

STOP IMPUNITY NIGERIA (SIN) PUBLIC FINANCE MANAGEMENT WORKSHOP RECOMMENDATIONS/ACTION PLAN

Abbreviations

BOF	Budget Office of the Federation
BPP	Bureau of Public Procurement
CAN	Christian Association of Nigeria
CSOs	Civil Society Organisations
FIRS	Federal Inland Revenue Service
FOI	Freedom of Information
FRA	Fiscal Responsibility Act
GIMFIS	Government Integrated Financial Management and Information System
IPPIS	Integrated Payroll and Personnel Information System
KPIs	Key Performance Indicators
MDAs	Ministries, Departments and Agencies of Government
MOF	Ministry of Finance
MTEF	Medium Term Expenditure Framework
NABRO	National Assembly Budget and Research Office
NASS	National Assembly
NBS	National Bureau of Statistics
NCPP	National Council on Public Procurement
NSCIA	Nigerian Supreme Council for Islamic Affairs
NEITI	Nigerian Extractive Industries Transparency Initiative
NPC	National Planning Commission
PICA	Project Implementation and Continuity Act
PPA	Public Procurement Act
PFM	Public Finance Management
TSA	Treasury Single Account
SIN	Stop Impunity Nigeria Campaign

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Targets	Issues/Challenges Identified	Recommendations	Timeline and Action
Presidency	Poor Implementation of Public Procurement Act (PPA) <ul style="list-style-type: none"> Absence of the National Council on Public Procurement (NCP)P Undue delays in projects execution 	<ul style="list-style-type: none"> Set up and inaugurate the National Council on Public Procurement (NCP)P in accordance with section 1 of the PPA Presidency to ensure timely and value for money capital budget execution 	Immediately or before the end of the 2013 year ¹ . Performance contract of ministers to include KPI's on capital budget implementation
	Disconnect between approved plans and budgets	<ul style="list-style-type: none"> Harmonisation of long and medium-term development plans and the annual budgets Strengthen and increase oversight on Information Collection Agencies (National Bureau of Statistics, National Population Commission, etc.) Identification and monitoring of Key Performance Indicators (KPIs) by the National Planning Commission. 	Before the presentation of the 2014 budget to NASS ² . Ministry of Finance/Budget Office of the Federation and the National Planning Commission to do the harmonisation. Improved funding for NBS in the 2014 budget. Publish the details of the Presidential Performance Contract with Ministers.
	Abandonment of projects	<ul style="list-style-type: none"> Adherence to the provisions of 	Before the end of 2013 and the

¹ The fears expressed by the Presidency that the Council will usurp its powers are unfounded considering that most of the members of the Council are the appointees of the President and who can be removed from office at his discretion. Alternatively, the President should seek the amendment of section 1 of the Act and appoint a neutral person as chairperson who is not the head of a procuring entity as the Minister of Finance.

² The harmonisation should inform capital budget preparation for the 2014 financial year.

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		<p>the Public Procurement Act (PPA) and the Fiscal Responsibility Act (FRA)</p> <ul style="list-style-type: none"> • Development of framework to prioritise on-going capital projects and a moratorium on new capital projects <u>except very key and extra important new ones</u>, so that resources are not thinly spread. • Lobby the legislature to speed up the enactment of the Project Implementation Continuity Act (PICA) as provided by Vision 20:2020³ 	<p>presentation of the 2014 budget to NASS. Before the end of 2013, BOF to collect the full list of all ongoing and abandoned projects from MDAs as a baseline to determine compliance. Publication of the list of projects on website of each MDA and the BOF to enable public to make inputs into prioritisation.</p>
	Poor Extractive Industries Records	Implementation of reports of NEITI and other agencies working on extractive industries especially the introduction of metering technology and recover all sums due to the Federation Account and federal treasury indicated in the reports.	Provision for funds for metering technology should be made in the 2014 Appropriation or to be funded through public private partnerships. Presidential directive to all parties involved for the recovery of all due sums of money with specific timeline.
	Industrial Pollution	Introduction of pollution taxes under the polluter pays principle	Draft bill and present to legislature before the end of 2013
	Absence of a Debt Ceiling	Send a proposal for the Consolidated	On a or before the end of 2013 but

³ Already before the National Assembly as a Bill to *Make Development Planning Compulsory for all Tiers of Government in Nigeria and to Create Coherent and Measurable Targets in Developmental Initiatives in Support of the Attainment of Vision 20:2020 and for Other Related Matters.*

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		Debt Ceilings of the three tiers of government to NASS	not later than the first quarter of 2014
	Withholding of taxes collected without remittance to Treasury	In accordance with the relevant criminal laws, recover the money and prosecute the artificial and legal persons involved	On an ongoing and continuous basis, the Ministry of Finance (MOF) should recover the money and the Attorney-General (on the recommendations of the MOF) should prosecute offenders
	Diversion of Internally Generated Revenue (IGR)	In accordance with the Financial Instructions, Public Service Rules, relevant criminal laws, exercise disciplinary action and control on erring Accounting Officers and MDAs	On an ongoing and continuous basis and in liaison with the controlling authorities of the civil/public service, the action should include dismissal and prosecution for fraud and recovery of the due sums
	Oil sabotage and theft of over 300,000 barrels of crude oil every day	Clear directives to the relevant security and oil related agencies to stop the theft and prosecution of offenders by the Attorney-General.	Just like the declaration of state of emergency, immediate order to be given by the President and followed up with resources for the security agencies to police land and sea areas used for the theft.
	Executive legislative budget feud	Full executive legislative consultation, collaboration and absolute good faith.	From the stage of preparation, approval, implementation, reporting and evaluation
National Assembly	Disconnect between approved plans and budgets	Harmonisation of long and medium-term development plans and the annual budgets	Oversight committees to familiarise themselves with long and medium term sectoral plans and use it as a basis for the approval of the MTEF and the budget. Get the full list of all outstanding

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			projects to enable prioritisation. Early liaison and engagement with the executive to identify budgetary priorities in accordance with plan
	Abandonment of projects	<ul style="list-style-type: none"> Enactment of Project Implementation Continuity Act (PICA) presented by the executive with necessary modifications Enact the Bill for an Act to roll over unspent capital budgets in a financial year to the next financial year for the same expenditure head⁴. 	NASS in view of the number of bills pending before them should draw up a list of priority bills including PICA and the Capital Budget Roll Over Bill to be passed in the short, medium and long term. PICA and the Capital Budget Roll Over Bill should be enacted before the end of 2013.
	Frustrating audit scenarios	<ul style="list-style-type: none"> Enact a new Audit Reform Bill Amend the Constitution to put all the expenses (capital and recurrent) of Auditor-General's office as a first line charge 	Speed up the passage of the Audit Reform Bill pending before NASS not later than the first quarter of 2014. The full House to adopt the reports of Public Accounts Committees and make the reports public Amend the Constitution before the end of 2013
	Late presentation and passage of the budget	Amend section 81 of the Constitution to set the time frame for the presentation	Before the end of 2013

⁴ It is a House of Representatives Bill for an Act to Mandate and Authorise the Roll-Over of all Unspent or Unutilised Capital Expenditure of Federal Government MDAs in a Financial Year to the Next financial Year under the Same Heads of Capital Expenditure.

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		of the executive budget to the legislature in September of every year	Urgent passage of the bill pending before NASS on the subject matter
	Absence of Consolidated Debt Limit	Pass a resolution for the President to present the Debt Limit proposal in accordance with section 42 of the Fiscal Responsibility Act (FRA)	Before the end of 2013
	Absence of the National Council on Public Procurement (NCP)	The use of legislative instruments to ensure the setting up and inauguration of National Council on Public Procurement (NCP) and possibly amend the Act to remove the Finance Minister as Chairperson of NCP and get a neutral technocrat who is not involved in a procuring entity.	Amend the PPA in the next four months and before the end of 2013, pass more resolutions and insist on their implementation by the President and possibly communicate the President that his refusal to implement the law may amount to gross misconduct
	Scams upon scams	<ul style="list-style-type: none"> • Ensure that the results of probe reports do not gather dust on the shelves. • Lead by example so that beyond sheer legal authority, the moral authority of NASS would be strengthened and its credibility restored in the public space 	Engage MDAs that are responsible for implementing the reports in constructive dialogue and seek creative ways to improve oversight functions to reduce further scams. Disaggregate the yearly N150b budget and publish same in the NASS website Full information on the remuneration of NASS members should be available to the public.
	Poor extractive industries records	Use legislative instruments to nudge the implementation of NEITI reports and the reports of other agencies working on extractive industries	On a continuing basis starting with the recommendations of earlier reports. Insist on a budget for metering technology in the 2014

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			budget or get full assurance that it will be funded by public private partnerships.
	Industrial Pollution	Introduction of pollution taxes	Introduction, consideration and passage of pollution tax bills before the end of 2014
	Poor capital budget implementation	Use the power of oversight to ensure full implementation of the capital budget subject to the availability of resources	On a continuing basis
	Legislative capacity to deal with budgetary matters	Increase capacity through the enactment and implementation of the Legislative Budget Office or National Assembly Budget Research Office Bill	This bill should be passed before the end of 2013
Ministry of Finance/ Budget Office of the Federation (BOF and MOF)	Disconnect between approved plans and budgets	Harmonisation of long and medium-term development plans and the annual budgets	Before the end of 2013 and to be done in collaboration with National Planning Commission
	Late Medium Term Expenditure Framework and budget preparation	Improvement in the budget process and strict adherence to extant laws including the FRA for the early preparation of the MTEF and budget	Before the end of 2013, liaise with NASS in the constitutional amendment for the delimitation of time to present a budget
	Absence of a Consolidated Debt Limit for the three tiers of government	Ministry of Finance to start the process to set up the Consolidated Debt Limit of the three tiers of government in accordance with section 42 of the FRA	MOF to initiate the process by sending a proposal advising the President on the Consolidated Debt Limit before the end of 2013
	Abandonment of projects	Document all ongoing and abandoned projects and make the information available to the public on the website on the BOF and MOF	Before the end of 2013, collaborate with the Presidency and NASS on solving this challenge.
	Poor capital budget implementation	Ensure timely release of all	On an ongoing basis

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		appropriated funds and religiously and meticulously follow all the sections of the 2013 Appropriation Act	
	Ghost workers	<ul style="list-style-type: none"> • Document the respective Accounting Officers and relevant subordinates in charge of MDAs pay roll preparation and approval during the period the ghosts were discovered and make same available to the public • Complete the enlistment of all MDAs onto the Integrated Payroll and Personnel Information System (IPPIS) 	On an ongoing basis, hand over the cases to the Attorney General for the definite prosecution of persons against whom a prima facie case has been established in accordance with extant laws. Intensify enlistment since the process has commenced. The two recommendations should be completed before the middle of 2014 ⁵
	Lack of a unified structure for government bank accounts and reducing Government's overdrawn position	Enrol all MDAs to the Treasury Single Account (TSA)	This should be completed before the end of 2014 ⁶
	Poor Financial Management	Ensure that 100% of the budget is executed through the Government Integrated Financial Management and Information System (GIFMIS) to improve the collection, allocation,	This should be completed before the end of 2014 ⁷

⁵ Available information indicates that it has saved so much money (indeed over N100billion) and it began since 2006; it should not take a full decade to complete.

⁶ Available information indicates that Government's overdrawn position has dropped from N102 billion in 2011 to N19billion in 2012 and plans for the implementation of the TSA started during the Obasanjo regime. The process can be completed in a short time.

⁷ Available information indicates that 50% of the budget is executed through GIFMIS and this reform has been in the pipeline for over four years.

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		utilisation and management of public finance resources	
Office of the Auditor General of the Federation	Frustrating audit scenarios	Autonomy and full independence for the office through constitutional amendment and in the new audit bill	Bills to be passed by NASS before the end of the first quarter of 2014 Place audit reports in the public domain for public information and action
Bureau of Public Procurement	Violation of the Public Procurement Act (PPA) <ul style="list-style-type: none"> • Preponderance of special and restricted tendering • Irregularities in the advertisement, pre-qualification, bidding, evaluation and contract award stages 	<ul style="list-style-type: none"> • Carry out procurement audits and take follow-up action on the reports • Begin to exercise the power to debar suppliers, contractors and service providers that manifestly contravene the PPA • Exercise disciplinary sanctions against erring Accounting Officers and other staff of MDAs • Continued awareness raising and setting new standards 	On an ongoing basis, publish reports of the details of violations and violators and those who have been recommended for prosecution
Ministries, Departments and Agencies (MDAs) of Government	Poor capital budget implementation	Target setting, performance monitoring and disciplinary sanctions against erring Accounting Officers of MDAs by MOF/BOF and the civil/public service authorities	On an ongoing basis
	Poor compliance with the FOI	MDAs should set out in their websites and other publications all the PFM information required to be made public	On an ongoing basis but they need to be up to date before the end of the year 2013.

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		under the FOI	
	Violation of the Public Procurement Act (PPA) <ul style="list-style-type: none"> • Preponderance of special and restricted tendering • Irregularities in the advertisement, pre-qualification, bidding, evaluation and contract award stages • Undue delays in execution 	<ul style="list-style-type: none"> • Implementation of administrative sanctions by BPP • Accelerated proceedings for procurement corruption cases by the judiciary • Attorney-General to prosecute without discrimination all erring officers of MDAs. 	On an ongoing basis
	Abandonment of projects	Complete existing projects before new ones and prioritisation of ongoing projects	Directives and a framework for prioritisation by the Presidency through the MOF and NPC before the end of 2013. Maintain details of all pending and abandoned projects and make same available to the public
	Frustrating audit scenarios	Full compliance with audit report recommendations	On an ongoing basis. Administrative and judicial recourse mechanisms should follow wilful disobedience of the extant law and Financial Regulations
	Scams upon scams	Accounting officers to take full responsibility of their MDAs	On an ongoing basis. Administrative and judicial recourse mechanisms should follow wilful disobedience of the extant law and Financial Regulations
National Orientation	Continuous slide in national ethical	Intensification of campaigns on ethical	On an ongoing basis, continued

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Agency (NOA)	values	and moral re-orientation to do the right thing to transform Nigeria; Source for information on key PFM issues and adopt new approaches to effect attitudinal change	collaboration with the civil society in general and the Stop Impunity Nigeria Campaign in particular
Civil Society Organisations (CSOs)	Abandonment of projects	<ul style="list-style-type: none"> • Enhanced project monitoring and reporting • Engagement of the executive and the legislative arms of government on the MTEF and budget • Support the passage of PICA and the Capital Budget Roll-Over Bill 	Get a copy of the Alhaji Bunu report on Abandoned Projects, study and make recommendations on same before the end of 2013. On an ongoing basis, explore all advocacy options including litigation, use of FOI Act, letter writing campaigns and mass rallies. Support the legislative consideration of PICA and the capital Budget Roll-Over Bill
	Frustrating audit scenarios	<ul style="list-style-type: none"> • Enhance advocacy for the enactment of a new Audit Bill and amendment of constitutional provisions placing the Auditor-general on a first line charge • Advocacy for the implementation of findings of audit reports 	Throughout 2013 up to when the bill is passed; consider advocacy visits media work, attend public hearings in the legislature in support of legislative consideration of the bills. Engage the Public Accounts Committees in their consideration of the reports of the Auditor-General
	Scams upon scams	<ul style="list-style-type: none"> • Documentation of cases of PFM impunity in fact sheets • Naming and shaming of perpetrators of scams • Proactive monitoring and reporting 	On an ongoing basis, continued demand for diligent prosecution of scam suspects. Use all legal and legitimate advocacy strategies to press our demands. Develop the Fiscal Rascality Index and use same

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		<ul style="list-style-type: none"> • Mass rallies 	as a scientific basis for naming and shaming
	Violation of the Public Procurement Act (PPA) <ul style="list-style-type: none"> • Preponderance of special and restricted tendering • Irregularities in the advertisement, pre-qualification, bidding, evaluation and contract award stages 	<ul style="list-style-type: none"> • Advocacy for the constitution of NCPP • Advocacy visit to the Bureau for Public Procurement (BPP), House and Senate committees exercising oversight on procurements to demand for action to be taken on violations • Proactive monitoring and reporting • More sensitisation and education of the public on procurement issues to increase popular action 	Advocacy visits before the end of 2013 and other advocacy measures on an ongoing basis
Professional Associations	Un-professional and unethical conduct of members of Professional Associations in PFM engagements ⁸	<ul style="list-style-type: none"> • Adherence to rules of professional conduct and ethics in the different professions • Professional sanctions against erring members 	SIN and other CSO groups to develop documentation for different professional groups pointing out these PFM violations as it relates to the members of professional associations and urging remedial action.
CAN and NSCIA	Declining moral and ethical values	Christian Association of Nigeria (CAN) and Nigerian Supreme Council for	On an ongoing and continuous basis. Collaboration with CSOs to develop

⁸ Accountants who manipulate accounting figures; valuers who increase the costing of bills of quantities; lawyers who give shoddy advice or draft agreements that tilt against the public interest because of gratification, engineers who certify shoddy substandard jobs that may even lead to loss of lives are clearly in breach of their rules of professional conduct and ethics.

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		Islamic Affairs (NSCIA) to intensify moral teachings that show violations of PFM laws as against the teachings of the faiths	quick reference manuals showing that the holy books of the faiths abhor PFM violations
The Media	Abandonment of projects	Improved monitoring and unrelenting reporting	Media not to allow these issues to be swept under the carpet and to set agenda for change - on a continuous basis
	Frustrating audit scenarios	Improved monitoring and unrelenting reporting	Media not to allow these issues to be swept under the carpet and to set agenda for change - on a continuous basis
	Scams upon scams	Proactive monitoring and unrelenting reporting	Media not to allow these issues to be swept under the carpet and to set agenda for change - on a continuous basis
Attorney General of the Federation	Scams upon scams	<ul style="list-style-type: none"> • Prosecute without discrimination all persons who have run foul of the laws in committing infractions against PFM laws and policies • Grant fiats to others in cases where a prima facie PFM crime has been established if unwilling to prosecute 	On an ongoing basis, SIN and other CSOs to constructively engage the office of the Attorney-General over the need for non-discriminatory diligent prosecution of PFM offenders.