

## **SOUTH-SOUTH ZONE**

### **Background**

This report focuses on the submissions of researchers from the six (6) states in the South-South geopolitical zone of Nigeria which includes; Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers states. This zone is located between Latitudes 4<sup>0</sup>50'N and 7<sup>0</sup>10'N to the north and longitudes 6<sup>0</sup>40'E and 8<sup>0</sup>30'E to the east. The zone has a total of 123 Local Government Areas and covers a total area of 78,612Km<sup>2</sup>, about 8.5 percent of Nigeria's total land mass. It accounts for a total population of (16,381,729) about sixteen million people. This zone is the major location of the crude oil and natural gas deposits of the nation. In addition, the core oil palm belt of the nation is found here. The people grow in large quantity: rubber, cocoa, cassava, yam, plantain, banana, maize and timber. The inhabitants are mainly the; ibibios, Annangs, ijaws, Efiks, Itsekiris, Urhobos and Binis among others. They are engaged in different forms of economic activities such as; commerce, industries, hospitality and tourism.

### **Budget Transparency Survey In The South South Zone**

The Budget Transparency Survey Questionnaire is divided into four (4) sections;

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

The first three sections have computable indexes while the fourth has none. Responses to detailed questionnaire provided a common platform for the collection of comparable set of data over and across states of the federation to give information on the public availability of budget information, state of participation of the public as well as the accountability and other budget processes. The questionnaire consists of multiple-choice and open-ended questions on the practices of major and standard budget processes in the zone.

### **Section 1: Public Availability of Key Budget Documents**

The key documents used for the completion of the questionnaire are ten in number; State Budget Call Circular, State Draft Budget Estimates, State Medium Term Sector Strategy, State Draft Budget Volumes and Votes, State Budget Appropriation Law, State Citizens Budget, State

Quarterly, State Mid-Year Review Reports, State Accountant-General's Report, State Auditor-General's Report. Table 1 summarizes the performance of the states in this zone.

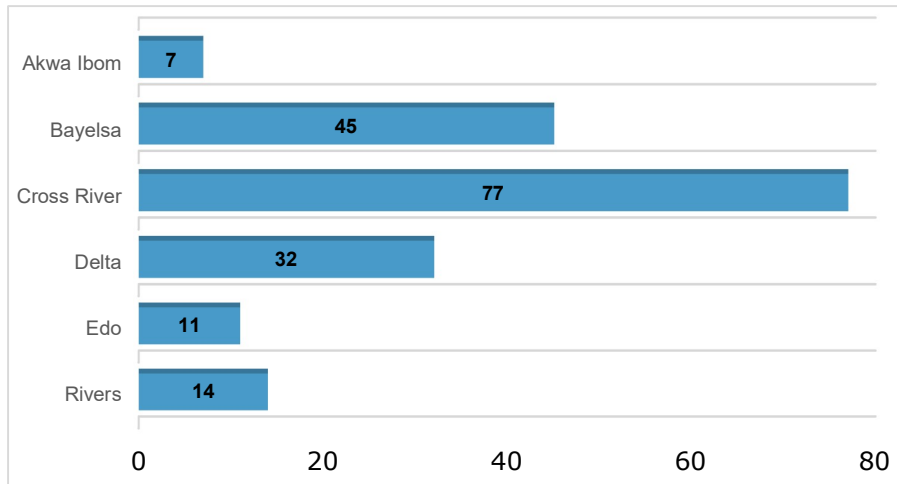
Table 1 · Key Budget Documents Used

Budget Documents Used in Completing the Questionnaire							
Budget Documents	STATES						
	AKS	BYS	CRS	DTS	EDO	RVS	
1. State Budget Call Circular	NPA	PA	PA	PIU	PIU	PIU	
2. State Draft Budget Estimates	NPA	PA	PIU	PA	PIU	PIU	
3. State Medium Term Sector Strategy	NPA	PA	PA	NP	PIU	PIU	
4. State Draft Budget Volumes and Votes	NPA	PA	PA	PIU	PIU	PIU	
5. State Budget Appropriation Law	NPA	PA	PA	NPA	PIU	PIU	
6. State Citizens Budget	NP	NP	PA	NP	NP	NP	
7. State Quarterly Reports	NPA	NP	PA	PIU	PIU	NP	
8. State Mid-Year Review	NPA	NP	PIU	PIU	PIU	NP	
9. State Accountant-General's Report	NPA	NP	PIU	PIU	PIU	PIU	
10. State Auditor-General's Report	NPA	NP	PA	PA	PIU	PIU	
%tage (PA)	7	45	77	32	11	14	

Key: NPA = Not Publicly Available, PA = Publicly Available, NP = Not Produced, PIU = Produced for Internal Use

In terms of public availability as declared by the researchers, Cross River State ranks first with 7 of the documents identified as being publicly available. This is followed by Bayelsa state with 5 and Delta 2 publicly available documents. Akwa Ibom, Edo and Rivers States do not have any of the major documents publicly available. Figure 1 presents a summary the states performance in percentages.

Figure 1: South-South State’s scores and ranking in availability of key budget documents.



Standard and best practices requires state governments to disclose financial activities in their annual budget proposal and within the budget year issue documents that provide comprehensive and up-to-date information on their actions. Interestingly, all six states confirmed they produced Call Circulars but only Bayelsa and Cross River states publicized it 3 months and above before the budget year. Similarly, only Bayelsa and Cross River states made them available to the public and ensured that at least the budget process adhered to publicly available time-table.

Similarly, the six states confirmed they produced Draft Budget Estimates except Akwa Ibom. In Akwa Ibom, Edo and Rivers states, this document was not made publicly available. However, in Bayelsa, Cross River and Delta states the document is made publicly available in less than six weeks before the start of the budget year. Some levels of classifications existed in the budget document of the six states in this zone.

In all the states of this zone, appropriation law was not enacted before the start of the fiscal year except in Edo state but in Bayelsa and Cross River states, evidence of public availability and classifications are present. On the contrary, the other 4 states lack publicity and classifications. In

contrast, Citizen's Budget is produced only in Cross River state where it is disseminated by at least 2 of the mechanisms described. The other 5 states do not produce citizen's budget.

It is only in Cross River that Quarterly, Mid-Year & State Accountant-General Reports are publicly released to the executives one month or less after the end of the period. In the other states, it is either released late or it is not released at all.

In all the states except Edo, the SHoA received a copy of the Auditor-General's report. In Cross River, it is released within 12 months and in Delta, it is released within 6 months.

## **Section 2: Public Participation in The Budget Process**

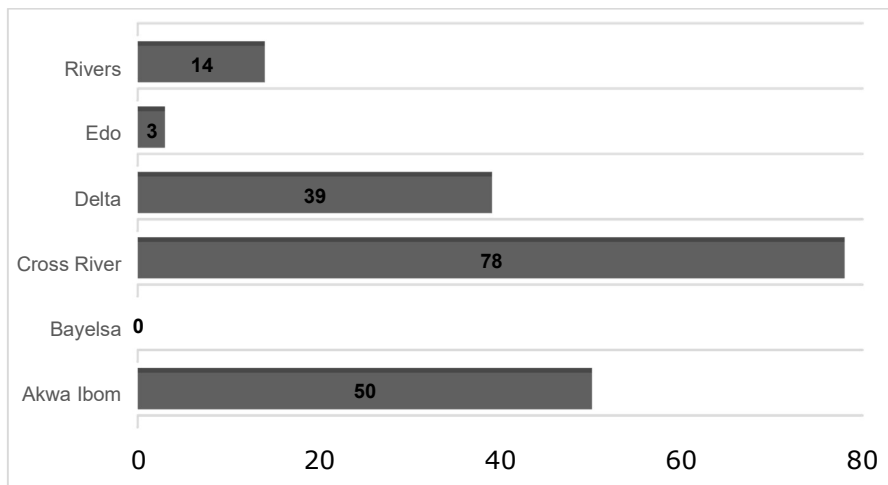
In this section, the survey sort to produce information on how participatory and transparent the budget process is across the states of the zone and indeed across the nation. It focused on the extent to which states accommodated gender, inequality and poverty in the budget process. To this end, public participation in the budget process is essential if the interest of different stakeholders must be accommodated in approvals, execution and auditing across the South-South states.

In this zone, it is only in Cross River State that the executive formally requires the engagement of citizens during the budget formulation process. Other states in this zone do not. However, Akwa Ibom, Delta and Rivers states have some informal arrangements towards this. Cross River, Akwa Ibom and Delta states' executives established practical mechanisms to identify the public's perspective on budgets but in Akwa Ibom and Delta states the mechanisms are not accessible. All the 6 state executives do not hold consultations with the public on specific plans for vulnerable groups in the upcoming budget except Cross River State. All the 6 state executives do not clearly, and in a timely manner, articulate its purpose for engaging the public during the budget formulation process except in Cross River State. Akwa Ibom, Cross River and Delta states' executives provided formal feedback to the public on how their inputs have been used to develop the State Draft Budget Estimates but Bayelsa, Edo and Rivers State executives do not provide formal feedback to the public on how their inputs have been used to develop the State Draft Budget Estimates

Regarding Public Engagement in Budget formulation, only three states out of the six: Akwa Ibom, Cross River and Delta states accept that the state assembly committees hold public hearings on individual budgets of the state government administrative units. Akwa Ibom and Cross River are the only states in this zone where legislative committees hold public hearings on individual budgets of the central government administrative units. It is only in Cross River state that state assembly

committees hold public hearings and release reports to the public. Also, it is only in Akwa Ibom, Delta and Edo states that the executives involve the public in budget execution by publishing list of beneficiaries of projects. In Akwa Ibom, Cross River and Delta states, there are practical mechanisms for identifying public perspectives on budget execution. A feedback system to the public on the use of their inputs is only available in Akwa Ibom State. Other states do not have a feedback system of reporting. Public engagement during audit is practiced in Delta and Edo states where the Auditor-General’s office maintains formal mechanisms through which the public can participate in the audit process. They are however, not widely used by the public. This is completely absent in other states of this zone. However, the state assembly meetings that discuss the Auditor-General’s Report are open to the public in all the states. Below is a summary of the ranking in public participation in the budget process.

Figure 2: South-South States’ Scores and Ranking (%) in Public Participation in the Budget Process



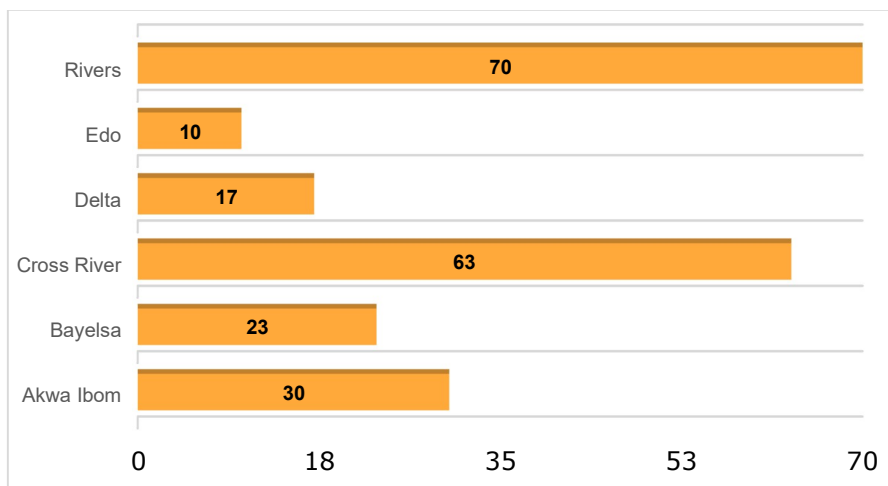
**Section 3: Availability of Information on Public Procurement**

Availability of information on public procurement and the contracting procedures across the states of Nigeria remains an important aspect of budget process if public goods and services must be equitably delivered. As a good measure of good governance and accountability, procurement laws are usually enacted and overseeing institutions established to regulate the practice of public procurement such that award decisions are based on established criteria in the tender documents.

In the South-South zone, legal framework for regulating the procurement process exists in all the states of this zone. In Rivers state, there is a State Tenders Board that provides information on public tenders, but a minority of tenders is separately published by departments/agencies. In the other 3 states, there is no State Tenders Board, but information on individual tenders can be

accessed from the procuring departments/agencies. However, in Delta and Edo, no information on public tenders is available. Following the presence of tenders board in River state, contracts information are published but not in the other 5 states. In Bayelsa, Delta and Edo, tenders are not opened publicly at all but they are publicly opened in the other 3 states. Four (4) states in this zone publish procurement decisions. Delta does not publish them and it is not mandatory in Edo state. In all of the 6 states, justification for awarding the contract to the selected contractor is not published. In Cross River and Rivers States, there is an external procurement complaints review body that helps individuals to know how to submit complaints; and the review body works well but in Akwa Ibom, Bayelsa, Delta and Edo, there is no external procurement complaints review body. Alternative dispute resolution mechanism related to procurement bid documents and contract award decisions exist in 4 states but not in Bayelsa and Edo States. In all except Rivers state; decisions of the procurement complaints review body regarding disputes over procurement processes are not made available on a timely basis to the citizens. Bayelsa State executive do not publish information on awarded contracts for community projects but other states in this zone do. The ranking (%) of the performance of the states of this zone is shown in figure 3.

Figure 3: South South States scores and ranking (%) in availability of information on public procurement.

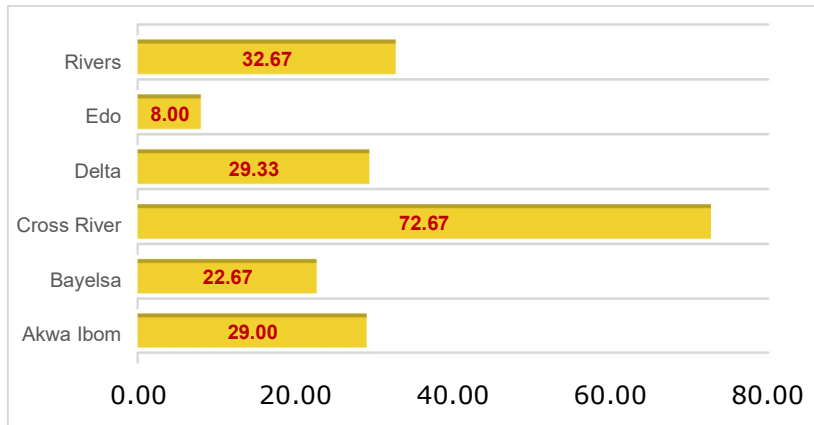


**Section 4: Legal Framework: Access to Information and Fiscal Responsibility**

In this survey and in line with good governance principles, states ought to have a Fiscal Responsibility Law that regulates transparency and accountability within and across organisations. Usually, this will entail the domestication of the State Freedom of Information Law with concrete access to information mechanisms and/or the provision of a State Access to Information Agency that ensures the application of the State Freedom of Information.

The survey results from this zone established that, Freedom of Information Act does not exist in all the six states. Akwa Ibom State has an alternative that ensures access to Information. Consequently, only Akwa Ibom state has a State Access to Information Agency. Others do not have. In terms of legal frame work, it is only Cross River state that has legal frame work for public availability of budget documents. Fiscal Responsibility law and legal framework requiring the Auditor-General to submit its report to the State House of Assembly exist in Bayelsa, Cross River and Delta states and are absent in Akwa Ibom, Edo and Rivers states. The overall index of State Budget Transparency Index as shown in figure 4, indicates that Cross River ranks first with a score of 72.67% followed by Rivers with score of 32.67%. Delta ranks third with score of 29.33% and Akwa Ibom follows with a score of 29.00% while Bayelsa scored 22.67% and Edo 8.00%.

Figure 4: South South States scores and ranking(%) in Budget Transparency Index.



### Action Programme

Based on the above scores and the performance of the states regarding availability of budget documents we recommend considering Cross River State for a Consolidating Transparency Advocacy Workshop (CTAW) and an Intensive Transparency Advocacy Workshop (ITAW) for the other 5 states.