017

Head Office, Abuja

Division Industries, Gas and Oil Phone: +234 803 9067000

E-mail: igo@julius-berger.com

Ref. No.: D12.1.11-054.L.17.0121 KH/ss

9/6/12

His Excellency Babatunde Raji Fashola, SAN

The Honourable Minister

Engr. Abubakar G. Magaji

Permanent Secretary

The Bring up promumer plum for mis goidge

The Second River Niger Bridge Project linking Anambra and Delta States Early Works IV (EW IV) - Pending Advance Payment

Reference:

F.C.T., Nigeria

Attn.:

Cc;

1. JBN Letter Ref. D12.1.11-054.L.17.0029 dated 20/01/2017 - Advance Payment Application

2. JBN Letter Ref. D12.1.11-054.L.17.0038 dated 27/01/2017 - Advance Payment Guarantee

3. JBN Letter Ref. D12.1.11-054.L,17.0061 dated 15/02/2017 - Pending Advance Payment

4. JBN Letter Ref. D12.1.11-054.L,17.0074 dated 28/02/2017 - Pending Advance Payment

Dear Sir.

Pursuant to our letters reference 2 and 3 above we hereby give you further notice that we are yet to receive our advance payment as applied for (reference 1 above) against the issued guarantee (reference 2 above) as amended (With original revised guarantee hand delivered and signed for in receipt).

Whilst we are committed to mobilize to site, without the advance payment we are unable to procure strategic import materials nor mobilize our equipment and staff, which will delay the commencement of the project and put the project into delay.

We would also note that the already delayed commencement has detrimental effect on the scope of work due to the time of year and water levels. The scope will need to be redefined under Sub-Clause 88 as amended in the Conditions of Particular Application. We would further add and note that the borrow pit on the Asaba side is now flooded and the planned borrow to fill operation in the Early Works IV scope cannot be undertaken at present.

Trusting that this will receive your prompt action we remain,



Date 06.06.2017 Ref. D12.1.11-054.L.17.0121 Page 2 of 2

Yours faithfully,

Julius Berger Nigeria PLC

Division Industries, Gas and Oil

H. Bley

Division Manager

Division Manager

Filing Code: D30/B00

FEDERAL MINSTRY OF POWER, WORKS AND HOUSING BUDGETARY ALLOCATION UNDER 2016 APPROPRIATION

S/N	SECTOR	APPROPRIATION (N)	RELEASES (N)
1	POWER	91,257,561,006.16	36,000,000,000.00
2	WORKS	260,082,997,389.84	198,300,000,000.00
3	HOUSING	71,559,441,604.00	33,971,472,685.00
	TOTAL	422,900,000,000.00	268,271,472,685.00
		100%	63.44%

BALANCE
(N)

55,257,561,006.16

61,782,997,389.84

37,587,968,919.00

154,628,527,315.00

36.56%