

MINUTES OF THE STAKEHOLDERS INTERACTIVE SESSION ON ANAMBRA 2020 REVISED BUDGET HELDON MAY 23, 2020

Hosted by Ministry of Economic Planning, Budget and Development Partnerships (HC-EPBDP)

In attendance: Commissioner, Permanent Secretary, Senior Political Appointees and Civil Servants across various MDAs, BudgIT Foundation, Members of the Civil Society Organizations (CSOs) and Representative of the Manufacturers Association of Nigeria (MAN), the State Traders Association, etc.

Time: 2pm – 3:30pm

Venue: Virtual Meeting

OPENING REMARKS

1. The virtual meeting began at 2:00pm with brief introductions by the participants.
2. HC-EPBDP in an opening remark thanked everyone for joining amid the short notice from the Ministry. He said the team at the Ministry has worked assiduously in the last two weeks to prepare the revised 2020 budget draft following variation in the earlier assumptions occasioned by the Covid-19 pandemic.
3. The aim of the meeting was to brief the stakeholders on the new developments while soliciting input and ideas on what could be done better.
4. Goodwill messages were given by select representatives of the CSOs and other non-state actors. In her remark, Ms. Ijeoma Ezeasor representing the Manufacturers Association of Nigeria (MAN) thanked the Ministry for the invitation and applauded the move by the state in organizing a budget revision. Also, another member of the CSOs, Chris Azor, commended the Ministry for the forum stating that, among other things, the session will make for openness and inclusion in the budget process. Henry Omokhaye from BudgIT also commended Anambra State for carrying out the consultative forum at a time like this.

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PRESENTATION:

MACROECONOMIC ASSUMPTIONS FOR THE 2020 REVISED BUDGET, MDAs CAPITAL EXPENDITURE BREAKDOWN

5. HC-EPBDP in his presentation stated that the State Budget for 2020, other things being equal, will be revised downwards to N112.8 billion from the earlier approved budget of N137.1 billion. The reduction in the budget size is N24.3 billion representing an 18 percent decrease.
6. Recurrent expenditure will decline by 18.9 percent from the initial N58.8 billion to N47.7 billion, while total capital expenditure was reduced by 16.9 percent from N78.4 billion to N65.1 billion. However, the budgets of critical sectors like Health, Water and Sanitation were left untouched to ensure that there is a buffer to contain Covid –19 outbreaks and associated social and economic fall-out.
7. The revised total revenue represents a drop of 29 percent from the projected N158.6 billion to N112.8 billion, outlining factors that necessitated the review to include fall in crude oil prices with effects on statutory and value added tax revenues, drop in Internally Generated Revenue (IGR) and other capital receipts.
8. HC-EPBDP drew special attention to key underlying guidelines driving the 2020 Budget revision, affirming that non-essential items in the budget have either been reduced or stripped from the Ministries, Department and Agencies (MDAs) Capital Expenditure budget.
9. The reductions in some non-essential approved budget lines is to position the State against post Covid-19 shocks on the back of dwindling government revenues and receipts.
10. HC-EPBDP emphasized that provisions have also been made to provide cash transfers and livelihood support to poor and vulnerable households in light of current economic realities, increase food security and safe functioning of food supply chains for all residents of the State; with special emphasis on poor and vulnerable households, as well as provide low interest facilities to support micro and small businesses.
11. HC-EPBDP closed his presentation with a breakdown of revenue and expenditure assumptions by MDAs, including the key projects and programmes the revised budget seeks to cater for.
12. The revised budget is structured to start from June to December, 2020 and based on actual revenues and expenditures of January to May, 2020.

QUESTIONS FROM CSOs AND OTHER NON-STATE ACTORS

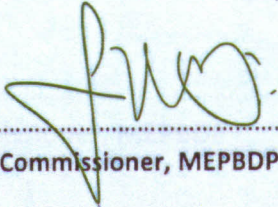
13. What measures have been put in place to ensure that Covid-19 intervention funds are not diverted?
14. How was it possible to reduce personnel costs in a substantial way without affecting salaries or allowances?
15. What special programmes are being designed for persons with disability as investigations on a nationally level show that this class of people have been relegated to the background? The above questions came from a representative from BudgIT.
16. Why do budget allocations to critical sectors of Education, Water and Agriculture still fall below the approved international benchmark?
17. Can the allocation to the Open Government Partnership (OGP) be increased?
18. Why was pension and gratuity of senior citizens reduced?
19. Why is allocation to Ministry of Works still high amid the shortfall in government revenue?
20. What's Anambra State Business Agency's response to the crisis, and what sort of support should businesses expect in the coming months? These questions were from Chris Azor, Chairperson ASCONET.
21. Following the revenue shortfall, what are plans by the State Government to finance the revised budget?.
22. Little or nothing is heard of the Anambra State Industrial Development Agency, the Agency facilitating manufacturing in the State?
23. Considering its food security relevance, why was the allocation to the Agriculture sector reduced by 39%. These questions came from Ijeoma Ezeasor representing MAN.

RESPONSES TO THE QUESTIONS FROM HC-EPBDP

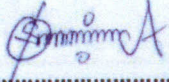
24. The Commissioner stated that the Covid-19 accounts have been set-up for donations made to the state and the committee overseeing implementation of COVID-19 interventions is chaired by the SSG. He gave assurances on behalf of the State that the funds would be used judiciously, stating that the committee which includes non-state actors will keep Ndi Anambra updated in the coming months.

25. On the issue of the reduction on personnel costs, the State will not cut the salaries of civil salaries; however there is a freeze on new hires. The substantial reduction on personnel costs was hitherto expected to cover the cost of new hires and promotion. Nevertheless, Ndi Anambra should expect lean recruitment in the critical areas of Education and Health, in the coming months.
26. The state has designed special programmes for persons with disabilities (PWD), and they are also captured in the social register being developed in the State. A committee has also been set up to ensure that PWDs are captured across the MDAs. He gave assurances that the State is open to their needs and this is evidently seen, among others, the appointment of a Special Adviser on Disability by His Excellency, Chief Willie Obiano.
27. The State has created other ways of funding critical sectors like Education, Water and Agriculture to ensure that funding for these sectors meet the approved international benchmark.
28. On the increase of allocation to OGP, HC-EPBDP said that support for the OGP offices is already captured in grants from donor partners and in the Ministry of Economic Planning's budgetary allocation.
29. On how the State Government will finance the revised budget, the Commissioner stated that is the main reason the state is revising the budget to ensure that dwindling government revenues are sufficiently prioritized to finance essential infrastructures to respond effectively to the impact of COVID-19 and the sharp drop in oil prices; however we expect an 80-85% budget implementation on the back of prudent public finance management strategies. To this end, we are calling for support from domestic and international partners, and stakeholders are invited to assist the State in this regard.
30. The ED of Anambra State Small Business Agency (ASBA) explained that the agency has provided more than N2billion to SMEs and Micro businesses as support and that they are presently in the process of securing additional N1.5billiion for disbursement to MSMEs across the 179 communities, working with the Ministry of Agriculture and other relevant agencies.

31. The session ended at about 3:30pm with a vote of thanks by Chris Azor, President of the State CSOs.



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Hon Commissioner, MEPBDP



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Director, (Planning), MEPBDP

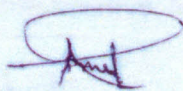
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Henry Omakhaye, Team Lead, BudgIT Foundation



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Chris Azor, Representative, Civil Society Organisation

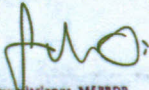


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Ijeoma Ezeasor, Representative, Manufacturers Association of Nigeria



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Christy Akabua, Planning Officer, MEPBDP

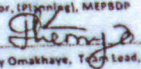
The contract entered at about 4.30pm with a view of having a C.S.O. President of the State C.S.O.



Hon. Commissioner, MEPBDP



Director, Planning, MEPBDP



Henry Omakaye, Team Lead, Budget Foundation

Chris Azor, Representative, Civil Society Organisation



Heema Ezeakor, Representative, Manufacturers Association of Nigeria







Christy Akubue, Planning Officer, MEPRDP

Close


Participants (25)

Search



TA Tolutope Agunloye (me)   >



O BudgIT Presentatio... (host)   >



MO Mark Okoye   >



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A Arinze Egoh   >

AF Ayomide Faleye   >

BH BudgIT- Henry   >

CO calista odunukwe   >

CN Chibuzo Nwabue   >





















CA Chris Azor   >

Invite



Close

Participants (25)












- IJ** Ifechukwu Jude Ezim   >
- N** NgeneUzoamakaEsther   >
- N1** Nokia 1   >
- NO** Nonso Okoye   >
- NV** NWACHUKWU VALENTINE...   >
- OO** Obioma Okolonji   >
- OO** Ogo Orji   >
- O** Ojiugo Uche   >
- TP** TECNO Pouvoir 3   >
- ON** Okoye Ngozi Lovina  >
- SO** Stella Okafor  >

Invite



Close

Participants (25)

- CA** Chris Azor 
- CA** Christy Akabua 
- EC** Ezechukwu Chioma 
- FU** Francis ujedibie 
- GO** Gabriel Okeowo 
- IJ** Ifechukwu Jude Ezim 
- N** NgeneUzoamakaEsther 
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