

## Impact of Bureaucratic Corruption on Public Procurement Processes in the FCTA, Abuja.

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### Abstract

Bureaucratic Corruption constitutes most of the activities of public officials saddled with the responsibility of implementing government policies and programs as they tend to compromise their position and the trust accorded them by indulging in selfish activities as kickbacks, fraud, and bribery, all in the verge of making extra income, which tends to frustrate the provision of essential services. Some of these unwholesome practices of public officials are sometimes influenced by politicians and business partners. The means of acquiring such essential services are mostly done through public procurement process, which is intended to ensure transparency, accountability, and value for money. The objective of the research study is to examine the impact of bureaucratic corruption on public procurement Processes in the FCTA. The study adopted both qualitative and quantitative research methods in the data collection, which were analyzed using simple percentages and frequency tables. The theory that was suitable for the research study is the Parent-Agent theory. The research discovered that the opaque process and the weak institutional framework had created a window for procurement officers and contractors to collide in manipulating the bid process to favour preferred contractors. The findings, however, recommended the full adoption of E-Procurement to ensure the digitalization of procurement activities for easy monitoring and also to improve the oversight functions of the investigative bodies in the areas of enforcement of public procurement laws.

**Keywords:** BPP, Bureaucratic Corruption, Public Procurement, Fraud, FCTA

### Introduction

The major aspect of governance entails instituting and effecting government policies and programs that could drive the productive forces of the economy towards impacting positively on the living standard of its citizens. Those productive forces can be manifested through the availability of certain essential services, services that could have a direct impact on the lives of the citizens. The issue of quality education, clean and accessible water, quality healthcare services and infrastructural facilities, such are the likes that can have an advance effect on the quality of life of the people. The aspect of civil works particularly road network is very essential in providing goods and services to people, when there is good and accessible road network, development can be said to be on an increase rate as it will facilitate easy access to medical services, reduce road accidents and increase the movement of resources with limited downtime.

Public Procurement processes is one of the government activities that is prone and most vulnerable to corruption (OECD, 2016). Fraud and corruption are a widespread challenge in public procurement in the world over. To a great extent, the gravity of public procurement fraud and corruption to public procurement performance can be substantiated (Mathew, Patrick, & Denise, 2013). This is majorly accruing to the fact that most accounting officers and tender board members of Ministries, Departments and

Agencies (MDAs) see it as a means to make extra funds through contract splitting, inflating contract process and so on (Muso & Aderonmu, 2014). In doing so, funds voted for development is reduced, thereby compromising quality of work delivery. The complexity of public procurement process, close interaction between procurement officers, contractors and the multitudes of stakeholders contribute to high corruption risks (OECD, 2016). An instance can be seen from the former Executive Secretary of the National Health Insurance Scheme (NHIS), Usman Yusuf who was sent out of office for alleged corruption relating to procurement (Onwubiko, 2018). Amongst others is the former Governor of the Central Bank of Nigeria (CBN), Godwin Emefiele who was indicted of corruption in procurement and other related activities.

The nature of Public procurement processes in the FCTA is expected to be practiced in line with the provisions of the public procurement act of 2007, which is supposed to take cognizance of the processes involved in public procurement to ensure transparency, accountability and value for money. This is intended to ensure fairness and open competition for prospective bidders and contractors with the requisite technical and financial criteria and to enhance governance and development.

However, Bureaucratic corruption has been a major obstacles to effective governance and development in the FCTA. It distorts due process, undermines transparency, encourage contracts cost inflations thereby compromising on quality of work delivery. Corrupt activities of procurement officers and bureaucrats manifested in bribery, favouritism, bid-rigging and the diversion of public funds for elfish gains. The implication of such irregularities give rise for poor delivery of road projects, weak institutional credibility and the distortion of public trust. And the aforementioned tends to translate to persistent underdevelopment, lack of transparency and value for money in the public procurement processes.

This paper seeks to analyze the impact of bureaucratic corruption on public procurement processes in the FCTA.

### **Statement of the Problem**

Bureaucratic corruption has been a cankerworm that has been slowly eating its host silently and gradually reducing the worth, value and quality of work done or ongoing thus thwarting any meaningful progress aimed at advancing governance and improving the living standard and wellbeing of the people in the society. The quality of work and value for money tend to be the guiding principles of public procurement processes through transparency and accountability. The rate of abandoned projects ranging from roads and buildings within the Federal Capital Territory, such as the Apo resettlement Zone A road that has been abandoned for over 14 years, the Nyanya-Kugbo axis that is always on maintenance due to poor work delivery, the Gadu-Nasco road, Bwari that has

been infested with devastating potholes and the Bwari-Shere community road, 20 kilometers away from Aso Villa, which has become a kidnappers hob tends to negate the goal of having value for money and ensuring the quality of work delivery, which in previous years has not been yielding the much expected objective, the issue of bureaucracy and corruption in the handling and awarding of contracts can be seen to be playing a role in the public procurement processes.

Consequently, the anti-corruption agencies that have been set up to address corrupt cases in Nigeria, like the Independent Corrupt and Financial Crimes Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) revealed that most procurement fraud amount to about 75% of the various cases of corruption in the country (Onwubiko, 2018). The degree of misconduct and gross violations of procurement laws are enormous in areas of public utilities, which has experience a lot of failure in the delivery of essential services, hence the high rate of poor delivery in infrastructural facilities as good roads, healthcare delivery, water and electricity.

### **Research Questions**

1. What is the impact of bureaucratic corruption on public procurement processes in the FCTA?
2. What is the relationship between prequalification of contractor criteria and bureaucratic corruption in FCTA?

### **Objectives of the Study**

The overall objective of the research work is to analyze the impact of bureaucratic corruption on public procurement processes in the FCTA. Other specific objective of the study are;

1. Examine the impact of bureaucratic corruption on the nature of public procurement processes in the FCTA.
2. Examine the relationship between prequalification of contractor criteria and bureaucratic corruption in FCTA.

### **Conceptual Framework**

#### **Public Procurement**

Arrowsmith (2023) referred to public procurement as the process through which government entities and public organizations acquire goods, services and works needed to fulfill their functions and serve the public. Public procurement objective according to

Weele (2018) refers to the purchase of the right quality of materials at the right time, in the right quantity from the right sources at the right price.

The definition of public procurement according to Arrowsmith was logical as it clearly stated that the acquisition of goods and services were necessary to enable the government fulfil its obligation of delivering its services to its citizens.

Kristensen, Mosgaard and Remmen (2021) defined public procurement as the acquisition of products and services needed for public organization to fulfill their functional duties. This definition is a bit vague as it did not capture the kinds of services needed or the functional duties that are expected by the government.

United Nations Development Programme (2017) defined Public Procurement as the overall process of acquiring goods, civil works, and services which includes all functions from the identification of needs, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration through the end of a services' contract or the useful life of an asset. The definition of Public Procurement by the United Nations Development Programme clearly states the basic rudiments that constitutes Public Procurement and how instrumental it is to the usefulness of the life of a beneficiary which is an asset that is required for effective governance.

### **Bureaucratic Corruption.**

Chugo (2024) identified bureaucratic corruption as a systematic practice that endangers low level of transparency and accountability which constitutes a major source of developmental failures in Nigeria. Chugbo's definition of bureaucratic corruption lay claims to it being a systematic practice that affects transparency and accountability thus inhibiting development which is quite true as any action of public interest that is devoid of transparency and accountability will certainly raise some eyes brow considering it can lead to underperformance and underdevelopment.

Although different scholars examine bureaucratic corruption differently, it can be broadly defined in public administration as the abuse of public officials' power for private gain (Jones & Bernatt 2023). In relation to public procurement, the basic aim of corruption is to steer the contract to the most preferred bidder without detection, translating in limited and unfair access to government procurement contracts. This is mainly achieved through avoiding competition, favoring a specific bidder while eliminating qualified bidders, tampering with the terms of contract during the implementation stage and avoiding detection (Jones & Bernatt, 2023).

Lipset & Lenz (2018) simply stated that a bureaucratic corrupt government would always shift government expenditure to areas where they can collect bribes, which has often been the case in many of Nigeria's public and private organizations. The idea of

conflict of interest has been captured in the definition of Lipset & Lenz, in the sense that corrupt officials in the helms of affairs or authority use their position to allocate government expenditure in their area of interest, which will make it easy for them to accept bribes and kickbacks in the process.

For the purpose of this research study the definition of Adediyi of bureaucratic corruption will be adopted which refers to it as all acts of omissions of career civil or public servants in charge of Federal, State and Local Government Departments which violate the known code of conduct for such officials. Such acts or omissions include: indulging in bribe and spoils, embezzlement and misappropriation of public funds, inflation of contracts etc.

### **Empirical Review**

Abubakar M.I and Saidu Ibrahim (2021) attempted a research by proffering an alternative method of public procurement process due to its nature in the Federal Capital Territory Administration titled, Prospects of E-Procurement Implementation in the Federal Capital Territory Administration Abuja, Nigeria. Taking into cognizance the complex nature of procurement process in the FCTA. The research indicated that the various setbacks encountered in public procurement process in the FCTA is largely due to the nature of the procurement process which has a lot of shortcomings and procurement fraud is being experienced due to the involvement of public officials in the procurement process

Hussaini & Mohammed (2019) in their study on the Effects of Public Procurement Act on Accountability in the National Assembly procurement process, the basic objective of the study was to assess the effects of the public procurement Act 2007 on accountability of the Nigerian National Assembly procurement processes and how answerable are they to Bureau of Public Procurement (BPP) in terms of their compliance to the Act. The study indicated the lack of accountability in the process of governance undertaken in Nigeria. It has been ascertained that corruption has been institutionalized in Nigeria, thereby stunting economic growth with the abysmal records in human development indicators (Waziri, 2019). The research employed the documentary research method of data collection through the utilization of existing data, using deductive reasoning in the analysis of the data. The theory of Accountability in political science which was linked to John Locke's theory of the superiority of representational democracy. The study however revealed some considerable level of accountability to the PPA, 2007 in the aspect of adopting the principles of transparency, competition and value for money in her procurement processes. Notwithstanding it was faulted in the areas of submitting annual procurement reports for auditing purpose, seeking approval for procurement plan and obtaining certificate of No objection for awarding contracts as prescribe by the PPA, which implies the National Assembly's inability to relate with BPP, and as such the

National Assembly has not been accountable to the Public Procurement Act, 2007. The research study however recommended the subsequent adherence of the provisions of the PPA, 2007 while subjecting itself to the public procurement regulatory body which is the BPP to ensure full accountability and transparency in the public procurement process.

Aminu and Ella, (2019) in their research study on the Effect of Corruption and Fraud in Public Procurement in Nigeria observed that procurement process is prone to a lot of sharp practices largely as a result of the colossal sums of money involved in the process which most people see as an opportunity to amass wealth and increase their resource base. The humongous amount involved in public procurement presents irresistible attraction for corrupt practices due to the level of bribes, kickbacks and other payoff that are termed as lucrative and extra ways of making extra income to meet the ever growing greed of public officials. The basic objective of the study is to examine corruption and fraud in public procurement in Nigeria and its consequences. The study discovered that corruption takes place in virtually all stages of procurement process, from the need assessment to the procurement plan and bid submission down to the award of contract. The study adopted the secondary method of data collection using the survey research method. The study revealed that public procurement is prone to corruption and fraudulent activities which tends to affect national growth and development. It however recommends for an oversight functions by the legislative arm of government while the judiciary maintains its independence without compromise, and also ensure the training of procurement officials to enthrone professionalism in their activities.

The research made a jaw breaking revelation on the indices of corruption in the procurement process, and the alarming figures in dollars that have been experienced in the process, how it has influenced the award of contract but failed to provide workable solutions on how the issue of corruption could be addressed head long-which present a gap that this research seeks to fill.

Sanjana, Basavaraj, Prenali & Patis (2020) in their review of contractor prequalification criteria in India admit that financial soundness is key in contractor qualification but not the only viable criteria. They state that there are five (5) basic criteria that should form the basis of contractor prequalification criteria of which financial soundness is one, technical ability second, Management Capability third, and fourth constitute Health, Safety and Reputation. However true their postulations are, the influence of public office looters and their quest for additional income could results to breading corruption, the research failed to consider the adequate mitigation of the involvement of the officers as a factor that could aid and facilitate the proper administration of such revelation.

Obiegbu (2005) explained that the aim of prequalification of contractors is often not only to determine managerial competence of a contractor on the periphery but also to



reduce bias, subjectivity, nepotism and even fraud from the process. The essence of the prequalification criteria is to create room for all-inclusiveness, ensuring transparency in the entire process, which has the tendency of driving real and sustainable results.

The success or failure of any public or private contract execution lies in the mode of selection of the contractors well suited, with the right pre-requisite expertise to execute a job to satisfaction. The importance of keeping within estimated cost and schedules depend on a right prequalification that requires sound contractor selection (Kai, Liv and Wany, 2007.) Many contracts and projects experience time and cost over-runs due to wrong choice of contractors. This challenge is evident in the government contract in which contracts are awarded to the lowest bidder not the responsive bidder as they happen to fulfill the prequalification requirements. In the process of meeting the stipulated requirements of awarding a contract, the clients who then employ the services of consultants in some cases tend to set out criteria that are deemed necessary to fulfill the condition as reflected in the current reality of the economy. Such criteria range from getting information of contractors' historical track record and ability to execute the contract intended. The evidence of financial stability and bank support, having the technical expertise, the annual turnover, evidence of local content emphasis and so on. Other criteria could be based on the presentation of evidence of previously executing a similar job in the past.

The basic intention of setting out certain prequalification of Contractors criteria's as expressed above is with the view of creating an umbrella that will give each firm equal representation and the opportunity to be part of success and progress in any organization. As much as experience in executing a similar job in the past could form part of such criteria, there is also the need to validate the quality and durability of the work, a gap which this study tends to neglect.

### **Theoretical Framework**

The principal-agent theory emerges in the 1970's from a number of economist and theorist, describing the pitfalls that often arise when one person or group mostly referred to as the "agent" tend to represent another party or group referred to as the "principal". The theory was independently propounded by Stephen Ross and Barry Mitnick in 1973 respectively (Mitnick, 2013). The theory states that as a result of agent-client relationship, there is tendency of conflict of interest, when different views, opinions, interest and explanations are not in alignment.

The principal agent problem typically arises where the two parties have different interests and asymmetric information (the agent having more information), such that the principal cannot directly ensure that the agent is always acting in the principal's best

interest, particularly when activities that are useful to the principal are costly to the agents and where elements of what the agent does are costly for the principal to observe.

This theory can be relevant in examining the relationship that transpire between bureaucratic corruption and public procurement processes in the FCTA, between the principal often seen as the government with the public support, and the agents here in referred to as the procurement officers and the bureaucrats, the government on one hand are the public service providers, who in their obligation to make available basic amenities to the public in forms of infrastructural facilities, and basic essential services in health, educations etc. – and the procurement officers, and bureaucrats posing as the agents who are supposed to implement the policies of the government in ensuring that the right contractors are given the opportunity to provide the requisite goods and services according to specifications. The basic role of the principal (Government) is to provide the necessary atmosphere by formulating favourable laws, policies and programs that will regulate public procurement, whereas the agents serves the purpose of ensuring that the formulated policies and laws are been adhered to the latter. The agents are expected to monitor the procurement process by ensuring the proper implementation of the laws and processes involving open competitive bidding, transparency, accountability and value for money. They (agents) are meant to serve the interest of the principal (Government) by fulfilling all the requirements and criteria stipulated by the principal, it is expected to work on the terms and condition of the principal. But the reverse tend to be the case, in situation whereby privileged and sensitive information regarding the prequalification of contractor criteria are disclosed to preferred contractors it tend to undermine the essence of fairness. The procurement officers (agents) solicits for percentages, kickbacks and bribes from prospective bidders before awarding contracts to them, and the preferred bidders having manipulated their way in the tendering process end up delivering services that are not up to the required standards as the processes has been compromise by the very agents that are supposed to ensure the proper implementation of the procurement laws. The resultant effect is certainly poor work delivery, abandoned projects and often late and substandard completion of civil works. The actions and activities of the agents (Procurement Officer/bureaucrats) clearly reflects their personal and selfish interest as against the general and interest of the principal (government) for ensuring effective governance, hence the intention of providing adequate and essential services for the welfare and wellbeing of the majority tend to be defeated, largely owing to the corrupt practices of procurement officers and bureaucrats which is in misalignment with that of the parent. (Government).

### **Methodology**

The mixed research method was adopted for the study. Total population of the study was 2,038 comprising of staff of procurement department in the Federal Capital Territory Administration (FCTA), Bureau of Public Procurement, Civil Society



Organisation, selected construction firms within the Federal Capital Territory and the ICPC. The Taro Yamane formula was adopted to narrow the targeted population base on random technique. A total of 400 questionnaire were distributed to respondents, out of which 309 were returned out of which 285 were properly filled and used for the research study. The generated data were analyzed using frequency table and simple percentages. An in-depth interview was conducted on six (6) relevant officials in the various aforementioned organisations who had relevant information on public procurement, and their responses were examined through content analysis, while their views were organized into themes and subtopics. The secondary data were sourced from publications, journals, magazines, verified online sources and thesis that contained information's that are relevant to the subject of the research. The essence of adopting the mixed research method of data collection is to provide a deep and wide perspective on the findings, as it is through such that the validity and reliability of the data will be ascertained. This method enables the researcher to capture the measurable and contextual aspects of the accuracy of the findings on a broader scale.

### Data Presentation and Analysis

**Table 1: Respondent's view on how the nature of Public Procurement Processes in the FCTA encourage Bureaucratic Corruption.**

Responses	SA	A	D	SD	U	TOTAL
a. Public procurement processes in the FCTA is transparent and accountable	70 25%	95 33%	62 22%	48 17%	10 3%	285 100%
b. Public Procurement Process in the FCTA is done in line with the Public Procurement ACT of 2007	115 40%	90 32%	38 13%	30 11%	12 4%	285 100%
c. Public Procurement Processes in the FCTA is full of sharp practices, such as tender rigging and conflict of interest	57 20%	67 23%	59 21%	87 31%	15 5%	285 100%
d. Public Procurement Processes in the FCTA does not encourage open competitive bidding	48 17%	66 23%	89 31%	77 27%	5 2%	285 100%

Source: Field Survey, February (2025).

Analysis of the data from Table 1 indicated that 70 respondents representing 25% strongly agree that Public Procurement Processes in the FCTA is transparent and accountable, 33% were also in agreement to the notion, however, 62 respondents representing 22% strongly disagree that there is transparency and accountability in the public procurement processes in the FCTA, 48 of the respondents also share a similar opinion by disagreeing to the statement, whereas, 3% of the respondents were undecided.

In a similar pattern 115 respondents strongly agree that the public procurement processes in the FCTA is done in line with the Public Procurement Act of 2007, 90 of the respondents tend to agree to the statement, interestingly about 38% and 30% of the respondents strongly disagree and disagree respectively, 12% were undecided on the statement.

On whether Public Procurement Processes in the FCTA is full of sharp practices such as tender rigging and conflict of interest, 57 and 67 respondents strongly and agree respectively, whereas 59 strongly disagree and 87 were also in agreement, the difference between those that agree and those that disagree is barely 8% meaning there are some elements of sharp practices in the tender process, 15 respondents were undecided.

Finally, about 17% strongly agree and 23% agree that public procurement processes in the FCTA does not encourage open competitive bidding, 31% and 27% tend to strongly disagree and disagree that there are indication of bureaucratic corruption in the procurement processes in the FCTA, a staggering 5 respondents could not decide.

However, the findings suggest that there is relative impact of bureaucratic corruption in the public procurement processes in the FCTA even though majority of the respondents were poised on the fact that the nature of public procurement processes in the FCTA does not encourage bureaucratic corruption.

In an interview session with an Assistant Director of Procurement in the FCTA he explained that:

The nature of public procurement in the FCTA does not encourage bureaucratic Corruption because all the processes of procurement been carried out within the FCT are solely in line with the Public Procurement Act of 2007, and to say that there are elements of sharp practices and tender rigging is to say that the Public Procurement Act of 2007 is faulty, which I don't see how that is possible. (Field Survey, 13<sup>th</sup> February, 2025).

There is every indication that sharp practices do exist in the Public Procurement Processes in the FCTA no matter how minimal the impact might be. The working documents of the Public Procurement Act of 2007 made it possible to ensure that they curtailed or mitigate all forms of manipulation in the procurement process, however, there have been instances of conflict of interest from top management. However, one of the Procurement Officers in the FCTA who pleaded anonymity posited that there are

sensitive contracts that surely take the interest of the Minister or perhaps a Director in the Ministry, and this are the major deciding body that will ensure the allocation of contracts to interested contracting firms, it is pertinent however to note here that not all purchases or supply normally pass through the bidding process, there is what is been referred to as selective bidding, which though is allowed according to the provisions of the Public Procurement Act of 2007. Hence not all jobs are advertised as some contractors that are perceived to have the capacity to deliver are contacted, particularly jobs of technical nature. Contracts awarding of such nature tend to be at the prerogative of the Minister, or the Director of the Ministry or Parastatals as the case may be, conflict of interest tend to have a play in the entire process.

In a very interesting turn of event, in the interview with the Assistant Director on the issue of conflict of interest in the procurement process, he stated that:

The issue of conflict of interest cannot be completely ruled out even When it is present it is very minimal and not measurable, because it involves human beings with varying degrees of needs at every stage of life, and still I don't see how that can be proved owing to the stringent nature of the Public Procurement Act (Field Survey, 13<sup>th</sup> February, 2025)

From the analysis on the perception of the Assistant Director on the topic of discussion, he appears to be on the defensive side, probably because he is a staff of FCTA, or perhaps he is trying to portray an image that connotes perfection in the procurement process, and this is because a lot of other sources tend to be at variance to his postulation.

Speaking with another Assistant Director in the procurement department in the FCTA on the nature of Public Procurement Process in the FCTA, whether it is been done in line with the Public Procurement Act of 2007, he said that:

Public Procurement is all about value for money, which is based on the public procurement Act of 2007, that was enacted during the administration of President Umaru Shehu Yar'Adua because government are losing a lot of money in terms of purchasing and supply and so the idea is basically to save money. (13<sup>th</sup> February, 2025).

Similarly, speaking with a Trade and Union service (TUSIR) member at the Federal Secretariat in the FCT Mr. Mike Kaigama, gave his input on the nature of public procurement processes and whether or not it has some elements of sharp practices as thus:

The way and manner in which the public procurement processes is carried out in Nigeria, it does not take recognition of the pressing need and most important aspect that affects the people directly. Government fails to consult the people and ask the people what exactly they want instead of embarking on elephant project that does not affect the people's life directly. And it is because of the lack of consultation that you observed a lot of abandoned projects, because government will carry out a development plan on sacred grounds, by so distorting the ancestral formation that has been in place for decades. (Field Survey, 13<sup>th</sup> February, 2025).

The Union member was clearly basing his argument from the traditional context of the Nigerian society, putting into account the heterogeneous nature of the Nigerian state, and that it is from his point of view that wide consultation should be conducted to understand the pressing needs of the people, allowing the people to say exactly what they want or need and how they want it done, implying a bottom top approach and not the other way round.

The Assistant Director in the procurement department in the FCTA posited that bureaucratic corruption can only be seen as having a little impact on the nature of public procurement processes in the FCTA due to oversight functions or negligence on the part of procurement officers, he explained that;

The public procurement processes in the FCTA is basically undertaken through six (6) key stages, which are the needs assessment and planning, advertisement, bid collection and submission, bid opening and evaluation, contract award, and lastly the contract execution and monitoring, and in the planning and execution of this stages of procurement, there is usually some percentage that is been added to the planning process often referred to as logistics mark up, and mind you this percentage is legal and supposed to be built in the contract execution and monitoring stage, but some procurement officers add it to the needs assessment and planning stage which in the real sense is not suppose to be so, but the officers do not know, and during audit it could be seen as sharp practice or kickbacks, thus indicating the presence of bureaucratic corruption as you have mentioned. (Field Survey, 17<sup>th</sup> February, 2025).

Consequently, it is obvious that the nature of public procurement processes in the FCTA encourages bureaucratic corruption, largely due to the weak institutional framework which victims (contractors) have often alleged to be pre-determined procurement outcomes.

Consequently in relation to what the Assistant Director had explained above, it can therefore be said that the nature of public procurement processes in the FCTA encourages bureaucratic corruption owing to the systematic, procedural and institutional

inconsistencies. These irregularities could stem from the complex and non-transparent procedures, which possibly emanate from the opaque bidding and tendering process which creates room for manipulation of contract Awards. If the public procurement process cannot be scrutinized by public inputs, corrupt officials have the tendency of bypassing certain rules for their selfish gains. Similarly, deliberate complexities in the procurement process can also be a tactic employed by the corrupt officials to confuse or exclude genuine bidders while favouring insiders.

In an interview conducted with an Operations Manager of BNT Arm Construction company he corroborated the above notion with the claims that:

When my company bid for one of the civil construction works in the FCT particularly, the construction of a primary health care facility, they kept sending us back and forth with new requirements, considering I was representing the interest of my company, I was very patient and I kept doing their bid. It became clear to me in the long run that they wanted me to settle them before they could process my file (Field Survey, 29<sup>th</sup> October, 2024).

The trend has been on the increase, with varying cases and serious concerns of contractors being marginalized in the procurement processes in the FCTA, stressing the absence of transparency and indices of favouritism in the procurement processes.

Secondary sources were also linked to cases relating to procurement corruption in the FCTA which tend to manifest in the various stages of public procurement, cases of bid rigging involving collusion between bidders to manipulate the bidding process, thereby giving an edge to certain preferred companies who happen to win the contracts at inflated prices (The Guardian, 2024).

A lot of contracting firms were key players and bore witness to the cases of bureaucratic bottlenecks in procurement contract related activities. Another contractor with Marktech Concrete Limited explained the experience her company encountered in the procurement process, ranging from overt demands for bribes to settle corrupt public officials who set up systematic barriers in the guise of bureaucratic inefficiencies and favouritism. She explained that:

The issue of nepotism and lack of transparency in the FCTA procurement process was very clear to me when I was approached by a senior management officer in the FCTA procurement department asking me to pay facilitation fee, I was a bit aback because the contract had not been awarded to my company yet and he is demanding for facilitation fee, although I had plans to give him something after the contract gets approved not before, when I refused, to my greatest shock I was disqualified for flimsy reasons bordering on technicalities (Field Survey, 10<sup>th</sup> February, 2025).

On a different revelations, an interview conducted with a Supervisor in the department of research and training in the Bureau of Public Procurement (BPP), he posited that:

Based on our audit report on the FCTA public procurement processes on whether the tendering process is done in line with the public procurement Act of 2007, and if they are records of sharp practices, we discovered that yes, indeed, in terms of compliance they has been a 87% compliance with the extant of the procurement act. However, the BPP does not publish FCTA specific audit report on procurement corruption as it is mainly the works of the corruption investigators, but the BPP has implemented system-wide reforms and active auditing, driven by a centralized oversight (Field Survey, 20<sup>th</sup> March, 2025).

From the secondary sources, it was discovered that in January, 2025, the Bureau of Public Procurement (BPP) Director General, Dr. Adebowale Adedokun emphasized that the Bureau is “strengthening audit systems to tackle corruption in procurement”, focusing on real-time digital monitoring, contractor classification, and on upgraded national contractor database (The nationonline, Jan, 20, 2025)

The implication of the above statement by the current Director General of the Bureau of Public Procurement (BPP) admits that there are cases of corruption in the Public Procurement Processes, hence setting up the modalities to curtail further occurrences.

There are secondary data that suggest that some procurement officers were directed to act contrary to policy standard, admitting that on several occasions they are been asked to inflate contract costs to create room for “returns” to higher-ups. And there were instances where fake or padded receipts were occasionally submitted for reimbursement, especially in the guise of cash advances. (icpc.gov.ng 2022). Undoubtedly, bureaucratic corruption is said to be rampant, and on an increase, purchasing for capital project is always prone to over-invoicing, leaving space for inappropriate rewards or payments to brokers, contractors and public office holders in Government Ministries, Departments and Agencies (MDA’s) (BAP, 2013). In some cases, procurement officers in government offices circumvent the procurement process and collude with intending contractors to perpetrate the illegal act of bidding, using dummy companies, and different companies for one contract, thereby denying opportunities for competition (Iwuagwau, 2017).

**Table 2: Respondent’s view on whether there is a relationship between**

**Prequalification of Contractor Criteria and Bureaucratic Corruption in the FCTA**

Responses	SA	A	D	SD	U	TOTAL
a. Prequalification of contractor criteria in the FCTA encourage contractors to freely participate because it is fair and transparent	82 29%	77 27%	69 24%	46 16%	11 4%	285 100%



b. Some basic prequalification of contractor criteria in the FCTA include financial strength, experience, competence, completion period	99 35%	81 28%	57 20%	46 16%	2 1%	285 100%
c. Prequalification of contractor criteria in the FCTA does not encourage open competition as it tends to favour selected contracting firms	89 31%	78 27%	53 18%	54 19%	11 4%	285 100%
d. Prequalification of contractor criteria in the FCTA is not done clearly stated such that those submitting tender on the skimpy information are disqualified to pave way for favoured contractors	41 14%	63 23%	78 27%	85 30%	18 6%	285 100%

**Source:** Field Survey, February 2025.

Table 2 above provides a vivid explanation of the divergent opinions of the respondents on the relationship that could exist between the prequalification of contractor criteria and bureaucratic corruption in the FCTA. Majority of the respondents admitted that the prequalification of contractor criteria exemplified in the FCTA encourage contractors to freely participate stressing that the process appears to be fair and transparent, 29% strongly agreed while 27 agreed, about 24% and 16% of the respondents strongly disagree and disagree respectively that the prequalification of contractor criteria in the FCTA is encouraging, they are of the opinion that the criteria is neither fair nor transparent, only about 4% of the respondents were undecided.

Regarding some basic prequalification criteria in the FCTA, 99 of the respondents and 81 strongly agree and agree respectively that issues such as financial strength, experience, completion period and competence are key factors to be considered in the prequalification of contractor criteria, 57 of the respondents strongly disagree, while 46 of the respondents disagree that the aforementioned are a necessary part of the criteria to prequalify contractors, a small percentage of 1% were undecided. On the issue that prequalification of contractor criteria in the FCTA does not encourage competition because it tends to favor selected contracting firms, majority of the respondents support the argument, 32% and 27% of the respondents strongly agree and agree respectively that the process is lopsided as it favors those that have a good relationship with the procurement officials, hence creating room for favoritism and nepotism, 18% of the respondents strongly disagree that the criteria for prequalified contractors does not

encourage open competition because it favor selected contracting firms, 19% were tend to disagree with the projection while 4% of the respondents were undecided.

Furthermore, regarding the statement that prequalification of contractor criteria in the FCTA is not clearly stated, considering that the information given is a bit skimpy thereby leaving honest contractors at a disadvantage while preferred contractors are having an edge, 41 of the respondents strongly agree that there is segregation in the tendering process, 63 tend to agree on the irregularities in existence, however, 78 of the respondents strongly disagree, admitting that there is no bias treatment in the prequalification stage as all contractors are given equal opportunity to bid, 85 agree that the process for bidding is fair to all interested contractors, 18 of the minimum respondents could not give a lucid opinion as they were undecided.

The above analysis implies that the majority of the respondents sided with the notion that the prequalification of contractor criteria in the FCTA gives a free playing ground for prospective bidders to shoot their shot. The majority of the respondents believe that the Public Procurement Act of 2007 has been implemented in full force; thus, it will be unlikely that some contractors are being considered and favored against others. However, the analysis does not overrule the presence of favoritism, as they believe that issues of fairness and transparency are being sacrificed on the altar of favoritism and nepotism, and so the margin between those who are in agreement and those in disagreement is not that wide, which calls for further extensive qualitative analysis.

The information gathered from the interviews conducted had a striking similarities as some are obviously in agreement whereas some were in disagreement on the existence of a relationship between prequalification of contractor criteria and bureaucratic corruption in the FCTA. The prequalification process was basically aimed at accessing and analyzing the competencies of the contractors, in terms of its professional, technical as well as financial capacity to execute the intended project bidding for.

It was observed that in the event that the prequalification of contractor criteria arises, is indicative of the fact that it has been advertised, and any contract or project advertised signifies that the project has high capital attraction, and that a capital with such a huge magnitude could be above N5 billion naira. In an interview session with the Assistant Director in the procurement department in the FCTA, he asserted that:

Prequalification of contractor criteria is done only for projects that are to the tune of over N 1 billion. And this process is a key and necessary aspect of public procurement process, as it is aimed at accessing the capability of the contractors bidding for civil works. Therefore it is a key component of public procurement processes in the FCTA. The prequalification criteria is to ascertain the technical and financial prowess of the contractor as provided by the public procurement act of 2007. Among others, the basic requirements

for the prequalification process that contractors must have are, complete CAC Documents, National Social Information Trust Fund (NSITF) certificate, Industrial Training Fund (ITF) certificate, Bureau of Public Procurement (BPP) registration, Pencom compliance certificate, current, and an average turnover in Tax clearance of not less than three (3) years, list of necessary equipment's for executing the project, proof of ownership, professional certificate and so on (Field Survey, February, 17<sup>th</sup> 2025).

When asked if the criteria listed can be met by any willing and intending contractor, he affirmed that they are the basic and fundamental requirements that every contractor in Nigeria is expected to have before embarking on bidding for any civil work. However, the possession of the aforementioned requirements does not guaranty nor confirms the competence of the contractor in executing the contract according to expectation.

A private contractor with Jikol Construction company in the FCT gave his personal insight on the aspect of corruption witnessed at the prequalification of contract procurement in the FCTA. He laid emphasis on the issue of political interference and patronage. He explained that:

contracts are been awarded to companies with political connections rather than based on merit, as I recall vividly sometimes in 2018 when we bided for the construction of the section B axis of Apo Resettlement road construction project, we qualified for the Prequalification stage for the bid considering that we were the most qualified company, we were informed later that a directive from above had changed everything. We were off and bewildered but what can we possibly do, you don't know who gave the order from above or why. And it will interest you to know that after incidence happened we were not given the contract, it was awarded to another company, which I suspect could not execute the contract for three (3) years, because the site has been the same. (Field Survey, 10<sup>th</sup> February, 2025).

He lamented that there were records of ghost companies with no capacity at all making through prequalification stage. The alarming rate of bribery and kickbacks in the prequalification of contractor criteria is disheartening as officials in charge of procurement processes demand bribes to "qualify a contractor. Records of forgery and falsification of tax certificates, project references were accepted due to lax verification of prequalification documents. Nepotism and cronyism has become the order of the day when prequalification panels favor relatives, ethnic linkages and personal cronies.

Consequently, in an interview session with a Civil Society member who is a lawyer and doubles as a contractor on whether prequalification of contractor criteria in the FCTA encourage contractors to freely participate considering that the process is fair and transparent, he posited thus:

Yes, one can say categorically that the criteria for prequalifying

contractors in the FCTA just like any government agencies in Nigeria do encourage contractors to freely participate, but I say at your own risk, you can freely apply but don't be certain that the process of selection will be fair. I have my own reservations and it is because I don't see any transparency in the conduct of the bidding process. in situation where prequalification results are not published you cannot say the process is transparent, or is it when there is no public or independent oversight in the contractor selection process can fairness be said to be present? Even when make effort to invite Civil Society representatives, it is often bias and selective, how can one confirm that the process is transparent? Of course it lacks fairness and even transparency if you ask me, it's clear to see. (Field Survey, 20<sup>th</sup> March, 2025).

He further buttress the fact that there is also the issue of manipulation of bid evaluation, when evaluation criteria are adjusted retroactively to suit preferred bidders, and honest competitors tend to be unjustly disqualified on the grounds of technicalities, without any sound proof.

Secondary sources of information has its records revealing cases of manipulation in the prequalification of contractor criteria process such as the disturbing case involving an official of the Federal Capital Territory Development Authority (FCTDA) and his company, Ramat Concrete Limited, who were arraigned for forging land application documents to secure a statutory right of occupancy with the FCT, which clearly constitute prequalification through deceit. (Icpc, 2024)

### **Discussion of Findings.**

- i. The nature of public procurement processes in the FCTA are not in any way different from what is embedded in the provisions of the Public Procurement Act of 2007, they constitute the various stages that are involved in public procurement ranging from the assessment of needs, the planning, advertisement, bid submission, opening and evaluation of the bid down to the contract award and the monitoring of the execution of the contract. The findings of the research was able to establish the fact all the stages mentioned constitute public procurement processes in the FCTA, and it made certain discoveries which indicate that not all contracts or projects embarked upon in the FCTA are called for public open competition, as there are contract referred to as selective bidding, whereby a particular contractor that is known to have a track record of effective service delivery and having the right competencies are called upon to undertake the urgent execution of such contracts. However, other findings in the cause of the research revealed that in the public procurement processes certain factors were seen to be encouraging bureaucratic corruption, such as systematic, procedural and institutional bottlenecks, and as a result the procurement process tend to create a non-transparent process due to the complex and opaque bidding process

which are tendencies for manipulation of contract awards. These factors clearly underscore the essence of the public procurement process. Therefore, it can be said that favouritism and nepotism happens to take precedence in the procurement process. This implication of the existence of such irregularities tend to align with the research work of Abubakar and Saidu (2021), confirming that statement that the nature of public procurement processes in the FCTA encourages bureaucratic corruption.

- ii. The essence of prequalification of contractor criteria in public procurement process is basically aimed at ensuring that the right and most qualified contractor secures the contract. The criteria needed to prequalify a contractor are such that it could measure the competencies, technical and financial capability of a contractor to execute the project. Such criteria are been backed and recognized by the Bureau of Public Procurement (BPP) as a necessary aspect of the public procurement act. All these are done with the intent of ensuring fairness and transparency in the procurement process leading to the award of contracts to successful contractor. While the intentions are true and achievable, the findings of the research discovered that the prequalification of contractor can actually be manipulated to favour certain preferred contractor, and that certain companies that mostly win such contracts are not necessarily the most qualified but those with political connections. While they are counter claims that the prequalification of contractor criteria could not be manipulated by procurement officers, a larger proportion of the data gathered suggest that falsification of prequalification documents and last minutes changes of bidding requirements are contributing factors that encourage bureaucratic corruption. Allegations of procurement officers demanding bribes from contractors before prequalifying them were made, and the findings indicate that there is a high level of collusion that exist between preferred contractors and procurement officials. And this happens when sensitive and insider information are shared with contractors thereby given an edge and undue advantage over other honest contractors. The research study of Graycar (2019) corroborated the research of this findings, indicating that most of the corrupt officials' behaviors are seen manipulating in the certifying of documents, and the disclosure of commercially confidential information's to private companies owned by preferred contractors, and in some cases their relatives or business cronies. These revelations however confirms the proposition that there are certain relationships that exist between prequalification of contractor criteria and bureaucratic corruption in the FCTA.

## Conclusion

The research was able to determine the fact that public procurement processes in the Federal Capital Territory Administration (FCTA) is been carried out in line with the

established laws guiding public procurement processes in Nigeria. And that despite the existence of such laws, the presence of the major supervisory body charged with investigating the public procurement process like the Bureau of Public Procurement (BPP) and the anti-corruption agencies, bureaucratic corruption can still be seen manifesting in the entire process. The findings of the research study has been able to establish that the processes of public procurement in the FCTA lacks transparency, fairness and accountability. The nature of public procurement processes in the FCTA has been seen to be encouraging bureaucratic corruption in the sense that it practices selective bidding for projects that are more than 5 Billion Naira and doesn't encourage open competitive bidding. And that even in situations whereby contracts are awarded to preferred contractors, they tend to be behind schedule in its monitoring and implementation of its audit report. The unnecessary delays witnessed in the approval of budget for capital projects creates room for manipulation as conflict of interest eventually takes its toll.

The prequalification of contractor criteria in the FCTA is seen to have a close link both directly and indirectly with bureaucratic corruption. The outcome of the research indicated that the prequalification requirements are often amended unnecessarily, which gives procurement officials the opportunity to disqualify or approve bidders as they deem fit. It was discovered that procurement officials have also the tendencies of approving politically connected contractors even when they lack certain technical or financial criteria, thereby excluding more competent competitors, hence the presence of substandard and abandoned projects in the FCT. And projects cost that were initially approved but not properly executed or abandoned midway tend to increase afterwards at different variations attracting contract re-validation and renegotiations. All these debilitating elements occur because the verification of documents submitted are poorly done, and this is because some contractors tend to be prequalified in exchange for kickbacks and favours regardless of their technical capacity.

### **Recommendations**

It is a known fact that government is work in progress, and in order to improve the operational performance of public procurement processes and to enhance the efficiency and transparency of the process, there is the urgent need to sufficiently tackle the challenging issues that have been identified in the cause of the research study. In line with this, the following remedial measures have been suggested;

- i. Full adoption and implementation of E-Procurement: the world is going global and technology is obviously the currency of the 21<sup>st</sup> century, the FCTA must ensure they toe the line of innovation and digitize system of procurement. It should adopt a comprehensive digital procurement platforms, which will ensure that all bids are published on the portal and contractors will easily submit their bids which will be evaluated in a very seamless and transparent



process, this will give the contractors trust and confidence in the process. It should create an open access portal where all the bids documents and procurement related issues will be published and accessed in real time. The manual process of public procurement process is not only slow, rigorous and non-transparent, but it is prone to manipulation and ineffectiveness.

- ii. Strengthen Institutional oversight and public awareness engagement: while it is advisable to adopt E-Procurement in public procurement processes, the activities of governmental regulators that will perform the oversight functions and perform regular auditing of procurement processes and projects must be well structured. The Bureau of Public Procurement (BPP) must be fully equipped to ensure the enforcement of procurement laws, and the success of their mandate must be accompanied with local community engagement, such that there should be public awareness to educate citizens on how public procurement works and how to monitor the process by reporting corrupt practices. The community based monitoring unit must be institutionalized in the community with an effective feedback mechanism to track project implementation and evaluate the performance of contractors.

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