Funso Doherty
Lagos Nigeria
email: fd@funsodoherty.org

Thursday, April 11, 2024

Distinguished Senator Godswill Akpabio
President of the Senate
Senate Chambers,
National Assembly Complex
Three Arms Zone,
Abuja

Rt. Honorable Tajudeen Abbas
Speaker of the House of Representatives
House Chambers,
National Assembly Complex
Three Arms Zone,
Abuja

Dear Mr. President and Mr. Speaker,

OPEN LETTER RE: APPARENT VIOLATION OF THE PUBLIC PROCUREMENT ACT IN THE AWARD OF LAGOS-CALABAR COASTAL ROAD PROJECT

In what appears to be an alarming violation of the provisions of the Public Procurement Act, 2007 (PPA), the executive arm of Government through the Federal Ministry of Works (FMW), led by the Honorable Minister, David Umahi, has recently awarded a massive contract for the construction of the Lagos-Calabar Coastal Road to Hi-Tech Construction Ltd.

The first phase of this strategically important 700 km project, covering the first 47 km, from its origin at Ahmadu Bello Way by Eko Atlantic, was recently awarded for the sum of N1.06 trillion. The total projected cost is as yet, undisclosed.

By the Minister's own public admission, competitive bidding was not applied, and the contract was awarded to Hi-Tech on a single-source basis. As you are no doubt aware, for obvious reasons aimed at protecting the public interest, the PPA as enacted by the National Assembly, requires open competitive bidding except for certain specific exemptions that are clearly outlined in Part VII of the act. In my opinion, none of the reasons canvassed by the Minister for exempting this Project from competitive bidding, apply to the Lagos-Calabar Coastal Road.

I therefore hereby call on the National Assembly, in its capacity as representatives of the people and, in exercise of its powers and responsibilities of oversight, to immediately commence an investigation into this project, the FMW and the Bureau of Public Procurement (BPP).

In addition, you may consider the following to be relevant to your investigation:

1. Both Hi-Tech Construction and South Energyx Ltd (Promoter and developer of Eko Atlantic, the vast coastal concession granted for shoreline protection and development of luxury real estate, where the Coastal road will originate from) are reported to be substantially beneficially owned by Gilbert Chagoury. Mr Chagoury, whose antecedents are well-known to Nigerians, resides in France and is widely reported to enjoy a close relationship with HE President Bola Tinubu.

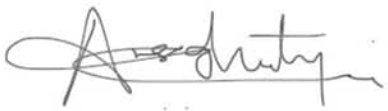
2. The concession for Eko Atlantic, which by its coastal spread also requires Federal Government consent, was granted to South Energyx by HE President Bola Tinubu during his tenure as Governor in Lagos State. As a result of the issues now being raised on the Lagos-Calabar Coastal Road project, the National Assembly may also want to better understand the Eko Atlantic concession, who its other ultimate beneficial owners are, its extent, limits and the process that was followed in granting that concession.

3. Furthermore, according to the Minister, certain changes have been made to the proposed alignment of the road from the originally gazetted right of way to the one now being implemented by Hi-Tech. An argument has been made that being under common ownership (the Chagoury Group) with the concessionaire of an adjacent property, (Eko Atlantic), Hi-Tech is an interested party and may stand to benefit from some of the alignment changes that have been made.

Imperatives

The Coastal Road Project should, in the first instance be halted and subjected to due process including competitive bidding as required by the law. If offences under the PPA or code of conduct are established in the course of your investigations, we expect that they will be prosecuted and that the consequences provided in the law will be applied to serve as a deterrent.

Yours faithfully,



Funso Doherty.