

## EBONYI STATE



**Geopolitical Background:** Ebonyi State is an inland south-eastern state of Nigeria, populated primarily by Igbos. Its capital and largest city is Abakaliki. Afikpo is the second largest city. Other major towns are Onueke, Nkalagu, Uburu, Onicha, Ishiagu, Amasiri and Okposi. It is one of the six new states in Nigeria created in 1996; Ebonyi was created from the of old Abakaliki division of Enugu State and old Afikpo division of Abia State.

The state which is situated in the South-eastern part of the country shares boundaries with Benue to the north, Enugu to the northwest, Abia to the south-east and Cross River to the east. The Federal Military Government created Ebonyi State out of former Abia and Enugu states on October 1st 1997. Ebonyi state has an area of 5,530km<sup>2</sup> with over 4.5 million people.

**Economy:** Agriculture is the major occupation of the people of the state. The crops produced are yam, cassava, plantain, banana, maize, and cocoyam. Others are palm produce, cocoa and rubber. It is a leading producer of rice, yams, potatoes, maize, beans and cassava. Rice and Yams are predominantly cultivated in EDDA. Ebonyi also has several solid mineral resources, but little large-scale commercial mining. The state government has however given several incentives to investors in the agro-allied sector. Ebonyi is called "the salt of the nation" for its huge salt deposit at the Okposi and Uburu Salt Lakes.

Mineral resources in the state include salt which is mined locally in the Uburu/Okposi salt lakes of Ohaozara. There are some industries in the state which engage in production of plastic, block and food processing.

**Investment Opportunities:** The major cities that make up Ebonyi State include Afikpo, Uburu, Nkalagu, Ishiagu, Okposi, Amasiri, Onicha, Abakaliki, Eba Unwana and Onueke with a conservative population. This large population, with a sizeable number being agrarian, no doubt, is a factor to be reckoned with by any eagle-eyed investor especially in the agricultural sector.

The state has rich and fertile farmlands, thus it is no surprise that many see her as the food basket of the South-East because of its richness in rice and yam produce in addition to other farm produce like cocoa, maize, groundnut, plantain, banana, cassava, melon, sugarcane, local beans, fruits vegetables and palm produce. Today, Abakaliki rice has become a household name second to none when it comes to local production. Agriculturalists still believe that the industry is yet to be stretched to its fullest capacity and it still under-mechanized.

Known as Salt of the nation because of the rich salt deposits found in commercial quantity in Okposi, Enyigba and Uburu salt lakes, Ebonyi State clearly stand out as a potential destination of interest to investors. The Uburu salt industry has over the years continued to churn out processed and unprocessed table salt, yet there seems to be a yawning gap of underproduction in its efforts hence, any ambitious investor can hatch into the lacuna to make a life-long fortune.

There are vast deposits of solid minerals such as limestone at Nkalagu, Ishiagu and Okpoto. In fact in the 70's through the 90's Nigeria Cement Company Limited (NIGERCEM), a cement manufacturing company located at Nkalagu churned out bags of cement to serve the construction needs of Southeast and various parts of Nigeria. The company was owned by the East Central State which now comprises the South East States. Though the company has been grounded due to mismanagement, it still serves as a haven for potential investors who stand a chance of enjoying a comparative cost advantage among its contemporaries.

Abakaliki has a thriving quarry industry. The stones are conveyed to various parts of Nigeria from the quarry site at Agahgboriga. Laterite and marbles can be found in every part of the state to boost the activities of construction industries. Lead and zinc can be found at Enyigba and Ishiagu. There are also deposits of zinc at Oshiri and Uburu while Izzi has become a Mecca of miners including expatriates who are cashing into the deposits of lead and zinc oxide in the area. Although crude oil deposits had been speculated to be at Ugwu Ajim, Ogbu-Edda and Uwanna, it is yet to be explored. It is the same with the coal deposit at Enohia, Ozizza and Ndibe which is yet to be tapped.

The Fertilizer Blending Plant in Onuebonyi in Izzi L.G.A comes as a huge relief for arable farmers in Ebonyi State. Several foreign investors continue to express their interest in partnering with the company. The Nkaliki Hatchery that produced poultry livestock and eggs has been grounded although with its structures still existing, it serves as an investment potential. The rearing of livestock like goats, pigs, chickens, cows and horses are also popular in the state. Cattle ranching takes place in the Onicha, Ohaozara and Ishielu local government areas.

## **FINDINGS**

### **Public Access to budget documents**

Ebonyi state scores 19 out of 100 on the State Budget Transparency Index. The State Budget Call Circular, Accountant-General's Report and Auditor-General's Report are publicly available on request. Citizens have access to all documents in the budget formulation, execution and auditing stage. The State Draft Estimates, State Budget Appropriation Law, Quarterly Reports, and Mid-Year Review are only produced for internal use.

### **Public participation in the budget**

Citizens and CSOs in Ebonyi state have a limited space to be involved in the budget process with a score of 28 out of 100. During the **budget formulation** stage, citizens are essentially shut out from providing inputs for the State Draft Estimates. The Ebonyi House of Assembly opens some committee hearings on **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 13 out of 100, citizens have limited access to procurement information in Ebonyi state. The State Tenders Board is in charge of 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 Ebonyi state by publishing the following documents that are already produced:

- Approved Estimates of Ebonyi State Government of Nigeria
- Ebonyi State Budget Appropriation Law
- Ebonyi State Government Budget Performance Review
- Ebonyi State Government Mid-Year Budget Performance Review

In addition to publishing the documents that Ebonyi state already produces for internal use, the Ebonyi State Budget Office should partner with CSOs in the state to develop a Citizen's Budget.

## **Public Participation**

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

- 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 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.

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

- open all committee hearings on the budget to 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 government should introduce a law in the SHoA establishing a tenders board that oversees the whole procurement process; procurement complaint board that manages an alternative dispute resolution mechanism.
- the government should publish all procurement decisions along with their justifications and 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