

LAGOS STATE



Geopolitical profile: Lagos state was created on the 27th of May 1967 out of the then western region. Its capital is Ikeja, the state took off as an administrative entity on the 11th of April 1968 with Lagos Island serving the dual role of being the state and federal capital. However, with the creation of the Federal Capital Territory of Abuja in 1976 and the subsequent formal relocation of the seat of the Federal Government to Abuja on 12 December 1991, Lagos ceased to be Nigeria's political capital but remains the nation's economic and commercial hub. The capital of Lagos was also moved to Ikeja.

Lagos is located in the south-western part of Nigeria on coordinates 6°35'N 3°45'E and on latitude 6.45306 and longitude 3.39583. It has a land area of 3,474 square kilometers with a population of 9,019,534. According to the 2006 census, a figure which is disputed by the Lagos state government, the Lagos state government puts the population as at 2006 to 17.5 million at a parallel count with a growth rate of 3.2%. The government puts the present population at 21 million. The state is made up of 20 local government administrative units which have been further sub divided by the state government into LCDAs bringing the total number of local administrative units to 57. Lagos is under the control of the All Progressive Congress (APC), this party also produced all the members of the state house of assembly and the state's representatives at the federal level and the senate. The name Lagos was a Portuguese name adopted by the indigenous people, it is popularly called Eko among the Yorubas who constitute the bulk of the native inhabitants. Lagos state is a cross cultural melting pot attracting Nigerians and foreigners alike. The state prides a rich history of cross cultural social activities and is referred to as a home for all. It shares boundaries with Ogun state and Benin Republic.

Economic Potentials and Investment Policy: Lagos state is regarded as the commercial nerve center of Nigeria, it is home to about 2, 000 industrial concerns, 10, 000 commercial ventures, 22 industrial estates and accounts for over 60% of Nigerian's industrial and commercial activity; this gives the state an edge in generating revenues internally from taxes and levies which constitutes the bulk of the IGR. Lagos is the leading contributor to the non-oil sector GDP of the country. The State accounts for 70% of the National Maritime cargo freight, for over 80% of

international air traffic and aviation travel, 58.3% domestic aviation traffic and over 50% of Nigeria's energy consumption. Regionally, the Lagos Gross National Product is three times more than that of any West African Country, making it the economic hub of the ECOWAS sub region. The port of Lagos is the leading port in Nigeria and one of the largest and busiest in Africa. The state government in its investor's hand book states that it is committed to giving incentives and government support to small and medium scale business and also formulates policies that will ensure the growth and survival of all private businesses and enterprise.

Situational Analysis of the State: Lagos state is relatively stable with less security challenges. This accounts for the increasing population and growth in the economic and commercial activities of the state. Although, pockets of gang clashes and armed banditry still go on, the government is putting measures in place to nip the menace in the bud. Lagos state government is innovative and open to good ideas, bureaucracy exists but official documents in the state particularly budget documents are readily available on the internet and on request, save for those that are meant for internal circulation and consumption by the government. However most of the officials are unwilling to give their names and personal contacts, maintaining that they are responding in official capacity and not as a person. Also there is a palpable political tension in the state between the two leading contending political parties which needs to be carefully and properly handled to avoid its escalation and degeneration to a crisis.

FINDINGS

Public Access to budget documents

Lagos state scores 55 out of 100 on the State Budget Transparency Index. The State Budget Appropriation Law, Quarterly Reports, Auditor General's Report are all publicly available online while the Accountant General's Report is available on request. Citizens have access to all documents in almost all phases of the budget cycle that can serve as a basis to monitor how the government spends public funds throughout the budget process. The remaining budgets are only produced for internal use while the Citizen's Budget is not produced.

Public participation in the budget

Citizens and CSOs in Lagos state have extensive spaces to be involved in the budget process with a score of 78 out of 100. During the **budget formulation** stage, the Ministry of Economic Planning and Budget of Lagos state maintain budget consultation forums where a wide variety of organizations are invited to solicit inputs for the State Draft Estimates. The Lagos House of Assembly opens all committee hearings on **budget approval** process to citizens. The Lagos state government continues these budget consultation forums during the **budget execution** process and publishes reports on these inputs. In the **auditing** processes, the Auditor General establishes mechanism to solicit inputs into the auditing scheme.

Public access to procurement information

With a score of 60 out of 100, citizens have moderate access to procurement information in Lagos state. The Lagos State Public Procurement Law of 2011 regulates the entire procurement

process and established the Lagos State Public Procurement Agency. Tenders in Lagos state are publicly opened after the bidding process is closed. Procurement awards are published online. Lagos State Public Procurement Agency has a procurement complaint board with alternative dispute resolution mechanisms.

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 improve budget transparency in Lagos state by publishing these budget documents that it already produces online:

- State Budget Call Circular
- State Draft Estimates

In addition to publishing these documents, the Ministry of Budget and Economic Planning should partner with CSOs in the state to develop a Citizen's Budget and publish it within three months of enacting the budget.

Public Participation

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

- introduce a bill to ensure that participation in the budget formulation process is institutionalized.
- expand the list to include all beneficiaries of projects, subsidies, social plans and other targeted spending from MDAs
- improve on the comprehensiveness of reports detailing how inputs were used in the State Draft Budget Estimates and budget execution.

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

- publish report on committee hearings on the budget
- open the hearings on the Auditor General's Report to the public.

Lastly, the Auditor General should do the following:

- ensure that citizens use 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 give the Lagos State Public Procurement Agency the sole authority to regulate the procurement process in the state and the necessary resources to

fulfill its duty and establish a procurement complaint board that manages an alternative dispute resolution mechanism.

- the State Public Procurement Agency should publish their justifications when publishing awarded contracts online and 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