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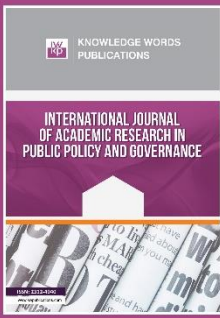
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## Public Procurement Act and the Challenge of Official Corruption in Selected Federal Government Projects in Anambra State

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### Abstract

This study examined the application of the Public Procurement Act (PPA) in proactively attenuating official corruption through maximizing the benefits of project management process in Federal Government projects in Anambra state. Data for the study were collected through primary and secondary sources. A sample size of 843 respondents was selected from a population of 84,381 from the area covered in the study. Data were analyzed using descriptive statistics. The main findings from the study showed that: there is a significant relationship between high level official corruption in the public procurement system and abandonment of Federal infrastructural projects in Anambra state; undue bureaucratisation in the procurement process delay timely execution and delivery of Federal projects; as well as a positive relationship between project failure and decline in quality of life in Anambra state. The study recommends among others: an overhaul of the Public Procurement Act (PPA) which will include the immediate establishment of National Council of Public Procurement (NCPP) and parliamentary approval for NCPP and Bureau Public Procurement (BPP) officials; improvement in the capacity of BPP for enhanced professionalism in assessing and monitoring of Federal projects; and effective application of appropriate sanctions for violators of the provisions of Public Procurement Act (PPA). The work concludes that infrastructural capacity will be enhanced through integrity in the budgeting system and a sound corrupt free public procurement process.

**Keywords:** Public Procurement, Challenge, Official Corruption, Federal Government Projects.

### Introduction

Development of basic infrastructure remains critical to human capacity development and a boost to socio-economic activity in all modern societies. Failure of the state to adequately harness, mobilise and deploy resources to implement and execute the articulated programs and projects in the yearly

budgets lead to deleterious consequences on the society. Two major related consequences of such misapplication of resources in the execution of budgeted capital projects are the ubiquitous collapse of critical infrastructure in such vital areas of national life as education, water, health, roads, housing, industry etc; and socio-economic stagnation and backwardness. This situation manifests in low capital formation and entrepreneurial stultification, low income generation, poverty, rural atrophy, urban decay, socio-political crises and criminality.

Over the years, official corruption has been identified as the major explanatory variable for abandonment of projects and collapse of infrastructure. Corruption disrupts timely implementation and execution of projects through diversion, misapplication, and misappropriation of funds for development of projects. Thus, the manipulation of budgetary processes by corrupt officials may constitute the major factor in the litany of abandoned projects all over the country, some running into billions of naira (Adenuga, 2009).

### **Statement of the Problem**

The challenge before any society is to ensure that efforts and resources deployed for sustainable development are not frittered away by extraneous factors that if not addressed becomes the controlling nemesis. Corruption by distorting the budget implementation process vitiates strategic development endeavours. This is in view of the strategic position of the national budget as the most important government policy document. The Nigerian truncated development strategy is reflected in the budget process which is weighted heavily in favour of the recurrent expenditure to the neglect of the capital expenditure. Thus, while recurrent budget takes between 70 and 80%, the capital budget which is critical to development takes less than 20-30% of the budget. Even at that, while the recurrent expenditure is faithfully implemented, the capital budget elicits less than 40% successful implementation. The poor performance of ministries, departments and agencies of government in executing planned projects has been attributed to convoluted bureaucratic hurdles, overbearing contract regulations and corruption of office holders (Ingwe, 2012).

The best way to fight corruption and enhance project execution is by strengthening those institutions and agencies that make the intention to commit corruption difficult, if not impossible. One of such agencies whose main mandate is the enforcement of the provisions of the Public Procurement Act of 2007 is the Bureau of Public Procurement. Public Procurement Act ensures that through a comprehensive and institutional approach, the fight against corruption would show meaningful result.

Against this backdrop, the study intends to investigate the effectiveness of the Public Procurement Act as an anti-corruption instrument in addressing the problems associated with the execution of Federal Government budgeted capital projects in Anambra State.

### **Objectives of the Study**

The objectives of this study are to:

1. Examine the relationship between official corruption and abandonment of projects.
2. Examine the level of the abandonment of Federal Government projects in Anambra State and the impact on the development efforts.
3. Analyze the capacity of the Bureau of Public Procurement in assessing and monitoring of Federal Government projects in Anambra state.
4. Examine the causes and consequences of project abandonment in Anambra State.

### Research Questions

Some of the questions that would be of interest in the course of this study include:

1. What is the relationship between official corruption and abandonment of projects?
2. What is the magnitude of project abandonment and its impact on development efforts in Anambra State?
3. What is the capacity of Bureau of Public Procurement in monitoring and assessing Federal Government projects in Anambra State?
4. What are the causes and consequences of the Federal Government abandoned projects on the living conditions of Anambra residents?

### Scope of the Study

The study covers the state of Federal Government projects in Anambra State, South-East of Nigeria. Anambra State was created in 1987 and presently has 21 Local Government Areas. The state capital is Awka with Onitsha and Nnewi as the major towns. The state has a population of 4.5 million on the basis of 2006 national census. The state covers an area of 4,844 sqkm and a population density of 840 per sqkm. The study focused on the communities and local government areas that host uncompleted and/or abandoned projects in Anambra State.

### Conceptualizing Corruption

Corruption is a complex and variegated social problem. Its explanations are as diverse as there are ideological and scholarly stand points. As Caiden (2001: 21) observed, "the complexity of the phenomenon of corruption makes it difficult to provide a comprehensive account of the causes of corruption". Corruption is thus a reflection of interplay of economic, ideological, political, socio-cultural and technological variables. That is why corruption as a social science concept has been subjected to unflinching polemics, rhetoric and scholarly semantics and the confusion over a clear conceptual meaning has hardly abated. Thus, the many varieties of corrupt behaviours reflect equally the varieties of conceptions of the concept. Our consideration of some conceptions of corruption will show clearly that such considerations reflect the intellectual, moral, social and political hues of the groups and the scholars.

English Black Laws Dictionary (Olanipekun, 2012) thus defines corruption as impairment of integrity, virtues, or moral principles, especially the impairment of public duties by bribery. Transparency International (2006) defines corruption as the abuse of the entrusted power for private gain. Corruption hurts every one whose life, happiness or livelihood depends on the integrity of people in positions of authority. This definition which is frequently used by World Bank focuses exclusively on corruption in the public sector Ekiyor (2005) and Economic and Financial Crimes Commission (EFCC), (2007) define corruption in relation to distortion of public responsibilities by public officials. According to Ekiyor, corruption is the unlawful use of official use, official power or influence by an official of government either to enrich himself or further his course and/or any other person at the expense of the public in contravention of his oath of office and/or contrary to the conventions or laws that are in force. The EFCC defines corruption as the non-violent criminal and illicit activity committed with objectives of earning wealth illegally either individually or in group or organised manner thereby violating existing legislation governing the economic activities of government and its administration.

The practice of corruption in Nigeria includes bribery, embezzlement, fraud, extortion, mobilization of free racket, contract inflation or fictitious contracts, over invoicing and salaries of ghost workers.

Corruption can also manifest in direct diversion of public funds to private pockets, over invoicing, nepotism, general financial recklessness, impunity, fraudulent borrowing and debt management, public asset stripping, electoral fraud and shielding of corrupt public officers (Tambuwal 2014).

### **Corruption and Project Abandonment**

The magnitude of project abandonment in Nigeria has elicited an avalanche of studies, individual and group concerns and state induced investigations. The reasons for project abandonment range from paucity of funds, politically induced citing of projects, technical incapacity of the personnel, technical and financial incapacity of regulatory agencies to lack of political will to deal with repugnant contractors according to law as well as mismanagement and misapplication of funds. Basically, corruption results in a lack of provision for public goods such as infrastructure for business, education, health and household amenities. (The Economist, 2015). For instance, over one trillion naira appropriated for water schemes between 2007 and 2012 cannot guarantee water for more than 80% of Nigerians in urban and rural areas due to the abandonment of many water projects across the country (Waziri, 2012). A study of the Universities and the other tertiary institutions by the Needs Assessment set up by the Federal Government shows that 701 projects were abandoned across the country over 5 year period. (The Nation editorial, 12<sup>th</sup> November, 2012). Walter and Edem (2008) observed that some of the projects have been abandoned for over 30 years as most of them were started in the 1980s and 1990s.

Reports of the Presidential Monitoring Committee on NDDC projects showed that out of 5100 contracts awarded by NDDC over a period of 10 years, only 1550 were completed leaving 2,985 projects abandoned Turaki (2014) in a study of constituency projects for the National Assembly members as provided in the constitution showed that 2399 constituency projects were abandoned in 2013 across the country Alonge (2014) equally revealed that over 1,600 rural electrification projects were abandoned in the last four years. Ledum (2013) confirmed that investigation by the Nigerian Extractive Industries and Transparency Initiative (NEITI) showed that between 2007 and 2011 only 36 out of 139 projects undertaken with the ecological funds were completed. In the same way Ajaokuta Steel Company which was started in 1979 with loan of five billion dollars drawn from the World Bank was finally abandoned in 2001 after gulping over forty-six billion dollars with less than 50% completion. (Simon, 20006, quoted in Ashimolowo, 2011). Also, a probe by the House of Representatives in 2008 showed that sixteen billion dollars have been wasted in the power projects investment between 1999 and 2007. By 2015, over twenty-two billion dollars has been spent on electricity projects with much of the projects abandoned. (The Nation, 2015).

What will explain these humongous wastages are unprecedented official corruption, weak institutional base and the incapacity of the state to enforce extant public procurement laws. Corruption vitiates budgeted capital projects in various ways. For instance, Bankole (2010) also observed that abandonment of projects most times result from the manipulation of the budgetary process by the corrupt officials. He argues that Nigeria loses so much money through unspent funds from annual budgets while the projects for which the funds are appropriated litter all over the place as uncompleted projects or totally abandoned projects. Also policy inconsistency as regards project execution that runs through succeeding Nigerian governments, turn projects that ordinarily would have benefited the masses into drain pipes (Rufai, 2012).

This situation was also espoused by Bunu (2012: 3), the chairman of the Presidential Project Assessment Committee when he opined that "Following the committee in-depth assessment of many of the projects, we take no joy in confirming that there is indeed evidence of large scale; wide spread



institutional mediocrity, deficiency of vision and lack of direction in project management. There is also, inadequate budgetary allocation coupled with high cost of projects, and the disobedience to the Public Procurement body”.

### **Checking Corruption through Public Procurement ACT**

The Public Procurement Act is an important aspect of the Fiscal Responsibility Act in Nigeria. The Public Procurement Act provides detailed requirement and guidelines for procurement contracts in respect of goods and services in the public sector that is, ministries, extra-ministerial offices and other agencies of government as well as all public entities set up by the constitutions or Act of the National Assembly and/or whose funding derives from the Federation accounts, their own internally generated revenue, the Federal share of the Consolidated Revenue Fund and special allocation in the Federal budget (Financial Regulations 2009).

The Public Procurement Act which became the Act of Parliament in 2007 ensures that all procurement contracts in the ministries, extra-ministerial offices and other arms of government should be prescribed and allowed by the Bureau of Public Procurement. The Act provides for the Bureau of Public Procurement that is granted the mandate to ensure that contracts for goods, works and services are awarded by Ministries, Departments and Agencies (MDA) of Government to competent contractors.

The Bureau also ensures that projects are not only executed within specified time, but meet the irreducible acceptable standards. The Bureau has the capacity to enforce the provisions of the Act and can impose sanctions on any infractions of the provisions of the Act from individuals, contractors and staff of the Bureau and awarding entities. The Bureau is supposed to be represented in all the ministries and agencies of the government where requisite information are to be fed back to the Bureau for proper action. The states and local governments are also expected to domesticate the Act in line with the Federal Government Fiscal Responsibility initiative.

### **Research Methods**

**Research Design:** The research design for this study is the survey research. Survey studies according to Anikpo (1996: 37) “are applied mainly in the examination of current conditions or practices relating to any aspect of social systems in order to make more effective plans for improvement”. The employment of survey research approach also encouraged the visit to several abandoned and ongoing Federal Government projects in different parts of Anambra State.

**Population and Sample Size of the Respondents:** The population of the study area is 84,381 made up of those who are from twenty years with a minimum of secondary education from six communities in the six Local Government Areas of Anambra State selected for our study. The sample size purposively selected from the population is 843 respondents. Below is the table showing the population and sample size of the respondents from the study area.

**Table 1. Population and sample size of respondents.**

S/N	LGA	POPULATION	SAMPLE SIZE	PERCENTAGE
1	Oyi (Umunya)	7,235	79	9.5
2	Orumba North (Nanka)	11,250	118	13.9
3	Aniocha (Agulu)	18,126	172	20.5
4	Ayamelu (Umumbo)	4,545	55	6.6
5	Nnewi (Otolu)	21,056	201	23.9
6	Awka North (Awka)	22,158	218	25.9
	TOTAL	84,381	843	100

Source: National Population Commission, Awka, Anambra State.

**Methods of Data Collection:** There are basically two sources of data for this study; the secondary and primary sources of data. Our sources of secondary data included research works, social and conventional (electronic and print) media, as well as text books and academic journals. Secondary data were also sourced from government official gazettes, Acts of Parliament, parliamentary motions, decrees and edicts.

Primary sources of data included questionnaires, In-depth interviews and field work observation. Questionnaires were administered to 843 sampled respondents, while 45 respondents with expert opinion on the focus of the study were interviewed. Observed data were obtained through several visits to several projects in the study area by the researcher.

**Methods of Data Analysis:** The data presentation and analysis were both qualitative and quantitative. The qualitative analysis involved painstaking translation of respondents' data, study of research notes and analysis of observable events to interrogate the thoughts of the respondents. Content analysis of the secondary data also formed part of the qualitative analysis. The quantitative analysis involved mainly presentation of data through frequency distribution tables, percentages as well as pie and bar charts and histograms.

#### **Data Presentation and Analysis**

Our analysis of data will be based on the data from the 825 respondents that returned their questionnaires out of the 843 questionnaire that were administered. Data presentation will also reflect data from the In- depth Interview conducted on 45 respondents that on the perception of the researcher have expert opinion on the focus of the study.

#### **Socio-economic Characteristics of the Respondents**

Our findings showed that majority of our respondents were males. Out of a total of 825 respondents that returned their questionnaires, 528 representing 60.3% were males while 327 respondents representing 39.7% were females. Our findings also revealed that a preponderance of respondents were within the age bracket of 40-49 years. Those in the age bracket of between 20-29years constitute 43 or 5.2% of the respondents, while 217 or 26.3% of the respondents claim the age bracket of 30-39 years. 358 or 43.3% of the respondents are within the age bracket of 40-49 years. Those who are above 50 years constitute 207 or 25.09% of our correspondent.

The bulk of our respondents had B.Sc and HND certificates as they constitute 428 or 51.8% of our respondents. 252 or 30.8% of our respondents are M,Sc and PhD certificate holders. Also 97 or 11.7% of our respondents had OND certificates while 48 or 5.8% of our respondents stopped their education at the secondary level. Also majority of our respondents are married. They represent 564 or 68.36% of the respondents. The singles represent 85 or 10.32% of the respondents, while the widowed and divorced/separated represent 93 or 11.2% and 83 or 10.06% of our respondents respectively. Thus, the majority of our respondents who are between the ages of 30 and 50 years are mostly married. The occupational characteristics of our respondents indicate that an overwhelming number are civil and public servants. Our findings show that 436 or 52.8% of our respondents are civil and public servants, while 143 or 17.3% of the respondents are clergy men. 105 or 12.7% and 77 or 9.3% are traders and farmers respectively, while 64 or 7.7% or 17% of our respondents are engaged in other occupations such as transportation, mechanics, technicians, welders, builders and tailoring.

### Data Analysis

This section of our study focuses on the analysis of data relevant to our research questions. Four main questions developed in the course of the research were analyzed and discussed

**Research Question 1:** *What is the relationship between official corruption and abandonment of projects?*

Presentation and analysis of data on the research question one were based on some questions that were asked the respondents. For instance the respondents were asked "Do you agree that the Federal Government projects in Anambra State were abandoned because of official corruption". 556 or 67.4% of the respondents said there was direct relationship between official corruption and project abandonment in Anambra State. However 20 or 2.4% of the respondents disagreed that there was such relationship, while 249 or 30.2% of the respondents remain undecided. Below is the figure indicating respondents` responses to the question.

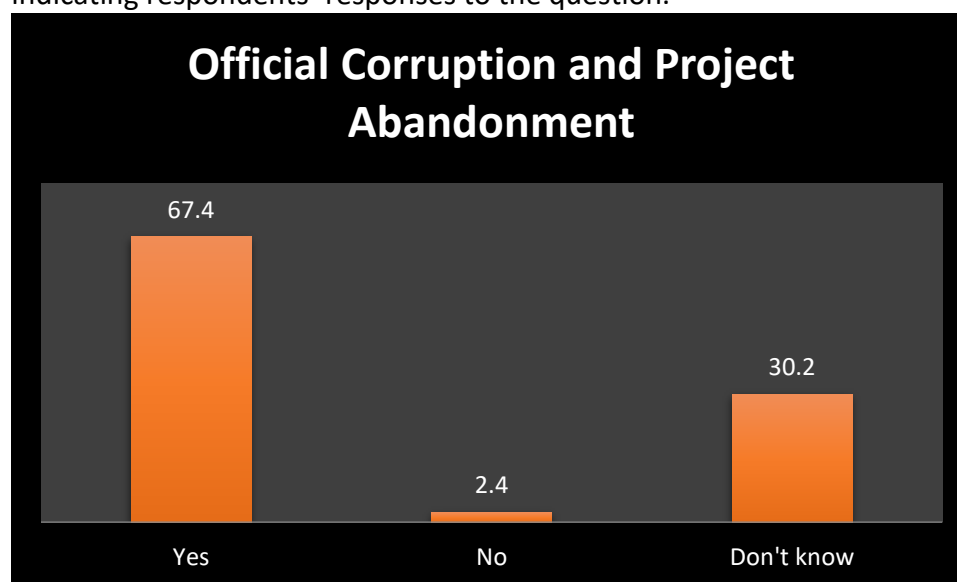


Fig. 1 showing Official corruption and project abandonment in Anambra state.

Again responses to the question on whether the contractors mobilised for projects could not execute the contracts because part of the funds have been used to settle government officials as conditions for winning the contract" were as shown by the table below.



**Table 2 Showing Collusion between Public Officials and Contractors in the Procurement Process**

RESPONSES	FREQUENCY	PERCENTAGES
Strongly agreed	257	31.1
Agreed	305	36.9
Undecided	48	5.8
Disagreed	120	14.5
Strongly disagreed	92	11.1
Total	825	100

Source: Field survey, November, 2017.

The above table shows that 305 or 36.9% of our respondents agreed that government officials were bribed by contractors in the course of bidding for contracts while 257 or 31.1% strongly agreed to the assertion. 48 or about 5.8% remain undecided while 120 or 14.5% and 92 or 11.1% of our respondents respectively disagreed and strongly disagreed that government officials are always settled by contractors to win contracts.

However, 60% of our IDI respondents disagreed that corruption is the bane of the execution of the Federal Governments budgetary provisions on critical infrastructure in Anambra state. 6.8% of our IDI respondents were undecided while 33% agreed to the question. Also 59.3% agreed that non execution of Federal projects in Anambra state was mainly because of the problem of inadequacy or inconsistent release of funds by the relevant Federal agencies. 5.5% were non committal while 35.1% disagreed with the question.

Also, some of the lacunae in the Public Procurement Act that may render it vulnerable to manipulation and corruption include:

1. Non establishment of National Council on Public Procurement (NCP) as provided for in Section 10 (1) of the Act. The non establishment of NCP showed that the essence of Procurement Act is lost. This is because the ministries, heads of parastatals and the Federal Executive and State executive councils are still the final authorities in the award of contracts instead of the National Council of Public Procurement. The appointment of the Director General and the other Board members of the Bureau of Public Procurement are still done by the presidency without the approval of the NCP which clearly violate the PPA provisions because NCP does not exist. What this means is that all the activities of the BPP can be deemed illegal because the NCP that ought to approve their appointment and their plans and programmes have not been established. Again, the inauguration of the NCP would have been a fitting bulwark against public procurement corruption because the membership cut across ministers, NGOs, professional bodies and trade unions.
2. The appointment of the Chairman of NCP and Director-General of BPP as well as other officials of the two Public Procurement bodies by the President as provided in the sections 10 and 11 of the Procurement Act, without parliamentary approval does not provide the BPP with the requisite autonomy to operate independently. Also the Act does not provide first line charge funding for the operation of public procurement bureaus and agencies. For as long as the BPP depends on the executive for it's funding, so long will it be vulnerable to political interference.
3. Section 28 of the Act which provides that a procuring entity may (A) reject all bids at any time prior to the acceptance of the bid without incurring liability from the bidders; and (b) cancel the procurement proceedings in the public interest, without incurring liability to the bidders (Olakanmi, 2007: 315) gives wide powers to MDAs to select bids that may be incompetent but

with both pecuniary and political interests. The provision also denies the bidders the opportunity to challenge the rejection of their bids. This compromises the Act's commitment to fairness, competitiveness, transparency and integrity.

4. Section 31 (subsection 6) which stipulates the conditions on which bids can be rejected or allowed to be amended after clarifications as *major and minor deviations* (Olukanmi, 2007: 317) shows that what constitute major and minor deviations are not only vague but largely determined by the procuring entities and BPP. This again renders the Public Procurement Act vulnerable by the state, MDAs and BPP in collusion with contractors.
5. Section 40 (1) provides that a procuring entity for reasons of economy and efficiency may engage in procurement by means of restricted tendering with the approval of BPP; while
6. Section 42 (1) allows procuring entity to carry out emergency procurement on conditions provided by the entities. (Olusakanmi, 2007: 324). This provision can be exploited by vested interests to achieve objectives that are purely personal rather than public. This provision also shuts out potential and possibly competent contractors and indeed the general citizenry from the infrastructural development of the society.

**Research Question 2:** *What is the magnitude of Federal Government projects abandonment in Anambra State?*

The table below shows that housing/secretarial buildings and education and health with 24.8% and 21.8% constitute the sectors of the society with the highest number of abandoned projects in Anambra State.

**Table 3 Shows the Number and Spread of Abandoned Projects in Anambra State**

TYPE OF PROJECT	FREQUENCY	PERCENTAGE
Agriculture/water resources	14	10.5
Road/transportation	13	9.7
Education/health	29	21.8
Environmental control	27	20.3
Housing/office complex	33	24.8
Industrial/power installations	12	9.2
Sporting/recreation/tourism	05	3.7
Total	133	99.8

Source: Field Survey, November, 2017.

The enormity of Federal abandoned projects in Anambra state as exemplified by the table below is quite alarming:

**Table 4. Some Abandoned Federal Projects in Anambra State**

PROJECT	LOCATION (LGA)	CONTRACTOR IN CHARGE	YEAR COMMENCEMENT	YEAR OF ABANDONMENT
300M/T Rice mill	Ayamelu	Tiase (Japan)	1996/2008	2010
Anambra irrigation	Ayamelu		1998	2000
Enugu-Onitsha road	Oyi	RCC	2003	2004
Anambra Airprot	Orba		2009	2009
Second Niger bridge	Onitsha	Julius Berger	2003	2004
Federal Secretariat	Awka		2007	2012
Orient Petroleum Drilling	Ayamelu	Alaigba Gas	2008	2013
Erosion Control	Orumba	Rhonaco/Rhino Maritime	1982/2005	1984/2011
300 KVA Sub station	Nnewi	Valenze	2006	2012
Police College	Nnewi	Guconia	2003	2007
College of Health	NAU (Nnewi)	Chix Mart	1999	2005
Class room blocks	Aguata	Design Reality	2009	2012
H projects				
Housing projects	13 LGAs		2003	2005
Ziks Masoleum	Onitsha		1998	2001
Anambra Seaport	Onitsha		1991	1996
Engineering Faculty (NAU)	Awka	Grochi Limited	2003	2005

Source: Field Survey, November, 2017.

**Research Question 3:** *What is the capacity of the Bureau of Public Procurement in monitoring and assessing Federal projects in Anambra State?*

In trying to ascertain the level of compliance to the provisions of the Public Procurement Act, the respondents were asked “Would you agree that the project in your community was abandoned because the contract for the project did not comply with the laws governing the Public Procurement Act”. The responses were as presented on the table below.

**Table 5 Showing Non Compliance of Contract Parties with PPA Provisions**

RESPONSES	FRQUENCY	PERCENTAGES
Strongly agreed	148	17.9
Agreed	369	44.7
Undecided	107	12.9
Disagreed	138	16.7
Strongly disagreed	58	7
Total	825	100

Source: Field survey, November, 2017.

The above table shows that 148 or 17.9% and 369 or 44.7% of our respondents strongly agreed and agreed that most of the contracts did not meet the requirements of PPA respectively. 107 or about 12.9% of our respondents expressed ignorance of the question, while 138 or 16.7% and 58 or 7% of the respondents disagreed and strongly disagreed respectively to the view on conformity with procurement laws.

However, the responses from our respondents on question “Were the personnel of the BPP part of the technical staff that assessed the execution of the projects” tended to slightly differ from the responses to the former question. This is because as shown by the table below, majority of our respondents, 368 or 44.6% cannot say whether the projects were monitored by the personnel of BPP, while 238 or 28.8% and 219 or 26.5% of our respondents respectively answered yes and no to the question.

**Table 6 Showing BPP Monitoring of Federal Projects in Anambra State**

RESPONSES	FREQUENCY	PERCENTAGES
Yes	238	28.8
No	219	26.5
Don't know	368	44.6

Source; Field Survey, November, 2017.

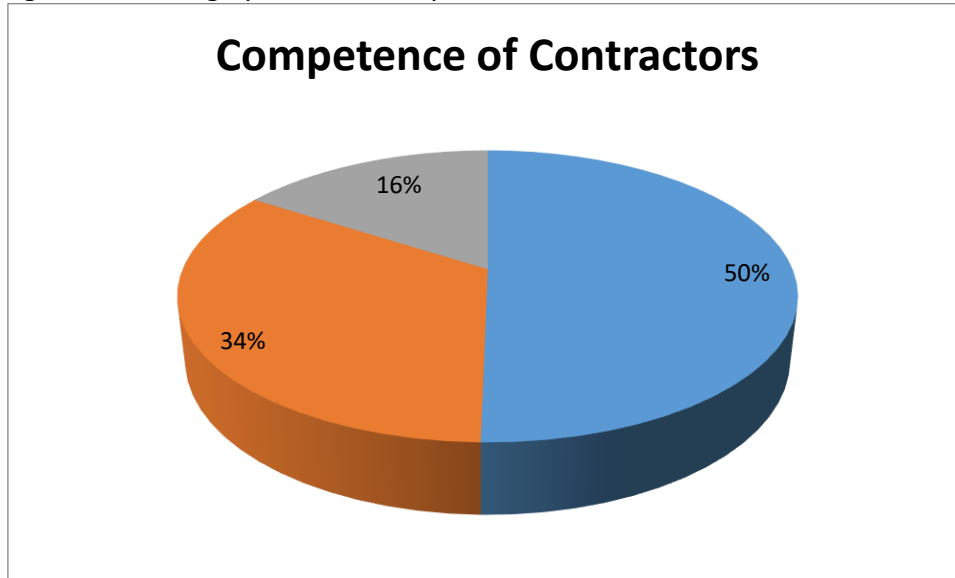
Also, 48.2% of the IDI respondents affirmed compliance with adequate publicity and competitive bidding while 43.4% disagree with the above question. 8.2% of the respondents were undecided.

**Research Question 4:** *What are the causes and consequences of projects abandonment in Anambra state.*

Responses to the questions used to discuss research question four reflect to a large extent the major areas of the problems associated with neglect of Federal projects in Anambra State.

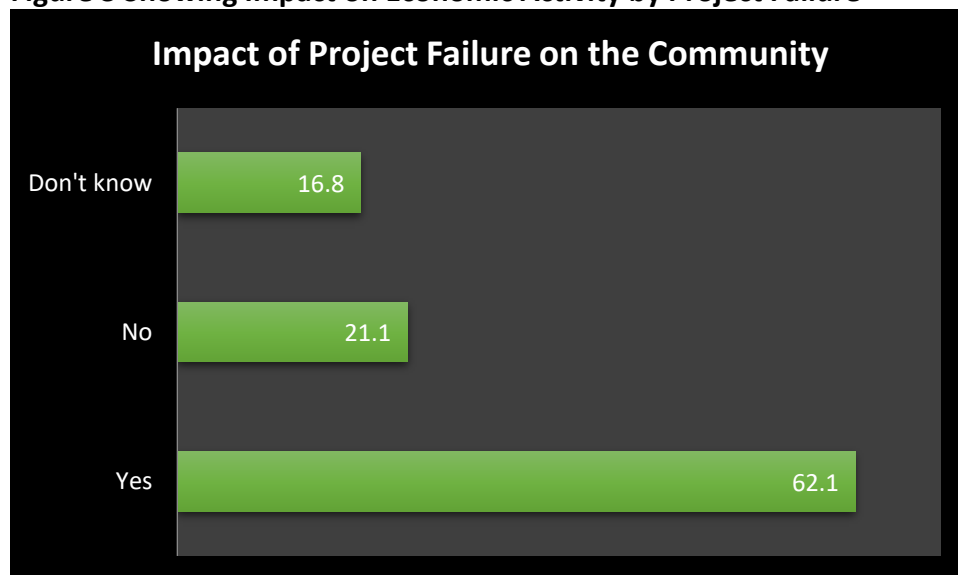
For instance, most of the respondents disagreed with the view that inadequate funding was the reason for project abandonment in Anambra State. Thus, 490 or 59.4% were of the view that misapplication of fund, rather than inadequate funding was the cause of Federal Government project failure in Anambra State , while 257 or 31% of the respondents agreed with the view that inadequate

funding was the cause of project failure. 78 or 9.4% of the respondents were undecided. The respondents views to the above question are in tandem with their views on the question, “Do you think that the contractors handling the projects have relevant administrative, personnel, technical as well as financial capacity to finance and execute the projects” as indicated in the figure below. Figure 2 showing opinion on competence of contractors in the execution of projects.



The above figure shows that 50% of the respondents said no to the question. 34% of the respondents agreed with the question, while 16% of the respondents were undecided. The question “Do you think the state of the project has undermined socio-economic activity in your community” was meant to draw out the consequences of project failure on the citizens and residents of Anambra state. Majority of the respondents, 62.1% affirmed the undermining of socio-economic activities by the abandoned projects, while 21.1% disagreed with the question. 16.8% claimed don’t know.

Figure 3 Showing Impact on Economic Activity by Project Failure



Worse still, some of the uncompleted projects end up creating environmental havoc in some of the communities. This was shown in the responses to the question “Would you say that the state of the projects has worsened the physical environmental challenges in your community”? 448 or 54.3% and 273 or 33.09% of the respondents said yes and no to the question. 104 or 12.6% claimed ignorance of the situation. This is shown by the table below.

**Table 8 Showing the Defacing of Environment as a Consequence of Abandoned Projects**

Responses	Frequency	Percentages
Yes	448	54.3
No	273	33.09
Don't know	104	12.6
Total	825	99.8

Source: Field survey, November, 2017.

Again, abandonment of projects has implications on the nature of relationship between the state and civil society. Peoples interest in government activities tend to be at its lowest ebb in the communities where infrastructural and economic projects are abandoned. This is buttressed by the responses to the question “Would you agree that the state of the projects in your communities has affected the interest of people in government negatively”? The figure below shows that 11.8%, 58.4% and 9.6% strongly agree, agree and undecided respectively to the question. 9.3% and 10.9% disagree and strongly disagree to the question.

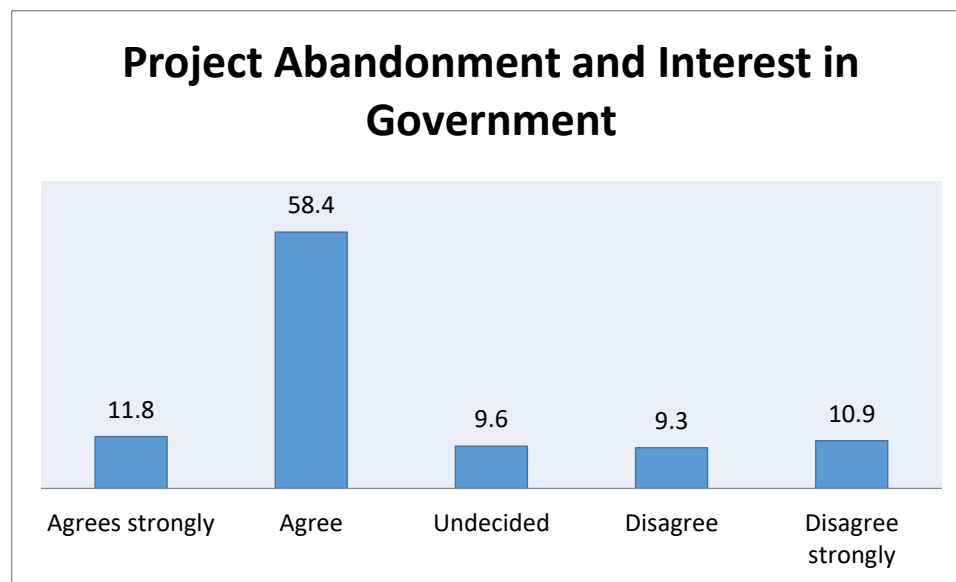


Fig 4 showing project abandonment and peoples' interest in government.

In order to obtain responses on the factors leading to project failure in Anambra state, the IDI respondents were asked to select factors that may lead to project failure”? 21.3% affirmed that funding is the main cause of project failure. 14.4%, 5.5% and 15.1% claimed that poor planning, inexperienced management, incompetent contractors respectively constitute the causes of project failure. Other causes of project failure as chosen by the respondents include; political pressure 16.5%,



business/geographical environment 6.2%, variation of project scope/design 7.5% and changes in government/policy inconsistency 13.1%.

To ascertain the major consequences of project failure on the residents of Anambra state, the IDI respondents were asked to indicate the consequences of project failure on the society. Majority of the respondents, 22.7% were of the view that reduced economic activities in the communities constitute the major consequence of project failure in the state. 13.7%, 15.8% and 16.5% contend that rural atrophy, urban decay and unemployment respectively are the major effects of project failure in the state. Also 20.6% and 10.3% respectively affirm that reduced interest in government and criminality are the major consequences of project failure in the state.

### Summary of Findings

1. The work found a significant relationship between high level of official corruption and abandonment of Federal Government projects in Anambra state. The Public Procurement Act has not been successful in proactively checking corruption and ensuring timely execution and delivery of Federal projects in Anambra state.
2. The work discovered a lacuna in the operation of Public Procurement Act on the part of Government. This is shown by the non inauguration of National Council on Public Procurement. This short coming does not only render the operations of the PPA committees ineffective but render their activities illegal *abinitio*. This has posed serious challenge to the implementation of PPA provisions in the execution of Federal projects in Anambra State.
3. The work discovered that undue bureaucratisation in the procurement process delays and prolongs the timely execution and delivery of Federal projects in Anambra state. The Bureau of Public Procurement does not in most cases adhere strictly to timeliness in the award and execution of projects by the awarding entities as stipulated in the Procurement Act.
4. The study found a positive relationship between project failure and the decline of quality of life in Anambra state. Most of the abandoned projects are in the sectors that are critical to socio-economic development.
5. The work found a relationship between Federal project failure and mismatch between budget appropriation and the actual release of funds for the execution of the projects by the relevant agencies of the Federal Government.
6. The study found a moderate relationship between project failure and lack of inclusive approach in relation to host communities in the execution of projects in Anambra state.
7. Political pressure and manipulation tend to exacerbate Federal project failure in Anambra state.
8. The study found that the inability of the Bureau of Public Procurement to adequately monitor and assess the design, implementation and execution of projects as stipulated in the Procurement Act tend to increase the incidence of project failure in Anambra State.

### Conclusion

The major motivating factor for this work is the realization of the fact that the underlying factor for sustainable development is the creation of critical infrastructural base in the society. The reason why the nation has not made substantial gain in authentic development is because the procurement system which drives basic societal infrastructure has not been adequately addressed. Indeed, faulty procurement process in the society makes for the twin evils of corruption and inefficiency in the management of public finance. The best way to check corruption and enhance development is by preventing corruption from occurring. This can effectively be achieved through strict enforcement of

Public Procurement Act through a more effective Bureau of Public Procurement. It is therefore imperative that the abuse and violations of the Act should be vigorously sanctioned. The inauguration of the National Council on Public Procurement as provided by the Public Procurement Act has therefore not only become imperative but urgent to give full legal backing to the operations of Public Procurement Act.

For some time now, there has been a strong advocacy for rapid infrastructural development as a means of facilitating economic growth and social development. This is achievable through an independent, corrupt free and effective procurement system. A corrupt and structurally incapacitated procurement system such as in operation in the country has had debilitating impact on infrastructural development as manifested in incidences of project failure in Anambra state. Anambra state today is replete with unprecedented spectre of abandoned Federal projects. These abandoned projects cut across educational, industrial, health and other socio-economic infrastructures in the state. The all round debilitating effects of the abandoned projects reflect an unwholesome procurement process.

Drawing from the above findings, we conclude that the major challenge of infrastructural development in Anambra state and indeed the country is high level official corruption. The Public Procurement Act and Bureau of Public Procurement which constitute the antidote to the challenge of corruption in the society cannot effectively achieve this aim as presently constituted without a complete overhaul in line with the aspirations of the society.

### **Recommendation**

The study recommends the following;

1. The Public Procurement Act should be overhauled to enhance its effectiveness as a proactive anti-corruption agent. This will enhance the implementation, execution and delivery of Federal projects in Anambra state. The appointment of the Director General of the Bureau of Public Procurement should not be made the sole responsibility of the executive. It should require parliamentary approval. The funding of the Bureau should also be on first line charge. This will give the BPP the requisite autonomy to operate.
2. The Federal Government should as a matter of urgency inaugurate the National Council on Public Procurement to complete the full legal requirement for the Public Procurement Act. This will also enhance both the effectiveness and needed legal backing for the operations of the bureaus and committees as provided in the Act.
3. There is the need to enhance the capacity of Bureau of Public Procurement (BPP) to monitor and assess the execution of Federal Government projects in Anambra state. It is important that the BPP as stipulated in PPA is part of the projects from the conception, design, implementation and execution of projects.
4. The Federal Government should consider the setting up of a Public Procurement Offences Tribunal to hasten the prosecution of the violators of the provisions of the act. The tribunal should be headed by legal professional of not less than the rank of a Judge of a Federal High court.
5. To enhance integrity in the procurement system, bidders should be provided with adequate security. The Act presently does not require any explanation from the procuring entity on the reasons for the rejection of bids. Thus, bids from the assumed opponents of the government in power can be rejected even if they are competent, while incompetent bids with impudent connections can be accepted.

6. There is need for an inclusive approach in determining the citing of projects. Information about projects should be made available to the host communities. The involvement of the communities will help in sustaining the projects because the projects are seen as meeting the needs of the communities.

7. It is important to spread projects fairly among the federating units in the yearly budgets. Budgets should therefore be decentralized and democratized to enhance full participation of units of the federation. Budgeting system should serve as instrument for enhancing personal and national development.

8. The Public Procurement Act should be domesticated in Anambra state and Local Government Areas.

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