

Telephone.....

Reply should be addressed to
the Chief of the Naval Staff,

Nigerian Navy.

www.navy.mil.ng

E-mail: cnssec@navy.mil.ng



NIGERIAN NAVY HEADQUARTERS
MINISTRY OF DEFENCE
PLOT 1092, MOHAMMADU BUHARI WAY
AREA 7 GARKI
P.M.B. 548
ABUJA

Ref No. NHQ 015/23A/LOG/VOL. 11/168

+234 8096205891, +234 7029162449
25 August 15

The Executive Director

Civil Society Legislative Advocacy Centre
Flat 3, No 16 P.O.W Mafemi Crescent
Off Solomon Lar Way, Behind Chida Hotel
Near Daily Trust Newspaper Office
Utako District
ABUJA

Dear Sir

**RE: FREEDOM OF INFORMATION (FOI) REQUEST FOR
PROCUREMENT RECORDS/INFORMATION AND REQUEST TO
SITE/TAKE PICTURES OF THE PROJECTS OF SOME CONTRACTS AS
STATED IN THE 2014 APPROPRIATION ACT**

1. It will be recalled that your organization sought for due diligence documentation related to the procurement proceedings of 3 NN Capital Projects in the 2014 Appropriation Act vide your letter dated 14 May 2015. The Capital Projects are, Establishment of 3 Nigerian Navy Schools, Establishment of 2 x Offshore Patrol Vessels (OPV) as well as purchase of Ship Spares in the 2014 Appropriation Act. In Response, the Nigerian Navy (NN) drew your attention to the need to comply with extant bureaucratic practice and advised you to route your request through the Ministry of Defence vide NHQ/015/23A/LOG/Vol.11/162 dated 24 June 2015. Consequently, the MOD in receipt of your letter has authorized the NN to respond to your request.

2. In line with your request, it is noteworthy to state that the Establishment of 3 x Nigerian Navy schools and purchase of Ship Spares were not actualized for lack of funding of the 2 projects in the 2014 Capital Budget. As such, there were no procurement proceedings in this regard. On the other hand, the procurement of the 2 x OPV is an ongoing project which was awarded to Messrs China Shipbuilding Offshore International Limited (CSOIL) in 2012 and payment was staggered for 4

years with effect from 2012. It is instructive to note that, the NN leveraged on Section 39(1)b and 40(1)a of the public Procurement Act 2009(as amended) to consummate the procurement process under selective/restricted tendering in 2011, which culminated into the presidential approval. Copy of the letter conveying the Presidential Approval is attached as Enclosure 1.

3. The first OPV had been delivered and was commissioned in Nigeria by the immediate past President in February 2014 and designated NNS CENTENARY. The second OPV has been completed in China and designated NNS UNITY. The ship is currently undergoing Sea Acceptance Trials, a procedure which will culminate into final acceptance of the vessel by the NN. You may wish to visit Naval Base Lagos as well as China for verification of the Project. The sum of **₦5,203,416,576.00** was appropriated in the 2014 Budget as Third milestone payment in fulfillment of the contractual agreement between the NN and CSOIL. However, only the sum of **₦4,851,434,415.807** was released from the Federal Government and same was deducted from source for the purpose of payment for the OPV. This leaves a deficit of **₦351,982,160** which has been rolled over into the 2015 Budget.

4. The NN wishes to express its willingness to avail you information on any NN projects, while applauding your efforts in supporting the anti-corruption efforts of the Federal Government.

5. Please kindly accept the assurances and esteemed regards of the Chief of the Naval Staff.

Yours faithfully



MB TEIDI

Commodore

for Chief of the Naval Staff

Enclosure:

1. A copy of the Approval for the award of contract for the procurement of 2 No. 92m Offshore Patrol Vessels (OPVs) for the Nigerian Navy (NN) in favour of Messrs China Shipbuilding and Offshore International Limited.

MINISTRY OF DEFENCE

PROCUREMENT

DEPARTMENT

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Ref. No	
Date: 28 th March, 2012	
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B. No.

ograms:

Telephone:

The Chief of Naval Staff,
Nigerian Naval Headquarters,
Area 7, Garki,
Abuja.

RE: APPROVAL FOR THE AWARD OF CONTRACT FOR THE PROCUREMENT OF 2 NO. 92M OFFSHORE PAROL VESSELS (OPVs) FOR THE NIGERIAN NAVY (NN) IN FAVOUR OF MESSRS CHINA SHIPBUILDING & OFFSHORE INTERNATIONAL LIMITED

I am directed to convey Mr. Presidents' approval of the award of contract for the procurement of 2 No. 92m Offshore Patrol Vessels (OPVs) for the Nigerian Navy (NN) in favour of Messrs China Shipbuilding & Offshore International Limited. - See the attached

2. In the light of the foregoing, you may wish to award the said contract to **MESSRS CHINA SHIPBUILDING & OFFSHORE INTERNATIONAL LIMITED**, for the sum of **N24,593,050,400.00** (Equivalent to **USD157,840,000.00**) with a completion period of 36months, please.

3. Please accept the assurances of the Honourable Minister.

[Signature]
Barr. (Pharm) Ben Amodu, FPSN
Director (Procurement)
For: Honourable Minister

