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**Report on Sub-National Budget Transparency
Survey Benue State, Nigeria.**



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Executive Summary

Budget plays a very significant role in the development of nations. The budget helps in prioritizing allocation of public resources, achieving policy goals through prudent fiscal planning, establishing accountability and financial controls, which also ensure compliance to rules and increase efficiency. A budget whose process is transparent therefore ensures the health of an economy. To ensure that the Nigerian states have their budget process devoid of opacity, the Civil Resource Development and Documentation Centre (CIRDDOC) conducts the Nigerian Sub-National (States) Budget Transparency Survey in partnership with Ukaid, DFID and local civil society organizations (CSOs) in all the 36 states of the Nigerian federation. Benue state participated in the 2013 survey and based on the report published in 2015, Benue State scored 54 out of 100 on availability of key budget documents, 17 out of 100 on public participation in budget process, and 10 out of 100 on public access to procurement information. The state ranked 7th with the State budget Transparency Index of 35 out of 100. Although 35 was a low score, it put Benue State above the average score of 26 but also put it in the category of states that only “Provided Some Information” on the budget process. This score was clearly not good for the state and recommendations were made for improvement in the future. Benue State also participated in the 2018 Sub-National Budget Transparency Survey, the report of which is summarized here. The transition in government led to new approaches, policies and attitudes which gave Benue State rather abysmal performance. On the overall 2018 State Budget Transparency Index, Benue State ranked 28th and scored 17 out of 100 which fell well below the average score of 29. This put Benue State in the category of 13 states that “Provided Scant or No Information” on their budget process to the citizens. Specifically, on availability of key budget documents, the state scored 14 out of 100 below an average score of 32. This means that there is high level of opacity in making key budget documents available to the public. The state scored 15 out of 100 on state public participation index 2018 in the budget process, below an average score of 17. On state procurement process index 2018, the state scored 23 out of 100 which shows that the state provided procurement process to the public. Even with a seeming improvement in the score, it fell short of the average score of 31. This is an abysmal performance compared with the 2015 report.

Geographical profile of Benue State

Benue state lies within the lower River Benue trough in the middle-belt region of Nigeria. Its geographic coordinates are longitude 7⁰47' and 10⁰0' East, latitude 6⁰25' and 8⁰8' North. The State shares boundaries with five other States, namely: Nasarawa to the North, Taraba to the East, Cross River to the South, Enugu to the South-West, and Kogi to the West. The state also shares boundary with the Republic of Cameroun on the South-East. Benue has a population of 4,780,389 (2006 Census) and occupies a landmass of 32,518 square kilometers. The state is predominantly agrarian with over 75% of its population engaged in active agriculture. The state is even acclaimed the nation's food basket. Based on the National Multidimensional Poverty Index for Nigeria (NG-MPI) published as part of the National Human Development Report 2018, commissioned by UNDP Nigeria in collaboration with the National Bureau of Statistics (NBS), Benue state is only moderately multidimensional poor with MPI score of 0.28. Benue state has a rich culture which finds expression in colourful clothes and dance troupes.

Methodology

The survey used a multiple-choice questionnaire divided into four sections, with 70 questions in all. Section one of the questionnaire focused on timely publication of information which are included in key budget documents.

Section two of the questionnaire focused on public participation in the budget process. This was further sub-divided into public engagement during budget formulation, budget discussion by SHoA, budget execution and audit.

The state researchers, supervisors, zonal consultants and the CIRDDOC constituted the survey team. The state supervisors received and reviewed each completed section of the questionnaire and forwarded same, after being satisfied with the process, to the zonal consultants whose review and acceptance paved the way for onward forwarding to the CIRDDOC team.

Aggregates of responses for each state were computed to obtain public availability of key budget documents index, public participation in the budget process index and procurement process index which formed the overall State Transparency Index and which were used to rank states on the score of 1–100. The closer a state's score is to 100, the more transparent the state is in its budget process and vice-versa.

Key Findings

State Budget Transparency Index:

Benue state scored 17 out of 100 on the State Budget Transparency Index 2018. There is a significant decrease of 18 points compared to 2015. This shows that the state performed quite abysmal in 2018 survey. The following are specific findings for each of the three sub-indices: (See Figure 1).

- **Public availability of key budget documents:** Benue state scored 14 out of 100 on the State Budget Document Availability Index. There is a significant decrease when compared to 2015. Benue state no longer makes publicly available the State Budget Estimates and Votes. The State Budget Call Circular is now publicly available when compared to 2015. The State Appropriation Law is publicly available. The State Accountant General's Report is produced for internal use only. The State Medium-Term Expenditure Framework/Fiscal Strategy Paper, Citizen's Budget, State Quarterly Reports, State Mid-Year Review, and State Auditor-General's Report are not produced at all.

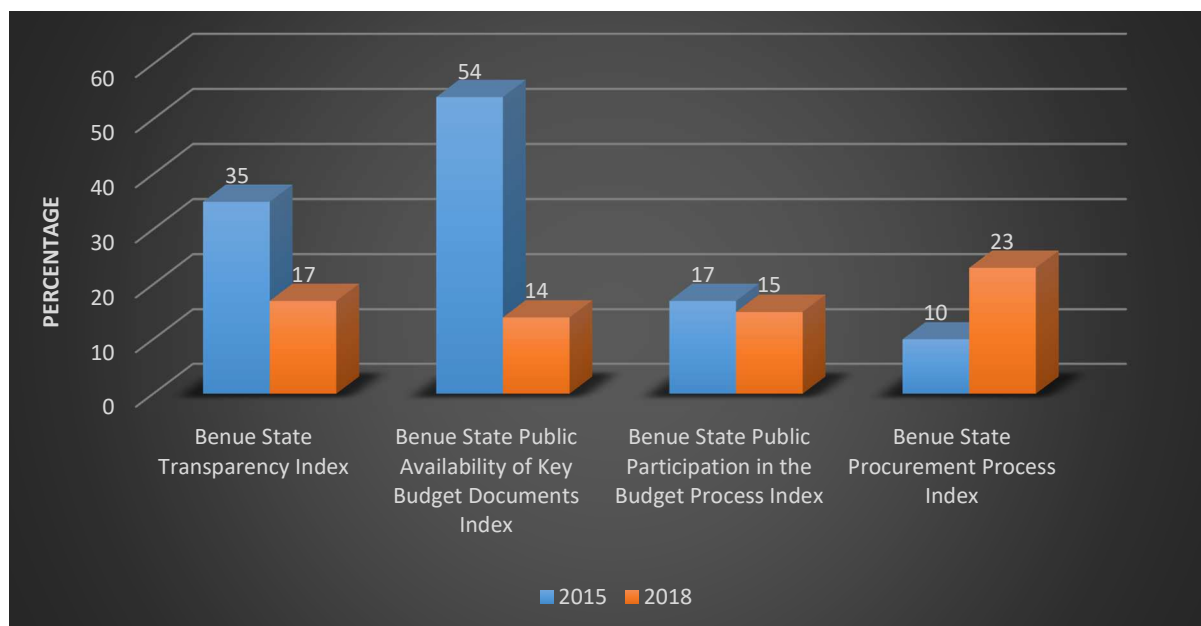


Figure1: *Benue State's Performance in 2015 and 2018 Nigerian States Budget Transparency Survey*

- **Public participation in the budget process:** Citizens and CSOs in Benue state has almost no spaces for the public to be involved in the budget process with a score of 15 out of 100. Very little has changed compared to 2015. The executive has no formal mechanisms to solicit public input during **budget formulation**. While the budget hearings are open to the public during **budget approval**, the public is not allowed to testify. The **budget execution** and **audit** processes are closed to the public.
- **Public access to procurement information:** With a score of 23 out of 100, citizens have limited access to procurement information in Benue state. There has been an increase of 12 points when compared to 2015. While there is no Public Procurement Bureau, there is a State Tenders Board guiding the procurement process. In comparison to 2015, this Board now provides pre-bidding documents to potential contractors and most tenders are opened publicly.

These indicators mean on a general note that Benue State performed quite abysmally. This is because, on the average, Benue State provided scant or no information on the budget process for the 2018 survey. This performance is well below the state's performance in 2015 (See Figure 1). There is generally total absence of the state financial regulations/instructions framework to ensure fiscal discipline in the budget process.

Recommendations

On Budget Transparency

The Benue state government should publish:

- State Budget Call Circular, and
- State Appropriation Law.
- Online and on time as recommended by the Fiscal Sustainability plan.

The state should also publish the following documents:

- State Draft Budget Estimates and Votes, and

- State Accountant General's Report

which were available only for internal use. Furthermore, the Benue State Ministry of Finance and Economic Planning should make budget information accessible by producing and publishing a Citizen's Budget. The Ministry should also produce and publish the State Medium-Term Expenditure Framework/Fiscal Strategy Paper, State Quarterly Reports, State Mid-Year Review, and State Auditor-General's Report.

On Public Participation

The government in Benue state should:

- Open the budget formulation process to all constituencies; establish effective mechanisms to solicit the public's inputs on what should be included in the State Draft Estimates and Votes; and clearly articulate what the government expects to do with these inputs.
- Publish a list of beneficiaries of projects, subsidies, social plans, and other targeted spending from MDAs.
- Establish practical mechanisms for the public to provide inputs on how the budget is being implemented and publish reports on how these inputs are used.

The Benue State House of Assembly should:

- Open committee hearings on the budget to public where citizens and CSOs can testify.
- Open the hearings on the Auditor-General's Report to the public.

The Auditor-General should establish practical mechanisms for the public to submit inputs on what should be audited.

On Procurement Process

- The Benue State House of Assembly should enact a procurement law to establish a Public Procurement Bureau and the Bureau should publish procurement awards and justification of awards for all community projects, and have a complaints review mechanism. This body should manage the procurement process for all MDAs and include representatives from the private sector and civil society.