



## MAINSTREAMING GENDER IN THE AGRICULTURE AUDIT

### 1. INTRODUCTION

The Constitution of the Federal Republic of Nigeria 1999, as amended (“Constitution”) in S.85 (1) and (2) establishes the office of the Auditor General for the Federation with powers to audit the public accounts of all offices and courts of the Federation. The office is a constitutional anti-corruption agency with broad powers for ensuring accountability, transparency, best value for money and compliance with law and policy standards.

Small-scale Women Farmers Organization in Nigeria (SWOFON) is a coalition of Women Farmers Associations and Groups across Nigeria with the goal of advocating for and supporting women farmers especially those in rural areas to spur rural village economic development, increase food production through capacity building of smallholder women farmers to demand for their rights from the duty bearers while serving as a vocal and visible pressure group on behalf of small-holder women farmers in Nigeria. We are particularly interested in the full implementation of Nigeria’s Agricultural Policies especially the National Gender Policy on Agriculture and the constitutional non-discrimination policy in the allocation and management of public resources.

The Lima Declaration of Guidelines on Auditing Precepts states that the concept and establishment of audit is inherent in public financial administration as the management of public funds represents a trust. Audit is not an end in itself but an indispensable part of a regulatory system whose aim is to reveal deviations from accepted standards and violations of the principles of legality, efficiency, effectiveness and economy of financial management early enough to make it possible to take corrective action in individual cases, to make those accountable to accept responsibility, to obtain compensation, or to take steps to prevent - or at least render more difficult such breaches.<sup>1</sup>

SWOFON is canvassing for a special focus on public spending in Agriculture where corrective and remedial action follows individual cases of mismanagement; the Treasury is compensated and those responsible for the violations are made to accept responsibility. This will eradicate impunity for violations of the laws. Thus, Nigerian society will get guarantees of non-repetition and compensation while offenders will be punished.

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<sup>1</sup> Adopted at the IX Congress of the International Organisation of Supreme Audit Institutions-INTOSAI.

## 2. POLICY FRAMEWORK

Beyond the constitutional provisions, the Federal Financial Regulations gives the Auditor General for the Federation the power inter alia to conduct the following statutory functions; financial audit in accordance with extant laws to determine whether government accounts have been satisfactorily and faithfully kept; appropriation audit to ensure that funds are expended as appropriated by National Assembly; financial control audit to ensure that laid down procedures are being observed in tendering, contracts, storekeeping with a view to preventing waste, pilferage and extravagance. Other functions are value-for-money audit to ascertain the level of economy, efficiency and effectiveness derived from government projects and programmes; deliberate verification and reporting on reported cases of loss of funds, stores, plants, equipment; revenue audit of all government institutions. Furthermore, the Auditor-General is to engage in pre and post-auditing of pensions and gratuities of retired military and civilian personnel as well as periodic checks on all government statutory corporations, commissions, authorities, agencies and all persons and bodies established by an Act of the National Assembly.<sup>2</sup>

This is a broad mandate which is further broadened and strengthened by S.85 (6) of the Constitution which guarantees the independence of the Auditor-General in the exercise of his functions.

## 3. THE CHALLENGE

Our review of federal audit reports over the years shows that audit reports are not timely. Furthermore, the majority of states have enacted new up-to-date Audit Laws, beyond the Constitution and Financial Regulations, there is no extant Federal Audit Act. Some of the recurring infractions include the following:

- Failure in revenue generation and remittances by Ministries, Departments and Agencies (MDAs). This manifests as non-remittance of appropriate percentages of internally generated revenue and return of unspent funds back to the treasury.; non-deduction/under-deduction/non-remittance of Taxes -Valued Added Tax, Withholding Tax, Capital Gains Tax, Educational Tax, Company Income Tax, Pay As You Earn, etc.
- Irregularities in contract award, execution and payment. This manifests as over invoicing/inflation of contract/service price or charges; contract splitting and inappropriate variation; payment for services not rendered and contracts not executed; payment without due process and noncompliance with Procurement Act; violation of expenditure thresholds/limit. Others are cash advances above stipulated approval limit/use of cash advances to circumvent Procurement Rules, etc.
- Store items not taken on Ledger Charge.

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<sup>2</sup> See also S.85 (4) of the 1999 Constitution.

- Irregularities in payment and expenditure; unauthorised payments and virements without approval; extra-budgetary payments.
- Outstanding payment vouchers/missing payment vouchers/accounting records not presented for audit; misapplication of funds and payments made without supporting documentation.
- Violation of E-payment Policy.
- International Travels/Training without Approval
- Unretired loans and advances; unrecovered loans/outstanding loans and income.

#### 4. MAINSTREAMING GENDER IN AGRICULTURE AUDIT

Nigeria is a State Party to a multiplicity of international and regional standards that guarantee gender equality and non-discrimination in public and private life.<sup>3</sup> The constitutional non-discrimination clause under the Fundamental Rights Chapter (S.42) also cements gender equality in Nigerian Law. Gender is understood as the socially and culturally constructed roles and differences between boys and girls, men and women which give them unequal value, opportunities and life chances in the sector. Women constitute 49% of Nigeria's population. However, according to the National Gender Policy in Agriculture:<sup>4</sup>

*“Women carry out about 80% of agricultural production, 60% of agricultural processing activities and 50% of animal husbandry and related activities, yet women have access to less than 20% of agricultural assets”.*

Majority of farmers in Nigeria are smallholder farmers and majority of the smallholder farmers are women. Agriculture currently contributes 22.8% of Nigeria's GDP and employs 25% of the working population. The share of informal sector agriculture contribution to gross domestic product (GDP) is 91.8% as against 8.2% from the formal sector. However, the critical needs of small-scale women farmers are ignored in budgetary provisions and the allocation of public resources.

A gender-transformative auditing framework refers to a number of processes, tools and techniques used to assess the impact of government budgets on men, women, boys and girls. It is not a separate audit for women and men but it is used as a basis for ascertaining "who is benefiting what" or who is suffering public resource allocation

<sup>3</sup> They include the Universal Declaration of Human Rights [article 25 (1)], International Covenant on Economic, Social and Cultural Rights [articles 2 and 11 (2) (a)], Convention on the Elimination of All forms of Discrimination against Women [articles 4 and 14], etc.

<sup>4</sup> At page 71 of the Gender Policy in Agriculture, Federal Ministry of Agriculture and Rural Development, 2019.

prejudice and discrimination. This inevitably leads to advocacy for the re-ordering of budgetary expenditure and redefinition of priorities, in favour of marginalised and poor segments of society. This would take cognisance of women's disadvantaged position because women constitute a greater percentage of persons living in poverty. However, it needs to be noted that budgets are presented as aggregate figures without reference to men and women, boys and girls. Essentially, it is portrayed as a neutral economic instrument that respects no gender or sex. This leads to what experts have described as gender blindness in budgeting, auditing, policy formulation, implementation and evaluation. A gender-blind budget and audit process marginalizes and blocks livelihood options for one-half of society, lacks accountability, creates winners and losers, encourages discrimination, and retards service delivery.

## 5. RECOMMENDATIONS

Against the background of the foregoing, SWOFON makes the following recommendations:

- Full support for a Federal Audit Reform bill to be enacted into law. This should strengthen the independence, funding, powers and functions, follow-up on audit recommendations, etc.
- Clear the backlog of audits and ensure that future audits are timely. The 2020 federal audit report is overdue and 2021 is also due.
- Mainstream gender-aware tools and processes (including benefit incidence analysis) in future general and special audits. This is in recognition of the aphorism that improvements in agricultural productivity do not depend solely on generating additional resources, but also on the efficient utilization of available resources, and the effective and equitable deployment of resources within different population groups in the country, especially for the benefit of small-scale women farmers who produce the bulk of agricultural produce.
- Consider a five-year special audit of gender in agricultural budgeting 2016-2021.
- Establish a process of engaging Nigerians including small-scale women farmers in audit work through dissemination of audit findings and follow-up on audit recommendations.

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