

BUDGET TRANSPARENCY AND BUDGET MONITORING IN NIGERIA:

EXPERIENCES AND PERSPECTIVES OF CIVIL SOCIETY ORGANISATIONS

PROCEEDINGS OF A WORKSHOP AT THE
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INTRODUCTORY NOTES

by AXEL HARNEIT-SIEVERS (Director, HBF Nigeria)

Transparency and accountability in government activity and spending are pre-requisites for both democratic reforms and economic development. This explains why today in Nigeria, there are recurrent calls by both those in government and the ordinary people for corruption in government to be checked. President Obasanjo even came into government with an anti-corruption agenda. Some progress have actually been made in some fields, though this position is open to debate.

It is no easy task combating corruption and increasing accountability in a country like Nigeria that operates a neopatrimonial system – a state where personalized relationships networks undermine formal institutions, leading ultimately to the failure of these institutions. The culture of privatised office-holding and privatized control over public funds, working both ways: top-down and bottom-up are two characteristics of this system.

This culture therefore must be addressed at both the decision-making level and at the public level. Many Civil Society Organisations are creating this interface between the public and the state through budget monitoring initiatives. These initiatives have the objectives of increasing transparency in government spending and increasing popular participation in decision-making about government spending.

HBF started supporting budget related work by CSOs about two years ago. Today, there are numerous NGOs involved in budget monitoring work. These initiatives focus at the various levels of governance and/or specific fields or issues (such as health, gender budgeting etc.). But their efforts are rather loosely integrated, with a low degree of coordination among them. The workshop seeks to do the following:

- provide an overview about current approaches towards civil society intervention in the budget process in Nigeria,
- specifically, to compare and analyse experiences made in budget monitoring projects, as regards interaction with stakeholders, with actors on the government level, and with the wider public (including the media), and
- to identify "best practices", gaps, and "lessons learnt" from current projects, and to develop ideas suitable for future activities in the field.

SESSION I

PRESENTATION AND DISCUSSION OF INITIATIVES AT THE *LOCAL AND GRASSROOTS LEVELS*

Three groups made presentations during this session. Each presentation took the form of:

- a short description of the concrete project: concept, scope, timing etc.
- a review of experiences in the interaction with (and reactions from) stakeholders: how can people be mobilized for budget and budget transparency matters? How is it possible to interact with government agencies in this work?
- a short summary of the practical experiences and lessons learnt: what works (and why) and what does not work? How should budget monitoring projects be developed in the future?

I.1 Project Presentation: CENTRE FOR CONSTITUTIONAL GOVERNANCE (CCG) by DR. BEKO RANSOME-KUTI

Introduction

CCG commenced a program of monitoring the 2003 budgets of the six states in the South West geo-political zone in April 2003, with sponsorship provided by the Open Society Initiative for West Africa (OSIWA). The program is part of its activities to empower people at the grassroots to actively participate in the democratic process and to encourage governments to initiate and implement reforms that meet the needs of the people. Its four components are:

a. Civil Society Workshops

CCG organized 26 workshops for 2055 representatives of CBOs in the six states with each workshop catering for 15 representatives from each of an average of 6 local government areas. Each workshop dwelled on four major content areas, namely:

- Good governance: meaning, principles, indicators
- Government Budget: meaning, components, importance
- Budget Process: roles of the people
- Budget Monitoring: meaning, methods, qualities of monitors

The Centre has designed a Training Manual On Democratic And Budget Process in Nigeria which it used at these workshops, conducted in Yoruba, the local language of the people. The manual was also translated into Yoruba and each

participant was given a copy of it to use in enlightening other members of their organizations. Group discussions focusing on budget monitoring rounded off each workshop.

b. Budget Monitoring

There are two levels of this component. One is the analysis of the 2003 budget of each of the six focal states. The aim of the analysis is to determine the priorities of governments in the 6 states: whether funds are allocated equitably to sectors and sections of the society; whether there is appropriation of enough resources for enforcement of minimum standards for economic and social rights of citizens. This level of monitoring the Centre is in the process of undertaking.

But the Centre has carried out the other level, the recruitment and training of monitors. Three people in each of the 137 local government areas, bringing the total to 411 in the 6 states have been trained to identify and document projects executed in their areas by the three levels of government. A Budget Monitoring Form was designed, printed in large numbers and distributed to them. They were also issued identity cards. Reports received so far from them indicate that government activities in the states began to pick in August, some three months after the elections

c. Baseline Surveys

CCG carried out baseline surveys. One of the four objectives of the survey is to compile and present its findings to the Governors of the states to use as input for preparing future budgets. The other objectives are to determine the perception of citizens about government budgeting; determine priority needs of citizens vis-à-vis government budget priorities and present citizens unbiased assessment of the state of social infrastructure in their areas and suggest specific amenities that require government urgent attention.

In terms of methodology, qualitative and quantitative methods were adopted. The qualitative method involved Focus Group Discussions for representatives of CBOs while the other involved face-to-face contact interview with respondents.

d. Policy and Budget Analysis

This fourth component of the program targets senior government officials. Interactive workshops were organized for those of them very active in budget matters at state levels. Interview sessions with selected local government officials were also designed. The interactive sessions have been held with officials of Osun, Oyo, Ogun and Ondo states. The sessions for officials in Lagos and Ekiti states before the end of the year.

CCG plans to give an award in budgeting excellence to the best local government and to the best state in the zone in January 2004.

DISCUSSION

- How easy or difficult was it for you to get access to information? And what was the people's attitude to the project?

CCG: People hardly influence the budget. Even members of the House of Assembly hardly take much interest in the budget.

- We always have problems with the implementation of the budget. After all attempts to monitor, the executive still fails to implement what is in the budget, what do you do? For example, there was no provision in this year's budget for the expenses now being incurred in Liberia.

CCG: In respect of the Liberian problem, there should be a more principled institutional approach to it.

I.2 Project Presentation by GUIDANCE AND COUNCELLING DEVELOPMENT ASSOCIATION (GCDA) on Health Care in Local and State Budgets in Gombe State, by HANNATU IBRAHIM

Objective

The objective of GCDA's budget work is to increase popular participation in the budgeting process at the state and local governments especially by women and youth with focus on health and education.

Methodology

Advocacy visits to Local Governments, legislators, community/religious leaders. This was preceded by study of local and state government budgets as they affect education by consultants, followed by discussions with groups.

Findings

In the course of the advocacy visits, government explained the procedure for project/program conceptualization. Government always gives guidelines for budget preparations and budget ceilings. Based on them, the various departments/sectors prepare their proposals and submit them to the state Council Executive for scrutiny. After scrutiny, the proposals are collated and sent to the Ministry of Local Government which again collates them and sends them to the state legislature for approval through the state Executive Council.

It was found out that there is a high degree of misplaced allocation of health and education projects due to personal, political or pressure group considerations. Moreover the Ministry of Local Government often significantly tamper with projects which local governments have conceived to suit their needs.

There is also no serious adherence to the rules and regulations guiding the budget even at the stage of preparation, no analysis of the previous year's budget, and preparation is done in a secretive manner by bureaucrats without input by communities. Monitoring and evaluation are hardly undertaken or done on an ad hoc basis and without community participation for project sustenance.

Now GCDA has trained five people in each local government area, nominated by the communities themselves, to monitor projects. A man, a woman, a youth, a Christian and a muslim constitute each of the monitoring committee.

DISCUSSION

- There are two major points that the presentation has brought out: First, the GCDA follows a cooperative approach between the communities, GCDA and government officials to enable communities to participate in budgeting. Secondly, there is a clear lack of autonomy for local governments in budgeting.
- The Constitution gives the states the powers to make laws and regulate the activities of local governments so this lack of autonomy by local governments is nationwide. Some state governments say the councils cannot spend anything above N50,000 without their approval. The state/local government joint account is more or less being operated by the state governments.
- In Ogun State during the last dispensation (military rule) with democratically elected local councils in place, the councils had more autonomy than today.
- At present most of the local council caretaker committee chairmen do not even know what should accrue to them from the federation account and so take what ever the states give them. Those of them who know are afraid to speak out.
- They are afraid to speak out because they were appointed by the Governors. So we have to establish the connection between the independence of councils and the relationship between their officials and the state government.
- The local governments have virtually no powers. In Bayelsa State, there used to be 8 councils. The state government increased them to 32. The federal government refused to recognize them and so does not give them statutory allocations. What the state government does is to share what is given to the recognized 8 among the councils created out of each of them.

- The system is bad. The laws leave the citizens powerless. How do we do something about this? There is a need to get communities organized in order to establish more consistent monitoring of government activities, including budgeting and spending.
- There is no economic incentive to act in a transparent manner in Nigeria.
- GCDA's "co-operative" approach is different from that of other projects which are more "confrontational" in their relationship especially to government officials. In practice, however, most projects combine both strategies.

I.3 Project Presentation by COMMUNITY ACTION FOR POPULAR PARTICIPATION (CAPP), by CLEMENT WASAH

CAPP operates in the northern part of the country and though there are nineteen states in the north, they all have almost similar laws because for one their Governors even meet regularly.

First, when CAPP moved into the communities to talk about poverty etc, it found out government is domineering. People were sitting on resources waiting for government. CAPP started by collaborating with the communities. Initially, CAPP did not talk about budget monitoring, budget tracking etc but about people's needs CAPP organized them to identify their priorities and built their capacities in those areas.

CAPP started organizing Town Hall meetings between government officials and communities in Kano and Niger states. These were held every quarter and local government officials would use the forums to explain to the communities what projects they intended to execute. These meetings were quite successful as the government officials cooperated. In fact in Niger State, the Governor directed all the 24 council chairmen that they must attend our meetings.

The problems encountered were:

- Even when the council officials agreed to execute the projects demanded by the people, the problem of whether the Department of Local Government will accept the project persisted.
- One still cannot empower the communities enough.
- It is best to build the capacity of the people to speak for themselves.
- Even when a project has been identified and the local government agrees to execute it, they will never disclose how much it will cost. With a

law on freedom of information in place, this problem should be overcome.

DISCUSSION

- CAPP employs town hall meetings and more of local activism than technicalities. But how is the highly technical issue of budgets discussed at the local level?

CAPP: By tying it down to projects. You can for instance use the financial cost of a borehole to explain a budget.

GCDA: We discuss it using the local language and we use the projects like schools and hospitals in the communities and not figures which may not even be there or may not be correct even if available.

- It is important to mobilize people first. It may not be a key issue now to mobilize the communities but it can be a key area of focus probably with new partners.
- ActionAid empowers NGOs to form "Reflex Circles". Rather than go into service provision, ActionAid mobilizes people to get those who are supposed to provide these services to sit up. For this, simple methods are needed, and appropriate training materials. Training involves a certain amount of technicalities, but that does not have to be very sophisticated.
- The whole issue of budget advocacy at the local level is about demystifying the budget process, making people aware that it is what they do every day in their homes. Information is important but the way it is presented is also important. If you have the information that N3 million has been budgeted for a borehole, such information could be properly utilized for advocacy work with communities.
- One of the gaps in building capacity is in the methodology, development of training manuals, graphical presentation of information.
- One cannot take for granted the unity of a particular community. Differences of interest and opinion exist locally, and this influences debates about budgeting, spending priorities etc.
- Sometimes knowledge of technicalities is important. If you give two communities the same amount to execute the same project but the amount is not sufficient for one of them to execute the project probably due to the nature of their environment, knowledge of technicalities becomes important.
- People have this perception that everything has to be provided by government. Budgeting involves constraints as well so you need technical

knowledge in order to transform the priority setting of a community to evolve into something concrete.

- We should remember to establish a link between what local communities do not have and the bloated bureaucracy. For instance, with the creation of new councils by Governors, more money goes into maintaining the chairmen and other officials of the councils. You should also watch out for opportunists, people on the lookout for opportunities to serve their pockets and not the communities.

CAPP: What we do is to insist on running the community organizations democratically and to be in a position to remove people who are found to be representing their interests rather than that of the communities.

- ✓ Holding of Bilateral discussions
- ✓ Collation and Consolidation of proposals

- APPROVALS
 - ✓ Consideration and Approval of Draft Budget by State Treasury Board (STB)
 - ✓ Consideration and Approval by State Executive Council (SEC)
 - ✓ Presentation to Legislature
 - ✓ Issuance of Provisional Warrant by Commissioner of Finance
 - ✓ Assent to Appropriation Bill by Governor

- IMPLEMENTATION
 - ✓ Issuance of General Warrant by Finance Commissioner
 - ✓ Budget Analysis by Economic Planning and Budget Commissioner
 - ✓ Issuance of Budget Guidelines by Economic Planning and Budget Commissioner

- MONITORING AND CONTROL
 - ✓ Monitoring of monthly revenue and expenditure returns
 - ✓ Quarterly Budget Review
 - ✓ Periodic inspection of major state projects
 - ✓ Periodic inspection of federal projects

- MONITORING TOOLS
 - ✓ Approved Budget
 - ✓ Financial Regulations
 - ✓ Pre-payment inspection of projects
 - ✓ Project verification
 - ✓ Cabinet Monitoring Committee
 - ✓ Independent Monitors/ Civil Society
 - ✓ Finance/ Internal Audit checks
 - ✓ Lagos Economic Summit Group

- TRANSPARENCY AND ACCOUNTABILITY
 - Accountability
 - ✓ Knowledge of set tasks
 - ✓ Accepting responsibility
 - ✓ Acting on the above with a sense of probity

 - Probity
 - ✓ Disclosure
 - ✓ Tolerance for scrutiny
 - ✓ Respect for mandate

- Transparency (Framework)
 - ✓ Access to information
 - ✓ Usefulness, reliability and completeness of information
 - ✓ Clarity of roles and responses
- INITIATIVES FOR TRANSPARENCY
 - ✓ Access to information: through the state government's Global computerization project; continuous dialogue; publications (hard& CDs)
 - ✓ Role sharing and responsibility: clearly defined policy thrust as in Poverty Alleviation Scheme and Sustainable Economic Growth; Delineation of ministerial responsibility
 - ✓ Legal and regulatory framework: legislative oversight by Public Accounts Committee; Short, medium and long term economic planning
 - ✓ Participatory process: Ehingbeti Forum; Urban Forum; Community Development Consultative Forum; OPS
 - ✓ Procurement Process: internationally competitive bidding where necessary
 - ✓ Introduction to medium term expenditure framework.

DISCUSSION AND QUESTIONS

- Is there any policy in Lagos State to integrate gender concerns into budgeting?
- Can you mention any NGO that participates in budget monitoring in Lagos and what experience did the government get from that participation?
- To what extent did civil society participate for instance in the water privatization exercise in the state?
- Is the government entrenching this budget model or will it die once the present administration leaves office. What is being done constitutionally to entrench it?
- Is the budget available online?
- Not much is happening by way of consultation with non governmental stakeholders in the Urban Forum.
- The budget model looks fine on paper. In the Lagos Economic Summit, the government should not look only in the direction of the OPS. Even the unorganized private sector should be part of it.

- How has the World Bank influenced your budgeting process?
- How has the phenomenon of political differences affected the budgeting process at the local government level?
- How has the result of auditing been effective in influencing the budgeting system?
- How do you make information about actual spending available?
- Civil society organizations should also be interested in the income generating aspect of Lagos.
- What is presented looks like the ideal on paper.
- There is nothing on ground to show that projects are actually budgeted for and executed in Lagos.
- The Budget Model presented seems too bureaucratic. It should be externalized so that ordinary people can participate in it.
- There should be some form of accounting back to the people through documentation since they do write in on projects.
- The Accountant General and the Auditor General could publish quarterly reports on budget implementation in the state.
- Lagos has a lot of potentials economically unlike other states in the country. About 50% of its income comes from IGR. If people pay tax, accountability will be enhanced because they will be interested in knowing how their tax money is spent.
- It is not true to say that people do not pay tax. The peasant farmer for instance pays the highest tax in the country. Nobody subsidizes his fertilizer. He does not control the price of his produce and he pays more to buy other goods
- My organization is undertaking a review of the budget laws in Lagos and was surprised to find out that the Lagos State House of Assembly does not even have copies of the laws it makes in its library.

RESPONSES BY THE PRESENTER

- There is a Ministry of Women Affairs that handles women and youth matter. I am not aware of suggestions by civil society on issues relating to gender budgeting.

- I cannot give a concrete example of an NGO involved in monitoring the state budget but I have copies of reports written by individuals. This is a highly urbanized and enlightened state where people know their rights. They put government on its toes. There fund constraints though.
- The ideal on paper is a good starting point. It serves as our guide.
- As a civil servant, I cannot assure you that things will remain the way they are or get better when the present administration leaves office. It will be the duty of NGOs to ensure that.
- In respect of online access to information, the Global Computerization project is in phases.
- On openness of information, copies of budget are always available on hard copies and CDs. Information on budget laws are readily available in the Ministries of Justice; Information; Finance; Economic Planning.
- There is a lot on the ground in Lagos. It should be borne in mind that Lagos has 15 million residents and Johannesburg 2.5 million. Yet Lagos budget is only 300 million dollars while that of the later is 1.2 billion. Per capita income in Lagos is 20 dollars but 480 dollars in Johannesburg.
- Most adults in Lagos do not pay tax. In the markets, shopkeepers make a lot of money but pay no tax. The government only relies on the OPS, the civil service, statutory allocation, VAT and licenses as sources of income.
- The auditing process is open because everything is published. Copies of 2002 audit report are available to the public.
- Local governments are represented in the Lagos Economic Study Group.
- The state government is averse to loans from the World Bank.

**II. 2 Project Presentation by SOCIO-ECONOMIC RIGHTS INITIATIVE (SERI): The South-East Budget Network
by EZE ONYEKPERE**

SERI began its budget monitoring project in 2002 when it set up the South-East Budget Network (SEBN). The network focuses on budget advocacy and monitoring in the states of Abia, Anambra, Ebonyi, Enugu and Imo. SEBN seeks to work for popular participation, to work for transparency and to work for accountability in the budget process. So far, it has produced training materials for popular participation in budgeting and has organized training workshops on budget monitoring for members of the network. It has also organized workshops on poverty alleviation strategies and on Corruption and the Budget Process. A rally on the Imo State 2003 Budget was also organized after a Civil Society

Summit on the Imo Budget. In addition to all these, SERI also runs a weekly column on the Budget in Vanguard newspaper and publishes a quarterly newsletter, the SEBN News.

In the course of executing the project, SERI has come to find out why the budget in these states never meet their objectives. One reason for this is the legal and regulatory framework guiding it especially as regards auditing. For instance, while the law stipulates the timeframe within which the Auditor General should turn in his report on the account submitted to him by the Accountant General, it does not specify when the latter should turn in his report for the former to work on. This is why these states rarely have audited annual accounts. Due process certification and value for money audit is also weak in these states resulting in many projects budgeted for not being executed or the execution not meeting the required level. And individuals cannot go to court over many of these matters because of the issue of *locus standi*.

Sometimes, the budgets are unrealistic or not in harmony with stated philosophy. The Imo 2003 budget had as its policy goal the "building of a strong economy by encouraging and enhancing private sector participation". Yet huge resources were allocated in the estimates for the establishment of such new commercial ventures as the Orlu regional market and the Okigwe cattle market. The Summit carefully examined all items in the draft estimates and with input from professional and labour unions like the Nigeria Bar Association, Nigeria Medical Association and the Nigeria Labour Congress which all participated in it, made a case for re-alignment of figures by way or reduction/increase in respect of some items.

One other worrisome issue in the budgets of these states is that of security votes which is a sort of slush fund allocated to the Governor and in respect of which he is not accountable to anybody. The funds allocated for this purpose is usually relatively huge. For instance, the allocation for Imo State for 2003 was 3.8% of the total budget. Stories have it that such huge allocations are eventually usually shared between the Governor and the principal officers in the legislature. This explains why the legislature hardly questions such huge allocations.

Generally, the budgeting process in the states hardly meet their avowed targets. Formal and informal discussions with legislators and senior civil servants who participated in the workshops and summits indicate that these targets were actually never set to be met and will never be met because of the high level of corruption in the budget process.

DISCUSSION

- The paper has raised many conceptual issues that are of central concern. These need to be deliberated on in detail.
- Nothing stops the government from sending out budget information on a monthly or quarterly basis to individuals seeking suggestions about how

to handle its budget deficit/surplus as it is done in some developed countries.

- One reason why many Nigerians do not pay tax is the lifestyle of government officials. People believe that there is no reason why they should pay tax for government officials to steal.
- The issue of *locus standi* is a serious problem because the whole budgetary process is linked to procedural law.
- The paper's concerns about the state of government budgeting in the country are widely shared, but its general note of pessimism is worrying. Are there no entry points for intervention? We have strengths, weaknesses, concerns, opportunities etc. which should guide intervention.
- The way to go about it is to always bite off a small piece at a time. That will keep motivating you to go further.
- I liked the presentation. I also share the optimism of those who have just commented on it. Civil society should gird its loins and enter the political fray by getting the type of people they want elected into offices. The House of Representatives has passed a 26% budget for education. It has also passed the Freedom of Information Bill. For the UBE bill, the House is making education justiciable. All these means that we are going somewhere.
- Once more, the project provides proof that as at current, few or no incentives exist for government agencies to perform well. How could such incentives be created?
- SERI's experiences point to the fact that much information about budgetary issues can only be received in informal situations (eg. during discussions with officials over "beer and pepper soup"). Beyond approaches using official public channels, be they "co-operative" or "confrontational", perhaps one should seek for means to work with or through these informal channels. New ideas about how to do this would be most welcome.

II.3 Project Presentation by CONCERNED PROFESSIONALS (CP), by JOHN ONYEUKWU

CP is yet to start its budget project. Through it, CP seeks to link demand side management to the supply side. It will concentrate its work in Lagos, Abuja, Ekiti and Enugu. It will build capacity for optimizing what works in the country. It will seek to use its relationship with its members who are who hold important political positions.

SESSION III

PRESENTATION AND DISCUSSION OF SPECIAL INITIATIVES: BUDGET INFORMATION SYSTEMS, GENDER BUDGETING

III.1 Project Presentation by WEST AFRICAN NGO NETWORK (WANGONET): The Anti-Corruption Internet Database

This is a project (supported by OSIWA) that seeks to use the internet to fight corruption in the country. The website provides information about corrupt practices and persons in order to enrich people's knowledge and to explain the link between systemic loopholes in budgetary processes that allow for theft of public funds. By making information about corruption readily available, ACID hopes to establish a connection between the poor state of social infrastructure/human impoverishment and the prevailing corruption in the country. The website contains budgetary information about Nigerian states.

URL: <http://www.antigraft.org/acid/budget.htm>

III.2 Project Presentation by CENTRE FOR DEVELOPMENT AND DEMOCRACY (CDD) on Gender Budgeting by AMINA SALIHU

CDD believes in working with networks of local, community-based organizations, rather than going itself into the communities to work. There are certain ways power is structured in our society that makes the needs of one social category to overshadow that of the other. Gender budgeting demands that resource allocation be prioritized in such a way that the needs of vulnerable groups are recognized.

In terms of conception, CDD first tested the waters to get people's perception of gender. Then it organized two workshops to establish the link between gender and budgeting. We also talked to critical stakeholders.

In research and advocacy, we needed to know what processes are to be adopted in gender budgeting. People had no knowledge of gender budgeting. So we had a roundtable which was facilitated by the Senior Special Assistant to the President on Budget, Mrs. Oby Ezekwesili. We also needed to be able to manage information. Our thematic focus is on education and agriculture. The project report is of two types: one a technical report and the other takes the format of a policy document to be presented to the National Assembly.

Learning points taken away from this project are:

- We needed expertise, we needed to have our own in house think tank.
- We needed to link research and advocacy by way of working with a wider network.
- We need to begin to begin to think of civil society serving as a bridge between the people and leaders.
- Take a break at every point and evaluate.
- Maintain our friends and informal relationships as this helps us to understand what is on paper and what exists in reality.
- There is the need to know who is working on what to avoid duplication of effort.

As a catalyst organization, CDD supports CBOs at the local level by sharing basic and strategic skills with them. Resources need to be set aside for this purpose.

III.3 Project Presentation by WOMEN'S ADVOCATES AND RESEARCH DEVELOPMENT CENTRE (WARDC) on Gender Budgeting by KUNLE AJAGBE

The ultimate aim of WARDC's budget project is to create a legal framework that expands the concept of stakeholders in the budgeting process such that when the call circular is issued, it can be sent to people outside government circles for their input. Seeking to bring a gender perspective into budgeting does not mean drafting a separate budget. It means seeing the budget not only as a financial tool but also as a political and social tool, as a tool of social engineering for correcting social ills. If we go by the saying that to measure the growth of a society in real terms, we must look at how it treats its women, then gender budgeting becomes very important. For example the year 2001, the sectoral layout of the federal budget reads as follows: Works and Housing 11%, Power and Steel 13%, Education 6%, Health 5%, Women and Youth 0.05%. This depicts clearly the low rating of women.

DISCUSSION OF THE PRESENTATIONS

- It is clear from the presentations that we need gender budgeting to make budgeting in order to make the budget pro poor and to reduce inequalities.
- Inequality and injustice are at the heart of poverty and this makes a strong case for gender budgeting. But is it possible to make gender budgeting non political, to make it formal or a normal part of the budget that does not require advocacy?
- None of the presentations linked gender budgeting to such marginalized group as the physically challenged.

- The National Assembly, as one of its members stated, is willing to work, to do everything that needs to be done to change the country and we need assistance through provision of information and introduction of new bills. We need tools as well as enactable bills. The federal government has put in place a very sound economic team and we need to help it. Constitutional review process has just begun in the assembly. You should send your input on *locus standi*, recall process etc to the assembly.
- If there are some bills already in the National Assembly on some of the issues raised here, we will need to take a look at them so that we know where to start from. The point about sectorisation of gender budget sounds attractive. But that assumes that there is an ideal otherwise we would not have an environment ministry. The Women Affairs ministry should have an oversight role, overseeing women issues in all government departments and agencies. That means we should look at gender as a overall perspective (gender mainstreaming) and not a sectoral issue so that we do not see it as a particular person's work. I do agree that we need a more equitable law for the disabled. But it will still all boil down to power dynamics because a disabled man will still be more advantaged than a disabled woman.
- The issue of marginalized groups and mainstreaming gender is important. We should be interested in developing alternative voices among the marginalized as a developmental factor.
- It is important first to understand the macro-economic framework that informs the budget. Our government and its economic team looks at the market as an end in itself.
- In the Philippines, there is a law that says 5% of the budget should be set aside for gender projects. If something like this is enacted, one has to build in mechanisms to make sure that such money is not spent on trivia.
- The nitty-gritty of gender budgeting is extremely difficult. In South Africa, the government really supported it from 1994. But the support started waning from 1998. We have to look at it from the perspective of very direct, practical, grassroots projects like water projects.
- There are certain times when we need data and figures. We need to take on board the technicalities but at the same time we must demystify them so that we can effectively use the knowledge of our research for advocacy at the local level. There are levels where technicalities can be very relevant for instance at the level of policy.
- There is the need for the Minister of Finance to raise a focal point in her office where NGOs can access her and influence policies.
- Discussions about budgets cannot be separated from the PRSP process.

SESSION IV

DEVELOPING PERSPECTIVES FOR FUTURE ACTIVITIES IN THE FIELD OF BUDGET TRANSPARENCY AND MONITORING

The Development Partners represented at the Workshop furnished participants with information about their areas of interest.

- **Heinrich Böll Foundation**
 - Ready to promote new ideas and approaches as pilot ventures, though not on a large scale
 - Facilitating capacity building for groups in the field
 - Specially interested in gender budgeting

- **ActionAid**
 - At the heart of all its work is poverty eradication.
 - Thematically, ActionAid focuses in the area of education, HIV/AIDS, conflict management and resolution
 - Gender equity is a core concern.
 - Sees governance as a cross-cutting issue. The sustainability of local budgets is a major concern in this.
 - Builds capacity and supports engagement. Focus is on bringing in quality and development expertise.
 - Promotes more networking and information sharing.
 - Action Aid receives funding from the European Union to conduct projects in six states. Furthermore, ActionAid is part of the Commonwealth Education Funds.

- **Department for International Development (DFID)**
 - Increasingly focused on poverty reduction. Its idea is to make government work for the poor. Its states and local government program seeks to improve the way governments serve the people. The budget is not the only area to achieve this but unless the government gets its budget cycle management right, it is not likely to improve the way it renders service to the people
 - Having seen how the budgeting process works in the states it is working on, it has been noticed that there is no requirement for states to set balanced budget so there is need for an important legislation that can force all levels of government to set realistic budgets
 - There is the need to focus on results and service outcomes, rather than merely on the processes by which budgets are made. Besides budget preparation, a stronger focus should be put on monitoring actual budget implementation.
 - Be prepared to praise good performance and criticize bad performance.

- It is important to distinguish between different types of recurrent expenditure. Some are more important than others. The first major part of it is salaries, the second is fringe benefits. Others are maintenance of services and projects as well as training of people. These areas are neglected and this is why public services do not work. When people want to siphon money, the capital budget is the place. So it should not be assumed that in principle, recurrent is bad while capital is good.
- DFID has established the GRC exchange website in order to share information and ideas about governance in development. Amongst others, it provides information on issues of financial management and accountability.
URL: <http://www.grc-exchange.org>
- **National Democratic Institute (NDI)**
 - NDI is working on raising the level of expertise of the people who pass the budget. This project is going on with its civil society partners at the National Assembly

The key points of the development partners' presentations are:

- there are a broad range of budget monitoring projects and there are areas of it that are grossly undeveloped in respect of methodologies and approaches. There is therefore huge room for development of methodology for local involvement in budgeting
- a lot needs to be done in the field of law
- there should also be some focus on what is going on behind the scene

REACTIONS TO THE PRESENTATIONS

- From the government's point of view, civil society is important. Those in government are not the enemies of those in civil society, since both are working towards the same goal. There is at present a mutual feeling of distrust among the two groups. If four or more civil society groups come together to present a common front on an issue, the government will listen to them but attending to them individually can be difficult. The present government in Lagos State has a strong commitment to make things better.
- The need for coming together and networking comes out strongly in the last contribution. But civil society is very nebulous so there should not be any expectation of a straightjacket position from it.
- We should think about the sustainability of our projects when the development partners withdraw.

- Organizations should identify best practices and see how they can maximize it. The concept of CAPP, being a membership organization, is very attractive. It can be used as a model.
- There is a fiscal policy bill before the National Assembly now. This is a very important bill and civil society should support it. Civil society should also advocate for one of its own to be appointed as Adviser on Civil Society Affairs, rather than an outsider such as Engr. Abba Gana.
- Donor organizations may want to consider Lagos as a focal point of their activities with regard to budget transparency initiatives, because of the city's advanced state of socio-economic and educational development.
- As NGOs, to work together effectively, we have to think of setting up something like a quick access fund in order to be able to react fast to emerging issues.
- There is a bill before the National Assembly now on civil society lobby. We should get a copy of it and make our input
- Civil society can still influence the 2004 federal budget because there is a disagreement between the National Assembly and the Presidency over it. We need to develop a contingency plan over it.
- I am a bit uneasy about suggestions for collaboration with government. It appears we have to be subservient about it. We should not go cap in hand to government for our rights.
- In respect of networking, we should be able to quickly set up a mailing list.
- The problem with networking is that we only meet when there is funding. If we want networking to work, let there be no NDI or DFID funding it. Let the organizations in the network fund themselves
- To make networking sustainable, organizations involved have to build budget for the network into their budgets. When it is the normal mandate of an organization to do some work, it requires no outside funding to be able to do it
- It is desirable to go away here with the knowledge that there is a forum, a coalition which every organization here is interested in on a short to medium term basis for sensitization. Within this period, the network should be able to set up institutions that can stand on their own and sustainability is ensured.

FOLLOW UP ACTIVITIES

- International Partners to get together and discuss how to develop joint efforts, especially as regards methodology and training materials.
- Heinrich Böll Foundation to distribute the outcome of this workshop and distribute email addresses, as a first step to set up a list-serve for mutual information on budget transparency issues in Nigeria.
- Eze Onyekpere to draft a document on networking to be sent out for people's comments.
- David Ugolor, who has earlier established contact to the Minister of Finance, Ngozi Okonjo-Iweala, to write a letter to the Minister, requesting for the establishment of a focal point for civil society contacts, information and debate within her office.

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