

## **MEMORANDUM OF UNDERSTANDING**

Entered into by and between:

### **THE INTERNATIONAL BUDGET PARTNERSHIP**

(Herein represented by **Vivek R. Ramkumar**  
in his capacity as Policy Director duly authorised thereto)  
(Hereinafter referred to as the IBP)

And

### **THE GLOBAL INITIATIVE FOR FISCAL TRANSPARENCY**

(Herein represented by **Juan Pablo Guerrero**  
in his capacity as Network Director duly authorised thereto)  
(Hereinafter referred to as GIFT)

And

### **THE MINISTRY OF FINANCE, BUDGET AND NATIONAL PLANNING**

(Herein represented by **Mr. Stephen Osagiede Oronsaye**  
in his capacity of PERMANENTE SECRETARY duly authorised thereto)  
(Hereinafter referred to as the Ministry)

((hereinafter jointly referred to as “the Parties”))

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## **PREAMBLE**

WHEREAS the IBP is a nonprofit organization regulated by the US laws of the District of Columbia (“Grantee”) and operated for charitable, educational and/or scientific purposes within the meaning of Section 501(c)(3) of the US Internal Revenue Code, recognized as a leading independent, international non-governmental organization working in the field of fiscal transparency and accountability. IBP engages with country based and international stakeholders to promote better budget systems, practices, policies and outcomes, and builds the capacity of civil society to conduct budget analysis, monitoring and advocacy. IBP is a leading producer of independent research on country budget systems, processes, policies and outcomes. IBP’s flagship product, the Open Budget Survey, is the world’s only independent, comparative assessment of the three pillars of public budget accountability: transparency, participation, and oversight.

WHEREAS the GIFT, is a project of IBP, serving as a network that facilitates dialogue among governments, civil society groups, international financial institutions, and other stakeholders to identify and share solutions to challenges in fiscal transparency and participation. As a multi-stakeholder action-network, the GIFT’s value proposition is to achieve sustained, measurable improvements in fiscal transparency, public participation and accountability in countries around the world, by advancing incentives, norms, peer-learning, technical assistance and new technologies. In pursuit of these goals, GIFT brings governments, civil society organizations, international financial institutions, private sector representatives, professional associations and donors together to facilitate a dialogue on fiscal openness. In 2019, the GIFT network has 47 (forty seven) transparency champion institutions, and budget agencies from additional 18 (eighteen) countries, including the Ministry of Finance & Development Planning, committed to concrete improvements in fiscal transparency.

WHEREAS IBP/GIFT has been granted the US Department of State Federal Assistance Award number SLMAQM19GR2225 for the period September 2019 to September 2022, with the purpose to “improve fiscal transparency and enhance public participation in Benin, Liberia, Nigeria, Senegal and South Africa” (Scope of Work as enshrined in Article I).

WHEREAS the Ministry of Finance, Budget and National Planning of the Republic of Nigeria’s powers and functions include to formulate, institutionalize, and administer economic, development, fiscal and tax policies for the promotion of sound and efficient management of financial resources of the government. The Ministry shall have the power to

administer this Chapter all of the provisions contained herein as well as perform such other powers and functions as may be provided by law.

WHEREAS the Ministry is a member of the GIFT network since 2018, and by virtue of such has officially assumed the terms of reference of the stewards established in the GIFT Operating Procedures (attached), has undertaken the commitment to intensify efforts to enhance fiscal transparency, participation and accountability in fiscal policies, including the consideration of the High Level Principles on Fiscal Transparency, Participation and Accountability, has engaged in promoting discussions on advancing the common goal of transparent, participatory and accountable management of fiscal policies, has devoted time and resources to promote cooperation and information sharing with all stakeholders to assist peers in building their capacity and to exchange experiences with regard to transparency, participation and accountability in fiscal policies, and has presented a plan of action with concrete and verifiable goals.

WHEREAS the Ministry has expressed interest to be part of the pilot project implemented by IBP/GIFT to “Enhance fiscal transparency and public participation in fiscal policies in Benin, Liberia, Nigeria, Senegal and South Africa”, and has participated in preparatory activities related to it.

WHEREAS the Parties are active in working together on participation and transparency as both components are critical to ensuring government accountability and responsiveness to the needs of Liberian citizens, and acknowledge that governments cannot create meaningful opportunities for participation without sufficient transparency, and improved transparency does not automatically lead to higher levels of participation.

WHEREAS the Parties believe that, through high-level political will, cooperation, technical collaboration, peer learning and knowledge sharing, they can improve the development impacts of their present and future actions to advance transparency, participation and accountability.

WHEREAS, the Parties would like to strengthen communication, information and knowledge exchange among them in areas of common interest, with a view to enable, through appropriate instruments, mutually beneficial cooperation.

NOW THEREFORE the Parties have reached the following understanding for enabling such cooperation:

## ARTICLE I - SCOPE OF COOPERATION

The Parties intend to facilitate the development of cooperative activities in areas of common interest, aiming at:

- (a) Supporting peer learning, knowledge sharing and technical collaboration in activities to make improvements in the fiscal transparency of the governments of Benin, Liberia, and Nigeria (for the Ministry of Finance, Budget and National Planning of Nigeria, this includes enhancements in budget comprehensiveness and reliability by taking steps towards publishing more information on revenues, detailing allocations to and earnings from state-owned enterprises, and publishing key budget and audit reports in a timely manner);
- (b) Fully engaging in the pilot project to establish effective mechanisms to allow public participation in fiscal processes at national level in South Africa and supporting similar efforts in Benin, Liberia, Nigeria, Senegal, through peer learning, knowledge sharing and technical collaboration;
- (c) Participate in a kick-off meeting in South Africa with government officials (comprised of representatives from the National Treasury and other relevant departments), one civil society representative from each foreign country, consultants, and IBP/GIFT staff, to review the main parameters of the project (e.g., objectives, anticipated outcomes, activities, evaluation framework), and discuss the roles and responsibilities of key project stakeholders;
- (d) Establishing an advisory group comprised of four members from government and two members from civil society, which could be an already established dialogue group, to meet routinely to provide the Ministry with feedback and recommendations on the design and implementation of the participation mechanism; if necessary, IBP/GIFT will support and facilitate the first few rounds of dialogue and will develop materials describing practical steps that governments can take to introduce participatory mechanisms;
- (e) Where necessary, IBP/GIFT will support and facilitate the first few rounds of dialogue and will develop materials describing practical steps that governments can take to introduce participatory mechanisms; and
- (f) Any other area of cooperation as may be established by the Parties in writing.

## **ARTICLE II - IMPLEMENTATION OF COOPERATION**

The Parties intend to track progress and address issues that arise in implementing this Memorandum of Understanding (“MoU”). For this purpose, the Parties intend to organize periodic meetings to discuss the project’s progress and adapt the approach as needed. With the support of IBP/GIFT.

The Ministry of Finance, Budget and National Planning:

- (a) With the support of IBP/GIFT, 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 ensuring the criteria and procedures used to award natural resource extraction contracts and licenses are consistent with the requirements set by law or regulation;
- (b) Using the insights and information acquired from the technical assistance, the Ministry will develop a work plan that outlines concrete next steps, roles and responsibilities of the main government authorities that will be involved in implementing activities to improve fiscal transparency, and a detailed timeline for disclosing new information;
- (c) The work plan of the Ministry will reflect the recommendations from the technical advisors and IBP/GIFT staff;
- (d) The Ministry will take specific steps to establishing participation mechanisms;
- (e) In the first year of the project, the Ministry will receive technical support from consultants specializing in public participation to design a participation mechanism;

The IBP/GIFT:

- (f) IBP/GIFT will provide technical assistance coming from a consultant with extensive experience and knowledge in fiscal transparency, delivering insights and lessons-learned on best practices and experiences from other countries through peer exchange workshops in Liberia, Nigeria, and Senegal, and will help the government of Liberia identify broad next steps;
- (g) IBP/GIFT will organize a peer exchange workshop in Nigeria in year one, a peer-exchange workshop in Liberia in year two and a peer-exchange workshop in Senegal in year three, in which the Ministry representatives will actively participate, as these workshops will provide participants with the opportunity to receive technical

assistance and discuss their experiences in rolling out and refining their participation mechanisms;

- (h) Unless otherwise agreed, IBP/GIFT will cover all costs, fees and expenses of any kind deriving from or required to carry out this Memorandum, with exception of the professional time and technical knowledge of the public servants involved, the venues for meetings when taking place in official buildings, and any in kind or financial contribution that the Ministry is willing to grant to the pilots.

#### Financial Implications:

Unless otherwise agreed, the IBP/ GIFT will cover all costs, fees and expenses of any kind deriving from or required to carry out this MoU, with exception of the professional time and technical knowledge of the public servants involved, the venues for meetings when taking place in official buildings, and any in-kind or financial contribution that the Ministry is willing to grant to the pilots.

### **ARTICLE III - COMMUNICATIONS**

Each Party hereby designates and appoints below its representatives with overall responsibility for implementing this MoU. Each of the Parties may, by written notice to the other Parties, designate additional or different persons as points of contact for specific type of activities.

- For IBP/GIFT, the Policy Director, Vivek R. Ramkumar and the GIFT Network Director, Juan Pablo Guerrero.
- For the Ministry, Director, Reform Coordination and Service Improvement Department of the Ministry of Finance, Budget and National Planning, Dr. Anne Nzegwu

### **ARTICLE IV - CONFIDENTIALITY, DISCLOSURE AND PUBLICITY**

1. The disclosure of information with respect to the cooperative activities contemplated herein will be made in accordance with, and to the extent permitted by, the Parties' respective policies on access to information. Any confidential information shared pursuant to this MoU shall not be disclosed to any third party, without the prior written consent of the other Party.
2. The Parties agree to the publication of this MoU

3. The Parties acknowledge that the US Department of State has determined that for the purposes of the award number SLMAQM19GR2225, the recipients are required to publicly display Department of State and/or U.S. government branding and marking for materials produced under the award.



## **ARTICLE V - NON-BINDING NATURE**

Except as otherwise provided in this MoU, the Parties acknowledge that this MoU is not intended to be legally binding on either of them, and is simply a statement of intent by each of them to strengthen cooperation and communication. Nothing contained in this MoU, and no action taken by or on behalf of either the IBP/GIFT or the Ministry pursuant to this MoU, is intended to create or be construed to imply any agency, partnership, joint venture or fiduciary relationship between the Parties.

## **ARTICLE VI - FURTHER ARRANGEMENTS**

Any specific activities, services or projects that may be identified by the Parties within the scope of Article I above will, as appropriate, be set forth in separate instrument, agreement or arrangements, as the case may be, to be entered into by the Parties. With respect to any such specific activity, service or project contemplated, the Parties express their intention to establish the appropriate cost-sharing or cost recovery arrangements, as the case may be, to be set forth in the separate instrument, agreement or arrangement, as the case may be, to be entered into by the Parties. Nothing in this MoU is intended to create an arrangement to share any advisory fees earned by any of the Parties for their activities in connection with any such activity, scope or project.

## **ARTICLE VII - EFFECTIVENESS AND TERMINATION**

1. This MoU will become effective after each Party has notified each other in writing of its compliance with internal procedures necessary for conclusion and implementation of the MoU. The date of effectiveness shall be the date of the last written notification.
2. This MOU will remain in force for the period covered by the US State Department Grant (2019-2022) unless terminated before by either Party, giving one month written notice of its intention to terminate this Memorandum. Unless otherwise agreed, the termination of this MoU will not affect contractual obligations that have been separately entered into by either or both Parties under this MoU.

## **ARTICLE VIII - CONSULTATION**

Any differences arising from the interpretation or application of this MoU may be resolved through mutual consultations between the Parties.

## ARTICLE IX - PRIVILEGES AND IMMUNITIES; POLICIES AND PROCEDURES

Nothing in this Memorandum is intended to be, or should be construed as, a waiver of the privileges and immunities, or internal policies and procedures, of either Party or its officers and employees. Each Party's privileges and immunities are hereby specifically reserved.

IN WITNESS WHEREOF, the Parties have signed this Memorandum in duplicate in the English language, both texts being equally authentic.

Done at Washington D.C, United States of America, on this 12<sup>th</sup> day of February 2020, in duplicate in the English language, both texts being equally authentic.

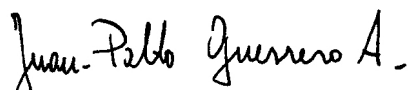
### FOR THE GOVERNMENT OF THE REPUBLIC OF NIGERIA

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**Mme. Dr. Anne Nzegwu**

REFORM COORDINATION AND SERVICE IMPROVEMENT DIRECTOR

### FOR THE THE GLOBAL INITIATIVE FOR FISCAL TRANSPARENCY

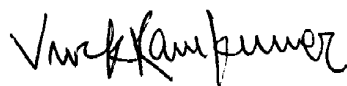


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Juan Pablo Guerrero

Network Director: GIFT

### THE INTERNATIONAL BUDGET PARTNERSHIP



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Vivek R. Ramkumar

Policy Director: IBP