

LEAD DEBATE ON CONSTITUENCIES DEVELOPMENT CATALYST FUND BILL, 2016.

SPONSOR: SENATOR ABDULFATAI BUHARI.

Mr. President, Distinguished Colleagues it gives me great joy to stand before you my colleagues to lead the debate on the general principles of the Bill for an Act to provide a legal framework of an existing Constituency Projects Fund in Nigeria, It provides a databank of projects, allocation and orderly disbursement of funds to constituencies, reports from Constituencies and for other related matters. This Bill seeks to foster the creation of constituency projects to ensure a minimum presence of government in every constituency by having some grassroots project sited in each, during the budgeting process. The need to entrench full participation, best practices and probity towards the use of constituency funds are bases to the success of grassroots project. It is however worrisome that huge funds are allocated to constituency projects, but very little is achieved due to fraudulent moves by some contractors in collaboration with unpatriotic civil servants and politicians.

Distinguished Colleagues, Constituency project is the most important projects for an average Nigerian as many Nigerians live in rural areas. As representative of the people; your people will not ask you the number of the bills you have passed or motions moved but are eager to know or see the roads, boreholes, hospitals or other developmental activities, as far as our constituents are concerned, the constituency projects is being executed by federal government in 360 constituencies and 109 senatorial districts."

Constituency projects were initiated by the federal government to foster a good relationship between the Executive and Legislature. This usually come to the National Assembly as an Executive Act Special Intervention Fund to assist in providing basic infrastructures project to the various constituencies across the country.

It provides that Legislators shall identify projects that they wish to be sited in their constituencies for inclusion in the budget, with a financial ceiling for the budgetary provisions for such projects in each constituency. Effective constituency project must work towards infrastructural development, healthcare and education provisions (modern colleges, school laboratories and classrooms, libraries and workshops), and poverty reduction through creation of self-sustained and skill acquisition programmes for the people at grassroots. Others included reduction of illiteracy levels by establishing bursary kitty for the bright but poorer students.

The Constituencies Development Catalyst Fund has its primary objective of addressing development at the grassroots level by dedicating a minimum of 2.5% of the Government ordinary revenue to grassroots development.

Mr. President, Distinguished Colleagues, A Constituency Development Catalyst Fund Committee shall ensure that projects will be implemented by the Ministries, Departments and Agencies under the monitoring eyes of the Project Management Committees expected to liaise with relevant government departmental heads for technical inputs. The Constituency Development Catalyst Fund [CDFC] will do project supervision, monitoring and Evaluation.

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- To ensure timely and efficient disbursement of the fund to every constituency;
- To ensure efficient management of the fund;
- To receive and discuss annual reports and returns from the constituencies; and
- To ensure the compilation of proper records, returns and reports from the Constituencies

Monitoring and Evaluation roles.

- Receive and address complains and disputes and take any appropriate action
- To perform such other duties as the Minister, with the concurrence of the Constituencies Fund Committee, may deem necessary from time to time for proper management of the Fund.

Mr President Distinguished Colleagues, Constituencies Development Funding is not new in Africa. Other African countries established their constituency development funding through Acts of Parliament as we are doing today -

Ghana established her National Government Constituencies Development Fund Board by an Act in 2015;

Zambia established her Constituency Development Fund by an Act in 1995;

Tanzania established her Constituency Development Fund by an Act in 2009;

Kenya established her Constituencies Development Fund by an Act in 2003.

Mr President, Distinguished Colleagues, I urge you all to support the speedy passage of this important Bill for the infrastructural development of our constituencies for national development. This Bill is providing a legal framework for an existing Constituency Project Fund hence this Bill has no financial implication on government. Thank you.

**COMPENDIUM DISPLAYING A SYNOPSIS OF BACKGROUND
INFORMATION AND FINANCIAL IMPLICATIONS OF THE
CONSTITUENCIES DEVELOPMENT CATALYST FUND BILL, 2016**

SPONSORED BY: SENATOR ABDULFATAI BUHARI.

In compliance with Order 77(3) of the Standing Rules of the Senate of the Federal Republic of Nigeria [As Amended in 2007 with respect to the procedure of Bills, Compendium and Consolidation, which states inter alia that **"On the introduction of a Bill, a compendium of background information and financial implications of such Bills if passed into Law shall be delivered to all Distinguished Senators"**, the following compilation with regard to the aforementioned Bill is herewith presented for the general information of senators.

It is worthy of note that the compilation shown below is a summary of the contemplated personnel, organizational and administrative structure of the proposed **CONSTITUENCIES DEVELOPMENT CATALYST FUND**, and its anticipated recurrent and capital expenditure in the first twelve months immediately following the commencement of this Act.

**PROJECTED RECURRENT EXPENDITURE PERSONNEL REQUIREMENT FOR THE
COMMISSION IN THE FIRST TWELVE MONTHS NEXT AFTER THE COMMENCEMENT OF THIS
ACT, AND PROJECTED REMUNERATION.**

TABLE 2

S/No	Designation Of Employees of Constituencies Development Catalyst Fund.	No of Employees	Grade Level in Public Service	Salary/Allow ance monthly. N	 N	Total Yearly Emolument N
			HAPSS			
1.	Chairman.	1		600,000 x 1	600,000 x 12	7,900,000
2	Vice-Chairman.	1		400, 000 x 1	400,000 X 12	4,800,000

3.	5 other Committee Members	5		400, 000 x 5	2,000,000 X 12	24,000,000
4.	Executive Secretary	1		374,400 x 1	374,400 x 12	4,492,800
4.	Zonal Chief Admin. Officers.	6		280,445 x 6	3,365,340 x 12	40,384,080
5.	Zonal Senior Administrative Officers	6		160,005 x 6	960,030 x 12	11,520,360
6.	Zonal Senior Accountants.	6		160,005 x 6	960,030 x 12	11,520,360
7.	Constituency Project Officers	6		160,005 x 6	960,030 x 12	11,520,360
8.	Zonal Legal Officers.	6		160,005 x 6	960,030 x 12	11,520,360
9.	Zonal Senior Computer Analysts	6		160,005 x 6	960,030 x 12	11,520,360
10.	Zonal Transport Officers	6		160,005 x 6	960,030 x 12	11,520, 360
11.	Zonal Procurement Officers	6		160,005 x 6	960,030 x 12	11,520, 360
12.	Office Assistants	12		47,080 x 12	564,600 x 12	6,775,200
13.	Security Officers	18		30,000 x 18	540,000 x 12	6,480,000
	Totals	50				174,473,710

EXPLANATORY NOTES FOR TABLE 2

The salaries and allowances projected under Table 2 for the staff of the Constituencies Development Catalyst Fund are based on figures obtained from the National Salaries, Incomes and Wages Commission, the Presidency, Abuja Known as the Harmonized Public Service Salary Structure and Allowances for the Federal Public Service.

The remuneration quoted for each category of staff under the table are classified under step 7 of the relevant grade level. Furthermore, they are contemplated amounts for payment to the staff of the **Constituencies Development Catalyst Fund** for the first twelve months following the commencement of the Act to which this Compendium relates.

ESTIMATED CAPITAL EXPENDITURE.

ESTIMATED COSTS FOR OFFICE AND FURNITURE, EQUIPMENT, ETC. FOR THE CONSTITUENCIES DEVELOPMENT CATALYST FUND.

TABLE 3

<i>S/N</i>	<i>Office/Residential Accommodation/Furniture</i>	<i>No. of Units</i>	<i>Total Costs</i>
1.	Office Accommodation/Furniture for 6 Zonal Offices	15m X 6	N90M

ESTIMATED COSTS FOR THE PURCHASES OF VEHICLES FOR OFFICIAL USE BY THE CONSTITUENCIES DEVELOPMENT CATALYST FUND.

TABLE 4.

<i>S/N</i>	<i>Nature of Expenditure</i>	<i>No.</i>	<i>Costs per Unit</i>	<i>Total Cost</i>	<i>Remarks</i>
1.	Official Cars [Toyota 2014] (for official use by Chairman and Vice- Chairman) of the Constituencies Development Catalyst Fund.	2	N7m (each)	N14 Million	
2.	Zonal Staff Buses [Toyota 18 Seater]	6	N8.5m	N51 Million	
	Total			N65 Million	

PROJECTED RECURRENT EXPENDITURE.

PROJECTED COSTS FOR THE MAINTENANCE OF VEHICLES, MANAGEMENT COSTS OF THE OFFICE AND OTHER ACTIVITIES OF THE CONSTITUENCIES DEVELOPMENT CATALYST FUND IN THE FIRST TWELVE MONTHS IMMEDIATELY FOLLOWING COMMENCEMENT.

TABLE 5

<i>S/N</i>	<i>Nature of Expenditure</i>	<i>Projected Unit Costs</i>	<i>Projected Costs per Annum</i>	<i>Remarks</i>
1.	Service of 2 Toyota Corolla Cars for the Chairman /Vice-Chairman.	N31,500 (for each car per month)	N756,000	Cost quoted for items 1 and 2 are for six months in the first year of purchase.
2.	Service of 6 Zonal Staff buses.	N10,500 X 6	N756,000	
3.	Fueling for 2 Toyota Corolla cars for the Chairman/Vice-Chairman.	N55,000 X 2 per month.	N1,320,000 X 12 = N10,080,000	
4.	Fueling for 6 Staff bus.	N140,000 X 6 Per month.	N840,000 X 12 = N10,080,000	
5.	Management and other incidental expenses	N2 Million (per month)	N24, 000,000	
6.	Contingencies	-	N5,000,000	
	Total		N62, 888,000,00	

TOTAL PROJECTIONS/ESTIMATES FOR THE RCURRENT AND CAPITAL EXPENDITURE FOR THE CONSTITUENCIES DEVELOPMENT CATALYST FUND THE FIRST TWELVE MONTHS IMMEDIATELY FOLLOWING COMMENCEMENT.

1. **Projected Recurrent Expenditure** **N174, 473, 710 .00**
(Salaries and allowances of personnel)

2. **Projected Recurrent Expenditure** **N 62, 888, 000. 00**
(Maintenance of vehicles, management costs of offices and

Other contingency)

3. Estimated Capital Expenditure N 90,000,000.00

(Office accommodation, furniture, etc

4. Estimated Capital Expenditure N 65,000,000.00

(Purchase of vehicles)

Total Projected/Estimated Costs for First Year of Commencement

N392,361,710.00

SURMISES

The forgoing compilation proffers a fair approximation of the financial implications for the establishment of the **CONSTITUENCIES DEVELOPMENT CATALYST FUND** in the first year immediately following commencement.

To all intents and purposes, the financial outlay estimated and projected for the **CONSTITUENCIES DEVELOPMENT CATALYST FUND** is a modest one. Appropriate for the effective discharge and performance of the duties contemplated in the Act.