

NORTH EAST ZONAL

Background

North East Zone lies between latitudes 6⁰N and 14⁰N and comprises Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe States. Eighty percent of the people in the Zone live in rural areas. The area has a combined land mass of 239,000KM². with a combined population of about 23.3 million going by 2006 population census. Major economic activities are farming and commerce. The area is blessed with about 6.4 million hectares of arable land, 2.4 million hectares which are presently under cultivation. No wonder agriculture is the mainstay of economic activities for majority of the populace especially those that live in the rural areas. Commerce and trading is a major occupation of the urban dwellers though mostly on small scale. There are also many micro, small and medium enterprises operating all over the zone. The North East States are endowed with rich agro-allied and solid minerals resources that has not been fully exploited because of these major factors amongst others; inadequate capital, inadequate infrastructures and conducive investment environment. The recent Boko Haram insurgency and illiteracy has made the area the list developed of all the zones in Nigeria. Agricultural resources in the zone include the following: Wheat, Gum Arabic, Groundnuts, Cotton, Maize, Sorghum, Beans, Sesame Seeds, Palm Oil, Fish, Cassava, Rice, Irish and Sweet Potato, Fruits and Vegetables. Solid minerals found in the Zone include the following, Limestone, Gypsum, Kaolin, Diatomite, Iron Ore, Potash/Trona, Tin and Columbite, Uranium, Platinum etc.

The zone has potentials for agro-allied industries, solid minerals and extraction industries, renewable energy resources industries and for tourism potentials. There are few large scale industries in the region despite these potentials. The states are blessed with a variety of tourist attractions sites supported by airports and hotels. Some of the tourist sites includes; Koma Hills, Sukur Hills, Mambilla Plateau, Dokshi Hot and Cold spring Water, Dufuna Canoe, Dagona Birds Sanctuary, Yankari Holiday Resort/Part, Historical Sights, Arts and Craft and variety of Cultural Dances which cut across the states in the zone.

Budget Transparency Survey in the North East Zone

The State Budget Transparency Survey based on same detailed questionnaire administered in all the states of the federation is designed to measure budget transparency and accountability at the state level in Nigeria. Just like other surveys of this nature, the survey is expected to serve as a peer review mechanism on best practices as regards budgeting. It is expected that dataset from the survey will serve as a guide to researchers, civil society, states government, other tiers of government etc. on the need to be transparent and open for effective and impactful budget in and

across states in Nigeria. The information obtained will guide states government to improve and be accountable on areas that they are found wanting. It is expected to assist them in evaluating the information that should be made available to the public at every stage of the budget process and also help identify and evaluate accountable budgeting practices during each stage of the budget year. The questionnaire consists of multiple-choice and open-ended questions on budget documents availability and accessibility. Questions are grouped into three sections with computed indexes:

1. Public Availability of Key Budget Documents;
2. Public Participation in the Budget Process; and
3. Availability of Information on Public Procurement.

The last section of the survey has to do with issues of access to information and fiscal responsibility. The section has no computed index.

Section 1: Public Availability of Key Budget Documents

Under this section, key budget documents surveyed for their public availability include: State Budget Call Circular; State Budget Draft Estimates; State Budget Appropriation Law; State Citizens Budget; Implementation Reports: State Executive’s Quarterly Report, State Mid-Year Review and State Accountant-General’s Report (Year-End Report); as well as the State Auditor-General’s Report. Table 1 below compared availability of these key budget documents in the North East zone.

Table 1: Key Budget Documents Availability in the North East Nigeria

Budget Documents	1. Full Title, 2. Date of Release, 3. Internet Link (if the document is available online) or any other availability information.						
STATES	ADM	BH	BN	GM	TRB	YB	
1. State Budget Call Circular	PPA	PIU	PIU	PIU	PIU	PPA	
2. State Draft Budget Estimates	PIU	PIU	PPA	PPA	PIU	PPA	
3. State Medium-Term	PIU	PIU	PIU	NP	NP	PPA	

Sector Strategy						
4. State Draft Budget Volumes And Votes	NP	NP	PIU	PPA	PIU	NP
5. State Budget Appropriation Law	PIU	NP	PIU	NP	NP	PPA
6. State Citizens Budget	NP	NP	NP	NP	NP	NP
7. State Quarterly Reports	PIU	NP	NP	NP	NP	PIU
8. State Mid-Year Review	PIU	NP	NP	NP	NP	PPA
9. State Accountant-General's Report	PIU	NP	NP	PIU	PIU	NP
10. State Auditor-General's Report	PPA	NP	NP	PIU	NP	NP
% (PPA)	58	11	13	27	33	37

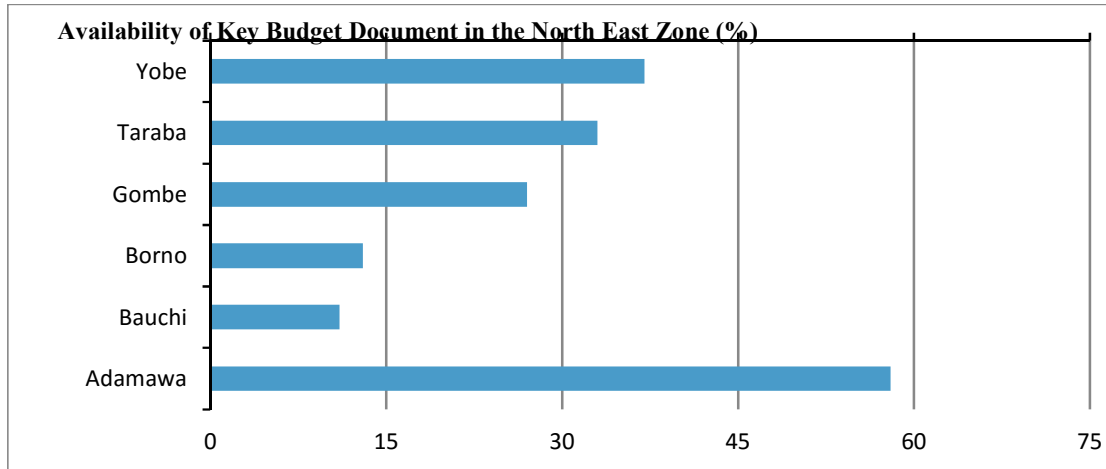
Source Questionnaire Administered in the states in the North East Zone 2014/2015

PPA = Produced and Publicly Available, NP = Not Produced,

PIU = Produced for Internal Use

From Table 1, it can be seen that 4 States in the North East Zone namely Adamawa, Gombe, Taraba and Yobe scored above the national average. While Bauchi and Borno scored below the national average of 26 in terms of public availability of budget documents. Despite the fact that 4 states scored above the national average, the scores clearly indicate the non-availability of information of most key budget documents. Adamawa was the only state in the zone that scores 58 percent in terms of public availability of budget documents, even at that it is below international best practices. The low score indicates that key budget documents are not made available to citizens for their inputs and participation where possible. Thus, there is the need for state governments to publish and make the documents publicly available to their citizens

Figure 1: North East States scores and ranking in availability of key budget documents



From figure 1 it is evident that states have deprived their citizens from actively participating in the budget process. This is because the non-availability of most of the budget documents have denied them access to information; its well none that access to information enhances good governance. The low percentage scores in most of the states (except Adamawa that scores 58%) is an indication of limited access to budgets documents in the states of the zone, especially compared with international best practices. It is expected that not only should the state government disclose its financial activities in its annual budget proposal but it should also issue documents at other times during the budget year to provide a comprehensive and updated picture of the government's actions.

All the states in the zone produce the state call circular but only Adamawa and Yobe PPA, while the other states PIU. All the states in the zone produce the citizen's budget, of an indication of the un-involvement of the citizens in the budget formulation stages. The state document that is supposed to be made available to the public before the state's assembly approves it is not produce in Adamawa, Bauchi and Yobe. Only Gombe Produced and made it publicly available, the remaining two states only produced for internal use. The states' low performance in section 1 is an indication of the non-participation of the citizens in the budgeting process.

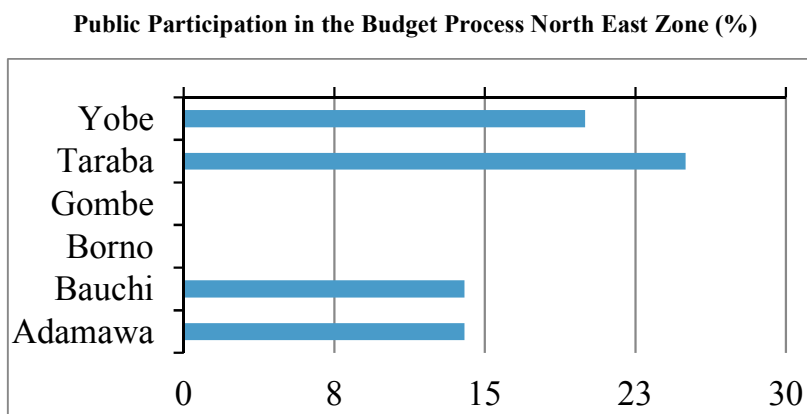
If budgets documents are produced and made publicly available, it will avail the citizens of the states the opportunity to actively participate in the budgeting process. This will in turn guide the executive as to what the needs of its citizens are, and as well enhance the delivery of the dividends of democracy.

Section 2: Public Participation in the Budget Process

In section 2 (public engagement during budget formulation) of the questionnaire, all the states perform below 50% an indication that the public have minimal access to participate in the budget process. Gombe and Borno states provide zero access with zero scores; on the other hand, Taraba scores 25% which is the highest for the zone, an indication of some level of the democratization of its budget. The state in the zone provides minimal opportunities to the citizens to provide inputs for budget estimates. There are few opportunities for micro groups to be involved, thus the tendency that vulnerable groups are deprived the opportunities for inputs pertaining their needs.

Economic and functional classification can prove very useful in arriving at various decisions for achieving different goals in the economy, particularly if the various interest groups in the society are given the opportunity to provide their inputs, thus imparting distributive justice. If citizens have minimal access to participate in the budget formulation, then it is likely that most citizens could be sidelined and disenfranchise. The fact that resources at the disposal of the government is always scarce compared to the needs of the citizens makes it a wise decision if the citizens are involved in the budget formulation, thus ensuring that only most preferred projects see the light of the day. The table below shows the ranking of the states in this section of the questionnaire.

Figure 2: Public Participation in Budget Process in the North East Zone



As can be seen from the figure above, Taraba scores 25%, followed by Yobe with 20%, Adamawa and Bauchi scores 14%, while Borno and Gombe scored zero percent. The national average for this section is 26 percent. All the states in the zone score minimally (below the national average). Compared to section 1, it is clear that there is no consistency as to the performance of the states. A lot need to be done so that citizens could participate in budget formulation, with that every micro group (especially vulnerable groups such as women and children, less privilege and persons with

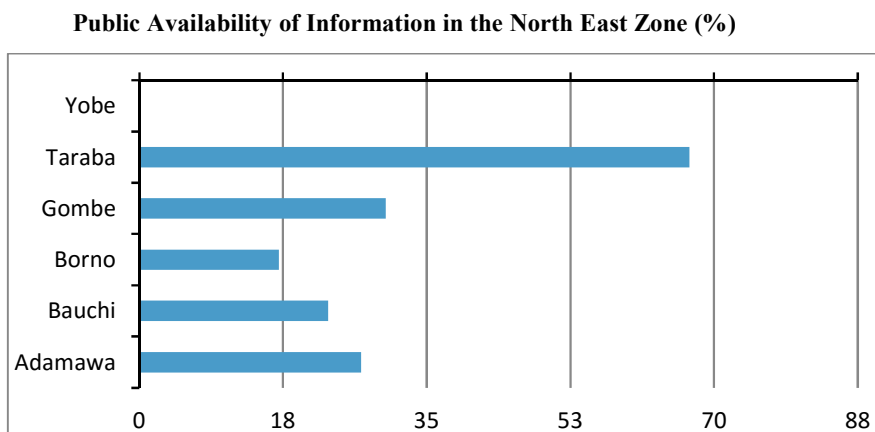
disabilities) could be taken into consideration which in turn will reduce marginalization of these groups and income disparities.

Section 3: Availability of Information on Public Procurement

In this section, evidence from the states indicates that Taraba scores 67%, which is the highest in the zone, followed by Gombe. Adamawa, Bauchi and Borno with the following scores respectively 27, 23 and 17 and lastly Yobe scores 0% (see figure 3 below). In the North East Zone, only Gombe has enacted procurement law, but the public has no access to it. The national average score for this section is 30. Adamawa and Gombe are the only states that score above the national average.

The openness or otherwise of the procurement process is very important in the budgeting process. If the procurement process is open and done according to laid down laws, then the budget could impact more and the citizens could be willing to contribute to the success of government programmes at all levels. Although it must be noted that Laws alone are not sufficient to guarantee a transparent procurement process, and thus a tender's board can regulate the process from pre-qualifications requisites to meditating disputes of contracts awards. The fact that all states within the zone have a State Tender Board is a step in the right direction. What is required is for the Tenders Board to ensure things are done according to laid down rules and regulations. The figure below indicates how the states perform in the procurement process.

Figure 3: North East Scores and Ranking in Availability of Information on Public Procurement



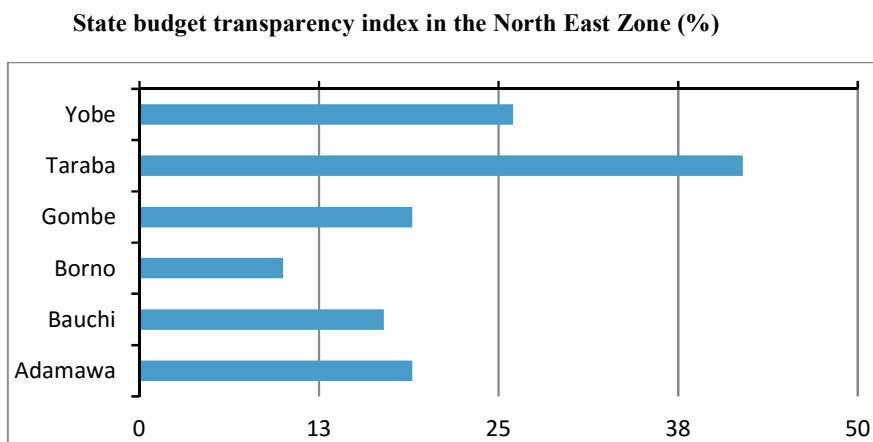
To ensure transparency, all loopholes in the procurement process must be closed up so that procurement could be more transparent.

Section 4: Legal Framework: Access to Information and Fiscal Responsibility

Access to information is an integral part to good governance. A freedom of information law provides the legal basis for citizens to request government information. Taraba and Bauchi are the only states that have a freedom of information act in the zone. Taraba, Bauchi and Gombe have fiscal responsibility law, while Adamawa, Yobe and Borno have no fiscal responsibility law. The freedom of information law and fiscal responsibility law are important vehicles that ensure responsiveness on the part of government as to its acts in the course of revenue generation and expenditure. The citizens become true watch dogs for any act of governance, once they have access to information.

Finally, in the overall index (State Budget Transparency Index), Taraba ranked highest with 42 percent followed by Yobe (26 percent), Adamawa and Gombe are in third position with 19 percent, Bauchi came fourth with 17 percent and Borno came last in the zone with 10 percent. The figure below shows the ranking in budget transparency for the year 2014.

Figure 4: North East States scores and ranking in Budget Transparency Index



Recommendations

There is the need for these findings to be disclosed to the states. States should also be encouraged to open up and be transparent in their budgeting system by involving the citizens of the states. All stakeholders should be carried along for an impactful budget. The citizens should be enlightened about their states' budget because it is their own. That will ensure good governance and the delivery of the dividend of democracy.