

WEAK CAPITAL PROJECT SCREENING, INCLUSION PROCESS & IMPLEMENTATION

BUILDING STATE
CAPABILITY (BSC) PROGRAMME

DECEMBER, 2017

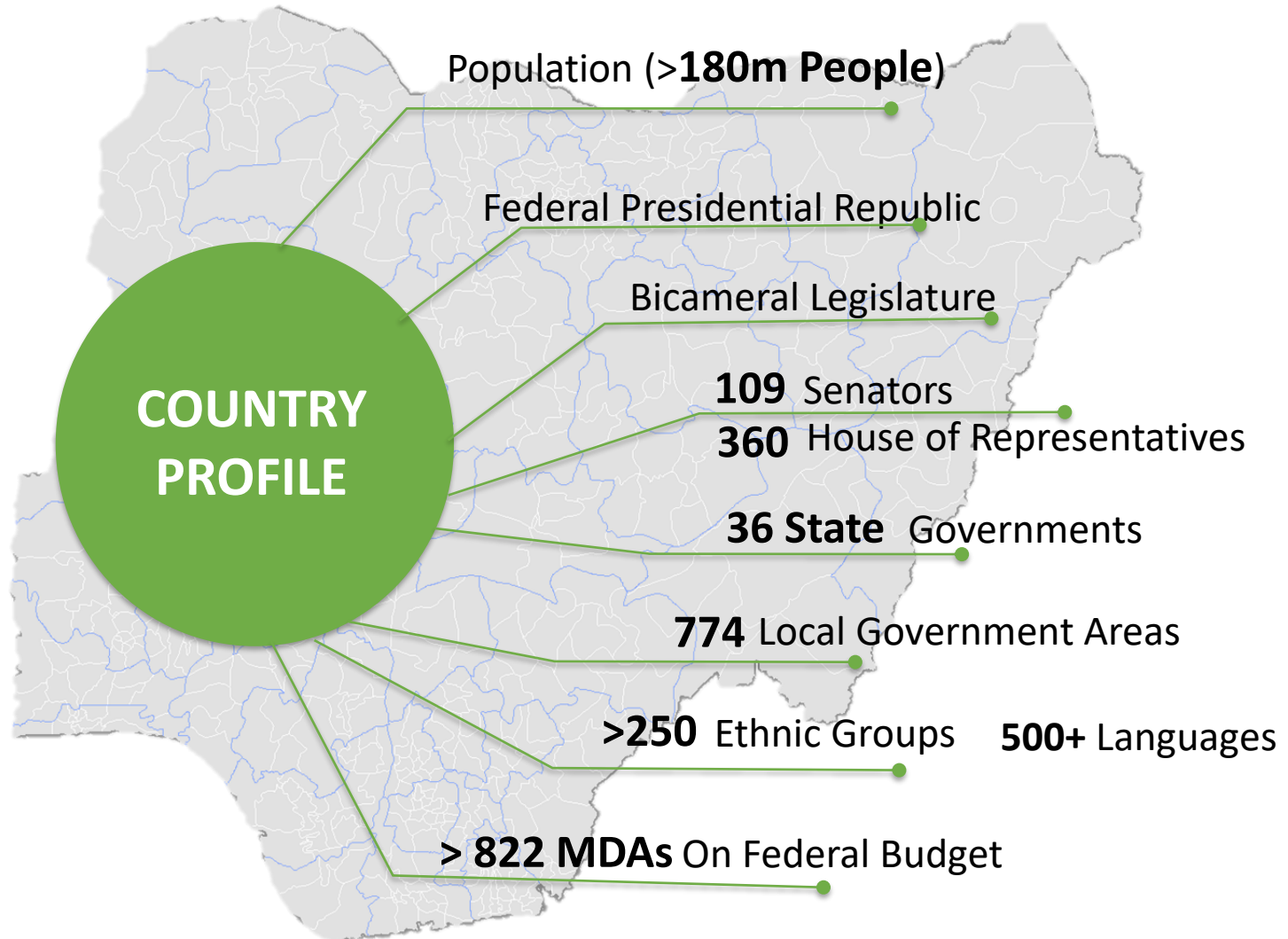


OUTLINE

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BRIEF COUNTRY PROFILE

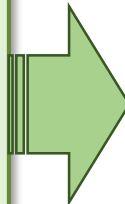




PROBLEM STATEMENT

What is the Problem?

Capital Project
Screening, Inclusion
& Implementation



Narrative

Nigeria has a significantly high infrastructure deficit which it is trying to bridge in recent times by allocating up to 30% of its budget to capital expenditure.

However, there are no justifications for some of the projects proposed by the Executive and most of the projects that are passed for implementation by the legislature. As a result implementation of the projects becomes challenging.

This undermines the ability of Government to meet its infrastructure development goals

Using data to tell our story





ORIGINAL FISHBONE +...

RESOURCE CONSTRAINTS

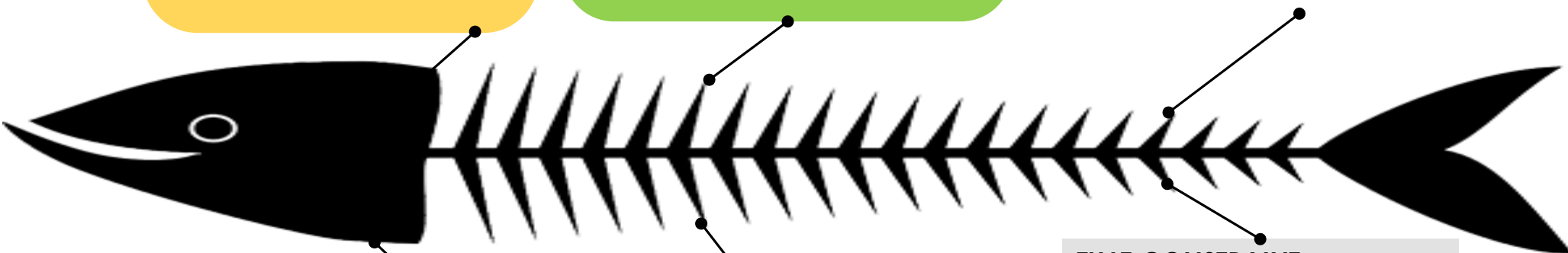
- Oil Price Volatility
- Oil Production cuts
- Fiscal & Monetary Policy Inconsistency
- Non-Full Remittance of Operating Surplus from GOEs

Constrained Executive Legislative Synergy

Limited pre-budget engagement with parliament
Limited engagement with legislature during Budget preparation

Inadequate Technical Capacity on PS&S

- Shortage of skilled man-power at MDA level
- Lack of transparency
- Staff Deployment and Re-deployment



ROLE OF THE LEGISLATURE IN APPROPRIATION

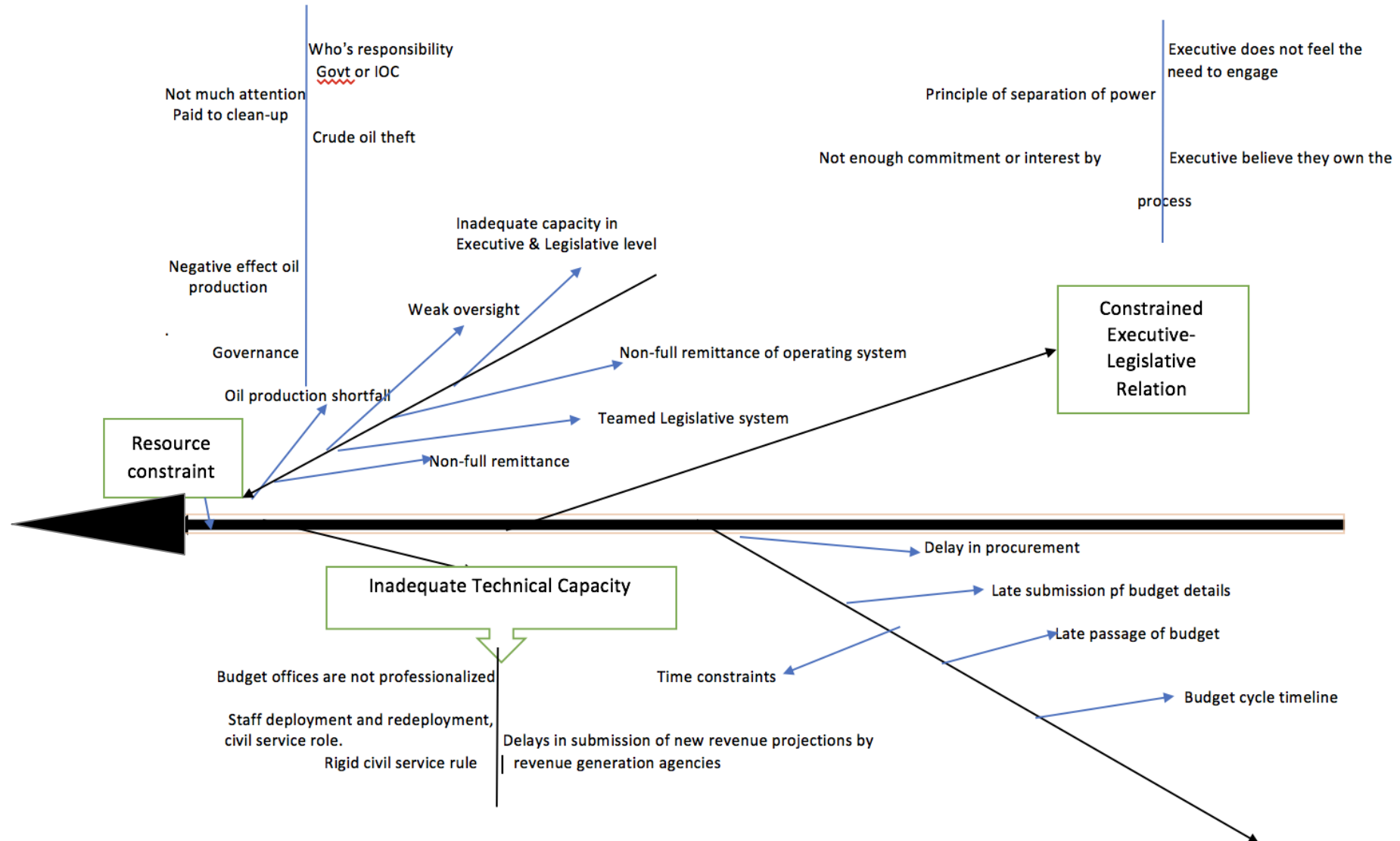
- Vested interest to have projects cited in their constituencies and zones.
- Limited knowledge of fiscal objectives and constraints.
- The desire to use-up their constitutional powers

TIME CONSTRAINT

- Delay in procurement process
- Late Passage of the Budget
- Late submission of the Budget
- Too many projects to be screened and implemented



... MODIFIED FISHBONE +





... ENTRY POINT

Notes

EP1: Executive feel they own the process

EP2: No strict adherence to budget calendar

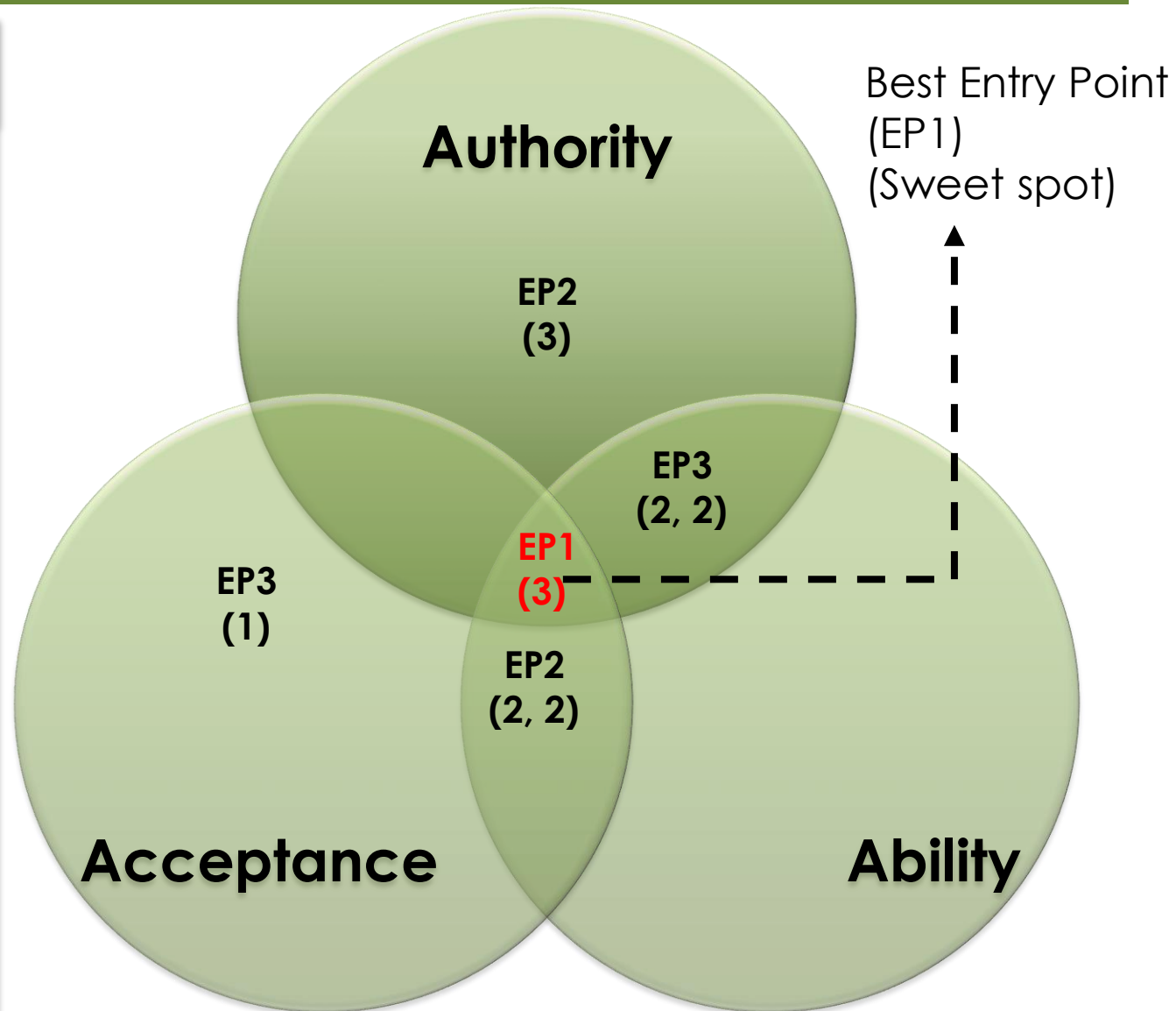
EP3: No proper coordination of budget training activities

3As Scoring Metric:

3 = HIGH

2 = MEDIUM

1 = LOW





KEY ACTIONS



KEY ACTIONS

EP1

Executive feel they own the process:
Enhancing Pre-Budget Engagement

Debriefed authorizer
on program and
agreed next steps

Authorizer sent
memo to the HMBNP
on agreed next steps
and secured
approval to reach-
out to NASS
leadership (late June)

Executive – Legislative
pre-budget bilateral
meeting:
collaborating with
NASS in budget
preparation and
timelines

JUNE 2017						
SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Retreat for core
sector working
teams (SWT)



KEY ACTIONS

EP2

Unclear timelines / No strict adherence to budget calendar: Addressing Time Constraints

Physical check-in: coaches with Team Nigeria + authorizer

Modified budget calendar was considered and approved by EMT

Submission of consolidated revised sector programmes, projects, timeframe for policies including KPI's to MBNP

JULY 2017						
SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Modified the budget calendar (in line with proposed organic budget law)

Consultation with CSOs and Ops on Project Selection, Inclusion and other aspects of the 2018 Pre-Budget Framework

Authorizer & team engaged with Principals of key revenue generating agencies to fast-track reconciliation of revenue data

Authorizer & HMBNP engaged NASS on key budget parameters



KEY ACTIONS

EP3

No proper coordination of budget training activities: improving capacity of budget officers

Nation-wide training of budget officers: project screening and selection as well as the use of GIFMIS

AUGUST 2017						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Ministerial and Cabinet Retreat: emphasis on ERGP-IP and projects selected (SWT report) for inclusion in 2018 Budget

Supported MDAs in the linking their projects to appropriate programmes

Issued 2018 Budget Call-Circular
<http://www.budgetoffice.gov.ng/index.php/2018-budget-call-circular>



KEY ACTIONS

EP3

No proper coordination of budget training activities: improving capacity of budget officers

Pre-Bilateral meetings:
Involved team leads
and schedule officer
to guide the review of
MDAs budget
proposal

Bilateral
discussions on the
budget

SEPTEMBER 2017						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Involved the BME
department in
facilitating back-end
support to Budget
officers across MDAs
through the Budget
Help Desk



KEY ACTIONS

EP1

EP2

EP3

2018 Budget
presentation to NASS

OCTOBER 2017

SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER 2017

SUN	MON	TUE	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

National Summit
on Inter-
governmental and
budget reform
process

FEC approval of
2018 Budget
proposals

Appearance at
NASS to provide
further clarification
on the Budget

Public
Presentation of the
2018 Budget

KEY OUTPUTS





INTERNAL REVIEW & MONITORING LOGFRAME

Output Indicator 1		Baseline	Milestone 1	Milestone 2	Milestone 3	Scoring Metric for YE 2017	Target (end)	Assumptions
Improved Capital project Screening Inclusion & Implementation in the Federal Budget	Planned	Over 4,000 Projects inserted, removed or revised	Robust pre-budget engagement with legislature which will facilitate understanding & buy in. Capacity Building for MDAs	Early submission of the Medium Term Fiscal Framework (MTFF) & Annual Budget In line with the Fiscal Responsibility Act (FRA) SWT list of screened projects	Significant reduction in the number of projects tampered with in the 2018 executive budget proposal (EBP)	1 = No Engagement with stakeholders 2 = Improve Executive - Legislative Synergy 3 = Robust Pre-Budget engagement with NASS 4 = 2018 Budget ready for submission in October, 2017. 5 = < 3,000 Projects inserted, removed or revised in the 2018 Executive Budget Proposal	Well articulated, screened and prioritised projects selected for inclusion in the annual budget. Improved Executive – Legislative synergy & relation that will ensure that allocations for screened prioritised projects from the process above are not removed, reduced and new unscreened projects are not inserted at appropriation stage by the legislature.	1) The Executive is committed to driving this reforms collaboratively with the Legislature 2) Authorising environment is responsive to key actions and political leadership required to drive these reforms. 3) The Ministry of Budget and National Planning shall provide technical support to all MDAs in enhancing implementation.
	Achieved		Achieved	Achieved	Ongoing	4 (a 5 is still possible)	Significant Progress	4) Key stakeholders are willing to engage and forge partnership
		Responsible Team						
		Team Nigeria						



KEY OUTPUTS

ENTRY POINT 1

Executive feel they own the process

Problem Solved

Robust pre-budget engagement with legislature which will facilitate understanding & buy in, as well as significant reduction in the number of projects tampered with in the 2018 EBP

Output

- Executive – Legislative pre-budget bilateral meeting
- Periodic engagement with NASS leadership during preparation of the Budget details
- Speedy consideration and passage of the 2018-2020 MTFF (although with adjustment to the oil price benchmark)
<https://tv.guardian.ng/news/national-news/budget-2018-senate-approves-2018-2020-mtef/>
- Secured parliament's buy-ins of some major projects & programmes of government



KEY OUTPUTS

ENTRY POINT 2

Unclear
timelines /
No strict
adherence
to budget
calendar

Problem Solved

Clear and
detailed budget
timeline that
facilitates early
conclusion of the
Medium Term
Fiscal Framework
(MTFF) and 2018
Appropriation Bill

Output

- Detailed budget calendar with clear timelines
- Timely conclusion of the 2018-2020 MTEF and approval by Federal Executive Council
- Submission of the 2018 Appropriation Bill by 7th November (the earliest in many years)



KEY OUTPUTS

ENTRY POINT 3

No proper coordination of budget training activities

Problem Solved

Increased capacity of budget officers within the MDAs and Budget Office

Output

- Minimal errors in MDAs budget submission
- MDAs submitted their 2018 budget online using GIFMIS this facilitated budget ownership by MDAs
- Well-screened and selected capital projects in the 2018 Appropriation Bill
- Time saving: no time to lose in uploading budget on GIFMIS, and budget analysis will be much easier and faster



LESSONS LEARNED



LESSONS LEARNED

- Political capital is very important in achieving key objectives in the programme
- Periodic team meetings helps keep the team focused on the goal
- PDIA provides a simpler and better methodological approach to understanding problems and providing solutions
- Better executive-legislative synergy produces better results
- "If you want to go fast go alone, if you want to go far go together". Team work wins!



QUOTES FROM OUR LEADERS DURING THE 2018 BUDGET PRESENTATION

“Mr. Senate President, Mr. Speaker, Distinguished and Honourable Members of the National Assembly, ... I wish to assure you of the strong commitment of the Executive branch to deepen the relationship with the Legislature”



Muhammadu Buhari, GCFR
President,
Federal Republic of Nigeria

“Let me assure Mr. President that, in considering the 2018 Budget proposal, the National Assembly will work with your team, as we are convinced that more can be achieved together “



Sen. (Dr.) Olubokola Saraki
President of the Senate
Federal Republic of Nigeria

“We look forward to a cooperative, consultative and inclusive consideration of the 2018 Budget proposals...”



Rt. Hon Speaker Yakubu Dogara
Speaker, House of Representatives
Federal Republic of Nigeria



NEXT STEPS



NEXT STEPS

- Conduct a post-mortem on some of the key activities especially on the capacity building exercise so as to improve in the coming year
- Deepen engagements between the Executive and Legislature at lower levels
- Continued engagement with the parliament as they consider the Budget proposal
- Review the 2018 Appropriation Act when passed to identifying changes. This will determine if we achieved the objective of reducing the number of infractions in the Budget proposal
- Create teams and mentor on the PDIA to help resolve other PFM related issues



PHOTO LOG & MESSAGE FROM OUR AUTHORIZER



PHOTO LOG

Team Nigeria post BSC problem framing workshop



Meeting with our authorizer. This happened periodically to provide updates and review progress



Physical check-in with Team Nigeria



PHOTO LOG

Pre-Budget Consultative Meetings



Nation-Wide Budget Training of Budget Officers





PHOTO LOG





END

THANK
YOU !