A photograph of the National Assembly building in Malaysia, featuring a large, prominent green dome. The building is white with a classical architectural style. In the foreground, there are several cars parked in a lot. The image is overlaid with a large, semi-transparent teal shape on the right side and a yellow and green geometric shape on the left side.

How the National Assembly is Abusing its Appropriation Powers, Fueling Inefficiency and Waste

● Policy Memo



About BudgIT

BudgIT is a civic organization driven to make the Nigerian budget and public data more comprehensible and accessible across every literacy span. BudgIT's innovation within the public sphere comes with the creative use of government data by either presenting these in simple tweets, interactive formats, or infographic displays. Our primary goal is to use technology to intersect civic engagement and institutional reform.

Country Director: Gabriel Okeowo
Research Team: Iniobong Usen and Vahyala Kwaga
Creative Development: Michael Pabiekun

Contact: info@yourbudgit.com +234-803-727-6668, +234-908- 333-1633
Address: 55, Moleye Street, Sabo, Yaba, Lagos, Nigeria.

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Executive Summary

This policy brief examines the recurring issue of the insertions and variations of the Nigerian annual Appropriation Act by the National Assembly. In particular, the brief assesses the last two Appropriation Bills and Acts of the 2021 and 2022 financial years. Providing an evaluation of the nature, amounts and government ministries involved in these insertions, the brief reveals the opportunity cost of the insertions, which result in the diversion of funds meant for developmental projects. This is in addition to the problem of usurpation of the responsibility of subnational units and the clear breach of transparency and due process. Considering examples from other jurisdictions, this brief highlights that the Nigerian situation must nonetheless be context-sensitive, as the quality of governance in other countries that allow for a variation of the budget is better, according to standard metrics. The brief concludes with the urgent need to settle the matter of the unclear wording of the Constitution and recommends, among other things, that technology is a viable tool that can assist with the reduction of the insertions, but political will is always needed, in addition.



Introduction

Sections 58, 59 and 81 of the 1999 Constitution of the Federal Republic of Nigeria grant powers—Powers of the Purse—to the National Assembly and State Houses of Assembly to review annual budgets laid before the Assembly by the executive and powers to appropriate funds.¹ Similarly, while section 21(3) indicates that an appropriation bill should be submitted to the National Assembly, section 48 of the Fiscal Responsibility Act, 2007 mandates that the National Assembly ensures transparency during the preparation and discussion of the annual budget.²

The review of the annual budget by the National Assembly is one of the most important stages of the budget process, as this is ideally expected to reflect the inputs of citizens in the budget through their elected representatives. However, the practice in recent times has signaled an arbitrary expression of the Powers of the Purse granted to the National Assembly by the Constitution, as legislators perennially flood the budget with vague, frivolous, and constituency-like projects during the process of the annual budget review.

The budget is supposed to be an expression of the needs and preferences of citizens. To this end, BudgetT analyzed the 2021 and 2022 proposed and approved budgets of the Federal Government of Nigeria to ascertain the quality of the National Assembly review of the 2021 and 2022 Federal Government Appropriation Bills. In addition, it reviewed the nature of budget line insertions by the National Assembly and the alignment of these insertions with the National Development Plan and the Medium-Term Budget Framework.

1. See the Constitution of the Federal Republic of Nigeria, 1999 (as amended). Available at: https://www.constituteproject.org/constitution/Nigeria_1999.pdf

2. See the Fiscal Responsibility Act, 2007, No. 31, Laws of Federation of Nigeria. Available at: <https://internationalbudget.org/wp-content/uploads/Nigeria-FiscalResponsibilityAct2007-English.pdf>



Findings

Overall, while the 2021 approved budget contained 19,017 capital projects, the 2021 proposed budget contained 13,416 projects, signalling that 5,601 capital projects were added to the Appropriation Bill during the review of the Bill by the National Assembly. It was observed that the monetary value of the 5,601 inserted projects summed up to N913.15bn (which is 21.8% of the total capital expenditure for 2021), spread across 32 Mother Ministries and 327 Ministries, Departments and Agencies (MDAs) of the Federal Government.

Ghana

The Ghanaian Parliament has the power to change or vary the budget proposal, but it can not increase the size of the budget: it can only reduce the size of the budget. Once it is approved, the Parliament can only audit the budget spending.^a

Similarly, in 2022, and alluded to by the President during the signing of the 2022 Appropriation Act, BudgetIT observed that 6,462 projects were inserted by the National Assembly across 37 Mother Ministries and 340 MDAs. Cumulatively, the monetary value of the National Assembly insertions in the 2022 Appropriations Act was N910.37bn (which is 22.07% of the total capital expenditure for 2022).

A critical look at the nature of insertions for the years under review, 2021 and 2022, revealed that the majority of the insertions are projects that ideally should be the responsibilities of subnational governments (state and local governments). Furthermore, despite the fact that the Executive had earmarked N100bn for Zonal Intervention Projects (ZIPs)—also known as constituency projects, nominated by the 365 Federal House of Representative Members and 109 Senators—BudgetIT identified, as part of the insertions, 1,581 “Federal Constituency” projects in the 2021 Appropriation Act and 1,834 “Federal Constituency” projects in the 2022 Appropriation Act valued at N105bn and N137.07bn respectively. In the same vein, the 2021 Act had 1,055 insertions valued at N103.15bn, which were projects in senatorial districts, while the 2022 Act had 1,235 insertions valued at N139.26bn, which were projects in senatorial districts. The aforementioned is a clear

a. See ‘Parliament and the Budget’, by Kata Addo, on November 9th, 2009, in Modern Ghana (Online) Newspaper. Available at: <https://www.modernghana.com/news/250079/parliament-and-the-budget.html>.

indication that the National Assembly leveraged the appropriation powers granted it by the constitution to exceed the N100bn ZIPs envelope to insert 'constituency-like' projects into the 2021 and 2022 Appropriation Acts.

It is worthy of note that 614 street light projects with a cumulative value of N75.83bn, which were insertions observed in 2021, increased to 902 street light projects in 2022 valued at N114.95bn. Likewise, the construction of civic/town halls and installation of boreholes, which ordinarily should be the duty of local governments, were inserted into the 2021 and 2022 budgets. While the installation of 364 boreholes and construction of 47 civic/town halls were insertions observed in 2021, the installation of 365 boreholes and construction of 73 civic/town halls were insertions observed in 2022.

Brazil

The Brazilian National Congress (consisting of a Federal Senate or Upper House and a Chamber of Deputies or a Lower House) has very little power to amend the budget proposal but can amend the budget once it is approved (by them). They do this by allocating certain sums within the budget to go to their respective constituencies, and the Executive must perform the spending.^b

b. See 'Brazil's Congress is Becoming More Powerful, But That's Not Necessarily Bad for Democracy', by Beatriz Rey, on March 19th, 2020, in 'Think Brazil' (Online) Blog. Available at: <https://www.wilsoncenter.org/blog-post/brazils-congress-becoming-more-powerful-thats-not-necessarily-bad-for-democracy>.

An evaluation of the monetary classification of the insertions by the National Assembly reveals that the bulk of the insertions were projects valued between N10m and N500m. While the 2021 and 2022 budgets, respectively, had 135 and 105 insertions valued at less than N10m, the aforementioned budgets had 1 and 9 insertions, respectively, costing above N5bn. To further disaggregate this classification, 2,048 insertions in 2021 and 1,957 insertions in 2022 were projects valued between N10m and N49.99m. Likewise, 1985 insertions in 2021 and 2592 insertions in 2022 were projects valued between N100m and N499.99m.

Corroborated by the President,³ the National Assembly domiciled most of the insertions in the Federal Ministry of Agriculture and Rural Development (including quite a number of MDAs under it) as 1,125 and 1,522 projects were identified as insertions into the budgets of the ministry and its agencies in 2021 and 2022 respectively. For proper context, the cumulative monetary value of insertions into the budget of the Federal Ministry of Agriculture and Rural Development (FMARD) in 2021 was N122.6bn—which is 58.08% of the total capital expenditure envelope of the ministry and the other 45 departments, agencies and parastatals under it.

By the same token, 1,522 projects with a cumulative cost of N186.61bn (86.44% of the total capital expenditure envelope of FMARD) were inserted into the 2022 budget of FMARD. As depicted in table 1, key allocations to projects and programs of FMARD in 2022, which are essential to achieving the ministerial mandate and strategic goal of the National Development Plan (aimed at reducing food security and reducing poverty), were drastically reduced to create fiscal space for the National Assembly's insertions. Specifically, the budget line that addresses agric extension service support was cut by N1.06bn (40.15% of the proposed allocation).

3. See "Buhari rejects NASS' insertion of 6,576 projects in 2022 budget", by the Nation, on January 21st, 2022, in the Nation (Online) Newspapers. Available at: <https://thenationonlineng.net/buhari-rejects-nass-insertion-of-6576-projects-in-2022-budget/>

Table 1: Showing Alteration of Key Components of the 2022 FMARD Budget by National Assembly

Projects	Proposed Amount (naira)	Approved Amount (naira)	Variance (Naira)
ERGP1175022: Livelihood Improvement Family Enterprise Programme Nationwide (Establishment of Cottage Industries) -	2.03bn	1.53bn	-503.05m
ERGP12175035: Construction of Feeder Roads In Rural Communities In the 6 Geo-Political Zones -	3.36bn	2.60bn	-760.00m
ERGP30174367: Promotion of Rice Production For Self-Sufficiency and Import Substitution -	1.39bn	955.17m	-439.46m
ERGP30174416: Achieving Self Sufficiency In Wheat Production To Reduce Importation -	1.38bn	946.20m	-438.47m
ERGP30174874: Irrigation Agriculture and Crop Development For All Year Round Farming -	2.34bn	1.71bn	-634.35m
ERGP30175085: Agribusiness And Market Development For Improved Incomes and Job Creation -	2.50bn	1.70bn	-800.07m
ERGP5105208: National Grazing Reserves Development -	1.53bn	1.00bn	-530.05m
ERGP8175062: Extension Services Support To All Agricultural Value Chains -	2.64bn	1.58bn	-1.06bn

Table 2 below reveals another dimension to the flood of issues caused by the review of the budget by the National Assembly. As seen, the top 9 insertions into the FMARD budget, all valued at N1bn and above, were projects clearly outside the ministerial mandate of the assigned MDAs. While FMARD was awarded N4bn to construct an ongoing major state road project in Lagos, the Nigeria Stored Process Institute, Ilorin, was assigned the duty of constructing faculty buildings in Federal Polytechnic, Orogun in Delta. Correspondingly, the Nigeria Institute for Oceanography and Marine Research—a research institute commissioned to exploit marine resources and conservation for sustainable development and a healthy marine environment—was allocated the sum of N1bn to install street lights in local communities. The sort of manifestation explained above replicates itself across the entire budget and crowds out critical expenditure on core activities essential to the mandate and strategic objectives of the respective MDAs.

Table 2: Top National Assembly Insertions into the 2022 FMARD Budget

Code	Line Item	Amount (Naira)	MDAs
ERGP202201260	Ongoing Epe - Ketu - Itoikin Road, Lagos	4.0bn	Federal Ministry Of Agriculture And Rural Development HQTRS
ERGP202203759	Construction of Wing "D" of Six (6) Faculty buildings, namely: (Faculty of Engineering, Faculty of Computer Sciences, Faculty of Architecture and Environmental Sciences, Faculty of Pure and Applied Sciences, Faculty of Agriculture and Food Science and Faculty of Management, Arts and Humanities) in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State, at N250,000,000.00 per Wing of each Faculty building	1.5bn	Nigeria Stored Products Research, Ilorin
ERGP202203756	Construction of Wing "C" of Six (6) Faculty buildings, namely: (Faculty of Engineering, Faculty of Computer Sciences, Faculty of Architecture and Environmental Sciences, Faculty of Pure and Applied Sciences, Faculty of Agriculture and Food Science and Faculty of Management, Arts and Humanities) in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State, at N250,000,000.00 per Wing of each Faculty building	1.5bn	Nigeria Stored Products Research, Ilorin
ERGP202203753	Construction of Wing "B" of Six (6) Faculty buildings, namely: (Faculty of Engineering, Faculty of Computer Sciences, Faculty of Architecture and Environmental Sciences, Faculty of Pure and Applied Sciences, Faculty of Agriculture and Food Science and Faculty of Management, Arts and Humanities) in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State, at N250,000,000.00 per Wing of each Faculty building	1.5bn	Nigeria Stored Products Research, Ilorin
ERGP202203751	Construction of Wing "A" of Six (6) Faculty buildings, namely: (Faculty of Engineering, Faculty of Computer Sciences, Faculty of Architecture and Environmental Sciences, Faculty of Pure and Applied Sciences, Faculty of Agriculture and Food Science and Faculty of Management, Arts and Humanities) in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State, at N250,000,000.00 per Wing of each Faculty building	1.5bn	Nigeria Stored Products Research, Ilorin
ERGP202202252	Provision and Installation of All-In-One Solar Powered Street Lights in Selected Communities Across Five (5) LGAs of Delta Central Senatorial District, namely: Ughelli North, Ughelli South, Ethiope East, Sapele and Udu, LGAs At N200,000,000.00 each	1.0bn	Nigeria Institute Of Oceanography and Marine Research

Other Top Mother Ministries where insertions occurred in the 2021 and 2022 Appropriation Acts include the following: Federal Ministry of Education, Federal Ministry of Health, Federal Ministry of Works and Housing, Federal Ministry of Labour and Employment, Federal Ministry of Power, Federal Ministry of Finance, Budget and National Planning, Federal Ministry of Trade and Investment, Federal

Ministry of Science and Technology and the Secretary to the Government of the Federation.

An associated challenge with the arbitrary insertion of projects into the budget proposals prepared and submitted by the executive is that the inserted projects will most likely not meet the project design documentation criteria, which the Budget Office makes a prerequisite for projects to be prioritized and allotted funds in the budget.⁴ Hence most inserted projects appear not to have been properly conceptualized, designed and costed.

Another issue identified with the insertion of projects by the National Assembly is the assigning of projects, a number of which are duplicated, to MDAs that have neither the capacity nor the mandate to implement the assigned projects. According to the Independent Corrupt Practices Commission (ICPC), duplicated projects with a cumulative cost of N300bn and N100bn were inserted into the 2021 and 2022 budgets, respectively.⁵ This is alarming, considering the fact that virtually all of the funds needed to implement the capital projects for both years were borrowed—thereby raising the country's fiscal deficit above the 3% threshold stipulated by the Fiscal Responsibility Act 2007 and raising the debt service to revenue ratio of the first four months of 2022 to 118%.

Japan

The Japanese Diet (consisting of an upper house of Councilors and a lower house of Representatives) has the powers to vary the size of the budget proposal, and though the Cabinet cannot veto this action, it can express its reservations. Although, in practice, the Diet rarely increases the expenditure of the budget.^c

c. See D'Ambrogio, E., and Parry, M. (February, 2016). Japan's National Budget Procedure and the Public Debt Burden, at pages 4 and 5. European Parliamentary Research Service (EPRS), The European Parliament. Available at: https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/577985/EPRS_BRI%282016%29577985_EN.pdf.

It Goes All the Way to the Top

Worrisomely, a number of projects in the 2022 approved budget can be directly linked to principal officers of the National Assembly. It would seem that National Assembly members are becoming more emboldened to put their names on public projects funded with taxpayers' money. 7 projects—focused on the “Construction of Femi Gbajabiamila Public Junior Secondary School Itire Ikate, Lagos” —were allocated a cumulative sum of N1.45bn and assigned to the Nigeria Stored Products Research and National Centre for Agricultural Mechanisation, both in Ilorin, for implementation. In a similar fashion, N1bn was allocated to the Nigeria Institute of Oceanography and Marine Research to install solar-powered street lights in selected communities in Delta Central Senatorial District—the Senatorial District represented by Senator Ovie Omo-Agege, the sitting Deputy Senate President. The Senate President, Ahmed Lawan, wasn't left out as N600m was allocated to the installation of street lights in his constituency, Yobe North Senatorial District.

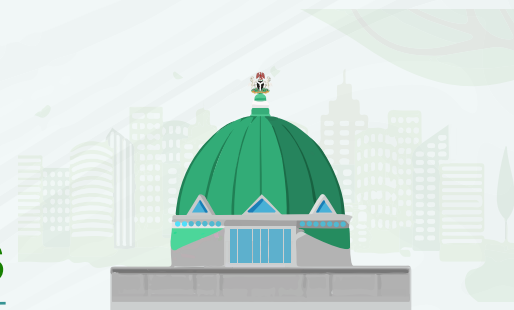
4. See the Budget Office of the Federation. (August, 2021). 2022 Budget Call Circular. Federal Ministry of Finance, Budget and National Planning (FMFBNP), Abuja. Federal Republic of Nigeria. Available at: <https://www.budgetoffice.gov.ng/index.php/2022-fgn-budget-call-circular?task=document.viewdoc&id=943>

5. See “MDAs padded 2021, 2022 budgets – ICPC”, by News Agency of Nigeria, on September 16th, 2022, in the Punch (Online) Newspapers. Available at: <https://punchng.com/mdas-padded-2021-2022-budgets-icpc/>

Federal Government of Nigeria 2022 Approved Budget

Projects Linked to National Assembly Leaders

Hon. Femi Gbajabiamila Speaker, House of Representatives



● **200m**

Construction of Femi Gbajabiamila Public Senior Secondary School, Itire Ikate (Block D)

Nigeria Stored Products Research, Ilorin

● **200m**

Construction of Femi Gbajabiamila Public Senior Secondary School, Itire Ikate (Block E)

Nigeria Stored Products Research, Ilorin

● **200m**

Construction of Femi Gbajabiamila Public Senior Secondary School, Itire Ikate (Block F)

Nigeria Stored Products Research, Ilorin



● **200m**

Construction of Femi Gbajabiamila Public Junior Secondary School, Itire Ikate (Block A)

National Centre for Agricultural Mechanisation- Ilorin

● **200m**

Construction of Femi Gbajabiamila Public Junior Secondary School, Itire Ikate (Block B)

National Centre for Agricultural Mechanisation- Ilorin

● **200m**

Construction of Femi Gbajabiamila Public Secondary School, Itire Ikate (Block C)

National Centre for Agricultural Mechanisation- Ilorin

● **250m**

Provision of ICT Center/school Hall/library/ at Femi Gbajabiamila Public School, Itire

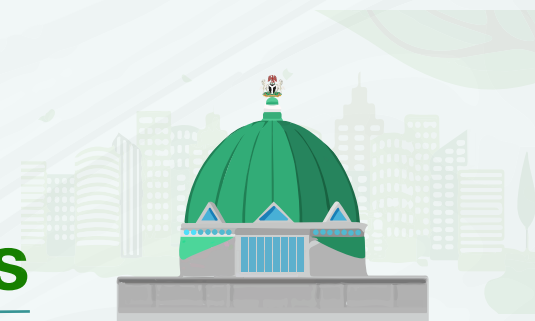
Nigeria Stored Products Research, Ilorin

Federal Government of Nigeria 2022 Approved Budget

Projects Linked to National Assembly Leaders

Hon. Ovie-Omo Agege

Deputy Senate President



- **1bn**

Provision and Installation of all-in-one Solar Powered Street Lights in Selected Communities across (5) LGAs of Delta Central Senatorial District, at N200m each

Nigeria Institute of Oceanography And Marine Research
- **1.5bn**

Construction Of Wing “A” of (6) Faculty Buildings in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State, at N250m Per Wing of each Faculty Building

Nigeria Stored Products Research, Ilorin
- **1.5bn**

Construction of Wing “B” of (6) Faculty Buildings in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State, at N250m Per Wing of each Faculty Building

Nigeria Stored Products Research, Ilorin
- **1bn**

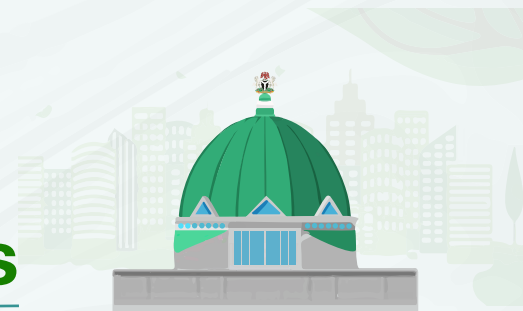
Construction of a (1) unit Administrative Block in Federal Polytechnic, Orogun, Delta Central Senatorial District, Delta State (Wing A, B, C & D at N250m per Wing)

Sheda Science And Technology Complex - Abuja

Federal Government of Nigeria 2022 Approved Budget

Projects Linked to National Assembly Leaders

Ahmad Lawan
Senate President



● **150m**

Construction of Solar Powered Boreholes in Fulani Settlements of Yobe North Senatorial District

Nigerian Building and Road Research Institute - Lagos

● **600m**

Construction and Installation of Solar Street Light in Yobe North Senatorial District of Yobe State

Federal Ministry of Agriculture and Rural Development HQTRS

● **120m**

Supply of Tricycles And Open Body Tricycles in Yobe North Senatorial District

National Productivity Centre

● **188m**

Construction of Concrete Drainages Across Yobe North Senatorial District

Nigerian Building And Road Research Institute

Table 3: Inserted Projects Outside the Mandate of MDAs

Code	Line Item	Amount (Naira)	MDAs
ERGP71778967	Supply Of Motorcycle And Vehicles For Empowerment In Jigawa South West Senatorial District, Jigawa State	25m	Nigerian Export Promotion Council
ERGP552712435	Construction And Furnishing Of Town Hall In Kanke Lga, Plateau Central Senatorial District, Plateau State	50m	National Drug Law Enforcement Agency
ERGP202203221	Supply Of Motorcycles To The People Of Garki, Jigawa Northwest Senatorial District	50m	National Agency For Great Green Wall Hqtrs
ERGP202201258	Provision Of Customized Exercise Books And Writing Materials In Surulere 1, Lagos	150m	Industrial Arbitration Panel
ERGP202202703	Construction Of Solar-powered Boreholes In Selected Areas Of Gombe North Senatorial District, Gombe State.	100m	Nigerian Export Promotion Council
ERGP202200320	Construction And Provision Of Solar Street Light At Some Selected Lga In Ekiti South Federal Constituency And Other Areas Of Ekiti States	500m	Centre For Management Development
ERGP202202585	Construction Of Community Town Hall And Furniture's In Jigawa Southwest Senatorial District, Jigawa State	50m	National Human Rights Commission
ERGP202201058	Construction And Installation Of Integrated Solar Street Lights In Various Communities Of Bali/gassol Federal Constituency, Taraba	500m	National Population Commission
ERGP202200867	Supply And Provision For Sports Equipment In Selected Schools In Nsukka/igbo-eze South Federal Constituency Of Enugu State	100m	Federal Polytechnic, Ukana, Akwa Ibom

Denmark

The Danish Parliament (consisting of a Senate and a House of Representatives) has unfettered powers to vary the size of the national budget. They can increase or decrease or decrease the budget proposal. It is the House that supervises the implementation of the Budget through a set of questions to the Ministers or 'Interpellations' or Votes of No Confidence.^d

d. See 'How the Parliament Works: The Right to Approve and Amend Budget Bills'. Tweede Kamer: Der Staten-Generaal. Available at: <https://www.houseofrepresentatives.nl/how-parliament-works/democracy-netherlands/duties-and-rights/right-approve-and-amend-budget-bills>. See also 'The Tasks and Responsibilities of the Danish Parliament'. Folketinget: The Danish Parliament. Available at: <https://www.thedanishparliament.dk/en/democracy/the-tasks-and-responsibilities-of-the-danish-parliament>.

As seen in table 3, the Nigeria Export Promotion Council—an organization saddled with the responsibility of promoting, developing and diversifying Nigeria's exports—was allocated N25m to supply vehicles and motorcycles as empowerment in a senatorial district in Jigawa State. Sadly, Nigeria had a trade deficit of N1.94 trillion in 2021⁶, signalling the need to concentrate efforts on the productive capacity of the country.

In the same vein, Federal Polytechnic, Ukana, Akwa Ibom was allocated N100m to provide sports equipment in selected schools in Enugu State. It isn't news that Nigeria's education sector is grossly underfunded, which has led to several strikes in the last couple of years. Hence, allocating scarce resources to educational institutions to implement projects clearly outside their mandate not only crowds out needed spending on the core activities of the institutions but also works at cross-purposes with the objectives and mandate assigned each MDA and geared towards achieving the goals articulated in the countries development plan.

6. See, generally the National Bureau of Statistics. (November, 2022). Consumer Price Index, October, 2022. Federal Republic of Nigeria. Available at: <https://nigerianstat.gov.ng/elibrary/read/1241147>

Implications and Recommendations

Mexico

The Mexican Congress has an imperfect bicameral structure. This means the power to approve the federal budget submitted by the Government can only be done by the Chamber of Deputies. While the Federal Senate only has the power to analyze the foreign policy of the Government and approve or dismiss the Presidential nominations of key governmental offices (i.e., the Attorney General, Supreme Court Justices and Military Officials).^e

e. See the Organisation for Economic Co-operation and Development (2019), *Budgeting and Public Expenditures In OECD Countries*, at p. 216. Available at: <https://www.oecd.org/gov/budgeting/budgeting-and-public-expenditures-2019-mexico.pdf>.

This brief has outlined the nature of budgetary insertions and how they take money away from crucial developmental projects. This means that the scarce resources millions of Nigerians require for the improvement of their livelihoods are further frittered away. However, due to the fact that not only Ministries but actual arms of government are involved, solutions to this problem would require effort on the part of all stakeholders: Civil Society, the Media, the International Community and the government itself. More importantly, Nigeria is approaching the end of the term of the current administration, meaning that whoever takes over in 2023 ought to be presented with the urgency of the situation in order to possibly ride the wave of changes that tend to come with new administrations.

BudgIT, therefore, proposes the following:

01

Citizens and Civil Society must be made an indispensable part of the budgeting process and must have their questions and comments attended to:

Using the example of subnational units that have achieved some measure of inclusion with 'Citizen's Budget Hearings', BudgIT is of the view that such participation is necessary. Citizens and Civil Society deserve to be carried along in the Approval stage, as their questioning of the Appropriation Bill (and clarification of the reason for the budget insertions by the National Assembly) may prevent the insertions from happening in the first place. This inclusion must be timely and designed in such a way that the inputs of citizens and Civil Society is taken into consideration and decision-making by the National Assembly.

02

Develop an AI-driven Decision Support System to detect known corruption loopholes:

Instances of inflated projects, projects with vague descriptions, those outside the mandate of agencies, and duplicated projects, amongst other issues, can automatically be

prevented from being accepted into the budget if an AI-driven Decision Support System is deployed to complement the budget preparation process. This would not only greatly cut down instances of inflated projects etc., but provide an opportunity for precise analysis that can substitute for tasking line-by-line analysis.

03

Judicial Interpretation: The Judiciary, though ordinarily not part of the budgetary process, can make a significant impact, specifically in Nigeria's case. For some time now, there has been uncertainty about whether or not the National Assembly-by virtue of Constitutional provisions of powers of appropriation, oversight and review-has powers to insert new projects (line items) into the budget proposal without recourse to the Executive. There needs to be a final judicial pronouncement on the scope of the powers of appropriation granted to the National Assembly in the constitution, especially as it regards the authority to arbitrarily insert new capital projects in the annual budget.

04

Proposed Political Solution: While we wait for the judicial interpretation of the appropriation powers granted to the National Assembly, it is expedient that until the Supreme Court makes the pronouncement, the interest of the National Assembly is captured during the budget preparation process. This will to a large extent, limit the distortions caused by the arbitrary insertions by the National Assembly and also limit the instances of projects assigned to MDAs that have neither the mandate nor capacity to implement.

05

Implement Strong Deterrents for Corruption and Foul Play: The EFCC and ICPC need to prosecute cases of abuse, corruption, and financial recklessness associated with the budget process. As stated earlier in the text, the ICPC had identified instances of corruption in 2021 and 2022; however, there are yet to be prosecutions for such instances, which are supposed to serve as deterrents for future occurrences.

06

Make Long-term Planning a Deliberate and Truly National Affair: The budget needs to be seen as a planning tool and diligently prepared as such, not as a spending manual as presently constituted. All of the projects and programs articulated in the budget need to align with the Medium Term Expenditure Framework and the National Medium Term Development Plan. All arms and levels of government need to work cohesively together to ensure that the budget not aligns with the developmental aspirations of the country but also reflects the needs and preferences of the general populace. This means that the Executive, Legislature, Federal, State and Local government must be a part of the planning process. This would ensure that concerns from all arms and all levels percolate to the top and the various components of government find a voice to their own needs.



Quality of Federal Government Budget Review by National Assembly

2021

2022

Number of insertions = **5601**
 Number of Mother Ministries where insertions occurred = **39**
 Number of MDAs where insertions occurred = **327**
 Monetary value of insertions = **N913.15 billion**

Number of insertions = **6462**
 Number of Mother Ministries where insertions occurred = **37**
 Number of MDAs where insertions occurred = **340**
 Monetary value of insertions = **N910.37 billion**

Nature of Insertions

Projects	Number of Insertions	Amount (naira)
Projects in Federal Constituencies	1581	105.00bn
Projects in Senatorial Districts	1055	103.15bn
Street lights	614	75.83bn
Boreholes	364	22.97bn
Water Supply Schemes	116	9.82bn
Construction and furnishing of Town Halls/Civic Centres	47	3.06bn
Renovation/Rehabilitation/Construction of Schools & Provision of equipment (books, furniture, computers, vehicles etc) to schools	463	34.87bn
Construction/Rehabilitation/Equipping of Primary Healthcare Centres	50	2.230bn

Nature of Insertions

Projects	Number of Insertions	Amount (naira)
Projects in Federal Constituencies	1834	137.07bn
Projects in Senatorial Districts	1235	139.26bn
Street lights	902	114.95bn
Boreholes	365	28.24bn
Water Supply Schemes	23	2.83bn
Construction and furnishing of Town Halls/Civic Centres	73	5.23bn
Renovation/Rehabilitation/Construction of Schools & Provision of equipment (books, furniture, computers, vehicles etc) to schools	433	49.49bn
Construction/Rehabilitation/Equipping of Primary Healthcare Centres	57	3.996bn

Monetary Classification of Insertions

Value (Naira)	Number of Insertions	Amount (naira)
Less than 10,000,000	134	794.37mn
10,000,000 - 49,999,999	2,048	47.93bn
50,000,000 - 99,999,999	1,316	73.85bn
100,000,000 - 499,999,999	1,985	326.60bn
500,000,000 - 999,999,999	84	47.53bn
1,000,000,000 - 4,999,999,999	32	51.43bn
5 billion and above	1	365.00bn
No value	1	0.00
Total	5601	913.15bn

Monetary Classification of Insertions

Value (Naira)	Number of Insertions	Amount (naira)
Less than 10,000,000	105	608.39m
10,000,000 - 49,999,999	1957	45.56bn
50,000,000 - 99,999,999	1541	88.40bn
100,000,000 - 499,999,999	2592	434.01bn
500,000,000 - 999,999,999	149	81.53bn
1,000,000,000 - 4,999,999,999	107	187.24bn
5 billion and above	9	73.03bn
No value	2	0.00
Total	6462	910.37 bn

Top 10 MDAs where Insertions Occurred

MDA	Number of Insertions	Amount (naira)
UNIVERSAL BASIC EDUCATION (UBE) COMMISSION	322	18.41bn
NATIONAL RURAL ELECTRIFICATION AGENCY	294	11.20bn
FEDERAL MINISTRY OF WORKS AND HOUSING	271	70.61bn
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT HQTRS	253	30.19bn
NIGERIAN BUILDING AND ROAD RESEARCH INSTITUTE - LAGOS	242	31.54bn
NATIONAL DIRECTORATE OF EMPLOYMENT	237	14.94bn
BORDER COMMUNITIES DEVELOPMENT AGENCY (BCDA) HQTRS	236	18.74bn
NATIONAL PRODUCTIVITY CENTRE	217	19.93bn
SMEDAN - HQTRS	186	16.30bn
NIGERIA STORED PRODUCTS RESEARCH, ILORIN	114	14.20bn

Top 10 MDAs where Insertions Occurred

MDA	Number of Insertions	Amount (naira)
BORDER COMMUNITIES DEVELOPMENT AGENCY (BCDA) HQTRS	333	29.46bn
FEDERAL MINISTRY OF WORKS AND HOUSING	332	149.01bn
NIGERIAN BUILDING AND ROAD RESEARCH INSTITUTE - LAGOS	307	46.07bn
NATIONAL PRODUCTIVITY CENTRE	243	24.05bn
NATIONAL RURAL ELECTRIFICATION AGENCY	242	12.46bn
FEDERAL COLLEGE OF HORTICULTURE, DADIN-KOWA, GOMBE	218	23.89bn
FEDERAL CO-OPERATIVE COLLEGE- OJI RIVER	216	27.52bn
UNIVERSAL BASIC EDUCATION (UBE) COMMISSION	210	11.94bn
FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY - HQTRS	195	18.62bn
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT HQTRS	175	22.87bn

Quality of Federal Government Budget Review by National Assembly



2021

2022

Number of insertions = **5601**
 Number of Mother Ministries where insertions occurred = **39**
 Number of MDAs where insertions occurred = **327**
 Monetary value of insertions = **N913.15 billion**

Number of insertions = **6462**
 Number of Mother Ministries where insertions occurred = **37**
 Number of MDAs where insertions occurred = **340**
 Monetary value of insertions = **N910.37 billion**

Top 10 MDAs with highest monetary value of Insertions

MDA	Number of Insertions	Amount (naira)
SERVICE WIDE VOTE	1	365.00bn
FEDERAL MINISTRY OF WORKS AND HOUSING	271	70.61bn
NIGERIAN BUILDING AND ROAD RESEARCH INSTITUTE - LAGOS	242	31.54bn
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT HQTRS	253	30.19bn
NATIONAL PRODUCTIVITY CENTRE	217	19.93bn
BORDER COMMUNITIES DEVELOPMENT AGENCY (BCDA) HQTRS	236	18.74bn
UNIVERSAL BASIC EDUCATION (UBE) COMMISSION	322	18.41bn
SMEDAN - HQTRS	186	16.30bn
NATIONAL DIRECTORATE OF EMPLOYMENT	237	14.94bn
NIGERIA STORED PRODUCTS RESEARCH, ILORIN	114	14.20bn

Top 10 MDAs with highest monetary value of Insertions

MDA	Number of Insertions	Amount (naira)
FEDERAL MINISTRY OF WORKS AND HOUSING	332	149.01bn
NIGERIAN BUILDING AND ROAD RESEARCH INSTITUTE - LAGOS	307	46.07bn
SERVICE WIDE VOTE	9	46.05bn
NIGERIAN NAVY	15	33.18bn
BORDER COMMUNITIES DEVELOPMENT AGENCY (BCDA) HQTRS	333	29.46bn
FEDERAL CO-OPERATIVE COLLEGE- OJI RIVER	216	27.52bn
NATIONAL PRODUCTIVITY CENTRE	243	24.05bn
FEDERAL COLLEGE OF HORTICULTURE, DADIN-KOWA, GOMBE	218	23.89bn
NIGERIA STORED PRODUCTS RESEARCH, ILORIN	126	23.10bn
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT HQTRS	175	22.87bn

Top 10 Mother Ministries where Insertions Occurred

MDA	Number of Insertions	Amount (naira)
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT HQTRS	1125	122.60 bn
FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY - HQTRS	548	55.38 bn
FEDERAL MINISTRY OF EDUCATION - HQTRS	537	45.27 bn
FEDERAL MINISTRY OF LABOUR AND EMPLOYMENT - HQTRS	512	37.58 bn
FEDERAL MINISTRY OF WATER RESOURCES - HQTRS	455	30.28 bn
FEDERAL MINISTRY OF WORKS AND HOUSING	362	84.75 bn
SECRETARY TO THE GOVERNMENT OF THE FEDERATION HQTRS	345	26.04 bn
FEDERAL MINISTRY OF POWER -HQTRS	316	17.94 bn
FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT - HQTRS	257	23.50 bn
FEDERAL MINISTRY OF HEALTH	256	20.65 bn

Top 10 Mother Ministries where Insertions Occurred

MDA	Number of Insertions	Amount (naira)
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT	1522	186.61bn
FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY	708	82.28bn
FEDERAL MINISTRY OF EDUCATION	615	60.59bn
FEDERAL MINISTRY OF WATER RESOURCES	527	46.18bn
SECRETARY TO THE GOVERNMENT OF THE FEDERATION	479	46.87bn
FEDERAL MINISTRY OF LABOUR AND EMPLOYMENT	431	36.81bn
FEDERAL MINISTRY OF WORKS AND HOUSING	356	154.49bn
FEDERAL MINISTRY OF HEALTH	330	27.42bn
FEDERAL MINISTRY OF POWER	271	22.60bn
FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT	199	17.45bn

Top 10 Mother Ministries with highest monetary value of Insertions

MDA	Number of Insertions	Amount (naira)
FEDERAL MINISTRY OF FINANCE, BUDGET AND NATIONAL PLANNING - HQTRS	53	370.29bn
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT HQTRS	1125	122.60bn
FEDERAL MINISTRY OF WORKS AND HOUSING	362	84.75bn
FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY - HQTRS	548	55.38bn
FEDERAL MINISTRY OF EDUCATION - HQTRS	537	45.27bn
FEDERAL MINISTRY OF LABOUR AND EMPLOYMENT - HQTRS	512	37.58bn
FEDERAL MINISTRY OF WATER RESOURCES - HQTRS	455	30.28bn
SECRETARY TO THE GOVERNMENT OF THE FEDERATION HQTRS	345	26.04bn
FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT - HQTRS	257	23.50bn
FEDERAL MINISTRY OF HEALTH	256	20.65bn

Top 10 Mother Ministries with highest monetary value of Insertions

MDA	Number of Insertions	Amount (naira)
FEDERAL MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT	1522	186.61bn
FEDERAL MINISTRY OF WORKS AND HOUSING	356	154.49bn
FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY	708	82.28bn
FEDERAL MINISTRY OF EDUCATION	615	60.59bn
FEDERAL MINISTRY OF FINANCE, BUDGET AND NATIONAL PLANNING	62	55.60bn
MINISTRY OF DEFENCE	45	54.48bn
SECRETARY TO THE GOVERNMENT OF THE FEDERATION	479	46.87bn
FEDERAL MINISTRY OF WATER RESOURCES	527	46.18bn
FEDERAL MINISTRY OF LABOUR AND EMPLOYMENT	431	36.81bn
FEDERAL MINISTRY OF HEALTH	330	27.42bn



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