



Workplan for Fiscal Transparency Indicators Nigeria

1. Introduction

In the context of the Fiscal Openness Accelerator Project (FOA Project)—launched by the International Budget Partnership and the Global Initiative for Fiscal Transparency with the objective of building the technical capacity of selected governments to improve their fiscal transparency and to implement mechanisms for public participation—the Ministry of Finance, Budget and National Planning of the Republic of Nigeria has signed a Memorandum of Understanding which includes, among other actions, that the Ministry **will receive technical assistance to build capacity** to enhance the budget comprehensiveness and reliability by taking steps towards publishing key budget and audit reports in a timely manner, ensuring key audit reports are publicly available within 12 months of dissemination of the government's end-of-year report, and publishing more information on revenues, detailing allocations to and earnings from state-owned enterprises.

To measure progress for the FOA Project per country, a set of indicators were selected, based on the findings of the Fiscal Transparency Report (FTR) of the United States Department of State and the Open Budget Survey (OBS). These indicators are general, which means they are applicable to all the selected countries, and country-specific, which are particular to the country. The indicators for Nigeria are the following:

1.1. General indicators

1.1.1. Timely publication of the eight key budget documents as assessed by the OBS

Currently, as assessed by the OBS 2019, Nigeria publishes in a timely form four of the eight key budget documents; while four are either published late, not published online, or produced only for internal use. The Audit report went from publicly available in OBS 2017 to published late more recently, according to OBS 2019. Additionally, the FTR identifies that the executive budget proposal and the enacted budget, were not published within a reasonable period of time.

- Indicators: Public availability of budget documents, OBS
- Targets for the country¹:
 1. Publication of the EBP at least two months in advance of the budget year and in advance of the budget being approved by the legislature (OBS EBP-2 target B, currently C)
 2. Publication of the enacted budget within two months after approval (OBS EB-2 target A, currently A)
 3. Publication of the Pre-Budget Statement at least two months in advance of the budget year, and at least one month before the executive's budget proposal is introduced in the legislature (OBS PBS-2 target B, currently D)

¹ Targets are in line with the diagnosis and actions contemplated in section 1.2 of the workplan.



4. Publication of the in-year reports at least every quarter and within one month of the period covered (OBS IYRs-2 target B, currently D)
 5. Publications of the mid-year review between six and nine weeks after the mid-point of the fiscal year (OBS MYR-2 target B, currently D)
 6. Publication of the audit report within 18 months, after the end of the budget year (OBS AR-2 target C, currently D)
- Next progress assessment: OBS 2021

1.1.2. Improve the comprehensiveness of the budget reports

In the transparency pillar of the OBS 2019, Nigeria obtained 21 out of the 100 possible points. While it is an improvement of four points from the previous OBS assessment, this positions the country below the global average of 45 points and 40 points behind the threshold to consider the information provided as “sufficient”².

In the same line, the comprehensiveness within the actually published documents still requires focalized attention. While a strong document is the Enacted Budget that obtained 84/100 points in the OBS, the Executive Budget Proposal, which has a bigger role in the Survey only obtained 20/100 points and the Year-End report obtained 38/100 points and the Citizens’ Budget obtained 59/100 points.

- Indicator: Document content score, OBS
- Targets for the country:
 1. At least 61 for the Executive Budget Proposal (currently 20)
 2. At least 61 for the Year-End report (currently 38)
 3. At least 61 for the Citizens Budget (currently 59)
- Next progress assessment: OBS 2021

1.2. Country-specific indicators

1.2.1. Improve the coverage of fiscal reporting

The FTR 2019 found that budget documents “did not include allocations to and earnings from state-owned enterprises”. This is in line with the findings of question 37 of the OBS of 2019, that analyzes whether any supporting budget documentation present estimates of transfers to public corporations for at least the budget year.

- Indicator: Extent of unreported government operations, PEFA PI-6 ii, bounded to State Owned Enterprises,
- Targets for the country:
 1. Expenditure of State-Owned Enterprises outside financial reports (PEFA PI-6 6.1 target C. less than 10% of total expenditure)

² For the OBS, a minimum of 61 points is the threshold for considering the published information as sufficient.



2. Revenue of State-Owned Enterprises outside financial reports (PEFA PI-6 6.2 target C. less than 10% of total revenue)
 - Next progress assessment: update of the indicator 2021, last PEFA evaluation 2019³ (not public, Draft Status)

2. Work plan and next steps

In the following months and until the presentation of the 2020-2021 budget documents, IBP and GIFT will support Nigeria in developing the improvements in fiscal transparency to achieve the targets identified above. The support includes the development of a diagnosis and specific recommendations, support from a consultant in designing new processes and measures to improve publication based on international good practices and international fiscal transparency standards and, when relevant, contact with experts in specific topics to follow up in target recommendations.

The work plan for 2020 would be as follows:

Month	June				July				August				September				October				November				December			
Activity	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Coordination call Nigeria MoF & IBP-GIFT																												
Diagnosis and action plan for indicator 1.1 Timely publication of the eight key budget documents as assessed by the OBS																												
Check-in call for review and questions Diagnosis and action plan for indicator 1.1																												
Diagnosis and action plan for indicator 1.2 Improve the comprehensiveness of the budget reports																												
Check-in call for review and questions of the Diagnosis and action plan for indicator 1.2																												
Meeting with staff in charge of State-Owned Enterprises accounting in the MoF (indicator 2.1)																												
Proposal for transparency of state owned enterprises based on the country current position																												
Check-in call for review and questions for the implementation for indicator 2.1																												
Follow-up check-in calls and thematic experts																												

³ Monitor progress due to COVID-19 possible changes in the assessment timeline.