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His Excellency
Gov. Abdul'aziz Yari Abubakar
Chaiman, Nigeria Governors Forum

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THE CHAIRMAN'S WORD

Dear reader,

Let me first of all welcome you to this maiden edition of the NGF newsletter appropriately named The Executive Summary, the brain child of our secretariat, The Nigeria Governors' Forum (NGF). I am sure the Newsletter will delight my colleagues and excellences and other readers alike, whose desire to have a monthly publication that showcases the positive activities of governors will be actualized with the birth of the NGF grill.

Indeed, our consortium of 36 democratically elected governors which was established as a quasi-governmental organization, seeks to promote unity, good governance, understanding and co-operation among states. This has, since inception, evolved just as its desire to always find common grounds on issues that advance governance and democratic ethos have grown.

For over fifteen years now, the NGF has recorded growing relevance such that the Forum's meetings now form the basis for major policy contributions on important national issues. These include the debates on the Sovereign Wealth Fund, the national minimum wage, and the removal of fuel subsidy. Most recently, the approval of a fiscal sustainability plan has been added to its chain of accomplishments.

Even though the critical fiscal situation faced by Nigerian States has seen a rapid decline in net allocation (over 65% from May 2014 – May 2016) which has rendered several States incapable of generating revenue to service workers' salaries and other sundry overhead costs, the NGF has carved its strategic activities around mitigating this adverse trend on the economy. This is evidenced by November 2015's National Peer Learning Event on Internally Generated Revenue (IGR) enhancement,



Gov. Abdul'aziz Yari Abubakar

organized by the NGF Secretariat in collaboration with State Partnership for Accountability, Responsiveness and Capability (SPARC), Federal Public Administration Reform Programme, (FEPAR) State Accountability and Voice Initiative (SAVI) and Growth and Empowerment in States (GEMS3), Mobilizing for Develop-

ment (M4D) of DFID and the World Bank.

Furthermore, the NGF Help-Desk, funded by the Bill and Melinda Gates Foundation is coming to being at the Secretariat. The platform is modelled to support sustainable reforms in key areas of the sub-national economy, particularly in IGR augmentation. The NGF Help-Desk has also been designed to foster peer learning among States, thus reinforcing our flagship programme - The State Peer Review Mechanism (SPRM).

But that is not all. In order to foster economic diversification and revitalization at the sub-national level, the NGF has also supported reforms in Agriculture, Energy, Infrastructure, Solid Minerals and Natural Resources development.

Since 2009, Bill and Melinda Gates Foundation has waged a war against Polio through a strong partnership with the NGF culminating in the declara-

tion of Nigeria as Polio free on the 25th of September, 2015 by the World Health Organisation (WHO). This has not made the NGF to rest on its oars. It is targeting a Polio free Nigeria again by July 2017.

These and many more positive activities will form the nucleus of the Newsletter's content as we make our States and Nigeria as a whole an enabling environment for Foreign Direct investment (FDI) and for living.

I therefore commend the Secretariat on this impressive milestone of producing this high quality publication and enjoin each and every one of us to not just see this publication as ours but also make it a reference point towards taking the NGF and governance in Nigeria to the next level.

Thank you and keep reading.

*Hon Abdulaziz Abubakar Yari
Chairman, Nigeria Governors' Forum*



Gov. Rochas Okorocha of Imo State in a chat with UN Secretary General, Ban Ki Moon.



Gov. Jibrilla Bindow of Adamawa State & Gov. Emmanuel Udom of Akwa Ibom State pose for a photograph



Gov. Abdul'aziz Yari Abubakar receiving a plaque from the Chief of Army Staff, Lt. Gen. Tukur Buratai, recently.



THE DG'S ADVISORY



Shittu

are several national dailies reporting the states and their Chief Executives.

As the name implies, the Executive Summary is, simply put, a summary of the month's activities by governors as reported in the media. But it does one more thing differently; our team of editors squeeze the juice from the news and represent them concisely and readably for the governors, who, justifiable so, are too busy to peruse lengthy prose.

Our other strategy is to save governors the encumbrances of sickening misrepresentations. Knowing their tight schedules, we endeavor to veer governors' attention only to very important things in - The Executive

Summary, monthly.

The publication will feature developments that take place in their respective states, as is done in this maiden edition. The newsletter presents the governors' most uncommon performances and as depicted in its center-spread captioned PhotoSpeak, their uncommon actions.

The Executive Summary will also do justice to all timelines associated with the governors like birthdays and anniversaries. We will however not trivialize our pages with sundry social engagements unless they become absolutely necessary.

Furthermore, since the NGF in its drive to enhance development and support reform processes has over the

years collaborated with numerous local and international development partners such as, United Nations Development Partners (UNDP), the World Bank, Bill and Melinda Gates Foundation, UK Department for International Development (DFID) and a host of others, they will feature prominently in The Executive Summary, which will be the reference point for our many partnerships.

It is my hope that states will take advantage of these innovations for the purpose of providing quality governance.

Signed

Otunba Alh. Abdul-lateef Shittu
Ag Director General

Welcome to the Executive Summary

ry, a newsletter for state governors, produced by the NGF. It is not out of place for people to ask, why this, when there



BILL & MELINDA GATES foundation



Developmental News

Has Benue hit its target N1.5bn target on IGR?



Dr. Samuel Ortom
Governor, Benue State

Chairman of the board, Mrs. Mimi Adzape-Orubibi, told newsmen in Makurdi that though the board was yet to meet the target of N1.5 billion monthly given to it by the state governor, however it would be achieved soon.

Orubibi, who commended citizens of the state for complying with the new tax regime, noted that the Point of Sale (POS) devices deployed to

collect revenues have tremendously blocked leakages in the system.

She urged institutions of government in the state that are yet to comply with the POS system to endeavour to do so by next month to enable the board check any form of malpractices and tax evasion.

Before October last year the state generated between N300million and N400million monthly.

Okowa Insists on Multi-Product Economy



Dr. Ifeanyi Okowa
Governor, Delta State

Delta State Governor, Sen. Dr. Ifeanyi Okowa, insists that the diversification of the state's economy from oil dependent to non-oil export, is his administration's main goal.

Okowa, on his administration's desire to stimulate the rapid growth of the state's economy said that "Delta STATE Government's desire to stimulate growth by way of accelerated develop-

ment of commerce and industry, revitalization and diversification of our economy, promotion of non-oil exports, exposition of made-in-Delta products, development of agricultural and agro-based industry, prospects for foreign and local investments and giving direct attention to the role of the private sector in economic development of the state", is unflinching.

Obiano partners the Irish on low-cost road construction



Dr. Willie Obiano
Governor, Anambra State

Anambra State Governor Willie Obiano has partnered with Irish company, Duralay Technology, a new trend in road construction that will provide quality roads, built at a reduced costs that will last up to five years without maintenance.

The governor expressed high hopes that if the technology proves to be efficient, it will go a long way in assisting the state

to construct more roads at a reduced cost which will translate into increased economic activities, free vehicular movements in and around the state as well as improved living standard of the citizenry.

The Duralay Technology is used in many countries in Africa and Asia but has not been tested anywhere in Nigeria, making Anambra the first state in the country to use it.



Rt. Hon. Aminu Tambuwal
Governor, Sokoto State

Nigeria's only LGA without secondary school gets one

The only remaining local government area in Nigeria without a secondary school has just secured one, thanks to Governor Aminu Waziri Tambuwal of Sokoto State. Gudu LGA in Sokoto State has suffered the misfortune of having some of the worst sta-

tistics in education in the world. Apart from having the ignominy of not having a senior secondary school to cater for its estimated 120,000 residents, a 2013 survey showed that out of 1890 students in Junior Secondary Schools in the LGA, only one of them was a female.



Jibrilla Bindow
Governor, Adamawa State

Paper qualification is no guarantee for performance

Governor Umaru Jibrilla Bindow of Adamawa State said that paper-qualification is not necessarily a guarantee that elected office holders will perform as expected.

The governor, stat-

ed this at the flagging off of a 37.5 kilometer road in Shelling Local Government Area of the state, where he said the essence of leadership was service delivery to the people not bombastic grammar.



Management Team



Alhaji Mohammed Abubakar Jibia
The Executive Director of Finance and Administration



Abdulrazaque Bello Barkindo
Head Media & Public Affairs



Ibrahim Jaafar
Protocol Officer



Mr. A. B. Okauru, Esq.
Director General NGF (On sabbatical)

Mission Statement

The Secretariat is headed by a Director General and supported by two Executive Directors in charge of Administration and Finance and Strategy and Research respectively. With the support of International Development Partners, the Secretariat has gradually evolved into a policy think-tank as well as a one-stop resource centre for the 36 States of Nigeria. The Secretariat has continued to increase its capacity to:

- Deepen its policy conception functions
- Ensure timely, reliable ren-

dition of accurate data and research materials to the Forum

Proactively build the capacity of state actors to ensure better service delivery at the sub-national level.

The policy areas include:

1. Economic Research and Advisory
2. State Peer Review Mechanism
3. Policy Advisory
4. Public Financial Management and Development Policy Operations
5. Polio Eradication Initiative/Routine Immunization
6. Knowledge Management



Otumba Alhaji L. O. T Shittu
Ag. DG. and Executive Director, Strategy and Research



Chijioke Chuku
Head of Legal Services at Nigeria Governors' Forum, Abuja



Olatowaju Kuburat
Account Officer



PHOTO



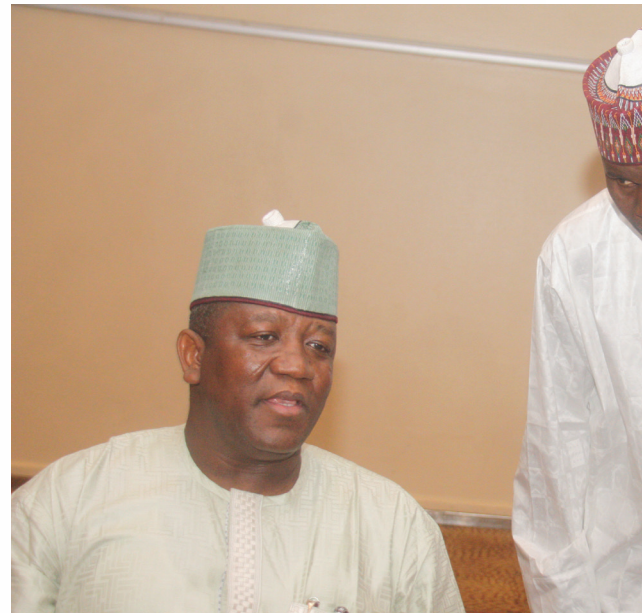
The Ag. DG, Nigeria Governors' Forum, Alh. Abdullateef Shitu (left) and the Deputy governor of Enugu State, Hon. Cecillia Ezeilo, recently.



Gov. Ibikunle Amosun (left) conversing with Abubakar.



Gov. Jibrilla Bindow (left) in a chat with governor Nyesom Wike



L-R: The Chairman, NGF, Gov. Abdul Aziz Yari Abul Jibia; and the substantive DG, NGF, AB, Okauru Esq in



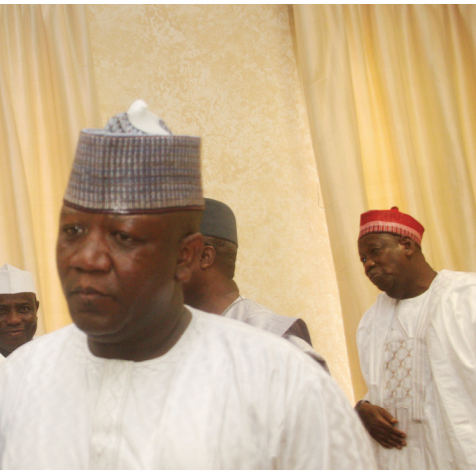
L-R: Gov. Emahi; Gov. Bargudu; Gov. Wada; Gov. Almakura and UN Secretary General, Ban Ki Moon.



The governor, Delta State, Ifeanyi Okowa (left) chatting the governor of Sokoto State, Aminu Tambuwal.



SPEAK



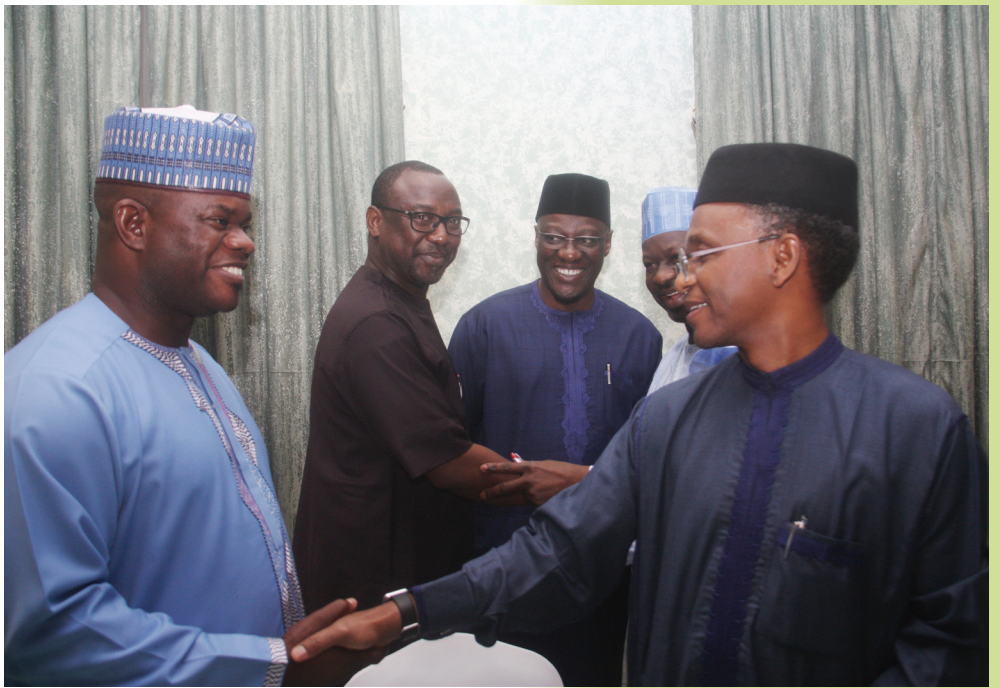
h the Chairman NGF, Gov. Abdulaziz Yari



L-R: The Chairman, NGF, Abdulaziz Yari Abubakar; former Chairman, NGF, Chibuike Amaechi and the former governor Akwa Ibom State, Sen. Godswill Akpabio.



akur; ED, Finance & Admin, NGF, Alh. a chat.



The governor of Kogi State, Yahaya Bello and Gov. el-Rufai of Kaduna State discussing



with The governor of Edo State, Adams Oshiomohle (left); Gov. el-Rufai of Kaduna State (right) in a chat with Amina Ibrahim, Minister of Environment.



Gov. Almakura; Chairman NGF, Gov. Abdulaziz Yari Abubakar and UN Secretary General, Ban Ki Moon, recently.



The Secretariat



Anda Philemon

Anda Philemon is a graduate of University of Jos, pioneer staff, contributed immensely in the formative years of the NGF to its present status. His du-

ties includes: organising Meetings/Conference Support Staff, Funds-Development, Administrative duties and He is Senior Administrative Officer (SAO).

Akanbi Olubunmi Omowumi

A Research Officer; reviews and analyses States annual budget performance; detailing policy shifts and trends, as well as the quality and quantity of capital/recurrent expenditure. She monitors policy development

in the Agriculture and the Solid Mineral sector, and recommends appropriate strategy for scaling up of these great economic sectors. Researchs, collates data, track and reviews performance of the critical sectors in the States.



David Nabena

Is an Economist with the Nigeria Governors' Forum, Abuja, Nigeria. He provides policy guidance on developmental issues at the sub-national level and coordinates the Forum's research with international development partners including the World Bank, United Nations development agencies and the British Department for International Development programmes. His research interests are in the fields of economic development, energy,

infrastructure and public financial management. In recent times, he has coordinated the following activities:

- Provide support to the development of policy and strategy guides for State governments, including the "State Planning and Budgeting Process at a Glance" which provides a functional linkage for a State Governor's manifesto, State development plan, sector strategy and budget.

Blessing Kekeocha Ogbunammiri

Is a Research Officer / Secretary to the Executive Director, Finance and Admin
As an Administrative Secretary she Keeps records of the Secretariat's consultants where they relate to Human Resources, and Records for the ED(F&A) Unit.



Hajiya Halima Salihu

Mrs Salihu Ahmed is currently a Media and Publications Officer with the Nigerian Governors' Forum Secretariat, Abuja. She holds a Bachelor of Arts Degree from the University of Jos and a Masters in public Admin from the Nasarawa State University, Keffi. She handles Media monitoring of issues that affect developmental and policies in all states.

Chinwe Juliet Chima

Technical Assistant to the Director General
Juliet is a highly effective and experienced Executive Assistant in the office of the Director-General. She is dedicated and has a proven ability to complete projects to the highest standards, with meticulous attention to detail, delivered within agreed timescales and to budget. Juliet is confident with abundant initiative especially in challenging environments. She is also able to manage a heavy workload regardless of the conflicting priorities.





Making sense of Public Finance management

The volume of public spending in Nigeria, about 17% of GDP in 2009, 18.5 % in 2012 and 21 % in 2014, and its strong impact on economic and social affairs, particularly through the development of the budget, suggests that a sound PFM system and strong and transparent institutional capacity, that ensures high quality of public spending, is a high priority for poverty reduction and overall economic development. Recognizing the importance of this issue, the Nigeria Governors' Forum (NGF) is poised to take a number of measures to improve the PFM system at the sub-national level.

Public financial management in Nigeria particularly at the sub-national level is generally hindered by entrenched inefficiencies in several areas, most notably, budget, treasury and accounting. Intervention efforts among others will focus on budget because fiscal policy, a key component of macroeconomic policy, is reflected in annual frameworks of revenue and expenses. The treasury manages government cash in order to meet its disbursement needs, while accountants report on the actual use of government financial and real assets. The budget on the other hand is the place where many policy decisions are reflected and where policy objectives are articulated and im-

plemented in concrete terms.

The challenge for Nigeria is to transform the public financial management system, both at the federal and state levels, into a highly effective enabler of national development through its beneficial impact on fiscal and budgetary outcomes. Assessing the current and future performance of the PFM system provides a basis for evaluating progress and identifying areas of weakness for priority actions

PFM is generally weak at the state level in Nigeria, which limits the state's ability to maximize the resources available for service delivery to the public sector. In recent years, a number of states have made some attempts at reforming their public financial management systems. The Federal Government of Nigeria (FGN) adopted the Medium-Term Expenditure Framework MTEF, a crucial component of public financial management reforms that requires the utilization of a multi-year perspective in budgeting to allocate public resources on a rolling basis over the medium-term; the MTEF has not been replicated at the state level as required. State budgets are often prepared without consultation and the resulting budgets are consequently neither realistic nor properly implemented. Timely and accurate accounts and audits are neither

Assessment of the extent to which the existing PFM system supports the achievement of aggregate fiscal discipline, strategic allocation of resources and efficient service delivery.



Assessment of the extent to which PFM systems, processes and institutions meet the core dimensions of PFM performance.



The indicators measure the operational performance of the key elements of the PFM system against the core dimensions of PFM performance.

performed nor delivered and the public has no access to information on expenditure plans or outcomes.

Context

This programme of activities is designed in line with the federal government policy framework and priorities in order to streamline sub-national socio-economic development programme with that at the federal. Crucial within this perspective and taking cognizance of contemporary economic meltdown, is the issue of revenue administration in the states. The revenue base of the states vary depending on the resource endowment but to match gen-

eration with expenditure profile, there is need also to entrench credible and sustainable PFM system in the states. Some states have partially reformed their PFM systems but have not buttressed this with required legal framework and some need a review of the system to conform to present day financial exigency.

This programme will consolidate on achievements made on PFM in the states and emphasize on the following main interventions:

- Revenue base of the states
 - Revenue generation capacity
 - Revenue administration
 - Capacity building

- Legal and institutional framework
 - Organic budget law
 - Fiscal responsibility law
 - Public procurement law
 - Establishment of legislative budget offices
 - Budget policy design (MTSS)
 - Media sensitization: training on budget analysis for financial editors
 - Expertise on financial management to be provided by capacity building of strategic MDAs in the states.

In the next 12 months, all activities at the state level will be geared towards strengthening the consistency of states policies that boarder on public finance and budgetary reforms.



SURVEY: States plot ways to financial viability

It is no longer news that the current economic crisis facing Nigeria has made it extremely difficult for most states across the country to remain afloat financially.

The economic situation appears to be quite dismal, as 27 states have been unable to fulfil their basic financial obligations, especially paying workers' salary. President Muhammadu Buhari has described the situation a "national disgrace" and blamed the errant states for not saving for the future. The Nigerian Labour Congress (NLC), whose members are bearing the brunt of the financial collapse, has threatened to declare a state of emergency over salary default. "We will declare a state of emergency because workers should not be made to bear the brunt of the challenges because they are not responsible." "When the economy was good they did not enjoy, now that there is a challenge, they are the worst-hit, it should not be so; these are our arguments," declared Ayuba Wabba, President of the NLC. A nationwide survey conducted by the News Agency of Nigeria (NAN) confirmed that over two-thirds of the states were still defaulting with the payment of workers' salaries in spite of the N338 billion bailout funds



which the Federal Government gave 27 states in 2015. As the parlous financial situation continues, some of the cash-strapped states are now cutting workers' wages, to the dismay of workers and their unions. Nigerian states have never experienced this financial hellhole before. And no one knows when it will end as allocations from the Federation Account to states continue to plummet as a result of a drastic fall in crude oil prices in the international market. States are groaning, as the funds allocated to them by the Federal Government are not even enough to pay their workers' salaries. Gov. Abiola Ajimobi of Oyo State lamented that Oyo State, with a monthly wage bill of N5.2 billion, has been receiving an average of N2.6 billion from the Federation Account. He, however, said that the economic crisis was an opportunity for

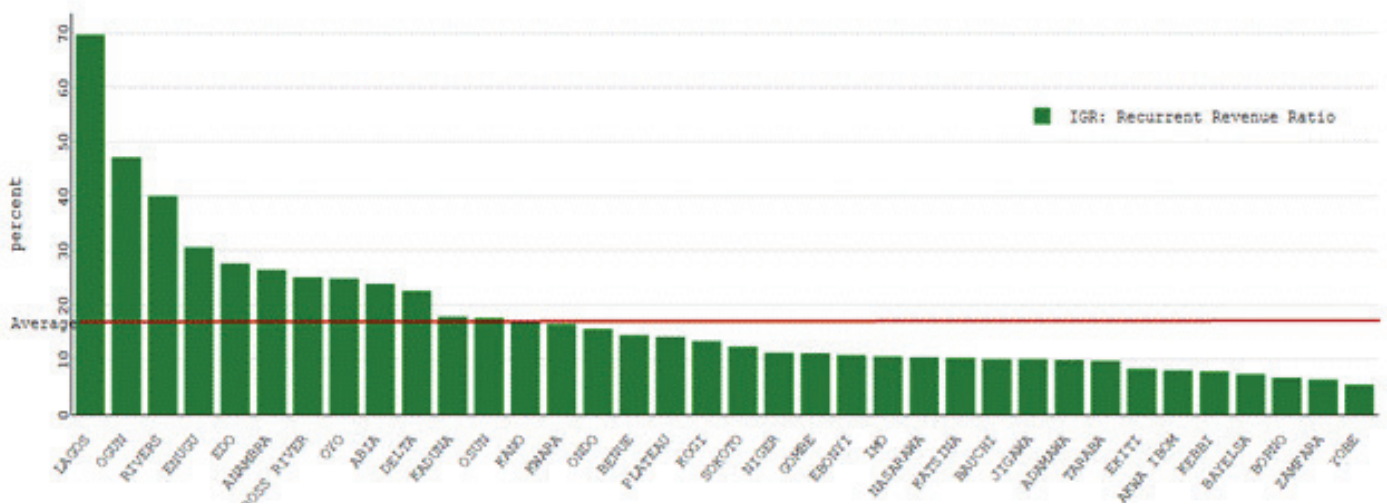
government to diversify the economy, saying: "I am very happy that we are facing this economic crisis as a nation. "We have learnt a lesson now that there is need to diversify the economy and depend less on proceeds from crude oil," he said. The governor's reassuring view notwithstanding; majority respondents in the survey blamed the current economic crisis on corruption, financial mismanagement and misplaced priorities, among others, and they outline the way out. The consensus is that the states must diversify both their economies and revenue sources to survive. Ms Rahinat Abu, a retired banker in Lafia, Nasarawa State, blamed the crisis on government's failure to invest its huge oil revenues in the past in the development of other sectors. Mr. Ntudo Udoessien, a chartered accountant in Calabar, said states had

no reason to go bankrupt if the governors had managed their resources from 2007 to May 2015 judiciously. Insisting that Nigeria was undergoing economic crunch because of gross mismanagement of resources, Udo Essien recalled when oil sold for over 100 U.S. dollars per barrel, the state governments never thought of saving or investing for the future. Mr. Timothy Odaa, a former Commissioner for Finance and Economic Planning in Ebonyi, urged the federal and state governments to initiate pragmatic strategies to diversify the economy. He stressed that the prevailing economic crisis required a structured diversification of the economy for enhanced revenue, instead of the reliance of states on monthly allocations from the Federation Account. Malam Danraka Dari, a lecturer in Kaduna State University, who

blamed the current economic crunch on "misplaced priorities and mismanagement of resources", urged the states to diversify their revenue base. "State governors must explore the revenue potential of agriculture, tourism and mining, among others. If they can invest in such sectors, their states will be able to break even," he said. Mr. Udo Agoha, Imo Commissioner for Agriculture, Environment, and Natural Resources also urged the states to increase their investment in agriculture to overcome their current economic challenges. "In Imo State, for instance, if the state government can massively invest in cassava, cashew, palm oil, fishery, aquaculture and livestock, it will earn billions of naira monthly and provide job opportunities for the unemployed. But some states are already thinking along those lines.



Share of Internally Generated Revenue (IGR) in Recurrent Revenue, 2015



For most States, IGR contributes very little to their recurrent revenues. Only Lagos recorded an IGR share of recurrent revenue over 50%, even as 24 States performed below the sub-national average of 17.6%.

Federation allocation to states: The rise in gross deductions

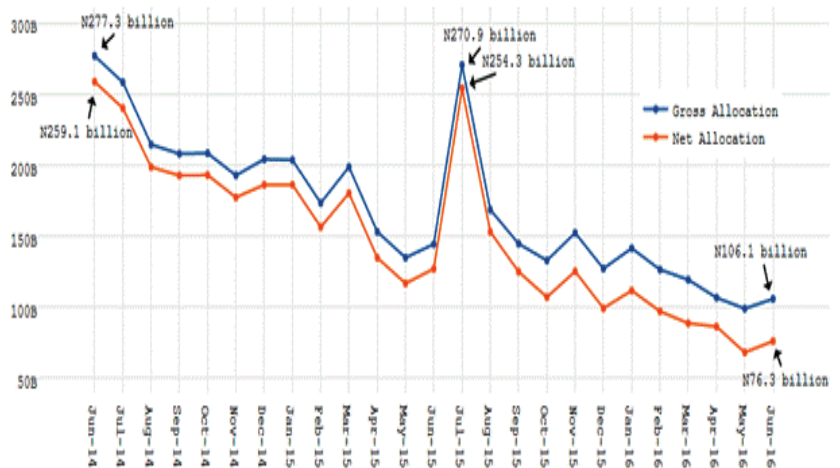
Plummeting oil prices since June 2014 has continued to set off an economic unravelling in Nigeria. In recent times, the country has recorded notable contraction in both economic growth and its historically fragile fiscal space. This transition has revealed a largely spurious growth which characterised the economy since 2000, driven by oil production and low-productive tertiary activities. The country's federation revenues have since fallen by over 70% from over N1.1 trillion recorded in June 2014 to N305 in June 2016.

At the sub-national level, the impact was a sharp slide in the rev-

enues of State governments and their ability to service both financial obligations and development programmes. As a result, borrowing activities rose significantly, as the economy witnessed increased demands for loan facilities and bailout packages. This trend has led to higher downside pressures from federation deductions, which have continued to shrink the already falling federation revenues.

Increased borrowing activities have led to a wider divergence between the gross and net allocations to States. Over the last two years, gross allocation declined by 62% while net allocation fell even higher by 71%. Total service deductions increased sig-

Federation Allocation to States, June 2014 - June 2016



Source: OAGF

nificantly from around 8% in 2014 to 13% in 2015 and over 26% in the second quarter of 2016 – reaching a nominal

monthly deduction of N30 billion in June (see table 2), nearly twice the N17 billion average recorded in 2014. Table 2

illustrates the rise of federation deductions following the introduction of the bailout package in August 2015.

STREET LIGHTS STREET VIEWS

A governorship dashboard



After a period of stewardship of the current 36 state governors, feedback from their various states as shown in the THISDAY Governorship Dashboard reveals that some of the governors have done well at the wheel of power, while a few others would need to go back to the drawing board and come up with fresh ideas on how to make positive impact



Street lights street views
A governorship dashboard

After a period of stewardship of the current 36 state governors, feedback from their various states as shown in the THISDAY Governorship Dashboard reveals that some of the governors have done well at the wheel of power, while a few others would need to go back to the drawing board and come up with fresh ideas on how to make positive impact

STREET LIGHT INDICATOR

RED: Non-starter, go back to drawing board

YELLOW: Work in progress, no clear results

BLUE: Good vision, slow start

GREEN: Clear vision, promising start