



PUBLIC FINANCE

S E C T O R ■ 2 0 1 8 - 2 0 2 0

MEDIUM TERM SECTOR STRATEGY (MTSS)

OCTOBER 2017

The background of the top half of the page is a blue-toned image featuring financial data. On the left, there are several vertical bars of varying heights, resembling a bar chart. On the right, a line graph with multiple data series is visible, showing fluctuations over time. A silver pen with a gold-colored tip is positioned diagonally across the middle-right of the image, resting on what appears to be a document or chart. The overall aesthetic is professional and business-oriented.

FOREWORD

Undoubtedly, Nigeria, to a varying degree, continues to grapple with the mechanics of good governance, resource management, including effective revenue generation and efficient allocation of public funds. Implementing Government programmes and projects demands effective public financial management that is imbued with transparency and accountability measures to achieve strategic outcomes.

Experience shows that financial resources are scarce and access is uneven. It is in this regard that the Public Finance Sector Medium Term Sector Strategy (MTSS), Y2018-2020 document deliberately modelled along international best

practice, aims to consider the current economic situation both at national and international levels as well as aggregating the past existing policy documents available at different levels in the sector to allocate resources to agreed programmes/projects, setting Specific, Measurable, Achievable, Realistic, Timebound (SMART) goals, strategies to achieve outcomes and programmes and projects during the MTSS period.

It is noteworthy that in reviewing this document, some line MDAs projects and programmes were scientifically traded-off, this is due to their low score in the project scoring template matrix. However, the captured programmes/projects will be annually reviewed in line with the prevalent policies of Government to accommodate and reflect programmes/projects of maximum impact on the end-users. It is hoped that this document will serve as a reference tool for stakeholders in public financial management, and foster development endeavours in the State.

The public finance sector comprises of ten (10) MDAs whose Sector Planning Representatives have contributed a great deal in producing this document.

signed
Permanent Secretary
Ministry of Economic Planning and Budget Akure

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Similarly, we appreciate the efforts and commitment of the members of the Sector Steering Committee towards preparing this document. Your immense contributions and cooperation in all aspects are noted and highly appreciated.

ABBREVIATIONS

IPSAS	-	International Public Sector Accounting Standards
IT	-	Information Technology
M&E	-	Monitoring and Evaluation
MDAs	-	Ministries, Departments and Agencies
MEP&B	-	Ministry of Economic Planning and Budget
MYBF	-	Medium Term Expenditure Framework
MTSS	-	Medium Term Sector Strategy
MYBF	-	Multi Year Budget Framework
ODSG	-	Ondo State Government
PFM	-	Public Financial Management
PPP	-	Public Private Partnership
PSGRDP	-	Public Sector Governance Reform and Development Project
SIFMIS	-	State Integrated Financial Management Information System
SDGs	-	Sustainable Development Goals
SDP	-	State Development Plan
SPARC	-	State Partnership for Accountability, Responsiveness and Capability
SEED	-	State Economic Empowerment Development Strategies
SMART	-	Specific Measurable Achievable Reliable Timebound

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CHAPTER 1

INTRODUCTION

1.1. AIMS AND OBJECTIVES OF THE DOCUMENT

This document is a Medium Term Sector Strategy (MTSS) of the Public Finance Sector. It is produced to improve the linkage between policy making, planning, medium-term and annual budgets. It aims at engendering timely and efficient delivery of the State

Government's policies and strategic priorities within available resources allocated to the Sector. Specifically, the document aims at implementing plans for the most effective and balanced utilization of the States resources and also identify, from time to time, extraneous factors which tend to retard economic development, resolve them and determine the conditions which should be established for successful execution of plan. It is also targeted at guaranteeing that the allocation of Public Finance Sector resource envelope is transparent, taking into consideration the interest of all stakeholders, and consistent with clearly defined policy objectives of government. The process, therefore, seeks to ensure that plans are feasible and responsive with resources deployed efficiently and effectively to achieve sector targets. This strategy is very important in the policy and planning framework, as it is one of the key concepts in cyclic sequence of the Medium Term Framework.

1.2. SUMMARY OF THE PROCESS USED

accountable and realistic, Strategies and responsibilities of relevant stakeholders are clearly indicated

which invariably would enhance the process of making the annual budget preparation and implementation more transparent. projects are prioritized and linked accordingly with policy documents of government/government programmes, Under this concept. outlays expenditure over the next three years while the current year is automatically incorporated into the annual budget, as a fiscal policy instrument, MTSS, As a departure from the existing system where government expenditure is prepared on an annual basis. aimed at enhancing the process of preparing and implementing the annual budget in a strategic manner for improved service delivery) MTEF(component of the Medium Term Expenditure Framework .MTSS is a sub

training and workshops were held for members of the SPT to enhance their capacity towards preparing the document, Prior to this. was constituted and mandated with the crafting of the MTSS document using the template and guides provided) SPT(the MTSS Sector Planning Team , To facilitate the process.

,The documents are. medium and long term planning documents available within and outside the sector : the document was developed by looking into the existing short, Also

- World Bank Annual Reports
- International Monetary Fund World Economic Outlook
- 20:2020Vision
- 20:2020State Component of Vision
- State Annual Budgets
- State Annual Audited Reports
- Annual Performance Appraisal Report
- “A CARING HEART” Programme
- Blue Print to Progress
- State Economic and Empowerment Development Strategies

1.3. SUMMARY AND CONCLUSION

In line with the policy direction of the government, the MDAs in the public finance sector have been sensitized over the years to adapt national and international policy documents like Global Economic Outlook, National Statistical Master Plan, State Partnership for Accountability, Responsiveness and Capability (SPARC). These approach will further promote faster economic growth, generate employment, create new opportunities for emerging businesses and create the needed opportunity to meet the State medium and long term development goals.

The programmes of the sector, being a service sector, were designed to provide accelerated effects to the goals of the sector which have wide multiplier effect on other sectors and the State economy at large.

This section presents a summary of the key strategic directions outlined in this document and briefly describe how the priorities were arrived at (the evaluation and selection process used) given the budgetary constraints that the Sector faces.

1.4. OUTLINE OF THE STRUCTURE OF THE DOCUMENT

This document has five chapters dealing with different aspects of the medium sector strategy. The first chapter gives a brief introduction and snapshot of what the whole document entails. Chapter two delves into the historical facts of the State, overview of the policy document and current realities of the public finance sector as well as the goals and programmes of the sector. The third chapter considers development of sector's strategies. Chapter four shows the 2018-2020 expenditure projections. While the fifth chapter proposes a timeline for the implementation of the sector's strategies: when, where and how data will be obtained to determine the level of achievement of stated goals.

CHAPTER 2

THE SECTOR AND POLICY IN THE STATE

2.1 A BRIEF HISTORY OF THE STATE

Ondo State, generally referred to as the “Sunshine State”, was created from the defunct Western State on 3rd February, 1976. Before its creation, the State existed as the Ondo Province of the old Western State. The present Ondo State came to being when Ekiti State was carved out of it in October 1996. The State has land area of approximately 15,317sq kilometers representing 1.66 percent of the total surface area of Nigeria. The population of the State in year 2006 census was 3,460,877 made up of 1,745,057 males and 1,715,820 females representing 50.42% and 49.58%, respectively. Ondo State has the longest coastline in Nigeria with considerable territorial waters offshore, rich in aquatic and mineral resources of significant quantity.

Ondo State is located within Latitude 50 45' and 70 52'N and Longitudes 4020' and 6005' E. The Administrative capital is Akure while there are 18 local governments in the State and is bounded in the North by Ekiti and Kogi States, in the East by Edo State, on the West by Osun and Ogun States and in the South by the Atlantic Ocean. Ondo State is located entirely within the tropics.

The tropical climate of the State is broadly of two seasons: rainy season (April-October) and dry season (November March). The temperature throughout the year ranges between 21oC to 29oC and humidity is relatively high. The annual rainfall varies from 2,000mm in the southern areas to 1,150mm in the northern areas. The State enjoys luxuriant vegetation with high forest zone (rain forest) in the south and sub-savannah forest in the northern fringe.

The geology of the State is made up of the basement complex which is essentially non-porous, and water can only be found in the crevices of the complex. The rock types include quartz, gneisses and schists. This basement complex primarily underlies the sedimentary layers which consist of cretaceous, tertiary and quaternary sediments deposited in the coastal basin.

The State's Economy is basically agrarian with large scale production of cocoa, palm produce and rubber. Other crops like maize, Kolanut, yam and cassava are produced in large quantities. 65 percent of the State's labour force is in the agriculture sub-sector.

The State is also blessed with very rich forest resources where some of the most exotic timber in Nigeria abounds.

Ondo State is equally blessed with extensive deposits of crude oil, bitumen, glass sand, kaolin, granites and limestone. Therefore, the State has great potentials for rapid industrial growth in view of its raw materials base. The tourism potentials of the State is also high as its historical sites, long coastline, lakes, forest and cultural events can be developed for tourism. The fact that Ondo State is arguably the most Peaceful State in the Oil Rich Niger-Delta region, made her the most viable investment destination of all times.

2.2 A BRIEF INTRODUCTION OF THE SECTOR

The public finance sector was created for the purpose of preparing Medium Term Sector Strategy (MTSS). The sector is aimed at ensuring the fiscal sustainability and development of the state.

The Ministries, Departments and Agencies (MDAs) in the sector are structured to facilitate the speed of service delivery and complementing the programmes of government. The sector is also expected to ensure accountability, transparency and effective monitoring of the people's resources by way of affirming due process in adherence to financial regulations.

The sector comprises the following MDAs:

- Ministry of Economic Planning and Budget
- Ministry of Finance
- Ministry of Commerce and Industry
- Office of Accountant-General
- Directorate of Public Private Partnership
- Micro Credit Agency
- Board of Internal Revenue
- Bureau of Statistics
- Auditor General's Office
- Debt Management Office

The broad functions of the sector include the following:

- Visualizing a prosperous future for the State and its citizens and chart the course that will make it happen through plans and policies;
- Provide the framework that will aid decision-making and guide reforms and change programmes;
- Formulate plans for the most effective and balanced utilization of the State's Resources
- Draw up from time to time, the State's economic priorities and programmes and map out implementation strategies.
- To ensure accountability, transparency and effective monitoring of the State resources.

2.3 THE CURRENT SITUATION IN THE SECTOR

2.3.1 Ministry of Economic Planning and Budget

The Ministry of Economic Planning and Budget was first established in the year 1979 during the first civilian administration in the State. It was then called Ministry of Economic Planning and Statistics. However, in 2009 it was

renamed Ministry of Economic Planning and Budget. The Ministry is headed by the Commissioner while the Permanent Secretary is the administrative head of the Ministry and the Accounting Officer that oversees all its programmes. The Ministry has five Departments namely:

- Planning
- Budget
- Finance & Administration
- Plans, Budget Performance, Monitoring & Evaluation
- Programme Analyst.

The Departments are headed by directors and each is structured along functional activities called divisions.

The main functions of the Ministry are:

- To advise on policies that will promote the economic and social development of the state.
- To coordinate the formulation and implementation of government programmes as contained in annual budgets, medium term plans and perspective plans.
- To prepare development plans designed to accelerate the growth and development of the economy.
- To carry out periodic review of the programmes and projects in development plans in order to achieve the set objectives of the state government.
- To prepare annual and supplementary estimates of government which embody development projects and programmes.
- To appraise budget performance.

2.3.2 Ministry of Finance

The Ondo State Ministry of Finance has the responsibility of controlling, disbursing, and monitoring State Government financial activities with the aim of achieving the objectives of government.

The Ministry ensures that the management of the state finances is carried out in an open, transparent, accountable and efficient manner, facilitating the delivery of the government and people development priorities. Precisely, the Ministry is responsible for revenue generation, takes charge of Government funds, and releases approved funds to the various arms of government.

The Ministry maintains a policy of due process and prudent management of available resources, to efficiently deploy such into meeting social and economic needs of the people. The ultimate goal is to ensure that the people get value for money in the execution of government programs and projects.

The Ministry is headed by the Commissioner while the Permanent Secretary is the administrative head of the Ministry and the Accounting Officer that oversees all its programmes. It has five directors handling the departments of Finance and Administration, Accounts, Expenditure, State Finances and Debts Management Office.

2.3.3 Directorate of Public Private Partnership

The Ondo State Directorate of Public Private Partnership was established in April, 2010, as a strategy to midwife public private investments between the State Government and the private investors. It has the mandate to engage and evaluate project proposals of the would-be investors (private partners) who are desirous of collaborating with the State Government, with a view to developing workable and mutual relationship.

It is a platform which involves relationship between the State Government and the private sector, in which the private sector provides public services or projects and takes substantial financial, technical and operational risk in the projects. It allows government to meet its primary roles in providing infrastructure and other social services, without having to bear the entire financial burden.

The Directorate is headed by a Coordinator. It has full complement of the Civil Service as an MDA with a Secretary as the accounting officer and two departments headed by directors. It comprises different experts across the major

professional areas as they relate to PPP.

The Directorate works closely with Ministries, Departments and Agencies (MDAs) that are involved in PPP projects delivery, and report to Mr. Governor and the State Executive Council through the SSG for necessary approvals as appropriate.

2.3.4 Ondo State Micro Credit Agency

The Ondo State Micro Credit Agency was established in April, 2000 with the aim to operate an effective, efficient and sustainable Micro-credit delivery service for employment generation, poverty reduction and wealth creation among the people of Ondo State. The Board of the agency is composed of a full time chairman, four full time members and three institutional members with the General Manager as the accounting officer and the administrative head.

The Agency has three departments headed by directors and eighteen area offices in all the Local Governments Areas of the State. In each area office, we have one Credit Officer and one Assistant Credit Officer.

2.3.5 Ondo State Bureau of Statistics

The Ondo State Bureau of Statistics was established in September, 2010 following the upgrading of the Department of Research and Statistics in the Ministry of Economic Planning and Budget by the Ondo State Statistics Law, 2010.

The Bureau has the mandate to generate and disseminate Statistical information relating to the social and economic conditions of inhabitants of the State. In its capacity as the Central Statistical Agency, the Bureau coordinates the State Statistical System and collaborates with Ministries, Departments and Agencies as well as Local Governments in data production. In addition, the Bureau serves as the authoritative source and custodian of official Statistics in the State.

The Bureau is supervised by the State Commissioner for Economic Planning & Budget in his capacity as the Chairman

of Board of Directors of the Agency. The Bureau has the Statistician-General as the Accounting Officer who doubles as the Secretary of the Board. The day to day activities of the Bureau is being guided by the Statistician-General and supported by four Directors in charge of the four directorates.

The organizational structure is designed and operated in such a manner to enhance efficient workflow and effective line of authority.

2.3.6 State Accountant-General's Office

The office of the Accountant General is the Treasury of government with the sole responsibility of receiving, safekeeping and disbursing government fund. It is also responsible for book keeping of all financial transactions of the government as well as rendering relevant financial reports on government activities.

The Office is headed by the Hon. Commissioner for Finance as the Political head and the Accountant General who is the Chief Accounting Officer of all Receipts and Payments of the State Government.

For effective and efficient administration of the Office of the Accountant General, it is structured into five (5) functional Directorates/Departments and each of the Department is headed by a substantive Director.

The Mandate of the Office of the Accountant General includes the following:-

- Ensure keeping of proper system of Accounts as approved by the Government.
- Supervise all receipts and payments of public funds.
- Maintenance of Treasury Cash Offices across the State
- Classification of fund into Heads and Sub-Heads of revenue and expenditure.
- Ensure safety of all funds, receipt books, licenses and other security documents.
- Strict supervision of Accounts staff and monitoring their activities across MDAs to ensure adequate precaution against fraud.

- Compile financial reports received from MDAs
- Consolidate and produce the Annual Financial Statements of the State Government.
- Administer payment of Salaries, Pensions and Subventions to Parastatals and Tertiary Institutions.
- Advise Government on investment activities with idle funds and matured securities.
- Cash Flow management to ensure continuous liquidity
- Management of Subsidiary Accounts to Public Servants.

2.3.7 Ministry of Commerce, Industry and Cooperative

The Ministry of Commerce, Industry and cooperative has the mandate to encourage commercial and industrial development of the State through promotion of Trade, Investment and Industrial activities. Since the inception of the State in 1976, it has facilitated the establishment of various Industries and Commercial enterprises across the three senatorial districts in the State. The overall mandate of the ministry is employment generation and socio-economic development. Basic to this, is the provision of conducive investment climate to attract high-net-worth local and foreign investment in areas where the State has comparative advantage. The Ministry is headed by a Commissioner as the political head, while the Permanent Secretary is the Accounting Officer and six departments and each headed by a Director.

The functions of the Ministry amongst others are:

- Promotion and Management of Government investment;
- Establishment of new industries and resuscitation of moribund industries in partnership with local and foreign investors;
- Planning and coordination of State investment/industrial programmes;
- Monitoring of private/public industrial sector and preparation of reports;
- Management and maintenance of industrial Parks, industrial estates and cluster industrial centre in the State;
- Facilitate access to funds, grants, and revolving loans for SME's.
- Promote the development of non-oil exportable products of Ondo State through the State's Export Promotion

Committee.

- Promote uniformity of market standard measure across the State.
- Management of State own market
- Collection of haulage fee on manufactured /finished goods
- Publishing market calendar annually.
- Participating in Trade Fairs and exhibitions to show-case industrial and agricultural potentials of the State.
- Registering all Businesses and licensing of Artisans in the State.

2.3.8 State Auditor-General's Office

The Office of the Ondo State Auditor-General is very critical to ensure good governance by way of promoting accountability and transparency in the utilization of public fund.

In realization of the above, the Constitution of the Federal Republic of Nigeria, 1999 (as amended) mandated each State of the Federation to have an Auditor-General who shall be appointed in accordance with the provision of Section 126 of the same Constitution.

The Constitution and the State Public Audits Law empowered the Auditor General to audit the public accounts of the State, offices and courts of the State.

The Office of the State Auditor-General is headed by the Auditor-General for Ondo State, who was appointed in accordance with the provision of section 126 of the Constitution of the Federal republic of Nigeria, 1999 (as amended). Presently, the Office has seven Directorates, five Zonal offices, four branches and three units. The Directorates are headed by Directors while the units are headed by the unit heads that are responsible to the Auditor-General.

2.3.9 Board of Internal Revenue

The Board of Internal Revenue is under the Ministry of Finance. It is headed by a Chairman who is the administrative head, there are seven (7) departments each headed by a Director. The core functions of the Board involve revenue generation, supervision, monitoring and review of policies on revenue and other forms of levies and fees imposed on taxpayers.

2.3.10 Debt Management Office

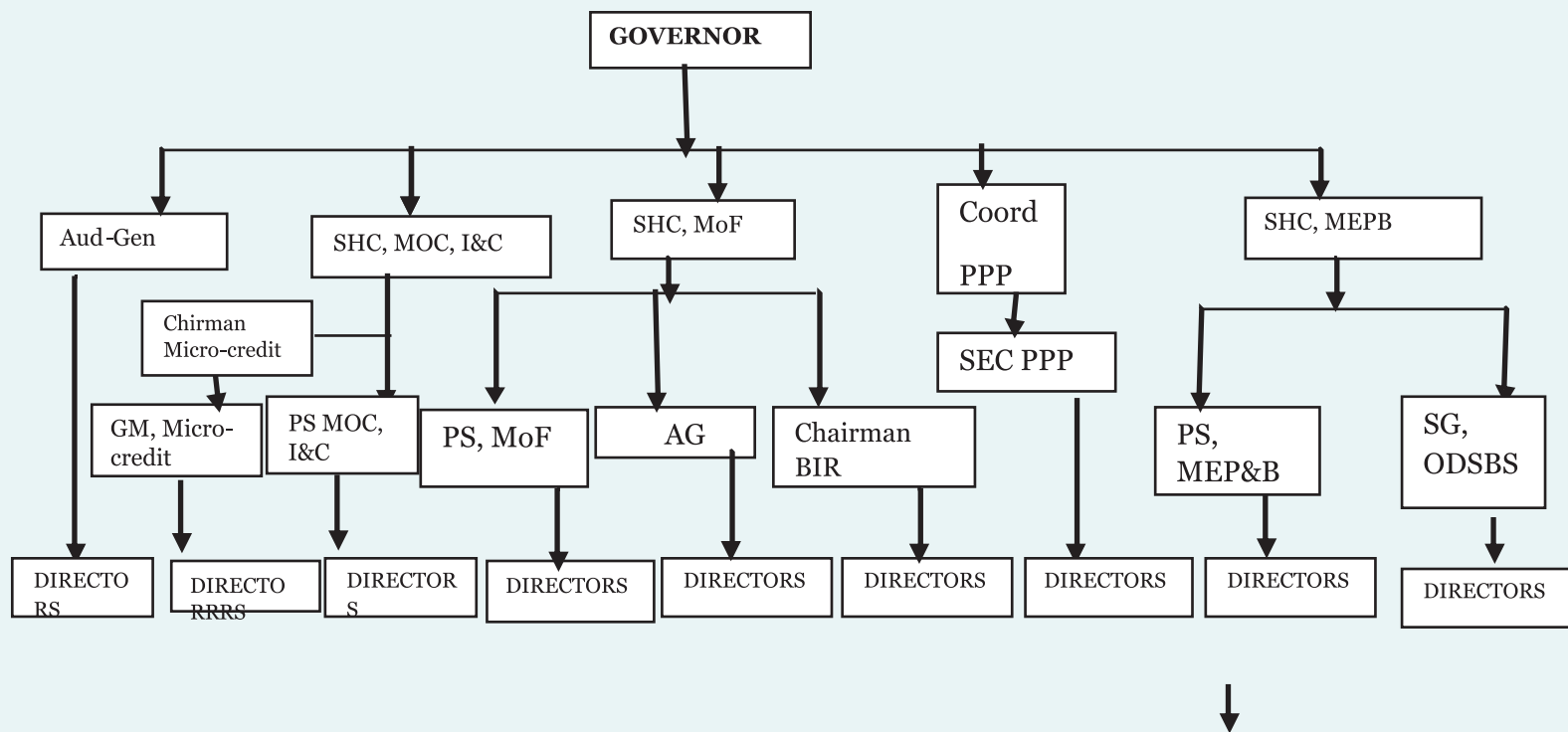
Act of parliament Law no 5 2011 established a body to be known as the Ondo State Debt Management Office (in this Law referred to as "the office") The office as a body corporate with perpetual succession and a common Seal. There is established for the office a Board to be known as the Ondo State Debt Management Office. The Board shall consist of the Commissioner for Finance who shall be the chairman, the Commissioner for Budget and Economic Planning who shall be the Vice Chairman, the Secretary to the state Government, Accountant General of the state, a representative of the private sector appointed by the Governor shall be a person competent in financial matters and a Legal practitioner who is a representative of the Attorney General and commissioner for Justice of the State, The Director shall serve as secretary to the Board, Staffing of the Office shall be in line with the civil service Appointment, Others, Head Front Office, Head Back Office, Strategic Officer, Negotiating staff, Monitoring Officer, Accountants, Head of Administrative, Operators and Administrative staff.

- Issue, on behalf of the State, such instrument as the State may desire from time to time,
- borrow on behalf of the Government from any individual in international bodies
- Prepare and implement plan for the efficient management of the state's debt obligation at sustainable levels and participate in negotiations aimed at realising those objectives
- Verify and service debts granted or taken directly by the government
- Reconcile and where applicable services debt taken by local governments where such debts are authorized and Grantee by the government

- Establish and maintain relationships with international and local financial institutions, creditors and institutional investors in government debts.
- Carryout such other functions which are required for the effective implementation of its functions under this Law or any other Law, or which may be delegated it by the commissioner.

2.4 OVERVIEW OF THE SECTOR'S INSTITUTIONAL STRUCTURE

Figure 1: Organogram of Public Finance Sector



2.3 STATEMENT OF THE SECTOR'S VISION, MISSION AND CORE VALUES

VISION: To render exceptional services that will transform Ondo State to become a world-class state in human (citizens) development.

MISSION: To engineer sustainable human and economic development.

CORE VALUES ARE:

- i. Dedication and commitment
- ii. Integrity, transparency, prudence and honesty
- iii. Responsive service delivery with accountability
- iv. Professional competence and team spirit

2.4 SECTOR POLICY

The sector maintains a policy of due process and prudent management of available resources, to efficiently deploy such into meeting basic social and economic needs of the people. The ultimate goal is to ensure that the people get value for money in the execution of government programmes and projects.

The current operational plan of the Ondo State Public Finance Sector is majorly derived from these documents: Ondo State Economic and Empowerment Development Strategies (ODSEEDS), Ondo State component of Vision 20:2020, Ondo State Vision 20:2020 First Implementation Plan, A CARING HEART programme and Millennium Development Goals (MDGs)/ Sustainable Development Goals(SDGs)

Table 2.1 Current Strategic Direction and Operational Plan of the MDAs

CURRENT STRATEGIC DIRECTIONS	OPERATIONAL PLAN	RESPONSIBILITY
Increased Internally Generated Revenue	<p>Consolidating and extending the revenue base and improving the efficiency of collection which is essential to sound PFM.</p> <p>Transparency, predictability and fairness in the implementation and collection of tax and in the tax department's interaction with citizens; and</p> <p>Ensuring full and timely accounting for all government revenues and receipts;</p>	Board of Internal Revenue
Improved budgeting	<p>Preparation of Multi-Year Budget Framework (MYBF), MTSS and Budgets including development of Work Plans.</p> <p>Ensuring that annual and/or multi-year budget is based on a medium- to long term framework.</p> <p>Ensuring a participatory and transparent budget by ensuring that all stakeholders' inputs are considered and incorporated into the budget.</p> <p>Ensuring that the budget reflect overall economic policy (both in focus and scale);</p>	Ministry of Economic Planning and Budget
Improved planning processes	<p>Effective planning is based on sound information on current expenditure trends, and address short (next budget), medium, and long-term issues;</p> <p>Development of plans that are flexible and revisited periodically as circumstances change and plans fall out of date;</p>	Ministry of Economic Planning and Budget

CURRENT STRATEGIC DIRECTIONS	OPERATIONAL PLAN	RESPONSIBILITY
	Institutionalization of planning processes at all levels of government.	
Budget implementation, accounting, and reporting.	<p>Budget implementation must comply with accounting and financial management laws;</p> <p>Better implementation by ensuring good performance and value for money in government operations, cut government cost and wastage;</p> <p>Capacity and capacity development of workers especially training in modern public financial management techniques;</p>	<p>Ministry of Finance</p> <p>Ministry of Economic Planning and Budget</p> <p>Office of Accountant-General</p> <p>Office of the Auditor-General</p>
Open and accountable procurement policies	<p>Putting in place procurement guidelines that are consistent with principles of transparency, fairness, openness and value for money;</p> <p>Strict scrutinized and accountable procurement procedures, with regard to tender processes.</p>	<p>Office of the Auditor-General</p> <p>Office of the Accountant-General</p> <p>Project Prices Monitoring Unit (PPMU)</p>
Creating enabling environment for Investment to thrive	Put in place effective and efficient incentives to investors	Ministry of Commerce and Industry/ Public Private Partnership.
Evidence-Based Planning and Budgeting.	Generating and disseminating statistical information relating to the social and economic conditions of inhabitants of the State to enhance planning and budgeting	Ondo State Bureau of Statistics (ODSBS)

2.7 THE SECTOR'S GOALS AND PROGRAMMES FOR 2018-2020

Table 1: Summary of State Level Goals, Sector Level Goals, Programmes and Outcomes

STATE LEVEL GOAL	SECTOR LEVEL GOAL	PROGRAMME	OUTCOME
Goal 1: Aggregate fiscal discipline	Improved fiscal framework	Public Sector Governance Reform Project	Prudent management of Public Fund entrenched
Goal 2: Deliver projects that are of high economic value	Effective allocation of state resources to priority projects	Budget reform: <ul style="list-style-type: none"> – preparation of Multi-Year Budget Framework – development of Medium Term Sector Strategy – Implementation of Public Financial Management Law (PFML) – Implementation of State Integrated Financial Management Information System (SIFMIS) 	Completion of projects ensured
Goal 3: Reduction of corruption and corrupt tendencies in public financial management	Promote accountability and transparency in the management of public resources	<ul style="list-style-type: none"> – Implementation of International Public Sector Accounting Standard – Implementation of SIFMIS – Implementation of PFML – Implementation of State Public Audit Law 	Reduced incidences of corruption in public service
Goal 4: Make the state less dependent	Achieving annual growth rate of 25% IGR.	<ul style="list-style-type: none"> – Collaboration with World Bank on tax reform 	Increased Internally Generated Revenue

STATE LEVEL GOAL	SECTOR LEVEL GOAL	PROGRAMME	OUTCOME
on Federal allocation		<ul style="list-style-type: none"> – Conduct statewide tax survey and development of an electronic data base management system for tax administrator – Restructuring of Board of Internal Revenue 	
Goal 5: Make the state a safe investment destination for investors.	<ul style="list-style-type: none"> – Provide enabling environment for investors – Enhance participation of private sector in the development of the state 	<ul style="list-style-type: none"> – Make levies and tax rates investment friendly – Provision of infrastructural facilities – Facilitating easy access to capital for small scale business in the state by providing loans at a single digit interest rate – Creation of one stop investment shop 	Increased investments

2.7.1 Goals, Programme and Outcome Deliverables

SECTOR GOALS	PROGRAMME/ PROJECTS	OUTCOME DELIVERABLES	KPI OF OUTCOME	CURRENT OUTCOME VALUE IN 2017 (%)	OUTCOME TARGET (%)		
					2018	2019	2020
Goal 1: Improve fiscal framework	Public Sector Governance Reform Project	Prudent management of state resources entrenched	Three (3) Major reforms to function (Public Financial Management, Human Resources, Monitoring and Evaluation)	Developed framework for the implementation of the 3 reforms in place	Secure approval for the fiscal instruments to implement reforms	Pilot implementation of the 3 reforms	Full implementation of the 3 reforms to commence
Goal 2: Effective allocation of state resources to prioritized projects	Budget reform; preparation of Multi-year Budget Framework; and development of Medium Term Sector Strategy Review of the State Financial Management Law,	Resources are allocated to Prioritized projects	MYBF, MTSS and PFM law in place	Draft MYBF, MTSS and PFM law produced	MYBF, MTSS and PFM law approved, implementation commenced	Full implementation commenced	
Goal 3: Promote accountability and transparency in the management of public resources	Adoption of International Public Sector Accounting Standard	Reduced incidences of corruption in public service Public Confidence strengthened	100% IPSAS Compliant Budget preparation, implementation and reporting	40%	60%	70%	100%
Goal 4: Achieving annual growth rate of IGR.	Collaboration with World Bank on tax reform; Conducted statewide tax survey and development of an electronic data base management system for tax administrator; Conduct of training for BIR staff on the use of tax payer database; Drafted and conducted validation workshop on BIR policy and new	Improved growth rate of the state's internally generated revenue	200% annual increase in the state IGR	12bn	15bn	18bn	24bn

SECTOR GOALS	PROGRAMME/ PROJECTS	OUTCOME DELIVERABLES	KPI OF OUTCOME	CURRENT OUTCOME VALUE IN 2017 (%)	OUTCOME TARGET (%)		
					2018	2019	2020
	business process; conducted census on business and industrial establishments to ascertain their numbers for a realistic revenue generation;						
Goal 5 :Provide enabling environment for investors	<ul style="list-style-type: none"> – Make levies and tax rates investment friendly – Provision of infrastructural facilities – Facilitating access of small business in the state to capital by providing loans at a convenient interest rate – Creation of one stop investment shop 	Increased investments	50% increase investments (Local & Foreign)	8 new investment (Local and Foreign)	15 investments (Local and Foreign)	30 investments (Local and Foreign)	40 investments (Local and Foreign)
Goal 6: Enhance participation of private sector in the development of the state	<ul style="list-style-type: none"> – Establishment of public private partnership office in the state; – Development of policies that spell out the roles of all stakeholders, generating and disseminating, statistics that can be used by both the public and private sector operators to plan their socio-economic interventions in the State. 	Increased participation of private investors in government programme and projects	40 New private sector investments established in the state	10	17	22	25

CHAPTER 3

THE DEVELOPMENT OF SECTOR STRATEGY

3.1 MAJOR STRATEGIC CHALLENGES

- 1 **National Economic Recession:** There has been a national economic meltdown occasioned by fall or drop in oil price in international market, exchange rate loss, fall in export and import in business transactions between nations.
- 2 **Monolithic structure of the economy:** The over-reliance on oil in Nigeria has led to economy melt down. The nation's development and budget since 1970 has been based on the fortunes or otherwise of the oil sector. This has caused serious imbalance in the economy since Agricultural Sector has been totally neglected.
- 3 **Dwindling allocation from Federation Account:** The dwindling resource accruable to the Federal Government which was as a result of reliance on mono-product economy and downturn in the prices of oil has constituted a major challenge to the States of which Ondo State is not exempted. This has led to a huge funding gap on both recurrent expenditure and capital projects more so that sourcing for facilities at a single digit rate from banks could be extremely difficult.
- 4 **Insecurity:** Nigeria has been characterized with terrorism orchestrated by the Boko Haram in the North Eastern part, the recent Militancy in the Niger Delta, kidnapping, Cultism and killings by the Fulani Herdsmen. The activities of these groups have brought about untold hardship to thousands of Nigerians, vandalisation of

State infrastructures and scaring of foreign investors and distractions on the part of the government both at Federal and State levels.

3.2 RESOURCE CONSTRAINTS

1 Dwindling revenue receipt from the Federation Account:

Drop in the price of crude oil and quantity shock has assailed Nigeria economy. Revenue generally continues to fall against the budget projections.

2 Securing the commitment of Donor partners:

Inadequacy of political will to enable the donor agency have full implementation of their programs.

3 Low Internally Generated Revenue:

Due to global economic meltdown which led to reduction in the Federal allocation to the State, standard of living of citizenry has drastically reduced most tax payers find it difficult to pay up their taxes. New Sources of revenue has met with hard resistance from the Public.

4 Servicing of State debt:

Due to the dwindling revenue from the federation account, the State resorted to borrowing which has led to a substantial debt service cost. This has a great impact on the state resources.

Table 2: Summary of 2016 Budget Data for the Sector

ITEM	APPROVED BUDGET (N) IN 2016	AMOUNT RELEASED (N) IN 2016	ACTUAL EXPENDITURE (N) IN 2016	AMOUNT RELEASED AS % OF RELEASES	ACTUAL EXPENDITURE AS % OF RELEASES
PERSONNEL	991,257,179.19	727,231,797.45	727,231,797.45	73.36	100.00
OVERHEAD	439,256,000.00	362,673,711.79	361,833,587.03	82.57	99.77
CAPITAL	1,924,193,810.56	793,994,502.02	796,129,787.87	41.26	100.27
TOTAL	3,354,706,989.75	1,883,900,011.26	1,885,195,172.35	56.16	100.07

Table 3: Summary of 2017 Budget Data for the Sector

ITEM	APPROVED BUDGET (N) IN 2017	AMOUNT RELEASED (N) IN 2017	ACTUAL EXPENDITURE (N) IN 2017	AMOUNT RELEASED AS % OF RELEASES	ACTUAL EXPENDITURE AS % OF RELEASES
PERSONNEL	892,604,140.94	627,213,781.97	579,815,494.28	70.27	92.44
OVERHEAD	443,800,000.00	199,051,800.80	199,051,800.80	44.85	100.00
CAPITAL	3,110,208,000.00	157,831,271.65	157,831,271.65	5.07	100.00
TOTAL	4,446,612,140.94	984,096,854.42	936,698,566.73	22.13	95.18

Table 4: Summary of the Review of Ongoing and Existing Projects Scorecard

(Ranked by Average score for Ongoing and Existing Projects and by Final Score for New Projects)

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
Ongoing and Existing Projects									
1	Provision of Equipment for the information unit (MoF)	3	4	4	4		2.8	8	Sufficient and convincing evidence of moderate positive impact
2	Construction and Renovation of BIR outstation offices	2	2	3	2		1.8	15	Approval for construction received
3	Replacement of Wooden Doors and Window Frames and Tiling of offices in the Ministry and Debt Management Department	3	4	4	4		3	5	Sufficient and convincing evidence of moderate positive impact
4	Design of Framework for the Computation of State Gross Domestic Product (GDP)	4	4	4	4		3.2	1	State counterpart fund paid
5	Web-portal for the Ministry Maintenance and Subscription	4	4	4	4		3.2	1	Abundant and convincing evidence of substantial positive impact from existing commitment
6	Construction of treasury Building	3	3	3	3		2.4	14	Sufficient and convincing evidence of moderate positive impact

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
Ongoing and Existing Projects									
7	Renovation and partitioning of offices in the Ministry (Audit, State Finances, Accounts Expenditure and Registries).	4	4	3	4		3	5	Some evidence of moderate positive impact
8	Construction of Cassava Processing Plant Ikoya Okitipupa LG	4	4	4	4		3.2	1	Sufficient and Convincing evidence that the project has attained 80% completion
9	Rehabilitation and Reticulation of Ministry's Borehole including Overhead Storage Tank (Steel)	4	3	4	4		3	5	Abundant and convincing evidence of substantial positive impact from existing commitment
10	Budget reform projects	4	4	3	3		2.8	8	Abundant and convincing evidence of substantial positive impact from existing commitment
11	Development of Monitoring and evaluation framework	4	4	3	3		2.8	8	Abundant and convincing evidence of substantial positive impact from existing commitment
12	Audit reform project	4	4	3	3		2.8	8	Abundant and convincing evidence of substantial positive impact from

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
Ongoing and Existing Projects									
									existing commitment
13	Development of accounting expenditure control and financial reporting (AEFIR)	4	4	3	3		2.8	8	Abundant and convincing evidence of substantial positive impact from existing commitment
14	State integrated financial management information system (SIFMIS)	4	4	3	3		2.8	8	Abundant and convincing evidence of substantial positive impact from existing commitment
15	Web-portal for the Bureau of Statistics Maintenance and Subscription	4		4	4		3.2	1	Abundant and convincing evidence of substantial positive impact from existing commitment
New Projects									
1	Conduct of statistical surveys	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
2	Investment certification programmes for states	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
3	Establishment of one-stop	NA	NA	NA	NA	4	4	1	The Project met criterion 5

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
New Projects									
	investment shop								and vital to the sector's goals
4	Development and Dissemination of state Socio-economic Data Bank	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
5	Data Collection and Computerisation of the State GDP	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
6	Production and Distribution of Statistical Publications	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
7	Purchase of Conference Table and Chairs	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
8	Renovation of SG's Office	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
9	Purchase of Vehicles for Data Collection Activities 2 Hilux, 1 Corolla Salon Car	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
10	Production of Administrative	NA	NA	NA	NA	2	2	15	The Project met criterion 5

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
New Projects									
	Data (ODBS)								and will contribute to achieve the sector's goal
11	Renovation and Re-roofing of Office Building at Ondo and Okitipupa (State Audits)	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
12	Procurement of Official Car (Toyota Corolla) for the Auditor General	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
13	Development of Industrial Park (Master Plan) MCI&I	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
14	Purchase of Vehicle - 4 Hilux, 1 (18 Seater) Buses for generating of revenue	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
15	Technical/Geophysical survey on Limestone deposit	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
16	Technical Viability and Installation of Briquette equipment	NA	NA	NA	NA	3	3	11	The Project met criterion 5 and substantial to the sector's goal
17	Entrepreneurship Development	NA	NA	NA	NA	2	2	15	The Project met criterion 5

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
New Projects									
	Programme (EDP)								and will contribute to achieve the sector's goal
18	Valuation of Industries - Alpha 3D, Okitipupa Oil Palm, Tomato Factory Arigidi	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
19	Renovation of TCOs at Okitipupa, Ondo, Igbokoda, Ido-Ani and other 14 LGAs	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
20	Purchase of Toyota Avensis with Accessories for the AG	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
21	Valuation of Government Assets (Properties/plants/Equipment)	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
22	Acquisition of ICT for implementation of IPSAS and Provision of Internet Network facility	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
23	Printing of new public finance management laws	NA	NA	NA	NA	3	3	11	The Project met criterion 5
24	Procurement of Hardware	NA	NA	NA	NA	4	4	1	The Project met criterion 5

S/N	PROJECT TITLE	CRITERION 1	CRITERION 2	CRITERION 3	CRITERION 4	CRITERION 5	AVERAGE / FINAL SCORE	RANK	JUSTIFICATION
New Projects									
	components (System Maintenance) and Installation Tools								and vital to the sector's goals
25	Procurement of Software Development Kits, Antivirus and others	NA	NA	NA	NA	4	4	1	The Project met criterion 5 and vital to the sector's goals
26	Provision of Internet Facilities for the Ministry	NA	NA	NA	NA	2	2	15	The Project met criterion 5 and will contribute to achieve the sector's goal
27	Capacity Building for Programme Analyst (Professional Training) and ICT Training for Staff of the Ministry	NA	NA	NA	NA	3	3	11	The Project met criterion 5 and substantial to the sector's goal
28	Identification and verification of all government assets	NA	NA	NA	NA	3	3	11	The Project met criterion 5 and substantial to the sector's goal
Note: NA = Not Applicable Criterion 1 = Evidence that the Existing Projects are indeed Ongoing Criterion 2 = Clarity of Current Justification for Budget Commitment Criterion 3 = Current Impact of Budget Commitment Criterion 4 = Likelihood of Completion in 2017 – 2019 Time frame. Criterion 5 = Relation to the Sector's goals									

Table 5: Capital Costs Commitments

S/N	PROJECT TITLE	STATUS OF COMPLETION	CONTRACT SUM (N)	AMOUNT PAID TO DATE	OUTSTANDING COMMITMENT
1	Treasury House	42%	386.243,064.34	124.289,173.99	286.440,000.00
2	Construction of SIFMIS ICT Primary Data Centre	100%	35,000,000.00	31,000,000.00	4,500,000.00
	Total		421,243,064.34	155,289,173.99	290,940,000.00

Table 6: Personnel Costs Existing and Projected

Number of Staff					
LINE MDAS OF THE SECTOR	2017 BUDGET	2017 ACTUAL (JAN – SEPT.)	2018 = 105% OF 2017	2019 = 105% OF 2018	2020 = 105% OF 2019
Accountant General Office	0.00	0.00	0.00	0.00	0.00
Auditor General Office	211,641,228.40	120,846,500.00	222,223,289.82	233,334,454.31	245,001,177.03
Board of Internal Revenue	309,253,487.96	156,726,480.33	324,716,162.36	340,951,970.48	357,999,569.00
Bureau of Statistics	40,770,803.64	33,306,080.13	42,809,343.82	44,949,811.01	47,197,301.56
Commerce & Industry	75,394,776.96	5,985,943.97	79,164,515.81	83,122,741.60	87,278,878.68
MEPB	90,067,358.11	60,739,710.95	94,570,726.02	99,299,262.32	104,264,225.43

Number of Staff					
LINE MDAS OF THE SECTOR	2017 BUDGET	2017 ACTUAL (JAN – SEPT.)	2018 = 105% OF 2017	2019 = 105% OF 2018	2020 = 105% OF 2019
Ministry of Finance	136,671,546.99	181,638,491.20	143,505,124.34	150,680,380.56	158,214,399.58
Micro-Credit Agency	28,804,938.88	20,572,287.70	30,245,185.82	31,757,445.12	33,345,317.37
Debt Management	0.00	0.00	0.00	0.00	0.00
Public Private Partnership	0.00	0.00	0.00	0.00	0.00
Total Cost (N)	892,604,140.94	579,815,494.28	937,234,347.99	984,096,065.39	1,033,300,868.66

Note: The personnel emoluments are consolidated

Table 7: Overhead Costs Existing and Projected...

ITEM OF OVERHEADS	2016 ACTUAL	2017 APPROVED	2018	2019	2020
Local Travel and transport, Others	103,076,823.74	166,410,000.00	174,730,500.00	183,467,025.00	192,640,376.25
Electricity Charges	7,630,857.16	19,220,000.00	20,181,000.00	21,190,050.00	22,249,552.50
Telephone Charges	10,986,298.50	22,790,000.00	23,929,500.00	25,125,975.00	26,382,273.75
Office Stationeries/ Computer Consumables	19,413,746.58	54,600,000.00	57,330,000.00	60,196,500.00	63,206,325.00

ITEM OF OVERHEADS	2016 ACTUAL	2017 APPROVED	2018	2019	2020
Maintenance of office furniture	17,203,213.00	41,200,000.00	43,260,000.00	45,423,000.00	47,694,150.00
Maintenance of Motor Vehicle/ Transport Equipment	24,830,881.26	54,782,000.00	57,521,100.00	60,397,155.00	63,417,012.75
Other Consulting service	200,600.00	2,530,000.00	2,656,500.00	2,789,325.00	2,928,791.25
Local Training	31,923,207.16	88,448,000.00	92,870,400.00	97,513,920.00	102,389,616.00
Refreshment & Meal/Entertainment	8,965,328.58	19,660,000.00	20,643,000.00	21,675,150.00	22,758,907.50
Welfare Packages	50,192,139.26	78,020,000.00	81,921,000.00	86,017,050.00	90,317,902.50
Outstanding Liabilities	0.00	0.00	0.00	0.00	0.00
Printing of security Document	8,169,385.00	24,830,000.00	26,071,500.00	27,375,075.00	28,743,828.75
Total Cost (N)	282,592,480.24	572,490,000.00	601,114,500.00	631,170,225.00	662,728,736.25

Note: If the overhead costs are consolidated, put the total under the Total Cost row.

3.3 CONTRIBUTIONS FROM PARTNERS

Obviously, this sector has benefitted immensely from a number of Development Partners over the years in order to transform and reposition the sector in line with international best practices. Presently, the World Bank, under the

Public Sector Governance Reform and Development Project has been supporting the State towards reforming the following key areas:

- i. Public Financial Management Legislations (PFML)
- ii. Budget reform, basically on preparation and implementation
- iii. Accounting, Expenditure and Financial Control
- iv. Human Resources management
- v. Preparation of the State Development Plan
- vi. Audit Reform
- vii. Tax Reform

In the light foregoing, the State government has shown a high level of commitment to good governance reform.

Similarly, a number of projects have been completed and inaugurated through PPP arrangement. These include Akure Shopping Mall, Gani Fawehinmi Diagnostic Centre, Ondo etc. It should be noted that above projects are completed and put into use.

For the purpose of enhancing public participation in budgeting and other activities of the sector, the State budget portal has a module which allows individuals, group of persons, Non-governmental organisations and others to present their views and submit inputs on the various activities of government. These are carefully considered and incorporated where necessary into budget estimates.

Table 8: Credits, Grants and Donor Funding

Source / Description of Grant	Amount Expected (N)			Counterpart Funding Requirements (N)		
	2018 (Nm)	2019 (Nm)	2020 (Nm)	2018 (Nm)	2019 (Nm)	2020 (Nm)
WORLD BANK (Credit)	5,258.21	—	—	—	—	—
UNICEF (Grant)	10.00	10.00	10.00	10.00	10.00	10.00

3.4 PROGRAM CONNECTIONS BETWEEN SECTOR MDAS

The Public Finance Sector essentially ensures a healthy fiscal outlook of the state economy through its robust goals and programmes to facilitate its accomplishment. The line MDAs are properly structured and interlinked to ensure the realisation of the sector's goals. The Ministry of Economic Planning and Budget ensures formulation of plans and also appropriate funds in line with the sector's priorities. These are being done to ensure that fund is provided for implementation of the sector's projects/programmes, based on data provided by the Bureau of Statistics for evidence based planning.

Consequently, the Ministry of Finance has the responsibility of ensuring the release of fund from the approved budget and also coordinates Board of Internal Revenue (BIR) who is directly responsible for collection of the State's internally generated revenue.

Similarly, strategies are put in place by the Ministry of Commerce, Industry and Cooperative, Micro Credit Agency and PPP to ensure improvement in the level of aggregate investment to the State economy, while the Auditor-General ensures checks and balances in the entire process.

3.5 OUTLINE OF KEY STRATEGIES

Table 9: Summary of Projects' Expenditures and Output Measures

SECTOR GOAL PROGRAMME NO	PROJECT ACTIVITY TITLE	AMOUNT SPENT ON THE PROJECT SO FAR (N)	BUDGETED EXPENDITURE/ COST (N)			OUTPUT	OUTPUT KPI	BASELINE (I.E. OUTPUT VALUE IN 2015)	OUTPUT TARGET			MTSS ACTIVITY CODE	MDA RESPONSIBLE
			2018	2019	2020				2018	2019	2020		
Goal 1: Improve fiscal framework	Provision of equipment for the information unit (MOF)					Prudent management of state resources entrenched	Three (3) Major reformed to function						MoF,
	Printing of new Public Finance laws						(Public Financial Management Legislation, Human Resources Management, Monitoring and Evaluation)						MoF
Goal 2: Effective Allocation of resources to prioritized projects	Budget reform; preparation of Multi-year Budget Framework; and development of Medium Term Sector Strategy					Completion of Projects ensured	MYBF and MTSS document produced						MEPB
	Design of framework for the construction of State GDP					Ongoing	Reviewed state financial management law document produced						MoF
	Development of M&E Framework					Completion of Projects ensured							ODSBS
	Conduct of statistical surveys					Completion of Projects ensured							ODSBS
						Completion of Projects ensured							
Goal 3: Promotes Accountability and Transparency in the management of Public Resources Safe guiding of government properties	Construction of Treasury building					Enhanced proficiency and accountability in the accounting rooting work	100% increase of financial information in public domain						Off.AG AoUG Oof.AG
	Audit Reform Project						Public confidence strengthened						Off.AG
	Development of Accounting Expenditure Control and Financial Reporting (AEFIR)					Reduced incidences of corruption in public service							Off.AG
	State Integrated Financial Information System (SIFMIS)					Compliance with National Accounting							Off.AG GAD AOUG

SECTOR GOAL PROGRAMME NO	PROJECT ACTIVITY TITLE	AMOUNT SPENT ON THE PROJECT SO FAR (N)	BUDGETED EXPENDITURE/ COST (N)			OUTPUT	OUTPUT KPI	BASELINE (I.E. OUTPUT VALUE IN 2015)	OUTPUT TARGET			MTSS ACTIVITY CODE	MDA RESPONSIBLE
			2018	2019	2020				2018	2019	2020		
	Identification and verification of all government assets (Asset verification)					Standard Accountability and transparency through technology Ensured safety and proper usage							
Goal 4: Achieving annual growth rate of IGR	Construction and renovation of BIR outstation offices Construction of revenue house Creation of data base for eligible tax payers (Formal/ Informal) in the state Engage consultant to work in collection of taxes					Improved growth rate of the state's internally generated revenue Ditto To create a robust database for record purpose by hiring Consultant to block leakages and enhanced efficiency	20% annual increase in the state IGR 0% Annual increase, project yet to commence						BIR
Goal 5: Provides enabling environments for investors	Investment certification programme for states	0.5M	3.0M	5.0M	5.5M	Increased investments	50% increase investments (Local & Foreign)	25%	30%	30%	15%		Commerce
Goal 6: Enhance participation of Private Sector Development of the State	Establishment of one stop investment shop	—	—	20M	30M	Increased participation of Private Investors in government programmes and projects	40 new private sector investments established in the state.	—	—	60%	40%		Commerce
Total													

3.6 JUSTIFICATION

The Public Finance Sector is the pivot, facilitating the speed of service delivery and complementing programmes of the government. This is achieved through strategies that link with the sector's goals. The strategies chosen were in line with the sector's key policy priority to ensure that all programmes and projects are duly considered to have expected impact on the overall sectoral goals.

This has provided support for accountability, transparency, prudent management of available resources and effective monitoring to ensure value for money on any project. Also, the Project and Price Monitoring Unit (PPMU) bench mark was taken into consideration. This brings about fair value for projects, appropriate costing, and effective utilization of State's resources.

The new projects in table 9 were proposed to improve revenue base, promote investment, and have a robust data base for evidence-based planning and budgeting.

3.7 RESULT FRAMEWORK

The Public Finance Sector takes inputs from documents like Multi Year Budgeting Framework (MYBF), the Annual Budget Performance Review Report, Development Partners such as World Bank, UNICEF, EU-MPP9; Federal Government of Nigeria and Non-Governmental Organisations (NGOs) to achieve the implementation of the sector's goals and objectives.

The peculiarity of the sector also allows the support from these development partners to implement some of the sector's projects and programmes. In addition, the political will of the ruling class, adherence to due process and consistency in policy formulation are key to the achievement of the sector's strategy.

Conclusively, the Medium Term Sector Strategy (MTSS) output key performance indicators (KPIs) will be useful for

measuring how the sector's strategies achieve the overall sector's goals.

3.8 OPERATIONAL PLANS AND RESPONSIBLE MDAS

OPERATIONAL PLAN	RESPONSIBLE MDAS
<p>Consolidating and expanding the revenue base and improving efficiency of independent revenue</p> <p>Transparency, predictability and fairness in the implementation and collection of independent revenue</p> <p>Ensuring full and timely accounting for all government revenues and receipts;</p>	Board of Internal Revenue
<p>Preparation of Multi-Year Budget Framework (MYBF), MTSS and annual Budgets and development Plans.</p> <p>Ensuring that annual and/or multi-year budget is based on a medium- to long term framework.</p> <p>Participatory and transparent budget by ensuring that all stakeholders' inputs are considered and incorporated into the budget.</p> <p>Ensuring that the budget reflect overall economic policy (both in focus and scale);</p>	Ministry of Economic Planning and Budget
<p>Putting in place procurement guidelines that are consistent with principles of transparency, fairness, openness and value for money;</p> <p>Scrutinized and ensure accountable procurement procedures, with regard to tender processes.</p>	Office of the Auditor-General Office of the Accountant-General Project and Price Monitoring Unit (PPMU)

OPERATIONAL PLAN	RESPONSIBLE MDAS
Put in place effective, efficient and accessible incentives to investors	Ministry of Commerce, Industry and cooperative/ Public Private Partnership.
Generating and disseminating statistical information relating to the social and economic conditions of inhabitants of the State to enhance evidence based planning and budgeting	Ondo State Bureau of Statistics (ODSBS)
Open and accountable procurement policies	PPMU, Auditor General, Accountant General

CHAPTER 4

THREE YEAR EXPENDITURE PROJECTIONS

4.1 PERFORMANCE MONITORING AND EVALUATION

The PBM&E Department in the MEP&B is responsible for collecting monthly/quarterly updates on indicators and work plans of MDAs in respect to their Sector Strategy through regular monitoring. The PBM&E department will report quarterly to a Review Committee, headed by the Permanent Secretary, MEP&B, which in turn will report to the Steering Committee, headed by the SHC, MEP&B. This will support the preparation of the sector's Annual Performance Evaluation Report (APER).

4.2 PUBLIC PRIVATE INVOLVEMENT

Lending credence to the laudable achievements recorded in the State over the years especially through the Public/Private involvement in governance, part of which have earlier been mentioned in this document, the State is expected to further consolidate on this policy to facilitate the mandate of this sector. This sector will ensure existence of enabling and conducive environment to encourage and draw prospective members of public and organisations to contribute their quota to socio-economic activities in the State. Similarly, a number of on-going projects being funded by Development Partners will be completed as at when due. Therefore, this sector will ensure that the state releases its counterpart funds as and when due to avoid distortion to the project.

In the same vein, the State Budget portal will be upgraded from time to time to enable the public participation module

receive attachments in form of inputs/proposals on diverse issues to the portal. Prospective entities can easily access the portal through the internet anywhere in the world to lend their voice and also submit comments on projects/programmes especially during budget preparation for consideration and likely incorporation to the annual budget.

Table 10: Summary of New projects included in the indicative ceiling

S/N	PROJECT NAME	BUDGETED EXPENDITURE		
		Y2018	Y2019	Y2020
1	Conduct of Statistical Surveys	40,000,000.00	46,600,000.00	54,289,000.00
2	Investment certification programmes for states	6,000,000.00	3,495,000.00	4,071,675.00
3	Establishment of one-stop investment shop	14,000,000.00	8,155,000.00	9,500,575.00
4	Purchase of Vehicles for Data Collection Activities - 2 Hilux, 1 Corolla Salon Car	63,000,000.00	0.00	85,505,175.00
5	Procurement of official car (Toyota Corolla) for the Auditor General	15,000,000.00	0.00	20,358,375.00
6	Purchase of Vehicle - 4 Hilux, 1 (18 seater) Buses for generating of Revenue	74,000,000.00	0.00	100,434,650.00
7	Purchase of Toyota Avensis with Accessories for the AG	19,500,000.00	0.00	26,465,887.50
8	Valuation of Government Assets (Properties/plants/Equipment)	500,000,000.00	291,250,000.00	339,306,250.00
9	Technical Viability and Installation of Briquette equipment	5,600,000.00	6,524,000.00	7,600,460.00
10	Printing of new public finance management laws	6,000,000.00	3,495,000.00	4,071,675.00
11	Identification and verification of all government assets	200,000,000.00	116,500,000.00	135,722,500.00
12	Data Collection and Computerisation of the State GDP	50,000,000.00	46,600,000.00	54,289,000.00
13	Production and Dissemination of Statistical Publication	0.00	17,475,000.00	20,358,375.00
14	Purchase of Conference Table and Chairs	2,500,000.00	2,912,500.00	3,393,062.50

S/N	PROJECT NAME	BUDGETED EXPENDITURE		
		Y2018	Y2019	Y2020
15	Development of Socio-Economic Data Bank	2,000,000.00	1,165,000.00	1,357,225.00
16	Renovation of SG's Office	2,000,000.00	0.00	0.00
17	Production of Administrative Data (ODBS)	10,000,000.00	11,650,000.00	13,572,250.00
18	Renovation and Re-roofing of office Building at Ondo and Okitipupa (State Audits)	10,000,000.00	5,242,500.00	0.00
19	Development of Industrial Park (Master Plan) MCI&C	100,000,000.00	116,500,000.00	0.00
20	Technical/Geophysical survey on Limestone deposit	170,000,000.00	0.00	0.00
21	Enterprenuership Development Programme (EDP)	10,000,000.00	11,650,000.00	13,572,250.00
22	Valuation of Industries - Alpha 3D, Okitipupa Oil Palm, Tomato Factory Arigidi	29,000,000.00	0.00	0.00
23	Renovation of TCOs at Okitipupa, Ondo, Igbokoda, Ido-Ani and other 14 LGAs	35,567,000.00	0.00	0.00
24	Procurement of Hardware components (System Maintenance) and Installation Tools	12,000,000.00	7,572,500.00	9,500,575.00
25	Procurement of Software Development Kits, Antivirus and others	6,000,000.00	3,495,000.00	4,071,675.00
26	Capacity Building for Programme Analyst (Professional Training) and ICT Training for Staff of the Ministry	10,000,000.00	5,825,000.00	6,786,125.00
27	Provision of Internet Facilities for the Ministry	4,000,000.00	2,330,000.00	2,714,450.00

CHAPTER 5

MONITORING AND EVALUATION

5.1 IDENTIFYING SOURCES OF DATA AGAINST THE RESULTS FRAMEWORK

Table 11: Data Sources for Outcome and Output KPIs

OUTCOME KPIs	POSSIBLE DATA SOURCES
3 Numbers of institutions reforms to function; Public Finance Management, Human Resource Management and Monitoring and Evaluation	MEPB, MoF, ESTABs, PSGRDP
MYBF and MTSS document produced Reviewed State Finance Management Laws document produced	MEPB, ODPSGRDP, MoF
100% access to financial information in public domain	ODSBS, MEP&B, Auditor General Office, Accountant General Office
30% annual increase in the state IGR	BIR, ODSBS
50% increase of investments in the state	MoCI&C, PPP
40 new private sector investments established in the State	MoCI&C, PPP

5.2 THE SECTOR'S AIMS OVER THE NEXT THREE YEARS ARE:

- to improve the internally generated revenue of the state.
- to provide enabling environment for business to strive towards enhancing the state development.
- to enhance Public Private Partnership initiative for accelerated development.
- to enhance the living standard of the citizens through improved service delivery.
- to improve the budget preparation and execution processes.
- to improve the financial management system of the state.

5.3 HOW THE SECTOR PLANS TO ACHIEVE THE AIMS.

The sector plans to achieve these aims through effective and efficient utilization of the resources available for the sector and regular monitoring and evaluation of the approved budget. In addition, prompt payment of counterpart fund by the state government will ensure completion of the on-going reforms as stipulated in the contract to avoid any distortion in the process. Amongst the key areas to receive adequate attention of the sector are:

- Planning and policy alignment
- Concentration of resources to productive activities
- Accountability and transparency in utilization of funds
- Crafting of the State Development Plan
- Review of necessary policy documents
- Training and re-training of relevant stakeholders

5.3.1 Summary and Conclusion

Having carefully considered and obtained necessary data and policy guidelines from relevant documents, the Public Finance Sector is set to provide enriched and robust financial and economic services to other sectors for the purpose of improving their operations. Therefore, the foregoing will not only ensure that government departments and

agencies align their planning to the policy direction of government for improved service delivery but also enhance the economic status of its citizenry.