

ENUGU STATE



Geopolitical Background: Enugu State is a mainland state in southeastern Nigeria. Its capital is Enugu from which the state was created in 1991 from the old Anambra State. The principal cities in the state are Enugu, Udi, Oji and Nsukka. The state shares borders with Abia State and Imo State to the south, Ebonyi State to the east, Benue State to the northeast, Kogi State to the northwest and Anambra State to the west.

The name of the state was derived from its capital city, Enugu. The word "Enugu" (from *Enu Ugwu*) means "the top of the hill". The first European settlers arrived in the area in 1909, led by a British mining engineer, Albert Kitson. In his quest for silver, he discovered coal in the Udi Ridge. Colonial Governor of Nigeria, Frederick Lugard took keen interest in the discovery, and by 1914 the first shipment of coal was made to Britain. As mining activities increased in the area, a permanent cosmopolitan settlement emerged, supported by a railway system. Enugu acquired township status in 1917 and became strategic to British interests. Foreign businesses began to move into Enugu, the most notable of which were John Holt, Kingsway Stores, British Bank of West Africa and United Africa Company.

From Enugu, the British administration was able to spread its influence over the Southern Province of Nigeria. The colonial past of Enugu is today evidenced by the Georgian building types and meandering narrow roads within the residential area originally reserved for the whites, an area which is today called the Government Reserved Area (GRA).

From being the capital of the Southern Provinces, Enugu became the capital of the Eastern Region (now divided into nine States), the capital of now defunct *Republic of Biafra*, thereafter, the capital of East Central State, Anambra State, (old) Enugu State, and now the capital of the

present Enugu State through a process of state creation and diffusion of administrative authority. The State Government and the Local Government are the two levels of government in Enugu State and in all other states of Nigeria.

Enugu, the capital city of Enugu State, is approximately 2½ driving hours away from Port Harcourt, where coal shipments exited Nigeria. Enugu is also located within an hour's drive from Onitsha, one of the biggest commercial cities in Africa and 2 hours' drive from Aba, another very large commercial city, both of which are trading centers in Nigeria. The average temperature in this city is cooler to mild (60 degrees Fahrenheit) in its cooler months and gets warmer to hot in its warmer months (upper 80 degrees Fahrenheit) and very good for outdoor activities with family and friends or just for personal leisure. Enugu State has a population of over 3.5 million people and counting. It is home to the Igbo of southeastern Nigeria.

Economic Climate: Economically, the state is predominantly rural and agrarian, with a substantial proportion of its working population engaged in farming, although trading (18.8%) and services (12.9%) are also important. In the urban areas trading is the dominant occupation, followed by services. A small proportion of the population is also engaged in manufacturing activities, with the most pronounced among them located in Enugu, Oji, Ohebedim and Nsukka.

Agriculture is the mainstay of the State's rural economy. Over 70 percent of the population engages in subsistent agriculture, producing food and cash crops such as rice, cassava, maize, yam, a variety of fruits and vegetables, palm produce and cashew. In spite of the involvement of such preponderance population in agriculture and the availability of arable land, agricultural output per capita still remains low.

There are a few manufacturing industries which are inefficiently run and, therefore, produce at below capacity. Therefore the organised private sector involvement in manufacturing activities has not made much impact in these past two decades or more largely due to the prevailing macroeconomic environment in the country. Manufacturing and solid minerals such as uranium and coal, holds a lot of investment potentials. The State also has enormous investment potentials in the area of tourism development. With the hills dotting across the State and several natural rivers, lakes and streams, there is sufficient natural scenery for the development of tourism industry. Currently, the State government's economic vision is to achieve sustainable poverty reduction by the enhancement of human capabilities and livelihoods through broad based wealth creation and employment generation. Key investment objectives are to promote entrepreneurship and self-help efforts, improve on the delivery of basic social services and infrastructure, create investment friendly and sustainable environment.

FINDINGS

Public Access to budget documents

Enugu state scores 19 out of 100 on the State Budget Transparency Index. The State Budget Call Circular is publicly available on request. The State Draft Estimates, State Budget Appropriation Law, Mid-Year Review, Account General's Report and Auditor General's Report are only produced for internal use while the Citizen's Budget and Quarterly Reports are not produced.

Public participation in the budget

Citizens and CSOs in Enugu state have a limited space for to be involved in the budget process with a score of 36 out of 100. During the **budget formulation** stage, the Ministry of Rural Development has a Visit Every Community mandate to solicit inputs for the State Draft Estimates. The Enugu State House of Assembly committees hold public hearings on the **budget approval** process. Both the **budget execution** and **auditing** process have no open spaces for public scrutiny.

Public access to procurement information

With a score of 47 out of 100, citizens have minimal access to procurement information in Enugu state. The Enugu State Public Procurement Law of 2010 regulates the procurement process and established the Due Process Office, which regulates the procurement process.

Recommendations

CIRDDOC recommends the following to improve budget transparency, public participation in the budget process, and transparency in the procurement process:

Budget Transparency

The government can increase budget transparency in Enugu state by timely publishing online the following documents that are already produced:

- Enugu State Draft Budget Estimates along with Enugu State Medium Term Sector Strategy
- Enugu State Budget Appropriation Law
- Enugu State 2013 Mid-Term Budget Review
- Enugu State of Nigeria: Report of the Accountant-General Financial Statements
- Report of the Auditor-General on the Account of the Government of Enugu State of Nigeria

The Ministry of Budget & Planning of Enugu state should do the following:

- partner with CSOs in the state to develop a Citizen's Budget.
- produce and publish the Quarterly Reports.

Public Participation

To effectively take advantage of the experience of CSOs and citizens, the government of Enugu state should do the following:

- ensure that Visit Every Community is an effective mechanism to solicit the public's inputs on what should be included in the budget; and publish a report on how these inputs were used in the State Draft Estimates.
- 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 along with reports on how these inputs are used.

Similarly, the Enugu State House of Assembly should do the following:

- open all committee hearings on the budget to the public where citizens and CSOs can testify and publish reports on these hearings.

Lastly, the Auditor-General should do the following:

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

Procurement Process

To improve the entire procurement processes, the following should be done:

- the Due Process Office should establish procurement complaint board that manages an alternative dispute resolution mechanism.
- the Due Process Office should publish all procurement decisions along with their justifications for all community projects.

Access to Information

To improve access to information in the state, the government should do the following:

1. Domesticate the Freedom of Information (FOI) Act, 2011.
2. Establish Freedom of Information (FOI) Agency in the state