

## Nigeria: Obasanjo Boycotted Due Process in Awarding U.S.\$841.6 Million Rail Project Contract - Chinese Firm



Photo: Capital FM

(file photo).

By Tony Ademiluyi

Lagos — The project manager of a Chinese construction firm, Etim Abak gave a shocking revelation when he testified before the Senate Committee on the Federal Capital Territory that former President Olusegun Obasanjo threw due process to the wind when he awarded the Abuja rail project in 2007 without any memorandum of understanding.

The Governor of Kaduna State and the erstwhile FCT Minister, Mallam Nasir El-Rufai put his signature to paper when he allegedly signed the over \$800 million contract based on a vaguely calculated estimate.

The manager told the committee that the contract was inflated by \$10 million per kilometer and the length was later reduced to 45km without of the cost of the 15.67km that was removed from the project.

Dino Melaye, who chaired the Senate investigative committee inspected the project as part of its oversight duty and demanded a refund of \$195,878,296.74.

Abak said, "The contract was awarded based on conceptual design and estimates were not properly done. There was no formal design submitted and rail bridges and crossover bridges were not captured in the contract."

Melaye said his findings revealed that the rail project was inflated by over \$10m per km and wondered why such an act was perpetrated by the handlers of the project.

The senator added that the contract sum was \$841.645,898m and that the project completion period was 48 months while the scope of work was 60.67km standard gauge, with double railway tracks and associated permanent way within the FCT.

He wondered why the 60.67km project was later reduced to 45.245km without reduction in its cost.

He said, "Now, you have reduced the length of the standard gauge from 60.67km to 45.245km, meanwhile, there is no concomitant reduction if you juxtapose the length in kilometres and the reduction in terms of the cost.

He raised a pertinent question as to the rationale behind the decision of the Federal Government to want to borrow \$500 million from the Bank of China when the money pumped in was enough to finance the entire project.

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