

## **THE ROLE OF PBOs (NABRO) IN THE NIGERIAN BUDGET CYCLE AND FISCAL OVERSIGHT BEING A PAPER PRESENTED AT AN-PBO ANNUAL CONFERENCE, SOUTH AFRICA FROM 15-18<sup>TH</sup> AUGUST, 2017.**

### **History of NABRO:**

The Nigerian Parliamentary Office (National Assembly Budget and Research Office {NABRO} was established with the aim of providing the National Assembly (our Parliamentary or Legislative Organ/Arm of government) with objective, timely and non-partisan analysis needed for economic and budget decisions and for other related matters. The office started functioning in March, 2012 with few Staff deployed from the bureaucracy of National Assembly (NASS) headed by an Administrative Head. The office now operates with three key departments namely: Administration and Services, Budget and Research Analyses.

### **Vision of NABRO:**

A Nigerian governed with good Legislation based on facts, accountability and comparative best practices.

### **Mission of NABRO:**

To provide the National Assembly with objective, timely and non-partisan analysis information and estimates needed for economic and budget decisions.

### **Mandates/Functions:**

The analysis being conducted by NABRO to serve the parliamentarians has always been in line with its mandate of;

- a) Providing Objective, independent, unbiased and non-partisan analysis of the National Budget estimates;
- b) Assist all committees of National Assembly with information with respect to budget, bills
- c) Continuous review of the budget and monitoring of existing and proposed programs and budget
- d) Providing analysis of economic implications of proposed legislations and make periodic forecasts of economic trends and proffer alternative fiscal policies

- e) Publish and disseminate information it generates including reports, analysis, forecasts
- f) Other functions include the derivation of the NASS bureaucracy budget etc.

**Power of the Office:** among which is to Liaise with relevant bodies or Institutions, National or International for effective performance of its functions; Request for and obtain, from any public enterprise, statistical and other information including reports, memoranda, audited accounts and other information relevant to its functions.

In line with this year's conference theme "**The role of African Parliaments in Fiscal Oversight: Contributing to the African Development Agenda**", the need for the members of parliaments to keep track with the activities of the government cannot be over emphasized.

### **Definition of terms**

**Fiscal Oversight:** refers to parliamentary supervision and close monitoring of the government's financial proposal and policies. It has to do with the monitoring and evaluation of government's sources of revenue and expenditure in a particular fiscal year by implementing agencies for accountability in a transparent manner for sustained development.

**Budget:** It is an instrument of the government that states its revenue and expenditure estimates in a particular fiscal year.

The Budget is arguably a country's most important document after the Constitution and certainly every government's most important annual economic policy tool, as it provides a comprehensive statement of the nation's priorities and financial intent for a given year.

NABRO has been providing objective, non-partisan and timely budgetary and economic information to the National Assembly, to support its onerous constitutional task of oversight on the Federal Government of Nigeria's revenue and expenditure.

In Nigeria, it is the executive arm of government that proposes projects/programmes in the budget as money bills and presents to the legislature (S.81:1) for approval (S.59 & 80) after which it is executed (implemented) by the executive (S.81:2) and supervised as oversight (S.88-89) by the legislature for transparency and accountability.

There are basically 4 stages in our budget cycle namely:

**1. Drafting/Formulation**

**2. Enactment/Approval**

**3. Implementation (Execution)**

**4. Audit.**

**Role of NABRO in the Budget Cycle and Fiscal Oversight**

NABRO through its mandate provides the parliament with information/analysis for informed decisions.

The Legislators need alternate and comparable information for which NABRO addresses the technical skill gap between the Executive and the Legislature.

NABRO is involved in the budget cycle of Nigeria through the following:

**A. Drafting/Formulation:** Annual review of Medium Term Expenditure Framework (MTEF): To review Government's fiscal policy intentions, and medium-term budget strategy, fiscal targets and/or spending ceilings, which the government must adhere to when preparing the detailed spending estimates for the upcoming fiscal year. Highlights of NABRO analysis on MTEF include key macroeconomic indicators among which include:

- The global economic outlook
- The Gross Domestic Product (GDP) projection of the year under consideration
- Revenue targets of the government
- Sustainable level of inflation
- Unemployment level

- Total Budget deficit

**B. Enactment/Approval:** NABRO provides the standing committees with review of annual budgetary estimates as submitted by the Executive. It also help members of parliament know if the government's proposal is in line with its economic programmes and policies.

NABRO also conducts a mapping of the proposed capital projects as contained in the executive submission to NASS to avail members with information on projects status, location and costing.

Analysis of the Appropriation Act: After enactment, NABRO conducts comparative analysis of the appropriation act and the bill.

**C. Implementation/Execution:**

Mapping of Capital Projects: Analysis and classification of capital projects spread across the federation as contained in the year's approved budget.

Quarterly Performance review of the Budget: Budget performance review for each quarter (budgetary estimates versus the actual).

Annual budget performance analysis: Review annual implementation budgets.

The various sectors in the Research analysis department which include the economic , social, infrastructure , energy and security sectors also give a quarterly, mid-year and annual report of the activities of government to the parliamentarians. The department also makes observations and recommendations and also advises the parliamentarians appropriately on some key economic decisions and policies made by the executive.

D. **Audit:** Evaluation of audited reports on the implementation of Appropriation Act by the Office of the Auditor General of the Federation (S.85) as submitted to the Public Accounts Committees (S.85:7).

## **Conclusion**

One of the most important functions of the legislature in most democracies is power to control the resource allocation decisions of the government. The Constitutional oversight powers conferred on the National Assembly over national budgetary process have often led to recurring Executive-Legislative disputes. These disputes have often resulted in delays and low implementation of the annual budget.

By the establishment of NABRO, the legislature is expected to become more effective in the discharge of its core functions, particularly in ensuring that government spending are appropriately channelled to address people's most important developmental challenges at the best value.

It is our view that all African Countries that practice democracy should have an independent body that will be charged with the responsibility of Budget analysis to the members of parliament.

**Thank you.**

## **References:**

1. [www.nabro.gov.ng](http://www.nabro.gov.ng).
2. 1999 Constitution ( As amended).