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Budget and Procurement Monitoring in Nigeria

A CIVIL SOCIETY PERSPECTIVE

Diane Zovighian

PERSPECTIVES ON SOCIAL DEVELOPMENT
Briefing Notes From Nigeria

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Can governments be held accountable for their spending by citizen organizations? In this issue of the Social Development in Nigeria Briefing Note Series, we present the experience of two Civil Society Organizations (CSOs) engaged in budget and procurement review and monitoring in Nigeria. These CSOs, the Kudirat Initiative for Democracy and the Public and Private Development Centre, are both recipients of a World Bank grant from the Civil Society Fund (CSF).

GOVERNANCE IN NIGERIA: WHAT SPACE FOR CSO ENGAGEMENT?

In the Nigerian context, the preconditions for accountable citizen-state relations are underdeveloped. In particular, some of the building blocks of transparent and accountable public financial management systems are absent or dysfunctional. While there are variations across the country (with some states having championed selected governance reform, including the passing of public procurement laws), the budgeting and procurement of public resources tends to be a rather opaque process, at all levels of governance – federal, state, and local.

Lack of information and limited opportunities for citizens' engagement in government processes have resulted in high levels of mistrust between citizens and government. According to the 2008 Afrobarometer Survey in Nigeria, a public attitude survey on democracy, markets and civil society:

- Only 3% of respondents think their elected Local Government officials are not involved in corruption, and 67% of respondents trust their Local Government Council “not at all” or “just a little”.
- Approximately 70% of respondents rate the performance of their Local Government “fairly badly” or “very badly” in making its program of work known and in providing citizens with information about the Council’s budget.
- 73% rate the Local Government “fairly badly” or “very badly” in allowing citizens to participate in the Council’s decision.

Despite these challenges, there are people and groups, in both government and civil society, who have taken bold steps to ensure greater transparency and accountability in the planning and



management of public resources. For example, networks of civil society organizations working in the area of procurement oversight have started demanding information on procurement bids. Activities such as these have arguably opened space and created momentum for further governance reforms.

Though these civil society groups play a critical role in aggregating citizens' demands and holding the Government accountable for the use of public resources, their engagement should not be idealized. In fact, this engagement is often hindered or delegitimized by flaws and limitations which are, in many ways, similar to those of their Government counterparts. These can be seen in areas that include the management of their organization's internal resources, their accountability to their members and constituencies, and their reliance on patronage networks (which are, paradoxically, often seen as essential to being effective in the Nigerian context). Furthermore, while some CSOs have strong technical skills, many have low technical capacity, particularly in crucial areas such as budget and procurement review and monitoring.

In this context, the the World Bank Civil Society Fund provides financial and technical support to CSOs aimed at improving their capacity and effectiveness to engage in reform and policy processes. Given the World Bank's broader focus on governance reforms, a particular emphasis has been placed on supporting CSO engagement in monitoring the use of public resources, including budget and procurement processes and the delivery of public assets and services. The Bank's support ranges from providing capacity-building and technical advice to CSOs to financing the piloting of innovative social accountability activities. Under the World Bank's Civil Society Fund (CSF) grants in Nigeria, support has specifically focused on budget and procurement monitoring for social accountability (see Box 1).

This note features interviews with two CSF grantees. The first is with Amy Oyekunle, the executive director and manager of the CSF grant at the Kudirat Initiative for Democracy (KIND),



Groups like the Kudirat Initiative for Democracy (KIND), pictured above, are collaborating with the World Bank to expand their social accountability work.



and the second with Nkem Ilo, manager of the CSF grant at the Public and Private Development Centre (PPDC). These interviews provide insights into the experience of two Nigerian CSOs engaged in budget and procurement review and monitoring. The aim of these interviews is to honestly look at how these organizations navigate the challenges of the Nigerian governance context and what they can realistically achieve with financial and technical support from the World Bank in this context.

Among the many useful lessons the experience of these two CSOs reveals is how much of what they achieve relates to building relationships and trust for engagement with their Government counterparts. The relationships built tend to be fluid - in some contexts collaborative and in other more adversarial - yet the very fact that they develop can be seen as changing the dynamics and trust between state and non-state actors. These relationships, of course, are not just dependent on the CSOs themselves; they change according to the politicians and government officials in office and the nature of the sector or the issues at hand.



Citizens discuss local budgets.

Box 1: The World Bank Civil Society Fund

The CSF grants for social accountability were awarded by the World Bank on a competitive basis in the spring 2012 to CSOs from across the world. 44 proposals from Nigerian CSOs were received, of which 3 were awarded a grant. Proposals from Nigeria and other countries were examined by 70 internal and external experts with social accountability experience. Each proposal was scored by 3 assessors based on the selection criteria.

The Civil Society Fund (CSF) is now closed, and a new, larger program has been established to support CSOs, the Global Partnership for Social Accountability. The GPSA is a multi-donor trust fund which aims to provide large grants (of up to \$500,000) to CSOs. The program is not yet operational in Nigeria (as of June 2013).



BUDGET REVIEW IN PRACTICE: THE EXPERIENCE OF THE KUDIRAT INITIATIVE FOR DEMOCRACY

AMY OYEKUNLE, EXECUTIVE DIRECTOR, KUDIRAT INITIATIVE FOR DEMOCRACY (KIND)

Can you tell us more about your Social Accountability project and how you see that it contributes to better governance in Nigeria?

Amy Oyekunle: The Social Accountability Project, which is partly funded under a World Bank Civil Society Fund (CSF) grant, aims to create an avenue for community participation in budget and service delivery at the local government level. The project is implemented in thirteen local government areas in Ogun and Ekiti States, in the South West of Nigeria.

Its approach is three-fold: first, to build the capacity of key civil society organizations (CSOs) and community groups to understand and access information on budget allocation and service delivery in the health, education and environment sectors at the local government level; second, to build the capacity of communities in 4 Local Government Areas of Ogun and Ekiti States to use accountability tools (scorecards and public hearings) to assess service delivery and performance of the government, particularly the local government council; and third, to build the capacity of the local government to engage with her citizenry, including sharing information on budget and service delivery, through training and other platforms of engagement.

KIND's support to citizens' engagement around budget and service delivery is part of a broader effort by CSOs in Nigeria to promote "accountability" and "transparency" in the management and use of public resources. Terms such as accountability and transparency have become watchwords for many civil society organizations, and encompass a large array of activities. However, few organizations work on it from the angle of budget transparency.

Despite the passing of the Freedom of Information Act in 2011, many CSOs still find it quite challenging to access public information in Nigeria. How have you addressed the challenge of accessing and using budget information?



AO: While many organizations like KIND jubilated at the passing of the Freedom of Information Act into law, we were very mindful of the fact that it required much more than the law being passed to enjoy its benefits. Up till now, though critical information on things such as budgets should be available, in practice it is very difficult to access. There remain many practical and political hurdles that need to be overcome to access and use budget information. We experienced these hurdles first hand in our Social Accountability project, since the premise for all other activities is accessing and analyzing the state and local government's budget. For this, we needed critical information regarding budget timetables and processes: for example, when and how budgets are drawn up? Is it an open forum where citizens are invited for their input? How are expenditures spent and reviewed?

Our approach in trying to overcome these hurdles has been two-fold. First, we had to be quite pragmatic – and politically savvy – about accessing budget information. We relied on the work of another CSO to access an initial version of the budget: we were indeed able to access a copy of the Ogun State 2012 budget online via the BudGIT¹ website. Yet the information provided lacked sufficient detail for analyzing resource allocation at the state and local government level. With a view to gather further information, we approached various government officials at both state and

“There remain many practical and political hurdles that need to be overcome to access and use budget information...(W)e had to be quite pragmatic, and politically savvy.”

local government. We were told that the local governments' budgets, which provide critical information on how resources are allocated to the various local governments, is currently in the State House of Assembly and thus not accessible to third parties. In this case we are still awaiting feedback.

So the question then was how to move forward without the key budget information. The main implication has been that, instead of focusing on actual budget review or monitoring, we have focused on building capacities among government officials and citizens on issues of budget



Box 2: What is KIND, and what is its mandate?

Kudirat Initiative for Democracy (KIND) is a non-governmental organization (NGO) founded by Hafsat Abiola-Costello in 1997. Hafsat founded the organization to honor her mother, democracy icon Kudirat Abiola, who was killed by the military regime in 1994. KIND was launched in the USA in January 1998, where it joined other organizations in the Nigerian pro-democracy movement to end military rule in Nigeria. Following the end of military rule in May 1999, the organization was launched in Nigeria.

KIND's mission is to promote democracy and development in Africa. Its primary focus has been to strengthen organizations and create initiatives dedicated to the political, social and economic advancement of women. Over the last ten years, KIND has carried out many different activities to support women's leadership development; create economic opportunities for women and youth; and promote women's rights.

These activities share an emphasis on building beneficiaries' capacity to engage in the public space and claim their rights. Though not specifically focused on women, KIND's Social Accountability Project, supported by the World Bank CSF grant, in Ogun and Ekiti States is part of this effort.

transparency. In particular, it seemed necessary to sensitize civil servants, who are not familiar with notions of transparency and were used to doing things in a certain way up to the passing of the Freedom of Information Act, on a better approach for providing information. With this in mind, we spent considerable time engaging with local government staff focusing on how to share information in a way that is meaningful for their constituency, as well as the benefits of sharing information with citizens.

In a context marked by considerable distrust between government and citizens, what has been your strategy to engage the government under this project and make it respond to your demands?

AO: Prior to the beginning of the project, KIND identified and approached the Office of the Special Adviser on Millennium Development Goals in Ogun State and the Office of Intergovernmental Affairs in Ekiti State. Apart from the fact that these offices have a clear focus on inclusion and poverty alleviation, the reason for seeking such a partnership was also strategic: we identified people we saw as 'Champions', whom we hoped would enable us to overcome certain challenges



and loopholes ahead. Both heads of department understood and recognized the significance of such a project to the State and to citizens of the State, and provided us with a range of support. For example, in Ogun State, the support of the Office of the Special Advisor was critical to gain an audience with the Commissioner for Budget and Planning. As an NGO, without this support, it would have been difficult to get through the Commissioner.

So one of the lessons learned is that while the civil service can be bogged down with unnecessary bureaucracy, there are ways to work through the system, including leveraging the support of selected civil servants and political leaders who support efforts to promote social accountability.

There's often the perception that the CSO scene in Nigeria is quite fragmented and that CSOs capacities to hold government accountable tend to be weak. How have you been working with other CSOs and what has been your strategy to leverage their engagement?

AO: For our Social Accountability project, we identified CSOs actively working in Ogun state, the majority of which are based within the state capital (Abeokuta). We were particularly interested in working with local groups like the hairdressers' association, market women's association and

“CSOs who participated in (our) training were quite surprised to learn that channels exist within the local government, and that they can - in theory, at least - demand certain information.”

artisan groups, who tend to have grassroots constituencies, meet regularly and have innovative ways of working within their communities to maintain order, raise funds and meet the needs of their constituents. These groups often provide systems of governance and service delivery when the state systems fail. For instance, they levy each other to provide for less-privileged members of the groups. At the



same time, many of these groups lack the capacity to hold their government representatives accountable for the use of public resources and the provision of social services, either because they do not have the skills to do so or are not aware of their rights as citizens to do so.

In this context, the project provided training on transformational leadership, community participation and participatory budgeting to these CSOs, along with their local government officials. CSOs who participated in the training were quite surprised to learn that channels exist within the local government for queries and complaints, and that they can – in theory at least- demand certain information from their local official. But the training also benefited government officials, particularly in terms of [the idea of] “how to do community engagement and public participation.”

More than a decade after the end of authoritarian rule, what are the prospects and trends in budget transparency and monitoring in Nigeria?

AO: In 2004, under the government of President Obasanjo, the Ministry of Finance began publishing the federal, state and local government budgets as part of its efforts to improve transparency at all levels. The initiative was highly successful in the sense that it made everyone (citizens and government alike) sit up and opened the avenues for discourse. Prior to that, it was very difficult to access a physical Federal or State budget, much less online. Currently, such information is available and from this, citizens are able to analyze what each state receives. However, it is important to stress that geographically specific information is difficult to acquire, and in many cases is not current or user friendly. This makes activities such as ours very difficult: as of June 2013, the 2013 Local Government budget is still yet to be passed and KIND has not even been able to sight a draft. Such inconsistencies make it difficult for civil society to engage in budget review.

On the other hand, increasingly CSOs have chosen to specialize in the tracking and analysis of public resources. However, budget work is quite engaging, requires specialized capacity and can be time-intensive. Groups focusing solely on budget work remain few and the majority of the CSOs still lack critical skills and resources to engage in budget processes.



PROCUREMENT MONITORING IN PRACTICE: THE EXPERIENCE OF THE PUBLIC AND PRIVATE DEVELOPMENT CENTRE

NKEM ILO, CSF GRANT MANAGER, PUBLIC-PRIVATE DEVELOPMENT CENTER (PPDC)

Can you briefly tell us what your CSF project is about and how you see that it contributes to better governance in Nigeria?

Nkem Ilo: The CSF-funded project on procurement monitoring in the oil and gas sector is a component of PPDC's broader Nigeria Procurement Monitoring Program (see Box 3) and was designed to activate citizens' observation and reporting of procurement processes by federal agencies in the oil and gas sector in Nigeria. The broad aim of the project is to drive accountability and transparency within this sector.

Nigeria is one of the top 15 producers of crude oil in the world, with over 90% of the country's foreign exchange earned from sale of crude oil. However, despite the enormous revenue generated from the oil and gas sector, the standard of living is poor. The fuel subsidy saga of January 2012² sparked a wave of public concern about the lack of transparency and accountability in revenue generation. Whilst increased transparency and accountability in revenue generation is important, lack of transparency and accountability in the public procurement process is often at the core of ineffective service delivery in Nigeria. This was corroborated by the Attorney General of the Federation at the National Procurement Forum in Abuja, where he noted that over 80% of corruption occurs through the public procurement process.³ It is our belief at PPDC that for transparency and accountability to be meaningful in the oil and gas industry, there is need for civic participation in the sector's public finance process and specifically in the process through which goods and services are acquired.

This led to the development of the CSF project with the following specific objectives: to build the capacity of at least 20 representatives of NGOs currently working in the oil and gas sector to commence procurement monitoring; to stimulate transparency in the oil and gas sector through



Box 3: What is the PPDC, and what is its mandate?

The Public and Private Development Centre (PPDC) is a Nigerian civil society organization established in 2001 to increase citizen participation in public sector governance processes, in particular procurement processes, with a view to prevent corruption. One of the core programs of PPDC is its Nigerian Procurement Monitoring Program, which aims to:

- Build capacity of non-state actors on procurement observation and monitoring
- Develop and disseminate much needed tools to improve citizens monitoring of public expenditure in Nigeria
- Improve access, analyses and sharing of procurement information
- Strengthen advocacy for improved transparency and accountability in the public procurement process

The current programmatic focus of the Procurement Monitoring Program is directed at engaging CSOs in sector specific procurement monitoring, including the oil and gas, power sector, and health and education sectors.

the monthly release of collated and analyzed procurement watch e-newsletters disseminated to at least 1000 people; and to generate, and make available to other initiatives, evidence based tools that will support advocacy for increased transparency and accountability in the oil and gas sector.

Despite the passing of the Freedom of Information Act in 2011, many CSOs still find it quite challenging to access public information in Nigeria. How have you addressed the challenge of accessing and using procurement information?

NI: No monitoring effort can be effectively performed without access to procurement information that is timely, verifiable and relevant. Both the 2007 Public Procurement Act (PPA) and the 2011 Freedom of Information Act (FOIA) (see box 4 on these two acts) encourage proactive disclosure of information by public agencies through the various channels available to them, such as a agency's website. However, this proactive disclosure is yet to be put into practice.



Our procurement monitoring efforts in the oil and gas sector under the CSF-funded project, as well as similar procurement monitoring efforts in the health, education and power sectors, has revealed the tendency of public institutions to disregard requests from citizens for procurement information. In the framework of our CSF project, difficulties accessing information has slowed our monitoring efforts in the oil and gas sector.

In our experience, one of the main reasons public institutions give for retaining procurement related information is that these documents contain third party information. However, it is our position that the provisions of section 32 (8) of the PPA, 2007 and section 15 (1) (c) of the Freedom of Information Act, 2011⁴ are quite clear on this, and this position is sustained by recent judicial review in the Nigerian Contract Monitoring Coalition v Power Holding Company of Nigeria.⁵

Beyond the outright withholding of information, a second notable challenge in accessing procurement information lies in the slowness of responses by public agencies. The FOIA provides a deadline of 7 days and a further extension of 7 days within which to respond to a request for information. However, in our experience, this is rarely the case. We have experienced severe delays in responding to information requests, which sometimes run into months. Our approach in such cases has been to encourage the procurement observers we train to send repeated requests for information and to also notify the Bureau of Public Procurement, the regulatory authority for public procurement in Nigeria, of the challenges encountered in accessing information.

We believe that in order to effectively implement the law and encourage compliance by public agencies, more can be done in the area of public interest litigation focused on access to information. Flagrant disregard for the express provisions of the PPA and FOIA can most likely be curtailed by a few well-chosen judicial reviews, such as the above-mentioned case.

In a context marked by considerable distrust between government and citizens, what has been your strategy to engage the government under this project and make it respond to your demands?

NI: In all our efforts to monitor procurement processes, we engage with Government through writing and where feasible physical meetings; all of which is documented in writing. In the framework of the



Box 4. The 2007 Public Procurement Act and the 2011 Freedom of Information Act: Opportunities for procurement observation by third parties

The 2007 Public Procurement Act, in section 19, mandates all procuring entities to invite two credible persons as observers in every procurement process who shall have the right to submit their observation report to any relevant agency or body. The Act further provides in section 16 (14) that “all unclassified procurement records shall be open to inspection by the public...” The right of access to publicly held records is further enshrined by the Freedom of Information Act, 2011 which grants the right of access without providing a demonstrable interest in the information being applied for.

In order to test compliance of a public procurement process with the PPA, 2007, the procurement observer must be able to obtain access to the following documents as required by the Act:

1. Copies of Procurement plans and information.
2. Copies of advertisements of invitation for bids published in at least two national dailies apart from the Federal Tenders journal. Also evidence of the advertisement on your website and notice board.
3. Copies of bids submission registers and duplicate copies of receipts issued to bidders on submission of bids.
4. Minutes of public bid opening for technical and financial proposals.
5. Copy of the Bids Evaluation Report by the Sub technical Committee of the Tenders Board
6. Copy of minutes of the meeting of the Tenders Board approving the winning bidder.
7. Copies of bids rejection letters or notices, if any
8. Copies of notices of Acceptance of bids issued by the procuring entity to the successful bidder immediately a winner is selected
9. Letter of notification of award of contract
10. Signed contract document

Source: Oseni, G., Goldstein M. and A Utah. 2013. Gender Dimensions in Nigerian Agriculture. World Bank.

CSF project, we have attempted to engage with Government officials from the onset to request for procurement information and advocate for transparency in the procurement process. To set this engagement off, we had written to the Group Managing Director of Nigerian National Petroleum Corporation (NNPC) to attend our procurement training and offer a perspective from the public sector; this invitation was not honored. As procurement monitoring commenced in the oil and gas sector, monitors also engaged Government officials through writing to request for information.

Beyond these written requests for information and advocacy visits, there are other ways - some more adversarial and others less so - to build a relation of trust and accountability with



Government. In some cases, where all other recourses have been exhausted, the only way left for us to engage Government is through the courts, as illustrated above. In others, when we think there is potential for negotiations, we focus more on creating a safe space for discussion, for example at “neutral” meetings, where authorities from both camps are present and can talk more freely. When such meetings are organized, our strategy is to invite public officials who can take or influence decisions, and who have political will. Likewise, we make sure the CSO actors engaged are technically strong and have a clear understanding of the issues at stake.

CSF support allows organizations like PPDC to increase the support they provide for other CSOs in Nigeria.

A very different way to engage both government officials and citizens in discussions on the values of transparency and good governance in the management of public resources is through the film medium. The film industry has proven to be the best form of “disguised propaganda,” where not only facts are presented but emotions are stirred up in a way that contributes to attitude/value change that is much needed within the citizenry in Nigeria. In the past three years, we have seen the positive impacts of using such a medium.

There's often the perception that the CSO scene in Nigeria is quite fragmented and that CSOs capacities to hold government accountable tends to be weak. How have you been working with other CSOs and what has been your strategy to leverage their engagement?

NI: Before discussing the capacities of CSOs to hold government accountable, a word must be said on the conditions in which we operate in the procurement sector in Nigeria. One pre-condition for CSOs to effectively hold government accountable is the presence of a government willing to abide by the rule of law. Yet, this pre-condition is often unmet in Nigeria. A ready example is the fact that the National Council on Public Procurement (NCPP) is yet to be constituted by the President of Nigeria despite several advocacies and public campaigns by CSOs calling on him to do so in line with the PPA, 2007. The NCPP is the highest authority on Public Procurement established by the



Act. The constitution of the NCPP is drawn from representatives of government, professional associations, civil society and the media with the Director General of the BPP as the secretary of the Council.⁶ Every stakeholder is represented thus providing some kind of check and balance against elite capture.

In relation to leveraging the engagement of CSOs, PPDC's focus has evolved into a multi-stakeholder approach to procurement monitoring. CSOs that are engaged, trained and deployed for procurement monitoring are selected based on specific criteria that include: CSOs with program

“A very different way to engage both government officials and citizens on the values of transparency and good governance... is through the film medium. The film industry has proven to be the best form of ‘disguised propaganda.’

focus on oil and gas (or another specific sector in the case of other projects); prior experience in budget and project implementation tracking; and geographical location. As a result we have managed to partner with several CSOs that are focused on increased

transparency and accountability in public expenditure through budget tracking, procurement monitoring and project implementation monitoring. So our approach tries to leverage on the various skills CSOs already have. To that extent we also try to work with not only traditional CSOs but also the media, to support the dissemination and public awareness aspects of our work, and professional bodies (such as Nigerian Society of Engineers, for procurement monitoring in the oil and gas sector). This is certainly work in progress and more cooperation is needed across (the) board.

A range of constraints hamper CSO engagement. A core one is funding: long-term funds are necessary to ensure the sustainability of monitoring projects, especially in difficult sectors such



as oil and gas where progress (in accessing information, monitoring bids, etc.) is slow. Yet grants and other sources of funding tend to have quite short term life cycles. A second constraint is the high staff turnover in CSO structures resulting from weak institutional funding, which limits their capacity to engage over the long term.

Funding is a key area where the international development community can lift some of the barriers to CSO engagement. Currently funding in similar focus areas (e.g. public resource/finance management) is extremely fragmented and there is hardly any strategy among donor agencies towards ensuring that their local partners can work more together and over the longer term. Our sense is that more coordination within the development community would help cohesion locally and contribute to local CSOs leveraging on each other's strengths. Core funding of effective CSOs, rather than project based short term funding, would be a major step forward in this regard.

There is a lot of emphasis among donors on being “innovative”, for example using ICT. What is the reality of the use of such “innovative approaches”?

The usefulness of ICT ultimately depends on the extent that people are willing to engage and use ICT tools. ICT tools are just that – tools. They are only an enabler of change and not the driver itself; people are.

In 2009, PPDC - with support from the United Nations Democracy Fund (UNDEF) - developed an online web based procurement monitoring portal, www.procurementmonitor.org. The portal has the

“The usefulness of ICT ultimately depends on the extent that people are willing to engage...ICT tools are just that - tools. They are only an enabler of change and not the driver itself; people are.”



capacity to collate, analyze and produce statistical assessment of public procurement observation reports inputted into it. The portal can automatically rank performance of procuring entities on several identified benchmarks, like transparency, efficiency of procurement process, project completion, cost comparisons etc. The portal, however, needs monitors to input reports to be able to generate more comprehensive compliance reports by the procuring entity. In other words, the effectiveness of the portal is based on the number of available trained monitors who are able to engage in the process and then input a report into the portal. Currently, what exists on the portal is a little less than 300 reports on procurement processes in various sectors. Clearly the use of the portal would be improved if more monitors were willing and able to use it.

With support from the CSF project, PPDC has also developed a mobile application platform version of the portal. The rationale for this is to ensure that procurement monitors are able to report on monitoring activities while the monitoring process is on-going and also aid in the provision of real time assistance to monitors while in the field. The developed mobile phone platform can be accessed by typing 'www.procurementmonitor.org' into your phone's search engine.

More than a decade after the end of authoritarian rule, what are the prospects and trends in procurement transparency and monitoring in Nigeria?

Our annual assessment reports have shown an increase in transparency on several levels. There has been a steady increase in access to procurement information. However, this is not uniform across sectors, nor is it uniform geographically.

There is also a long way to go before both government and civil society take the values of procurement reforms beyond compliance with the PPA, 2007 and begin to focus on actual quality and performance. PPDC and other CSOs have begun to look at issues of procurement performance. For example, we have raised issues around government budgeting for projects it has no resources to fully implement. We are also looking at the causes of abandoned projects, such as appropriations that do not extend throughout the period planned for contract execution. So moving forward, beyond compliance monitoring, we believe that procurement performance assessment is one area



where much needs to be done to increase transparency and accountability in the management of public resources in Nigeria.

ENDNOTES

- ¹ BudgIT is a Nigerian start up set up in 2011 that aims to “retell” or make easily accessible and understandable publicly available budget and other data. See <http://yourbudgit.com/>.
- ² The removal of subsidy on PMS was announced by the Petroleum Products Pricing Regulatory Agency (PPPRA) on the 1st of January, 2012 which in effect increased the pump price of fuel from N 65 to N 140 overnight. While talked about for some time, the push back by the general public was huge- with many claiming that the only social benefit the Nigerian government provided to its citizenry was the subsidy on fuel. Tens of thousands of people took to the street protesting the increased fuel price.
- ³ Speech of the Attorney General of the Federation at the National Procurement Forum in Abuja; text available through <http://www.nigerianbestforum.com/index.php?topic=35318.0;wap2>.
- ⁴ A clear reading of Section 15 (1) (c) of the Freedom of Information Act, 2011 indicates that the exemption of a third party information in cases of proposal and bids for contract may be protected where the disclosure would frustrate procurement or give an advantage to any person, which is not the case here where information sought is not required for the purposes of trading or obtaining commercial secrets but in fulfillment of the right of the public to access all unclassified procurement records for inspection by virtue Section 16 (14) of the Public Procurement Act, 2007. A further reading of Section 32 (8) of the Public Procurement Act, 2007 clearly shows that at the conclusion of the bidding process and the notification of the successful bidder, information relating to the examination, clarification and evaluation of bids and recommendations may be disclosed to public. This was the position in the recently decided case of The Nigeria Contract Monitoring Coalition v Power Holding Company of Nigeria. Furthermore, Section 18 of the FOIA provides for the redaction of such information which is not relevant to our inspection under the Public Procurement Act, 2007, and thus the procurement information requested may be disclosed with the exempt information redacted. This point has been made to the relevant MDAs.
- ⁵ The Nigerian Contract Monitoring Coalition with support from the World Bank- Institutional Development Fund (IDF) was mandated to carry out procurement and project implementation monitoring of selected power projects carried out by the Nigerian government via a loan from the Bank. the legal action against PHCN arose as a result of PHCN’s refusal to provide procurement documents following a request by the Coalition. At the commencement of the case, PHCN provided all the requested documents with the exception of the evaluation report and the Contract documents. These were later provided following the decision of the court. This full text of the judgement is available online at <https://www.dropbox.com/s/mlirjg7buvo372b/PPDC%20v%20Power%20Holding%20Coy.pdf>.



- ⁶ The Council has the power to approve and amend the monetary and prior review thresholds for application of the provisions of the PPA, 2007 to procuring entities; consider and approve policies on public procurement; approve the appointments of the Directors of the BPP, amongst other functions conferred by Section 1 of the PPA, 2007.

Diane Zovighian is a social development specialist and was previously working in the Africa Conflict and Social Development Unit at the World Bank.

This note reflects on the work undertaken by a larger team from the Social Development Unit. The team was comprised of Caroline Mary Sage, Kanbak Labar and Diane Zovighian.

This Briefing Note was cleared by Ian Bannon, Practice Manager, Africa Social and Conflict Group, GSURR, The World Bank.

This essay is one of several that comprise the series “Perspectives on Social Development: Briefing Notes from Nigeria”. These briefing notes highlight the World Bank’s cross-disciplinary, adaptive and context-specific approach to social development in Nigeria. Topics include gender, social inclusion, violence prevention, social accountability and community-driven development. They are written by members of the World Bank social development team working in Nigeria.

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