



Timely publication of the eight key budget documents Indicator 1.1 for Nigeria

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 **will receive technical assistance to build capacity** to enhance fiscal transparency.

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). The first of these indicators is the **timely publication of the eight key budget documents as assessed by the OBS**. This document presents a diagnosis of the current state of affairs regarding such indicator based on the legal framework and practice and presents a set of actions and considerations to improve in this respect.

Diagnosis and considerations for improvement

- As can be appreciated from the image below of the results of the OBS 2019, the publication of the documents year to year has been somewhat inconsistent, having some documents published timely one year and not in the next one. This would suggest a need to map all the steps and actors of the process, including uploading to the website, for each document to maintain a consistent publication.

Public availability of budget documents in Nigeria

- Available to the Public
- Published Late, or Not Published Online, or Produced for Internal Use Only
- ⊘ Not Produced

Document	2010	2012	2015	2017	2019
Pre-Budget Statement	●	●	●	●	●
Executive's Budget Proposal	●	●	●	●	●
Enacted Budget	●	●	●	●	●
Citizens Budget	●	⊘	●	●	●
In-Year Reports	●	●	●	●	●
Mid-Year Review	●	●	●	⊘	●
Year-End Report	●	●	●	●	●
Audit Report	●	●	●	●	●



Documents within the scope of the Ministry of Finance

- Nigeria only makes four of the eight key budget documents publicly available, additionally some of the publicly available documents are in the lower scores as they are usually presented with certain delay. The table below summarizes the legal deadlines according to Nigerian legal framework, compared to the deadline assessed by the OBS for the documents within the scope of the Ministry of Finance to be considered publicly available. The fourth column indicates observations on the current practices and possibilities considering the current legal framework, as well as paths for improvement.

Budget documents within the scope of the Ministry of Finance and Development Planning			
Document	Deadline for legal term	Deadline for target in the OBS	Considerations for improvement
<p>Pre-Budget Statement-Medium-Term Expenditure Framework</p>	<p>June 30</p> <p>According to the Fiscal Responsibility Law, article 14 (1) “The Minister shall before the end of the second quarter of each financial year, present the Medium-Term Expenditure Framework to the Federal Executive Council for consideration and endorsement”.</p>	<p>August 30</p> <p>A: At least four months in advance of the budget year, and at least one month before the executive’s budget proposal is introduced in the legislature.</p> <p>B: 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</p>	<p>In Nigeria, the Medium-Term Expenditure Framework (MTEF). To be considered publicly available, the PBS must be published online at least one month (to achieve a C in OBS question PBS-2) prior to the draft budget being presented to the National Assembly. For the 2019 budget, this document was sent to the National Assembly more than one month before the draft budget was tabled, however it was not published online until after the draft budget was tabled and published.</p> <p>Neither the Constitution (art 59) nor the Fiscal Responsibility Act indicate a deadline to present the Appropriations Bill to the Legislative, which should be addressed.</p> <p>To achieve the goal of 61 in the overall score, and</p>



			<p>considering that the document is currently being produced, the Budget Office of the Federation should publish the MTEF and Fiscal Policy Paper online 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.</p>
<p>Executive Budget Proposal (EBP)- Appropriations Bill</p>	<p>N/A</p> <p>Not currently specified in Part III- The Annual Budget of the Fiscal Responsibility Act of 2007.</p>	<p>September 30</p> <p>A: At least three months in advance of the budget year, and in advance of the budget being approved by the legislature</p> <p>B: At least two months, but less than three months, in advance of the budget year, and in advance of the budget being approved by the legislature</p>	<p>The publication of the EBP lacks predictability. For the 2020 budget, the presentation to the Legislative was done in the first quarter of October, which would not be enough to achieve an A by a few days. However, according to the OBS 2019, it was not published until the end of December.</p> <p>A clear schedule should be drafted and included in the Fiscal Responsibility Act. Additionally, in any case, the online publication should be considered as part of the whole process of the budget to avoid a mismatch in publication dates that affect the transparency of the project.</p>
<p>Enacted Budget- Appropriations Act</p>	<p>No deadline</p> <p>Section 59 of the Constitution does consider a process in case the Appropriations Bill is not passed by the two houses</p>	<p>Immediately after approval</p> <p>A: Two weeks or less after the budget has been enacted</p>	<p>The Law only specifies the publication of the disbursement schedule. A deadline for approval by the legislature is missing, which complicates</p>



	<p>within a period of 2 months from the commencement of the financial year.</p> <p>The Fiscal Responsibility Act article 26 indicates that the Minister, shall within 30 days of the enactment of the Appropriation Act, prepare and publish a disbursement Schedule derived from the Annual Cash Plan for the purposes of implementing the Appropriation Act.</p>		<p>accountability. A legal reform in this aspect is necessary for the country to have a complete calendar of the budget process.</p>										
<p>In-Year Reports (IYRs)- Quarterly Budget Implementation Reports</p>	<p>30 days after the end of each quarter</p> <p>The Federal Government through its budget office shall within 30 days after the end of each quarter, publish a summarized report on budget execution in such form as may be prescribed by the Fiscal Responsibility Commission.</p>	<p>Within one month after the reported period</p> <p>A: At least every month and within one month of the period covered</p> <p>B: At least every quarter and within one month of the period covered</p>	<p>Monthly reports are not mandated in the law, therefore Nigeria can aspire to a B in this question. To achieve a B score, the Budget Office should publish Quarterly Budget Implementation Reports within one month of the end of the quarter. As per the following schedule:</p> <table border="1" data-bbox="1122 1297 1414 1549"> <thead> <tr> <th><i>Quarter</i></th> <th><i>Deadline to publish IYR</i></th> </tr> </thead> <tbody> <tr> <td>Q4 2020</td> <td>31 January 2021</td> </tr> <tr> <td>Q1 2021</td> <td>30 April 2021</td> </tr> <tr> <td>Q2 2021</td> <td>31 July 2021</td> </tr> <tr> <td>Q3 2021</td> <td>31 October 2021</td> </tr> </tbody> </table> <p>To be considered publicly available, IYRs must be published online within three months of the end of the reporting period. The IYRs examined in the OBS 2019, were published late.</p>	<i>Quarter</i>	<i>Deadline to publish IYR</i>	Q4 2020	31 January 2021	Q1 2021	30 April 2021	Q2 2021	31 July 2021	Q3 2021	31 October 2021
<i>Quarter</i>	<i>Deadline to publish IYR</i>												
Q4 2020	31 January 2021												
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Q2 2021	31 July 2021												
Q3 2021	31 October 2021												



<p>Mid-Year Review (MYR)</p>	<p>Not considered</p> <p>Subject to subsection (2) of this section, the President may cause adjustments to be made to a Medium-Term Expenditure Framework.</p> <p>(2) Any adjustment to a Medium-Term Expenditure Framework shall be limited to:</p> <p>(a) the correction of manifest error; and</p> <p>(b) changes in the fiscal indicators, which in the opinion of the President are significant.</p>	<p>At least nine weeks after the mid-point</p> <p>A: Six weeks or less after the mid-point</p> <p>B: Nine weeks or less, but more than six weeks, after the mid-point</p>	<p>To be considered publicly available, the MYR must be published within three months of the mid-point of the fiscal year. Nigeria does not publish a document that qualifies as a MYR. While the Q2 Budget Implementation Report is published in that time frame it lacks updated macroeconomic and fiscal projections, therefore it is only considered an IYR.</p> <p>This could be accomplished by adding updated macroeconomic and fiscal projections for the budget year to the Q2 Budget Implementation Report.</p> <p>These additions should be of high priority as there are 9 questions related to the document in the OBS.</p>
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- It is worth noting that the Fiscal Responsibility Act has severe gaps that leave deadlines and details of publication open. The Ministry of Finance should consider introducing a legal reform in the Legislative to provide certainty in the budget process.



Document within the scope of the Auditor General

- The Audit Report was publicly available for the OBS 2017; however it was not available for the 2019 round. The table below presents the analysis of the legal framework compared to the expected practice as assessed by the OBS and considerations for improvement.


Budget documents within the scope of the Supreme Audit Institution			
Document	Deadline for legal term	Deadline for target in the OBS	Considerations for improvement
<p>Audit Report Auditor-General's Annual Report</p>	<p>90 days after the reception of the Accountant's General Financial Statement (7.5 months after the year-end)</p> <p>The timeframe is established in article 85 (5) of the constitution, referring to 90 days after the reception of the Accountant's General Financial Statement.</p> <p>The Fiscal Responsibility Act does not mention that specific report. However, according to article 49(1) of such Law, the Federal Government shall publish their audited accounts not later than six months following the end of the financial year.</p>	<p>30 June 2021</p> <p>A: Six months or less after the end of the budget year</p> <p>B: 12 months or less, but more than six months, after the end of the budget year</p> <p>C: More than 12 months, but within 18 months, after the end of the budget year</p>	<p>To improve budget transparency, the Office of the Auditor-General of the Federation should publish the Annual Report on the Accounts within 18 months after the end of the year. The deadlines however are unclear in the legal framework, which reduces certainty.</p> <p>For the 2016 fiscal year, the AR was published on 10 July 2018, after the deadline of 30 June 2018. The OBS 2021 will likely review the AR for 2019, which must be published before 30 June 2021.</p> <p>There should not be any restriction in access to download the Audit Reports as there currently is in the Auditor-General website: https://oaugf.ng/publications/reports</p>



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