

DEMOGRAPHIC DIVIDEND – COMPLIANT BUDGETING IN SOKOTO STATE, NIGERIA

REPORT OF THE INTEGRATION OF DEMOGRAPHIC DIVIDEND INTO THE BUDGETARY PROCESS IN SOKOTO STATE

**Prepared by:
Health Policy Training and Research Programme (HPTRP)
University of Ibadan, Nigeria**

**Submitted to:
Ministry of Budget and Economic Planning, Sokoto State, Nigeria**

2022

TABLE OF CONTENTS

List of Tables

List of Figures

List of Abbreviations and Acronyms

Executive Summary

Chapter One: Introduction and Background

- 1.1 Introduction
- 1.2 Background

Chapter Two: Demographic Dividend and Budgetary Process in Sokoto State

- 2.1 Introduction
- 2.2 Status of Demographic Dividend Programming in Sokoto State
- 2.3 Overview of Sokoto State DD Roadmap: The Thematic Pillars of the Roadmap
- 2.4 Budgeting system, actors, institutions and legal framework in Sokoto State

Chapter Three: Integration of Demographic Dividend Roadmap Pillar into the 2022 Budget

- 3.1 Introduction
- 3.2 Rationale for the Integration of Demographic Dividend into the State Budget Process
- 3.3 Conditions for a successful integration of the DD into budgetary processes
- 3.4 Guidelines for mapping the DD into budgetary processes
- 3.5 Mapping the project distribution of the investments and activities
 - 3.5.1 The Programme Mapping of DD Roadmap to the Sokoto State 2022 Budget
 - 3.5.2 Thematic Pillar Mapping
 - 3.5.3 Distribution of unmapped DD activities in the 2022 State Budget
- 3.6 Estimates of the Roadmap Thematic Pillars
 - 3.6.1 Pillar 1: Health and Well-being
 - 3.6.2 Pillar 2: Inclusive Education
 - 3.6.3 Pillar 3: Sustainable Economic Development
 - 3.6.4 Pillar 4: Good Governance
- 3.7 Distribution of Projects and Budgetary Estimates of the MDAs by Pillar
- 3.8 Budget for Demographic Dividend Model (B4DD Model)

Chapter Four: Implementation Strategies and Monitoring Framework

- 4.1 Implementation Strategies
- 4.2 Stakeholder Analysis and Engagement Strategy
- 4.3 Monitoring and Evaluation Framework

Chapter Five: Conclusion and Way Forward

- 6.1 Challenges, Risks, Threats and Future Needs

References

Annexes

- Appendix 1: Sokoto State DD Roadmap-Budget Integration Matrix (Thematic Pillars, Investments and Activities)
- Appendix 2: Unmapped Activities in 2022 Budget (Activities without Projects)
- Appendix 2: Sokoto State Budget Structure (Chart of Accounts)
- Appendix 3: B4DD Framework
- Appendix 5: List of Participants (Technical Working Group on DD-Sensitive Budget)

List of Tables

Table 3.1: Programme Mapping

Table 3.2: Pillar Mapping

Table 3.3: Health and Well-Being Estimates

Table 3.4: Inclusive Education Estimates

Table 3.5: Sustainable Economic Development Estimates

Table 3.6: Good Governance Estimates

Table 3.7: Distribution of Projects and MDAs with over ₦1b Budgetary Estimates by Pillar

List of Figures

Figure 3.1: Conditions for a successful integration of the DD into budgetary processes

Figure 3.2: The Budget for Demographic Dividend (B4DD) Model

Figure 3.3: Steps in the Budget Formulation Process in the B4DD Model

List of Abbreviations and Acronyms

B4DD	-	Budget for Demographic Dividend
DD	-	Demographic Dividend
DDMI	-	Demographic Dividend Monitoring Index
MDAs	-	Ministries, Departments and Agencies
NCOA	-	National Chart of Accounts
COA	-	Chart of Accounts
NGOs	-	Non-governmental Organisations
CSOs	-	Civil Society Organisations
SEC	-	State Executive Council

EXECUTIVE SUMMARY

Demographic Dividend is the accelerated economic growth generated by the decrease in mortality and fertility of a country, followed by a progressive change in the age structure of the population; the young dependent population becomes shrinking relative to the population of working age.

The Sokoto State Demographic Dividend Roadmap was developed in May, 2021 and validated in September 2021 with the broad objective to domesticate the Nigerian Demographic Dividend Roadmap to reflect the peculiarities of population structure and dynamics in Sokoto State.

The implementation of Sokoto State Roadmap will add value to governance in terms of informed plans and programmes targeted at sustainable economic growth and development of the State.

The roadmap is made up of four (4) Thematic Pillars: Health and Wellbeing, Inclusive Education, Sustainable Economic Development and Good Governance with each Pillar having its own specific objectives, investment options and key activities.

As a State with diverse developmental issues, we are challenged by values and will use globally accepted standards as instruments to formulate our policies and assess our progress and achievements.

The Demographic Dividend Roadmap serves as a tool for raising standards and informing the way policy and institutions work on the four Thematic Pillars carefully designed for the State and unanimously adopted by key stakeholders.

The approval of the Demographic Dividend Roadmap by the State Executive Council clearly testifies to the commitment and readiness of the State Government in its institutionalization and implementation.

This document however is the output of the second phase of the DD programming in the State. All of these are efforts to ensure Sokoto State is not left behind in the development process in the country and continent. The objective of this document is to ensure financial commitments of the Sokoto State Government align with DD activities in the State and improve the economic condition of the people

HON. BALARABE MUSA KADADI

Honourable Commissioner

Ministry of Budget and Economic Planning, Sokoto

CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.1 Introduction

Sokoto State is home to a total population of about 5.8 million people as at 2022. The population age structure of the State reveals that children, aged 0 to 14 years and elderly (above 65 years) make up 46.7 and 2.2 percent of the total population respectively. The youths (15 to 34 years) constitute about 26.5 percent, while the working-age population (35 to 64 years) represent 24.6 percent of the total population. There is a high level of dependency in the State (0.96) reflecting 96 dependents per 100 people, aged 15 to 64 years.

Economically, Sokoto State is largely agrarian with over 80 percent of its people predominantly engaged in Agriculture. However, the overall labour market characteristics of the State shows that only 16 percent (969,596) of the State's total population are fully employed. A large proportion of Sokoto State populace are out of labour force (381, 408 male and 948,466 female). This can be attributed to various reasons such as being in full time training, full time household duties or aged/retiree. The socioeconomic features of the State in 2020 presents an unemployment and underemployment rates of 14.5 and 19.2 percent respectively. Sequel to the high unemployment rate in the State is the high level of poverty and inequality.

The poverty headcount rate of Sokoto State is 87.73 percent, while its Poverty Gap Index is 38.8 percent. The severity of poverty in the State, using the squared poverty gap index (severity) is equally high at 20.34 percent. The income inequality index of the State measured by the Gini coefficient in 2019 was 28.02 (2019 NBS, Poverty and Inequality Report).

The demographic features of Nigeria reveals a total fertility rate (TFR) of 5.3 births per woman of reproductive years. However, Sokoto State has a TFR of seven (7) livebirths per woman, which is driven by early marriage and childbearing. In terms of child mortality, infant mortality and under-five mortality rates in the State are 51 and 119 deaths per thousand children. This is alarming, given the target of Goal 3, Target 2 of the Sustainable Development Goals (SDGs), which is to reduce neonatal and under-five mortality to as low as 12 and 25 per 1,000 livebirths.

Given the above demographics, the government of Sokoto State is focused on ensuring economic growth and improved well-being of her people. All government activities are therefore geared towards achieving these goals and ensuring sustainable economic development. However, these activities require huge financial commitments. Countries or States with well-designed policies ought to leverage on both internal and external resources in order to attain their targeted human development outcomes. The goal of budgeting is to ensure the financial commitment of the government towards attaining this development outcome. The budget is an instrument used to forecast a State's revenue and to authorize its expenditure for a financial year.

To this end, the Sokoto State Government, is working together with its partners (local and international) to support its programmes by providing technical support and strengthen

financing work within the State. One of such partners is the United Nations Food and Population Fund (UNFPA) who provides financial support on DD and other activities within the State. The Health Policy and Training Programme (HPTRP), University of Ibadan, Ibadan Nigeria, also provides technical support for DD programming in the State.

The objective of the DD programming and activities in the State is to place Sokoto State on the trajectory of economic development with full consideration of her current demographic composition.

1.2 Background

The African Union and Nigerian Demographic Dividend Roadmaps were launched in January and July 2017 respectively. The roadmap, among other things, was prepared to serve as a guide to integrate demographic dividend into the development plan of the continent and country. However, the peculiarity of Nigeria is such that it comprises of 36 sub-nationals and the Federal Capital Territory (FCT), which is the administrative head of the nation. The population dynamics of the federating states are fundamentally different and the factors determining the demography differ widely. Consequently, it became imperative to incorporate the uniqueness of each sub-national into the development of their State-specific DD roadmaps.

In May 2021, a five-day workshop of relevant Ministries, Departments and Agencies (MDAs) in Sokoto State was organized by the State Ministry of Budget and Economic Planning. The output of this workshop was the Sokoto State Demographic Dividend Roadmap. The Sokoto State DD Roadmap was validated by relevant stakeholder in September 2021. It was also given the approval by the Executive Governor of the State and as at the preparation of this document is in the final stage of being passed as a policy document by the State Executive Council (SEC). After which it will be printed and made available to all MDAs in the State as a State-developed policy document with specific focus on the children, youths and women.

This document is the output of the second phase of the DD programming in the State. All of these are efforts to ensure Sokoto State is not left behind in the development process in the country and continent as a whole. The objective of this document is to ensure financial commitments of the Sokoto State government align with DD activities in the State and improve the economic condition the people. To this end, this document serves as a guide for a more coherent approach to project and activities of the government to reflect her commitments for integrating DD into the budgeting process of the State such that there is financial synergies and convergence across all MDAS to foster the alignment of DD activities into the annual budget of Sokoto State.

CHAPTER TWO

DEMOGRAPHIC DIVIDEND AND BUDGETARY PROCESS IN SOKOTO STATE

2.1 Introduction

This chapter is broadly divided into two sections. The first section provides an overview of DD programming in Nigeria, the status of DD programming in Sokoto State, and an overview of the Sokoto State DD Roadmap. The second part presents as the Budgeting system, actors, institutions and legal frameworks in Sokoto State, including the Structure of the State's Fiscal Space for budgeting and the key stakeholders in the budgeting for DD Process.

2.2 Status of Demographic Dividend Programming in Sokoto State

The introduction of Demographic Dividend into the activities of any nation or its sub-nation requires a lot of sensitization creation. This awareness campaign, in addition to the engagement of stakeholders at different levels of government involvement and commitment of the people is vital to the entire DD programming process. Demographic Dividend Programming (DDP) in Nigeria is structured for execution in four phases. The phases are:

Phase I: Development of Roadmap for Harnessing Demographic Dividend

Phase II: Integrating Demographic Dividend into State Development Plan and Budgeting Process

Phase III: Estimation of State Demographic Dividend Profile

Phase IV: Construction of Demographic Dividend Monitoring Index (DDMI) and setting up of a Demographic Dividend Observatory

Each of the above-listed phases are accompanied with distinct outputs. The output for the first phase is a policy brief. This first stage is continuous as series of awareness campaign will be conducted in the MDAs, across other stakeholders and at different phases of the programming process. The output of the first and second phases is the DD Roadmap and DD-compliant budget respectively. The DD Report and estimated DD profile are the outputs for the third phase. Upon completion of the final phase of the DD programming, the DD Monitoring Index will be computed, a DD Dashboard constructed and DD Observatory will be set up. This is the final stage of the programming. It is important to note that each phase of the DD programming is associated with awareness creation and series of consultative interactions.

One of the States that have keyed into and also actively implementing the Demographic Dividend Programming is Sokoto State. The State has successfully completed the first two phases and this document is the output of the third phase. The third stage which is the mapping of DD activities into DD Budgeting process has as its overall goal, the development of a guideline for integrating DD into both State Development Plan and Budgetary Process in Sokoto State. As at March 2022, the State Development Plan was undergoing review, thus, the DD activities identified in the State DD Roadmap was only integrated into the 2022 State Budget.

This document, which aims to integrate DD into budgetary process, incorporates the Roadmap which has identified the investment options and key activities required for the state to harness her DD potential and the guidelines will specifically structure the Roadmap activities along Ministries, Departments and Agencies (MDAs) responsibilities, mandates and budget lines by aligning activities of each pillar to the State Chart of Account and Budget Vote.

2.3 Overview of Sokoto State DD Roadmap: The Thematic Pillars of the Roadmap

The Sokoto State DD Roadmap was developed in May 2021 and validated in September 2021. The main objective of the Roadmap is to domesticate the Nigerian Demographic Dividend to reflect the peculiarity of population structure and dynamics in Sokoto State. The Roadmap is to intentionally create, harness and reap the dividends of its demography within the shortest possible time, while also promoting inter-sectoral interactions among key stakeholders. The Roadmap is made up of four (4) thematic pillars: Health and Well-being Inclusive Education; Sustainable Economic Development and Good governance (Figure 2.1). Each pillar has a specific objective, investment options and key activities.

Health and well-being, which is the first pillar, aims at developing a healthy population by increasing child survival and improving maternal health. This is to be achieved within the scope of the seven (7) investments and 54 activities of the pillar. These centered on policy, advocacy, healthcare service utilization, human resource for health, healthcare financing, technology and development of infrastructure. The objective of the second pillar (Inclusive Education), which is to ensure education is available for all gender and all ages is made up of six (6) investments and 32 activities. These consist of access to education, quality of education, monitoring education services, educational facilities, informal educational services and collaboration among educational institutions.

Figure 2.1: The Thematic Pillars of the Sokoto State DD Roadmap



Pillar 3 (Sustainable Economic Development) comprises of five (5) key investments and 36 activities which involves policy, youth entrepreneurship, agricultural sector, non-agricultural sector and establishment of State Central Database of unemployed and underemployed. The objective of the fourth pillar (Good governance) is to improve the governance system in the State by focusing on the quality of institutions through improved accountability, rule of law, transparency, efficiency and participation as well as ensuring adequate security for the people. The pillar is made up of six (6) investments and 36 activities which include non-discriminatory policy, violence and abuse, advocacy, youth and women participation, social protection and rule of law.

Cumulatively, the four thematic pillars of the Sokoto State Demographic Dividend Roadmap are disaggregated into 24 investment options and 158 key activities and spread across various Ministries, Departments and Agencies (MDAs) in the State. In addition to identifying investments and activities, the DD Roadmap also provides direction for appropriate policies and programmes and also ensure funds are well-channeled to ensure economic growth and development of the people of Sokoto State.

The execution of the DD Roadmap also involves the establishment of a performance-based monitoring and evaluation structure to monitor demographic dividend activities in the State. This monitoring effort is executed by three (3) committees: The Steering, Implementation and the Monitoring and Evaluation Committees. The Steering committee which is headed by the Executive Governor of the State provides overall coordination of activities, while the implementation committee, headed by the Honourable Commissioner of Budget and Economic Planning is saddled with the responsibility of developing the detailed implementation plan containing DD activities, timeline for delivery and financing strategy. The Monitoring committee coordinates, monitors and report progress achieved in the implementation process. They develop the indicators for tracking progress in the implementation.

2.4 Budgeting system, actors, institutions and legal framework in Sokoto State

The budget is the fiscal plan of the government for the next financial year, reflecting its policy priorities. This is the instrument used for forecasting revenue and authorizing the expenditure required to achieve the government policy objectives. Budgeting is a critical activity that allows the government to properly align its policies and priorities. It is important because it serves as a means of mobilizing resources, allocating the resources, distributing income and stabilizing the economy in order to achieve rapid development.

Though, budgeting does not necessarily means assigning values to estimate government's revenue and expenditure, it does require the implementation of a continuous cycle of different processes in order to function effectively and efficiently. Thus, four important phases of the budgetary process have been identified. These are: budget formulation and drafting; budget approval and enactment; budget execution and implementation; and budget audit and evaluation.

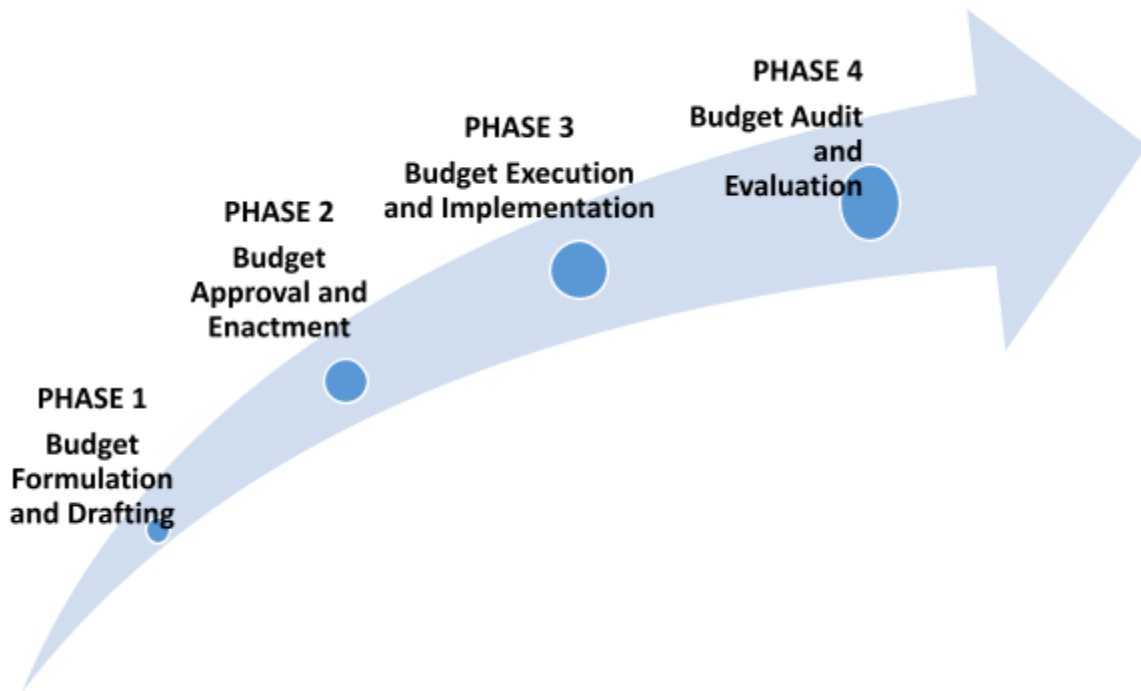


Chart 2.1: Budgeting Process in Sokoto State

Budget formulation and drafting is the first phase in the budgeting process, which is coordinated by the State Ministry of Economic Planning and Budget (MBEP). This phase involves the collection and collation of data needed to articulate the budget document. It is essential to draft or revise the Fiscal Strategy Paper (FSP), which will aid in the establishment of the appropriate fiscal targets. During this planning stage in the budget procedure, it is important to draft or revisit the multi-year public expenditure framework that set out future resource requirement. This is often stated in the Medium Term Expenditure Framework (MTEF). It is a comprehensive spending plan of the government that relates the policy priorities to the spending allocations within a fiscal framework, usually a three- to five-year plan. It is often used to promote intra and inter-sectoral allocations and trade-offs. An essential aspect of budget formulation is the identification of budget-able activities which will be followed by mapping the activities with existing planning and budgetary frameworks in the State. This often include conducting financial needs assessment, evolving the costing template and developing the financing framework with decisions on the ceiling of resources allocation needed for the budgetary process being agreed upon. After this, call circulars are sent to the various Ministries, Departments and Agencies (MDAs), inviting them to submit budget proposals for the next fiscal period. At the different MDAs, intra-sectoral deliberation and prioritization are being made before drafting the budget proposal. The proposals from the MDAs are later screened in a process known as Preliminary Budget Defense to ensure that they are consistent with the objectives, goals and aspirations of the State government as sent with the call circular. The State Budget Technical Defense Committee met with the MDAs, as they are expected to justify the budget with further directives and adjustments being made for the MDAs to rectify. Following

the defense and screening exercise, the MEPB aggregates the screened proposal to produce the State Draft Budget proposal for the fiscal year.

Budget preparation and approval is the second phase of the budgeting process. The draft budget is sent to the State Executive Council (EXCO) through an EXCO memorandum. The Executive Governor goes over the draft budget with the members of the EXCO. The draft budget is then amended and the budget department reflects the changes. The corrected draft is then presented to the State House of Assembly for consideration as an Appropriation bill, along with the Budget Speech. This is then subjected to thorough screening process, during which MDAs appear to defend their draft budget for legislative consideration. Following receipts of comments and corrections for the budget by the MDAs, the final draft is sent to Ministry of Budget and Planning, which verifies its accuracy. The Appropriation bill passed by the House of Assembly is then sent to the Executive Governor for his assent. When the bill receives the Executive Governor's approval, it becomes an Appropriation Law. The Executive Governor signs the necessary documents with the issuance of warrant and issuance of budget operational guidelines being done accordingly.

Budget execution and implementation is the third phase of the budgeting process. It is concerned with the execution and implementation of the government's budget by its various ministries, departments and official agencies. It entails mobilizing, allocating and utilizing human, material and financial resources to achieve the objectives of an approved budget. Budget analysis, budget profiling and the publication of budget citizen's guides as well as abridged budget documents are all published.

The last phase of budget process is the budget audit and evaluation. Under this phase, the actual expenditures of the budget are accounted for and assessed for efficiency and effectiveness. This task is often done by the State Monitoring Committee. They are expected to track budget progress and performance while also monitoring the State government projects to ensure their implementation is based on the approved plan and makes adjustments where necessary to prevent project failures.

There are different actors in each of the four phases of the budget cycle. Chart 2 depicts the summary of these key actors at the different stages of the budgeting cycle. These are further discussed below:

The Budget Formulation and drafting phase is coordinated by the Ministry of Budget and Economic planning, which is responsible for issuing call circulars to MDAs and revising budget proposal. The State Budget Technical Committee are charged with the responsibility of screening the budget proposals submitted from the various MDAs to ensure they are aligned with the government agenda. Also, Ministries, Departments and Agencies must submit and defend their budget proposals and make adjustments as needed while the Executive Governor will examine the draft budget proposal and make any necessary amendments.

During the budget approval phase, the legislature is responsible for reviewing and amending the budget. Other stakeholders in the budget approval phase include the Civil Society Organization

(CSOs), Community Based Organisation (CBOS), Religious leaders, Non-Governmental Organisations (NGOs), all of whom have the opportunity to influence the budget process while the executive Governor gives his approval to the Appropriation Bill.

During the budget implementation, the approval and assent of the Executive Governor signals the commencement of the budget implementation. The Accountant-General is expected to disburse funds through the issuance of the financial warrant. The budget policies are expected to be carried out by the various MDAs while capital projects are expected to be coordinated by the appropriate tender board.

Budget audit and evaluation begins as soon as implementation commences. The State Monitoring Committee will be responsible for monitoring the progress in budget performance and providing feedback to government on the projects while acting as an early warning mechanism to prevent project failures.

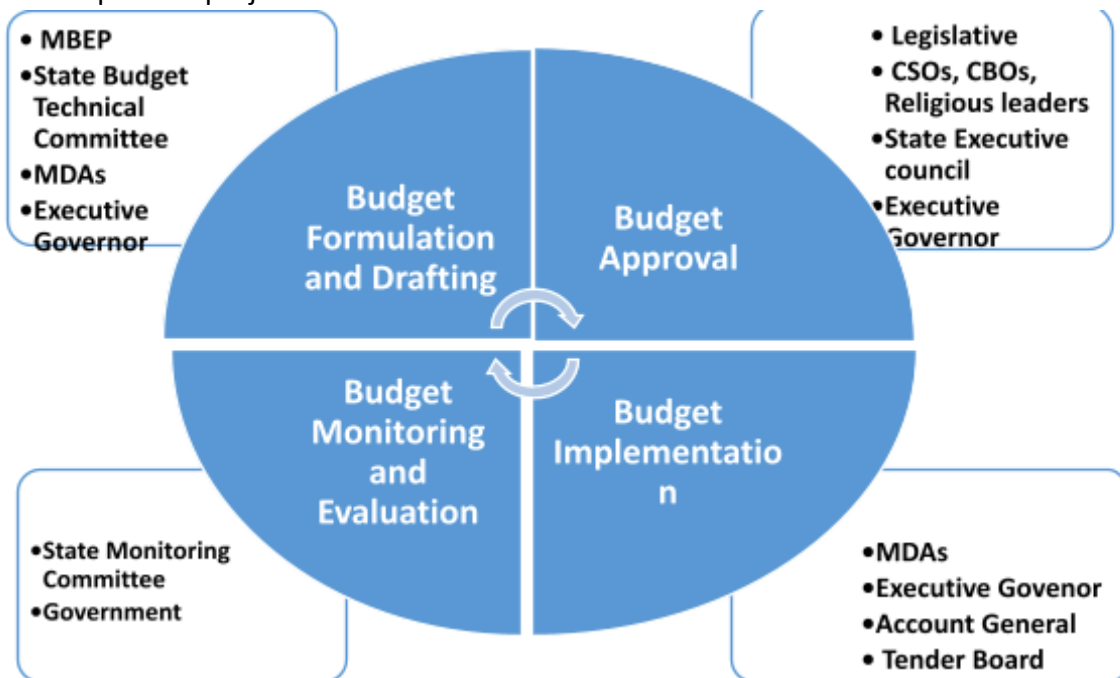


Chart 2: Budgeting Actors in Sokoto State

Budgeting Systems in the State

The primary concern of the current government and policymakers is ensuring the effectiveness of the State's public programs. In the past, traditional budgeting systems such as the zero-based budgeting, incremental budgeting, and programmatic budgeting have been insightful, however, their impacts on how funding is been allocated to government programmes were limited. The State is currently using **evidence-based budgeting** because of its advantages over the earlier budgeting system. Evidence-based budgeting system uses data and information gathered from citizens about their social needs and expectations to make informed budget decisions at each fiscal year. These evidences could be in form of statistical (indicator-based), technical (project / programme based), financial or pictorial evidence.

Evidence-based budgeting system has assisted in guiding the budgeting process by ensuring that program results are linked to budget to solve social problems as well as providing mechanisms for effective coordination of the government's development agenda. It also helps to define the measurability of social programs. It is often used to improve accountability by fostering a culture of reporting and providing feedback mechanism on the performance of budgets, policies, programs and projects.

2.2.1 Demographic Dividend Costing and Fiscal Space for DD Budgeting

Costing is a centrally important tool for budgeting and it serves as the foundation for implementing a policy strategy. It is the process of determining the resources needed to undertake an action, and then valuing those resources in monetary terms (Stenberg and Rajan, 2016). Since the State's demographic dividend policy objectives, concrete investments and associated activities are stated in the Sokoto State DD Roadmap, the costing of this exercise should map out the amount allocated to the DD activities. This is necessary to avoid situations where there are only wish-lists of activities without any outlined way for their implementation. Costing provides a realistic assessment and feasibility of the projects / activities and its relevance cannot be underestimated in the planning process of a policy strategy.

Demographic Dividend costing assist in budgeting by quantifying the resources needed for the project implementation and estimating the associated costs. These estimated costs can then be compared with the available resources in order to determine its affordability and potential resource gaps. The goal of costing the demographic dividend activities is to promote cohesive support for the programme. In addition, it serves as a benchmark for fiscal authorities in the budgeting process, thereby enhancing effective integration of DD for budgeting. Demographic dividend costing seeks to ensure that increased government spending translates in better outcomes. It also assist in identifying potential duplication of activities among the various MDAs as well as providing a realistic assessment of the implementation of the stated activities.

The process of demographic dividend costing may require several rounds of discussion and calculations would be necessary to fine-tune the cost value. Three stages are involved in the costing the demographic dividend activities and investments. Figure 3 depicts the stages which are: preparation; analysis; as well as quality assurance and finalization.

The preparation stage of the demographic dividend costing process entails activities such as defining the objectives and conducting a costing exercise, agreeing on a strategy for aligning with DD-related sectors, selecting methods and tools, setting up team and becoming familiar with the estimation approach. This is to improve understanding of investment opportunities under the demographic dividend, guide resources mobilization and allocation, as well as enable the State to better position itself on the demographic dividend path. The analysis stage necessitates the development of round cost estimates, the review and validation of data and assumptions, as well as policy scenarios discussions. The final stage, which is quality assurance and finalization usually involve peer review process to assure the quality of the estimates, round

table discussion with government and other stakeholders, finalization of estimates as well as report writing and dissemination.

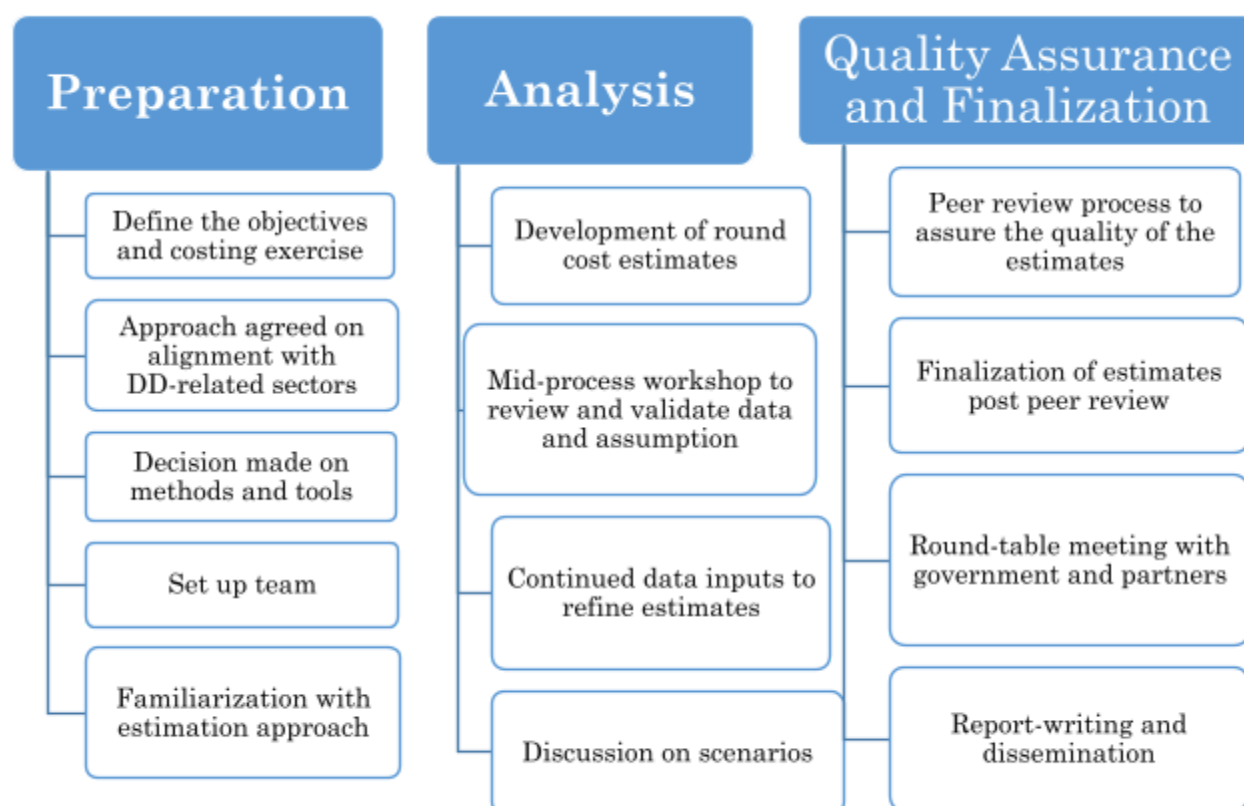


Chart 3: Process of developing the DD Costing

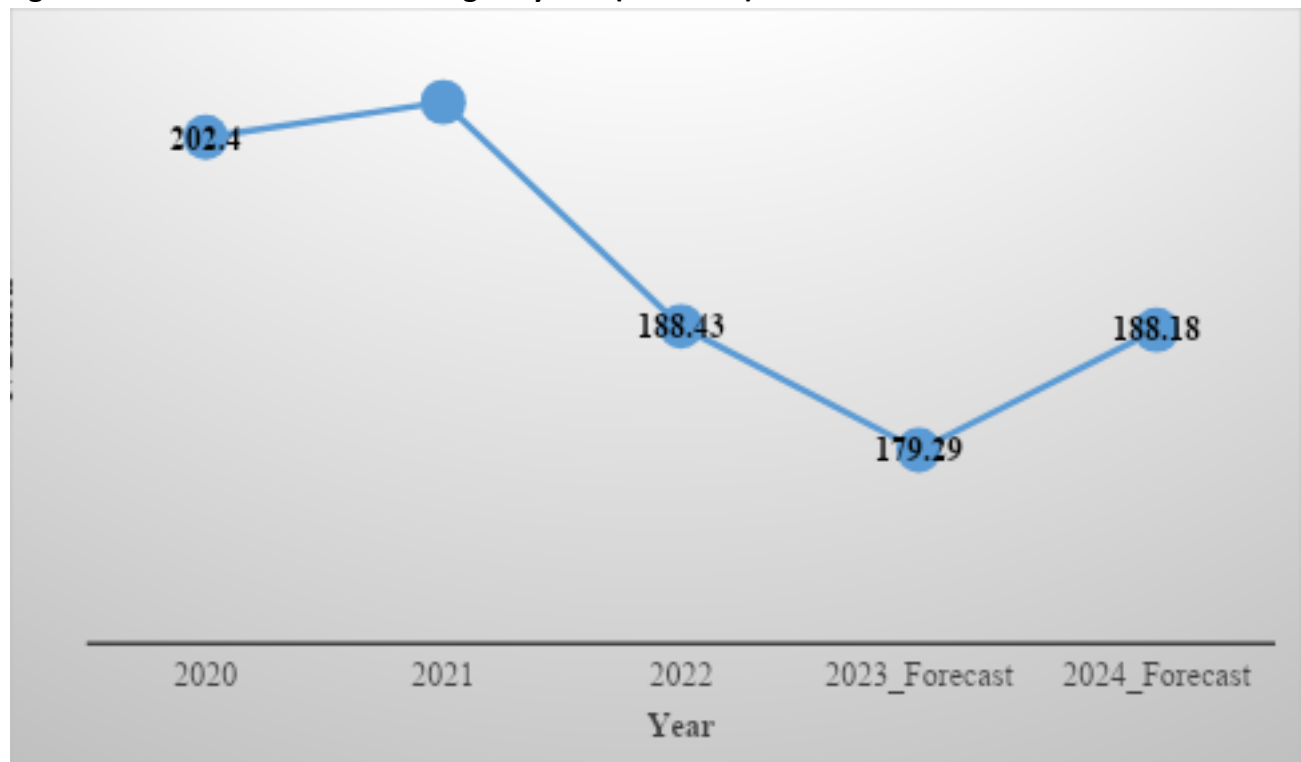
Fiscal Space for DD Budgeting

Fiscal space is the capacity of government to provide additional resources by controlling both its revenues and expenditures without jeopardizing its long-term position and economic stability (Heller, 2005; Yip and Hafez, 2015; and Doherty *et al.*, 2018). It describes the government's approach to employing expansionary fiscal policy to improve the sustainability of the economy. Fiscal space must be created for any economy to make sustainable progress. Also, the amount of fiscal space changes often depend on the amount of revenue received and expenditure spent by the government. The government can expand its fiscal space in a variety ways, including raising revenue, efficiency of all expenditure programs, internal and external borrowing, seigniorage, external grants, sovereign-currency issuing and effectiveness of fiscal policy. However, in order to reap the demographic dividend, fiscal space analysis must be incorporated into budgeting processes.

An overview of Sokoto State budget size from 2020 to 2024 (projected values reported for 2023 and 2024) were considered. It was observed that a balanced budget existed across the years considered. Figure 4 depicts that the budget size has increased from ₦202.40 billion in 2020 to

₦205.02 billion in 2021. However, a decline was observed in 2022 and 2023 reported at ₦188.43billion and ₦179.29billion while it later increased to ₦188.18 billion in 2024.

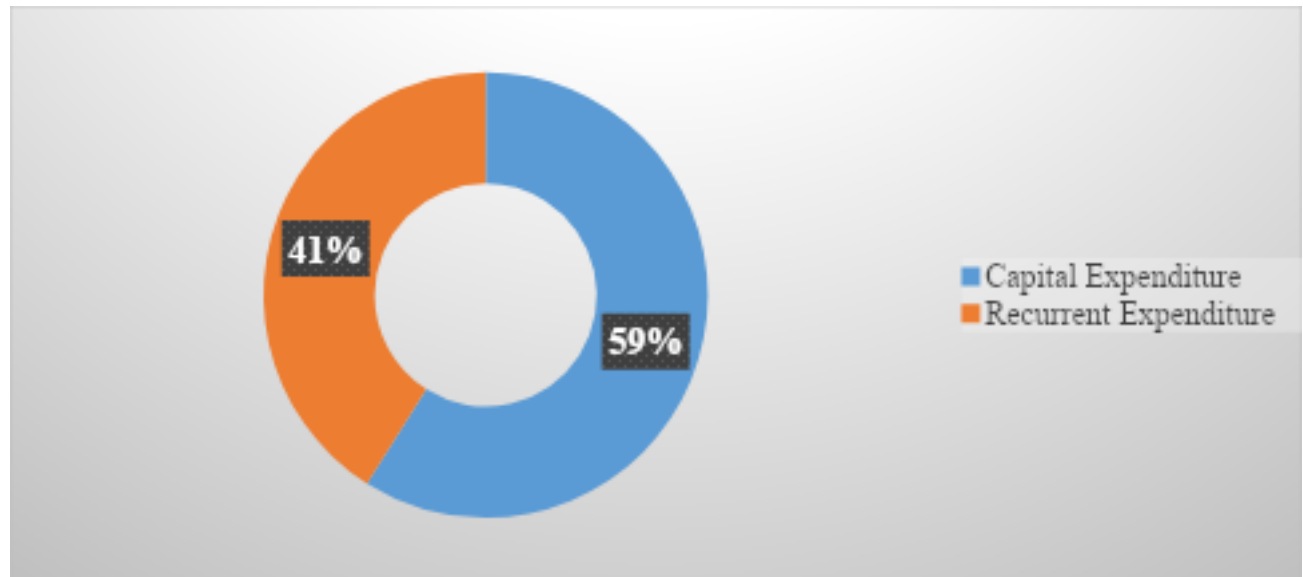
Figure 4 Trend of Sokoto State Budgetary Size (₦' Billion)



Source: Approved Budget of Sokoto State

Figure 5 depicts the spending priority of the government in the 2022 Approved budget. It revealed that 59% of the budgeted expenditure were towards capital projects while 41% were for personnel and overhead expenses.

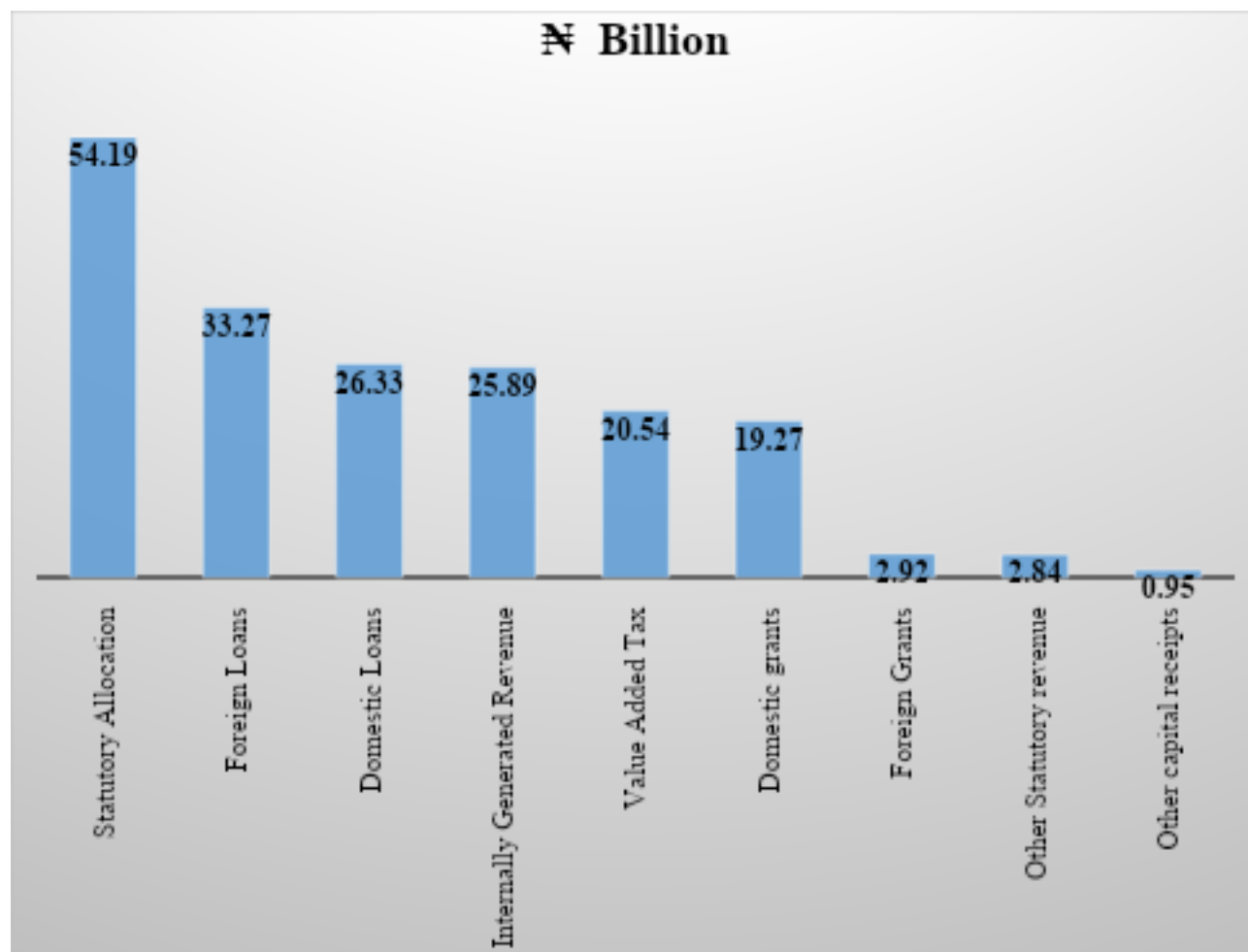
Figure 5: Sokoto State Spending Priority in 2022 Budget



Source: Approved Budget of Sokoto State

The structure of the 2022 budgeted revenue and financing in Sokoto State was considered in Figure 6. The graph revealed that statutory allocation from the federal government is the highest source of revenue in the State amount to ₦54.19 billion, followed by foreign and domestic loans accounting for ₦33.27 billion and ₦26.33 billion respectively. Internally generated revenue in the state was projected at ₦25.89 billion while value added tax is amounted at ₦20.54 billion. The least of the budget finance is from other capital receipts amounting to ₦950 million.

Figure 6: Structure of 2022 Sokoto State Budget Revenue and Financing



CHAPTER THREE

INTEGRATION OF DEMOGRAPHIC DIVIDEND ROADMAP PILLAR INTO THE 2022 BUDGET

3.1 Introduction

The mapping of the thematic pillars of the Sokoto State Demographic Dividend Roadmap involves a number of processes. These guiding steps are presented in this section. In addition, the rationale for the integration process, necessary conditions, and the budgetary estimates of DD activities computed for each thematic pillar and MDA in the Sokoto State 2022 Budget are also presented. The final section of this chapter presents the model adopted, which is the Budget for Demographic Dividend Model (B4DD Model).

3.2 Rationale for the Integration of Demographic Dividend into the State Budget Process

The budgetary process represents the primary political and economic expression of government policy. It is also a platform to identify government priority. At the centre of each government activity is the priority of the government, which is Economic Growth and Development. This is revealed through the annual budget. The budgetary allocation in a State is often times a reflection of the financial commitment and priority of the governmental effort. The current process of integrating the DD Roadmap into the State budget is executed by mapping the various activities identified in each investment of the pillar to the programmes in the State Budget.

This integration process is necessary in order to:

- ensure the financial commitments of the government to DD-related activities.
- improve policy coherence such that conflicts on resource allocation is avoided.
- reinforce the inter-relatedness of different policy documents.
- enhance accountability and transparency as budget projects are linked to measurable DD activities.
- reduce overlap of resource allocation.
- align outputs and outcomes of the programmes in the budget with DD activities.
- measure progress towards the attainment of the DD
- assess the performance of government and
- provide a means of comparison across the sub-national and national levels.

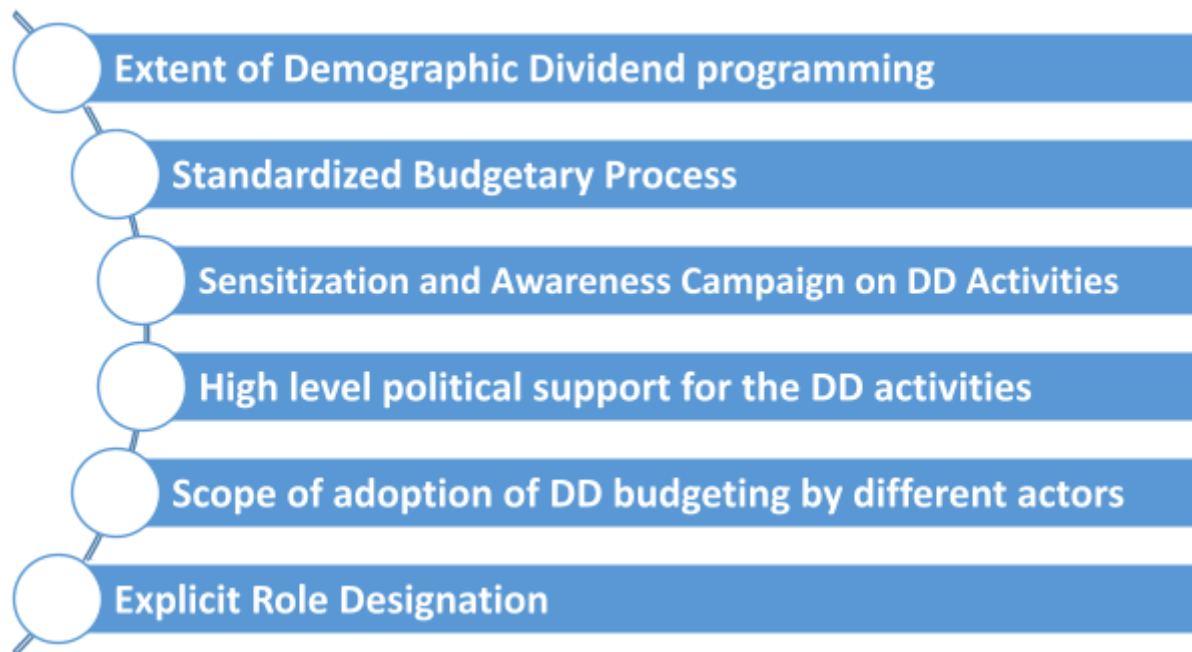
The above are some of the gains which accrues to the government and people as a result of integrating the DD into the State budgetary process. However, these benefits are not automatic. A number of pre-conditions are necessary in order to successfully integrate the DD into the national or sub-national budgetary process.

3.3 Conditions for a successful integration of the DD into budgetary processes

The integration of DD activities into national and sub-national budget is a series of concerted and consistent efforts. As such, a number of pre-conditions need to be put in place as a prelude for the successful mainstreaming of the Demographic Dividend within the budget process. These necessary conditions include:

Extent of DD programming: A major pre-requisite for the integration process is the need to have commenced DD programming. In the least, a DD Roadmap MUST be available in the National or sub-national context. This is a necessary precondition as it is the investments and activities of the Roadmap that is to be integrated into the budgetary process. In addition, the development of the DD Roadmap is often integrated into the National or Sub-National Development Plan context (if it exists). The DD Roadmap which reflects the targets and priorities of the country or State, based on the dynamics of its population age structure. Based on the age structure, a gap analysis is conducted to identify breaches and areas of need which will then form the basis of government resource allocation.

Figure 3.1: Conditions for a successful integration of the DD into budgetary processes



Standardized Budgetary Process: In most countries or States, the budgeting process is often standardized. In Nigeria, the national and sub-national employ the use of the National Chart of Accounts (NCOA). The NCOA harmonised all the Charts of Accounts (COA) of the Federal, State and Local Government Councils to a standardized COA that will enhance the attainment of minimum reporting requirement that is in line with international best practices. The NCOA which provides a comprehensive list of budget and accounting items where each item is uniquely represented by a code and grouped into tables of related data for the purpose of tracking. The use of the NCOA allows for better analysis and tracking of elements of the budget. This is necessary in the integration process for proper alignment of DD to the budget, making the process less cumbersome.

Sensitization and Awareness Campaign on DD Activities: It is important that people are aware of DD activities in their jurisdiction. The stakeholders in budgeting, planning and statisticians all need to be carried along in this process. Awareness creation at high level stakeholders, including all line MDAs will encourage the ministries to adopt the DD as an argument for their budget proposals. The Governor, members of the Legislature, Judiciary, State Executive Council, (SEC), Ministry of Finance, Budget and Planning, Budget Office, Accountant General's office, The awareness can be propounded using both print, social and electronic media.

High level political support for the DD activities: The integration process requires political support. This is necessary so as to gain the buy-in of the MDAs, people and government. The extent of involvement of Ministry of Planning, Finance, Accountant General and Budget Office in the DD programming will provide the needed political will for a successful DD integration process. All MDAs will need to align their proposals to the DD Roadmap and use the DD as an argument for their budget proposal. Also, since the budget process is spearheaded by the State Ministry of Budget and Economic Planning, the involvement of this Ministry in initiating and piloting DD activities is germane.

Scope of adoption of DD budgeting by different actors: The programming of DD is inter-sectoral and multi-dimensional. Thus, different stakeholders are involved in its execution. The buy-in of these actors is a pre-condition for successfully integration DD into the development plan or budgetary process. Stakeholders include the Governor, State Executive, Legislature, Judiciary, NGOs, CSOs, media, academia, development partners, community, religious and traditional rulers and others. The adoption of this DD budgeting will ensure that MDAS adopt the DD in their budget proposals and formulation, Parliamentarians use the DD in the budget debate and NGOs use the DD for budget advocacy. The supreme audit institutions also use the DDs in the budget oversight process including Planning Ministry/Commission and Auditor General.

Explicit Role Designation: Specifically assigning roles and responsibility is necessary to avoid duplication of duties. Primarily, the national and sub-national budget and planning ministries are the custodian of Demographic Dividend, planning and budgeting in a country or State. They are therefore the counterparts of budgeting for DD. Cooperation with line ministries, parliaments and civil society organizations is equally important and in some cases are prime for success, especially for monitoring and evaluation. Coordination with development partners are also important in a bid to avoid the overlaps or duplicates efforts in the engagement process.

Once these conditions have been satisfied, then the integration process can commence.

3.4: Guidelines for mapping the Demographic Dividend into the budgetary processes

The following guiding steps are designed to support the integration of DD into the national and sub-national budgetary process. This sequence of activities are however subject to slight modification based on the peculiarities of the country or State.

Step 1: DD Roadmap Content Analysis

The integration of DD into the State Development Plan and Budgetary process cannot occur without a State DD Roadmap. Thus, the starting point for the integration process is the familiarization with the content of DD Roadmap especially the Matrix. The Roadmap matrix is the tabular presentation of pillars, objectives, investments, key activities, responsible MDAs and timelines. The explicit understanding of the roadmap activities will provide the required foundation for the integration procedure.

Step 2: Familiarisation with the national or sub-national Chart of Account

The next step is to explore the budget. This will require a thorough understanding of the fiscal space, structure and nature of the budget. The structure of the chart of accounts and budget votes need to be well understood and summarised in a way that is precise and concise. The knowledge of the budget and accounting items especially the codes should be well noted. This will make navigation around the budget less cumbersome and allow for less overlap. It is also imperative to understand the programmes and projects itemised, funded and funded programmes and duplicated projects in the budget. The focus of search is the capital expenditure component and the overhead (which contains the training sections which is divided into local and international training)

Step 3: Creation of a unique identifier for investments and Activities in the DD Roadmap

The next step is to create a unique identifier for the DD matrix. Since the pillars vary for each State, the peculiarity of each State will be noted. While some States have 5 (five) pillars, others have four (4), which is the case with Sokoto State. Each pillar is tagged with the first level numbering, the second level numbering is the investment and then the third level is the activity. For example, a unique identifier of “2.5.6” implies “Pillar 2, Investment 5 and Activity 6”. Also, identifies “4.8.3” implies “Pillar 4, Investment 8 and Activity 3”. Having a unique identifier makes it easy to track as the identifier will be associated with the identified project.

Step 4: Alignment of each activity with the corresponding vote in the budget

Each item in the budget is uniquely represented by a code and grouped into a table by programmes, projects and responsible MDA. Identification of these codes for various projects in the budget and then aligning such projects to an activity as specified in the Roadmap using the unique identifier.

Step 5: Cost Alignment for DD Roadmap Activities, Investment and Pillars

Cost each vote identified and created by collating all projects and programmes aligned with each unique identifier. This collation can also be used to track the amount spent by each MDA and the timing of the spending. This can promote an institutional analysis which will encourage the identification of financial commitment for each activity, and consequently investments and pillar. Following this, the specific expenses by each MDA can be computed. Furthermore, the structure of the Fiscal Space can also be determined.

Determine the structure of fiscal space

Step 6: Summary of Mapped activities across the Pillar

In all, all projects identified for an activity in the DD will be synchronised, checked for duplicates and then the cumulative project for each activity can be enumerated. Following this, a summary of all activities that have been mapped is noted and aggregated for each investment and also pillar. This can be done in two parts, there are activities linked with the DD which are funded, some others are linked but not funded. Each of these peculiarities should be noted and demarcated. Activities captured should be summarised and continuity should be ensured. In some cases, different MDAs might have the same projects, but with different roles to play in each of the projects. This is done through the use of codes and be well noted.

Step 7: Identification of activities in the Pillar not captured in the budget

Following the identification of mapped and funded; as well as mapped and unfunded activities, there is a need to also identify activities that are unmapped to the budget projects and programmes. These activities cannot be integrated into the budget, even though they are DD-related activities. The key activities within the DD, and not tied to any project or programme in the budget, should be noted and ensure they are captured in subsequent budgets.

Resource need: Hard and soft copies of the budget, knowledge of the use of Microsoft word and Excel, Calculator, Human Resource who is familiar with the activities of each pillar.

3.5 Mapping the project distribution of the investments and activities

The budget provides a summary of the fiscal plan of the government in achieving certain objectives. It presents both the revenue and expenditure of the government. Government revenue emanates from three (3) main sources: allocation from the Federal Government, Internally Generated Revenue and support from Development partners. The expenditure of that State government can also be broadly categorized into two (2): Capital and Recurrent (Personnel and Overhead and other Recurrent) Expenditure.

3.5.1 The Programme Mapping of DD Roadmap to the Sokoto State 2022 Budget

The budget is an economic document which also gives indication to the intent and priorities of the government. The Sokoto State Budget follows the programmatic budgeting format which is a type of budget classification in which government expenditure are grouped based on related policy objectives. This form of budgeting helps the government to improve expenditure prioritization; while also encouraging the effectiveness and efficiency of service delivery among the spending MDAs. The 2022 Sokoto State budget comprises of 21 broad programmes. These programmes are further disaggregated to specific projects which are assigned to individual Ministries, Departments and Agencies.

Various projects, though can be assigned to each programme. In the 2022 budget, five (5) programmes do not have any project, hence there was no budget allocation. Capacity building via training, though a major component of the activities in the DD Roadmap, is not captured under the capital expenditure section of the budget. The introduction of training (overhead) as an individual programme was necessitated as a result of the fact that most training programmes are covered under the overhead and not capital expenditure. In essence, only 16 programmes

plus expenditure on domestic and international training (extracted from the overhead section of the recurrent expenditure) were employed in this analysis. As noted earlier, the budget expenditure includes capital (expenditure on capital projects), personnel (expenditure on wages and salary) and overhead (training, travels etc.,) expenditures. Expenses on training, disaggregated into either local or international training was therefore extracted from the Overhead component of the budget and included as a separate programme in addition to the 16 programmes already budgeted for under the Capital expenditure component. Thus, it is across these 17 programmes which were identified and budgeted for that the DD activities were mapped and distributed (Table 3.1).

Table 3.1: Programme Mapping

S/N	Programme	Raw projects	Revised projects	Health	Educ	Econ	Gov	DD	%
1	Reform of Government and Governance	418	413	6	39	102	32	179	43%
2	Education (General and Girl-child)	288	287	11	113	0	0	124	43%
3	Water Resources and Rural Development	137	137	0	0	0	0	0	0%
4	Economic Empowerment	98	98	0	1	38	2	44	42%
5	Environmental Improvement	76	75	10	1	10	14	35	47%
6	Health (General and Female)	53	52	44	0	1	0	45	87%
7	Housing and Urban Development	49	44	0	0	0	0	0	0%
8	Information Communication and Technology	42	42	0	2	0	0	2	5%
9	Gender (General)	31	31	8	8	12	1	29	94%
10	Power (General)	12	12	0	0	0	0	0	0%
11	Youth (General)	11	11	0	0	0	0	0	0%
12	Poverty Alleviation	7	7	1	1	3	0	5	71%
13	Road (General)	3	2	0	0	0	0	0	0%
14	Covid-19	1	1	1	0	0	0	1	100%
15	Societal re-orientation	1	1	0	0	1	0	1	100%
16	Growing the private sector	1	1	0	0	0	0	0	0%
17	Training (Overhead)			3	3		4	10	
		1228	1214	84	168	167	53	472	39%
	Duplicated projects		14						

Source: Authors' compilation

A thorough analysis of the programmes, projects and DD activities reveals that there are 1228 projects spread across these 17 programmes (Table 3.1). However, 14 programmes (5 programmes each from reform of government governance and Housing and Urban Development; 1 each from Education, Environmental Improvement, Health and Road) were observed to be duplicated (Column 4 of Table 3.1). In all, 17 programmes and 1214 projects from the Sokoto State 2022 budget were mapped to the four (4) thematic pillars of the Sokoto State DD Roadmap.

The 17 programmes are Reform of Government and Governance – {413 projects}; Education, comprising of General and Girl-child – {287 projects}, Water Resources and Rural Development – {137 projects}; Economic Empowerment – {98 projects}; Environmental Improvement – {75 projects}; Health (General and Female) – {52 projects}; Housing and Urban Development – {44 projects}; Information Communication and Technology – {42 projects}; Gender (General) – {31 projects}; Power (General) – {12 projects}; Youth (General) – {11 projects}; Poverty Alleviation – {7 projects}; Road (General) – {2 projects}; and a project each for Covid-19; Societal re-orientation; and Growing the private sector. In addition to this is the section on Training (Overhead).

Further disaggregation reveals that only 472 of the total 1214 projects are DD-related (39 percent). These 472 projects across the 17 programmes can be distributed across the pillars of the roadmap thus: 84 projects relate to Health and well-being; 168 and 167 projects to Inclusive Education and Sustainable Economic Development; while 53 projects are related to Good governance. Despite having projects assigned to them, 6 (six) of the 17 programmes had no DD-related activity - Water Resources and Rural Development; Housing and Urban Development; Power (General); Road (General) Youth (General); Growing the private sector (see Columns 9 and 10 of Table 3.1).

The 84 projects aligned to the DD activities identified in Pillar 1 (Health and Well-being) are distributed across 8 programmes in the State budget. As expected, Health (General and Female) has 44 projects, which is the highest number of projects relatable to the health and well-being pillar. This followed by 11 projects under the Education (General and Girl-Child) programme; 10 projects under Environmental Improvement; eight (8) projects under Gender (General) and 6 projects under the reform of government and governance programme. Only 1 (one) project is DD-related from poverty alleviation and Covid-19 (see column 5, table 3.1).

The second pillar, Inclusive Education has 168 projects spread across 8 programmes in the 2022 State budget. Naturally, the programme: Education (general and girl-child) has the highest number of projects (113) for this pillar. Under the reform of government programme, 39 projects are related to education. Gender (general) and Training (overhead) have 8 (eight) and 3 (three) projects respectively related to this second pillar. In addition, Information Communication and Technology (ICT) has two (2) projects, while Economic empowerment, environmental improvement, and poverty alleviation all have only (1) one project. Within this pillar, Water Resources and Rural Development; Health (General and Female); Housing and

Urban Development; Power (General); Road (General) Youth (General); Covid-19, societal re-orientation and growing the private sector do not have any DD-related project that has been mapped to the budget (see column 6 of Table 3.1).

Sustainable Economic Development, the third pillar has a total of 167 projects dispersed across seven (7) programmes. The programme with the highest number of projects relatable to the third pillar is Reform of Government (102 projects), followed by Economic Empowerment (38 projects), Gender (12 projects) and environmental improvement (10 projects). Societal re-orientation and health both have only 1 (one) project each associated with the third thematic pillar of the Sokoto State DD Roadmap. Education (general and girl-child); Water Resources and Rural Development; Housing and Urban Development; Information Communication and Technology (ICT); Power (General); Road (General) Youth (General); Covid-19; and Growing the private sector do not have any DD-related activity assigned for the third pillar (see column 7 of Table 3.1).

The fourth pillar (Good governance). has no DD-related projects identified with it in the following programmes: Education (general and girl-child); Water Resources and Rural Development; Health (General and Female); Housing and Urban Development; Power (General); Road (General) Youth (General); poverty alleviation; Societal re-orientation; Covid-19; Growing the private sector. Only 5 (five) programmes have DD-related projects which are aligned to some activities of the fourth pillar of the DD Roadmap. Reform of government, with 32 projects; 14 projects under environmental improvement, four (4) projects associated with training, 2 projects related to economic empowerment and 1 project under Gender (General) are the 53 DD-related projects identified in the Sokoto State 2022 budget (see column 8 of Table 3.1).

Summarily, across the programmes, only two (2) programmes (Covid-19 and Societal re-orientation) have all their projects fully integrated into the DD activities (100 percent). 94, 87 and 71 percent of the projects in the Gender (General), Health (General and Female) and Poverty Alleviation programmes respectively are relevant/mapped to any of the DD activities (see columns 9 and 10 of Table 3.1). Environmental Improvement has 47 percent of its activities mapped to various activities in the DD pillars, while only 43 percent each of Education and Reform of Government and Governance projects; as well as 42 percent of Economic Empowerment projects are mapped to DD activities. Information, Communication and Technology (ICT) has only 5 percent of its projects mapped to DD-related activities. Inclusive education has the highest number of projects (168 projects which is 35.6 percent), closely followed by Sustainable Economic Development (167 projects representing 35.3 percent). Health and Well-being has 84 projects (17.8 percent), while Good governance has the least number of DD-related projects (53 projects representing 11.2 percent).

3.5.2 Thematic Pillar Mapping

As stated earlier, the Sokoto State DD Roadmap has 4 pillars, 24 investments and 158 activities (Columns 2, 3 and 4 of Table 3.2). Across the pillars, 69 (43.7 percent) activities were identified as mapped to the 2022 State budget while 89 (56.3 percent) activities were not mapped (Columns 5 and 6 of Table 3.2). From the total 53 activities of the first pillar, (Health and

Well-being), only 15 activities (spread across 84 projects) were mapped, representing 28 percent of the total mapped activities. The second pillar (Inclusive Education) comprised of 32 activities, only 14 activities which represents 44 percent of the total mapped activities (distributed across 168 projects) were mapped into the 2022 budget. Sustainable Economic Development, which is the third pillar with 36 activities has 30 of its activities (83 percent) mapped to 170 projects in the State Budget. The fourth thematic pillar (Good governance) is made up of 37 activities (Columns 4, 5 and 7 of Table 3.2). However, only 10 of its 37 activities, (representing 27 percent of the total mapped activities) were charted to 53 projects in the 2022 Sokoto State budget.

Table 3.2: Pillar Mapping

S/N	Pillar	Total Investments	Total Activities	Mapped Activities	Unmapped Activities	Projects
1	Health and Well-Being	7	53	15 (28)	38	84
2	Inclusive Education	6	32	14 (44)	18	168
3	Sustainable Economic Development	5	36	30 (83)	6	170
4	Good Governance	6	37	10(27)	27	53
Total		24	158	69 (44)	89	475

NB: Authors' computation **Percentage of the mapped activities in the total activities are in the parenthesis

Summarily, 68 activities, out of the total 158 activities of the DD Roadmap were mapped to 475 projects in the Budget. Pillar 3, Sustainable Economic Development, has the highest proportion of mapped (83 percent) and the least unmapped activities in the 2022 Sokoto State budget. This is followed by inclusive education; and health and well-being wherein 44 and 28 percent of the activities are mapped to the budget. The pillar with the least proportion (27 percent) of mapped activities is good governance (Column 5 of Table 3.2).

3.5.3 Distribution of unmapped DD activities in the 2022 State Budget

Sokoto State is the premier State in Nigeria to integrate DD into its budgetary process. It is quite laudable that despite being the foremost State to pioneer this integration process, 44 percent of the DD activities were integrated into the Budget. However, in spite of the efforts of the Sokoto State Government, a number of activities in the Sokoto State DD Roadmap were not mapped to the 2022 State Budget. As presented in Appendix 2, 38 activities out of the total 54 activities in the Health and well-being pillar were not mapped to any project or programme in the budget. Interestingly, none of the activities in the first investment (Policy), was mapped with any project

in the budget. The difficulty in quantifying this form of investment might account for the failure to map it to any activity. In terms of advocacy, only one activity was specifically mapped to 2 projects, all other 11 activities were unmapped.

In addition, 18 and 7 activities in the Inclusive Education and Sustainable Economic Development Pillars were not mapped with any project. Good governance, the fourth pillar had a total of 27 unmapped activities. Summarily, Good governance had the highest number of unmapped activities, while Sustainable Economic Development (Pillar 3) had the least of them all.

3.6 Estimates of the Roadmap Thematic Pillars

This section presents a further disaggregation of the 2022 Sokoto State Budget. This is done by aggregating all projects mapped to specific activity and investment of each thematic pillar. In addition to the identification of the total sum of projects, the estimates capital expenditure approved in the budget is also presented.

3.6.1 Pillar 1: Health and Well-being

The first pillar has a total of 84 projects spread across 15 key activities and 5 investments which are DD-related. The activity with the highest financial allocation in the first pillar of the Sokoto State DD Roadmap is Investment 7 and Activity 5: (1.7.5). This activity is the Construction and Renovation of dilapidated healthcare facilities with a total budget estimate of ₦10,255,423,241. This is closely followed by investment 7, activity 6: (1.7.6); which is the equipping of the renovated facilities, estimated to cost about ₦3,695,000,000. The third “most budgeted-for activity,” in the Health and well-being pillar which has an estimated cost of ₦2,201,804,297 is the Establishment of school clinics in schools especially girls’ only schools (1.7.3). These 3 (three) activities in the first pillar, with the highest budget estimates are made up of 47 projects with a total cost of ₦ 16,152,227,538 representing 84.3 percent of the total budget estimates of activities in the Health and Well-Being pillar (Table 3.3)

Table 3.3: Health and Well-Being Estimates

Identifier	Investment and Activity	Number of Project	Estimates
2	ADVOCACY: Promotion of culturally sensitive and religious-tolerant advocacy and stakeholder engagement programmes	2	46,000,000
1.2.11	Participation of youths and adolescents in family planning and ASRH policy discussion	2	46,000,000
3	HEALTHCARE SERVICE UTILIZATION: Increased Utilization of Essential Package of Health Interventions	9	80,000,000
1.3.2	Undertake targeted integration of Maternal and Child Health (MCH) programs	3	60,000,000
1.3.9	Promotion of services for women with Obstetric Fistula	6	20,000,000
4	HUMAN RESOURCES DEVELOPMENT: Development of Quality Human Resource for Health	4	79,000,000

DEMOGRAPHIC DIVIDEND – COMPLAINT BUDGETING IN SOKOTO STATE, NIGERIA

1.4.3	Training of professional health workers	3	74,000,000
1.4.5	Training of community health volunteers (TBAs and Naturalists)	1	5,000,000
5	HEALTHCARE FINANCING: Ensure adequate Financing of health care services	5	770,000,000
1.5.1	Foster public-private partnership in financing health services	3	370,000,000
1.5.5	Speed up the implementation of the State Health Insurance Scheme	2	400,000,000
7	INFRASTRUCTURE: Development of necessary Infrastructure for the provision of healthcare services.	64	18,194,227,538
1.7.2	Establishment of integrated adolescent and youth friendly centres in public and private health facilities	2	1,007,000,000
1.7.3	Establishment of school clinics in schools especially girls' only schools	6	2,201,804,297
1.7.4	Equipping the school clinics in schools especially girls' only schools	2	30,000,000
1.7.5	Construction and Renovation of dilapidated healthcare facilities	25	10,255,423,241
1.7.6	Equipping of the renovated healthcare facilities	16	3,695,000,000
1.7.7	Renovation of cold chain facilities	1	10,000,000
1.7.8	Promote interventions targeted at safely managed sanitation services	11	975,000,000
1.7.9	Resuscitate mobile ambulances and clinics in remote areas	1	20,000,000
PILLAR 1 TOTAL		84	19,169,227,538

Source: Authors' compilation

Stemming from the above, it can be stated that Health and well-being of the people is paramount to the Government of Sokoto. More specifically, the priority of government effort based on their financial commitment is the development of necessary Infrastructure for the provision of healthcare services (Pillar 1, Investment 7). Although the government is also committed to advocacy, healthcare service utilization, human resource for health, healthcare financing and infrastructural development in the health sector, the focus of government is on the later. This is evident in the 64 projects assigned to this investment and a total sum of ₦18,194,227,538 allotted in the budget for the implementation of the projects and activities.

3.6.2 Pillar 2: Inclusive Education

Inclusive Education, which is the second pillar has 168 projects which are DD-relevant distributed around 14 activities and 4 (four) investment which are DD-related. Investment 4 (four), which is the provision of educational facilities is the investment with the highest estimated budget with a total of ₦11,481,927,484 across 117 projects. The activity with the highest financial allocation in the second pillar of the Sokoto State DD Roadmap is Investment 4, activity 2: (2.4.2), which is the Construction of new classrooms and renovation of existing ones in primary, as well as junior and senior secondary schools with a total budget estimate of ₦10,109,127,484.

This is closely followed by the fifth activity in the same investment (2.4.5); which is the Establishment of ICT centre and materials in schools, estimated to cost about ₦1,125,700,000. The third “most budgeted for activity,” in the Inclusive Education pillar which has an estimated cost of ₦633,408,931 is the Provision of adequate learning materials to schools and centres (2.2.3). These 3 (three) activities in the second pillar consists of 82, 22 and 27 projects respectively, and a total cost of ₦11,868,236,415 represents about 90.4 percent of the total budget estimates of activities in the Inclusive Education Pillar (Table 3.3.2)

Table 3.4: Inclusive Education Estimates

Identifier	Investment and Activity	Number of Project	Estimates
1.	EDUCATION ACCESS: Improving Access to Education at All Levels	6	247,100,000
2.1.1	Conduct annual enrolment drive campaign at state, local government and community (including parents) levels to increase enrolment, retention, completion and transition in school.	1	25,000,000
2.1.2	Provision of cash transfer for girls and vulnerable children to support their enrolment and retention in schools	2	130,000,000
2.1.3	Award of scholarship to orphans and vulnerable children for their education.	1	50,000,000
2.1.4	Provision of sports and recreational facilities in schools/centres to support attendance and retention.	2	42,100,000
2.	EDUCATION QUALITY: Improving Quality Education at all levels	43	871,493,931
2.2.2	Training and re-training of teachers and facilitators	5	18,700,000
2.2.3	Provision of adequate learning materials to schools and centres	27	633,408,931
2.2.7	Provision of wash facilities in schools/centres	4	101,550,000
2.2.9	Equip EMIS offices across the state with ICT facilities	7	117,835,000
4	EDUCATIONAL FACILITIES: Improving Infrastructural Facilities in schools/centres	117	11,481,927,484
2.4.2	Construction of new classrooms and renovation of existing ones in primary, as well as junior and senior secondary schools	82	10,109,127,484
2.4.3	Construction of laboratories in schools and renovation of existing ones	6	115,000,000
2.4.4	Construction of library and equipping existing ones in schools and communities	7	132,100,000
2.4.5	Establishment of ICT centre and materials in schools	22	1,125,700,000
5.	INFORMAL EDUCATIONAL SERVICES: Improving second chance opportunities for adult and women education, as well as the Almajiri School/IQS System of Education in the State	2	525,000,000
2.5.5	Provision of adequate learning materials and nutritious meal to learners in Almajiri/IQS and special needs Schools	1	525,000,000
2.5.7	Provision of Sports and Recreational facilities in all the Almajiri/IQS and special needs schools/centres	1	0
PILLAR 2 TOTAL		168	13,125,521,415

Source: Authors' compilation

From the foregoing, it is evident that Inclusive Education for all and at all ages is a policy priority of the Government of Sokoto State. All the same, precedence is given to the provision of educational facilities in a bid to improve infrastructural facilities in schools and other learning centres. Governmental financial resources and effort is obviously geared towards the construction of new classrooms and renovation of existing ones in the primary and secondary school levels (Pillar 2, Investment 4). Other aspects of inclusive education; such as access to education, quality of education and provision of informal educational services, also enjoy government commitment. However, investment 4 (four) with 117 projects.

3.6.3 Pillar 3: Sustainable Economic Development

All the five (5) investments of the Sustainable Economic Development pillar are budgeted for in the 2022 State Budget. However, provisions in the budget was made for only 28 out of the total 36 activities in this pillar. The investment with the highest estimated budget is the Agricultural sector with 85 projects associated with 9 activities covering an estimated budget of ₦16,186,037,009. This represents 75.3 percent of the entire amount budgeted for the whole pillar. This investment is closely followed by the fourth (non-agricultural sector) and second (youth entrepreneurship) investments whose mapped activities are allocated ₦2,166,400,000 and ₦1,620,000,000 respectively.

Table 3.5: Sustainable Economic Development Estimates

Identifier	Investment and Activity	Number of Project	Estimates
1	POLICY: Development and implementation of Sokoto State Labour, Employment and Tax Policies to promote involvement of women, youths and vulnerable in the effective labour workforce	4	59,000,000
3.1.1	Sensitize Executive Council and House of Assembly members on the need for Labour, Employment and Tax Policies for the State	1	50,000,000
3.1.5	Domestication of MSMEs policy in the State	3	9,000,000
2	YOUTH ENTREPRENEURSHIP: Promote youth entrepreneurship in the State	32	1,620,000,000
3.2.1	Renovation of the existing Skill Acquisition Centres in each LGA	6	820,960,500
3.2.2	Procurement of basic equipment for the Skill Acquisition Centres across the State	11	345,000,000
3.2.3	Equip and patronize trained from skill acquisition centres	3	40,000,000
3.2.4	Assess trainable youths on use of technology and ICT facilities for entrepreneurship	2	120,000,000
3.2.5	Organize intensive training for youths on use of technology and ICT facilities for entrepreneurship	2	7,000,000
3.2.7	Establishment of innovation and mentorship support centre for youth entrepreneurs	4	120,000,000

DEMOGRAPHIC DIVIDEND – COMPLAINT BUDGETING IN SOKOTO STATE, NIGERIA

3.2.8	Provision of soft credit and low interest/free interest loan to youth entrepreneurs	4	1,500,000,000
3.	AGRICULTURAL SECTOR: Promote agriculture as a priority sector with high employment potentials	85	16,186,037,009
3.3.1	Recruitment of agricultural extension workers per ward	1	50,000,000
3.3.2	Train agricultural extension workers on modern farming methods, livestock management, processing and preservation methods and value chain	3	672,000,000
3.3.3	Procurements and distribution of modern farm implements and machinery to all political wards through	14	937,000,000
3.3.4	Drilling of 10 tube wells per ward for irrigation purpose.	2	850,960,500
3.3.5	Resuscitation of existing dams for irrigation purpose across the State	9	1,605,000,000
3.3.6	Procurement and distribution of assorted fertilizer to farmers in all wards	2	3,910,000,000
3.3.7	Procurement and distribution of improved seeds to farmers in all political wards.	11	1,230,960,500
3.3.8	Procurement and distribution of insecticides and pesticides to farmers in all political wards.	3	550,000,000
3.3.9	Rehabilitate existing rural-urban roads and construct new ones for easy flow of farm produce	40	6,380,116,009
4	NON-AGRICULTURAL SECTORS: Support non-agricultural sectors with high employment potentials such as manufacturing, agro-industries, and tourism	40	2,166,400,000
3.4.1	Provision of concessional loans to manufacturers, local industries, small and medium enterprises (SMEs) across the state.	8	1,844,400,000
3.4.2	Training and retraining of youths and women on processing of various agricultural raw materials in the State	2	25,000,000
3.4.3	Establish incubation facilities for trained youths and women in agro-allied industries	2	75,000,000
3.4.4	Set-up internship programmes for youth and women during training on various aspects of agro-allied business activities such as processing, packaging and marketing.	1	0
3.4.5	Engage public private partnerships to upgrade and repackage tourist attraction sites to boost youth employment	5	80,000,000
3.4.6	Undertake aggressive sensitization of citizens and improve information dissemination about tourism in the State	1	5,000,000
3.4.8	Intensify advertisement of the tourist sites to local and international audience using bill boards, fliers, radio and TV jingles and other media outlets including social media and customized Apps	16	117,000,000
3.4.9	Create avenue such as trade fair and other platforms for SMEs to showcase their products and promote value addition	4	20,000,000
3.4.10	Creation of one-stop shop for SMEs in each LGA	1	0
5	STATE CENTRAL DATA BASE: Establishment of State Central Data base of Unemployed & Underemployed youths across the State	9	130,000,000

DEMOGRAPHIC DIVIDEND – COMPLAINT BUDGETING IN SOKOTO STATE, NIGERIA

3.5.2	Conduct regular Census or survey of unemployed and underemployed youths across the State	3	0
3.5.3	Procurement & Installation of ICT equipment for data storage, analysis & retrieval	1	30,000,000
3.5.4	Conduct annual statistical training of the staff of the State Bureau of Statistics for capacity building and conduct of socio-economic survey for generating needed data	5	100,000,000
PILLAR 3 TOTAL		170	21,494,397,509

Source: Authors' compilation

From the foregoing, Sustainable Economic Development is an obvious Government priority in Sokoto State. This is evident in the huge financial commitment of the State government to improve the economic condition of its people. Specifically, the effort of the government in all investments of the Pillar ranging from policy development and implementation, youth entrepreneurship, promotion of the agricultural sector, supporting the non-agricultural sector and the establishment of State Central Database. These five (5) investments and the 167 projects assigned to them has a total amount of ₦21,494,397,509 allotted to them in the budget for the execution of these activities.

3.6.4 Pillar 4: Good Governance

The fourth pillar (Good Governance) with an estimated total budget of ₦4,735,732,500 has a total of 53 DD-relevant projects spread across 10 activities and 5 investments which are also DD-related. While investment 6 (Rule of Law) is the investment with the largest budgetary allocation (₦ 3,708,000,000), investment 2 (violence and abuse) has the least allocation (₦8,000,000). The activity with the highest financial allocation in the fourth pillar of the Sokoto State DD Roadmap is Investment 6 and Activity 5: (4.6.5), which is the Provision of adequate funding for the welfare of law officers and law enforcement agencies with a total budget estimate of ₦2,245,000,000. This is closely followed by investment 6, activity 6: (4.6.6); which is the provision of adequate work tools for law officers and law enforcement agencies, estimated to cost about ₦1,070,000,000. The third “most budgeted for activity,” in the good governance pillar which has an estimated cost of ₦553,732,500 is the provision of assistance to those displaced by crisis (4.5.6). These 3 (three) activities in the first pillar, with the highest budget estimates are made up of 38 projects with a total cost of ₦ 3,868,732,500 represents about 81.7 percent of the total budget estimates of activities in the good governance pillar (Table 3.3.4)

Table 3.6: Good Governance Estimates

Identifier	Investment and Activity	Number of Project	Estimates
1.	NON-DISCRIMINATORY POLICY: Domesticate, review and implement non-discriminatory policies to enhance good governance	2	50,000,000
4.1.4	Establish the Sokoto State Marshal Law	1	30,000,000
4.1.7	Develop donor agencies policy to utilize the local NGOs in the State	1	20,000,000

DEMOGRAPHIC DIVIDEND – COMPLAINT BUDGETING IN SOKOTO STATE, NIGERIA

2.	VIOLENCE AND ABUSE: Eradicate all forms of violence and abuse in the State	1	8,000,000
4.2.5	Establishment of GBV (including sexual) referral centres in each LGA	1	8,000,000
3.	ADVOCACY: Sensitize with various stakeholders to buy-in into Demographic Dividend	1	150,000,000
4.3.4	Intensify effort to promote implementation of demographic dividend programming in the State	1	150,000,000
5.	SOCIAL PROTECTION: Combat all forms of crime and ensure adequate protection of lives and properties and engage community-based security networks	10	819,732,500
4.5.2	Provide adequate assistance and equipment for effective and efficient security services	6	266,000,000
4.5.6	Provide assistance those displaced by crisis (farmer-herders, banditry and others)	4	553,732,500
6.	RULE OF LAW: Promote transparency, accountability, rule of law and access to justice	39	3,708,000,000
4.6.3	Training of law officers, law enforcement agencies and judiciary officers on the administration of criminal justice	4	93,000,000
4.6.5	Provision of adequate funding for the welfare of law officers and law enforcement agencies	14	2,245,000,000
4.6.6	Provision of adequate work tools such as office spaces, literature, laptops, desktops, photocopiers and printers for law officers and law enforcement agencies	20	1,070,000,000
4.6.7	Creation of synergy and collaboration among the Directorate of Public Prosecutions (DPP) and the Police Liaison Office of the Ministry of Justice	1	300,000,000
PILLAR 4 TOTAL		53	4,735,732,500

Source: Authors' compilation

Based on the extent of financial commitment, the rule of law is identified to be the DD-priority investment of the government. This is evident as it has the highest estimated budgetary allocation to it.

Conclusively, in order of government priority, pillar 3: Sustainable Economic Development with a total of 170 projects and 30 activities is hinged on a total estimated budget amount of ₦21,494,397,509. This is followed by health and well-being with 84 projects, 15 activities and an estimated sum of ₦19,169,227,538 and Inclusive education with 14 activities and 168 projects and an estimated budget of ₦13,125,521,415. The least budgeted pillar is Good governance with only 10 activities 53 projects estimated at a cost of ₦4,735,732,500.

3.7 Distribution of Projects and Budgetary Estimates of the MDAs by Pillar

The entire 1214 projects in the 2022 Sokoto State Budget are distributed across 84 MDAs. The total amount budgeted for capital project for these 1214 projects across the 84 MDAs is ₦111,128,292,563.29. This is the total approved capital expenditure in the 2022 Sokoto State

budget. However, recall that only 462 of these projects are DD related. These identified DD-related projects are to be executed by 60 MDAs out of the total 84 MDAs. These MDAs with DD-related projects have a total capital expenditure of about ₦58,524,878,962.01, which translates to 52.7 percent of the total capital expenditure in the 2022 Sokoto State Budget (see Appendix 3).

The comprehensive distribution of the 472 projects by pillar and their budgetary estimates by MDAs in the budget is presented in Appendix 3. A summary of the MDAs whose budgetary allocation is over one billion naira is presented in Table 3.7 below:

Table 3.7: Distribution of Projects and MDAs with over ₦1b Budgetary Estimates by Pillar

S/N	Ministries, Departments and Agencies (MDAs)	Thematic Pillar				Total Number of Projects	Total Amount
		1	2	3	4		
1	Ministry for Women Affairs	7	8	12	1	28	1,052,400,000
2	Ministry of Environment	10	1	8		19	1,288,000,000
3	Sokoto State SME Development Agency		1	5		6	1,530,000,000
4	State Universal Basic Education Board (SUBEB)		4			4	1,654,832,845
5	Sokoto State University	1				1	1,839,038,778
6	State High Court				14	14	2,245,000,000
7	Nigeria CARES - Fadama Programme			6		6	2,953,842,000
8	Ministry of Science and Technology		33			33	3,440,000,000
9	Ministry of Works & Transport			33		33	4,761,155,509
10	Ministry for Basic Education		46			46	5,211,988,570
11	Ministry of Agriculture & Natural Resource			16	1	17	8,392,000,000
12	Ministry of Health	33				33	14,966,423,241
	Total	51	93	82	16	240	49,334,680,943

NB: Detailed version in Appendix 3

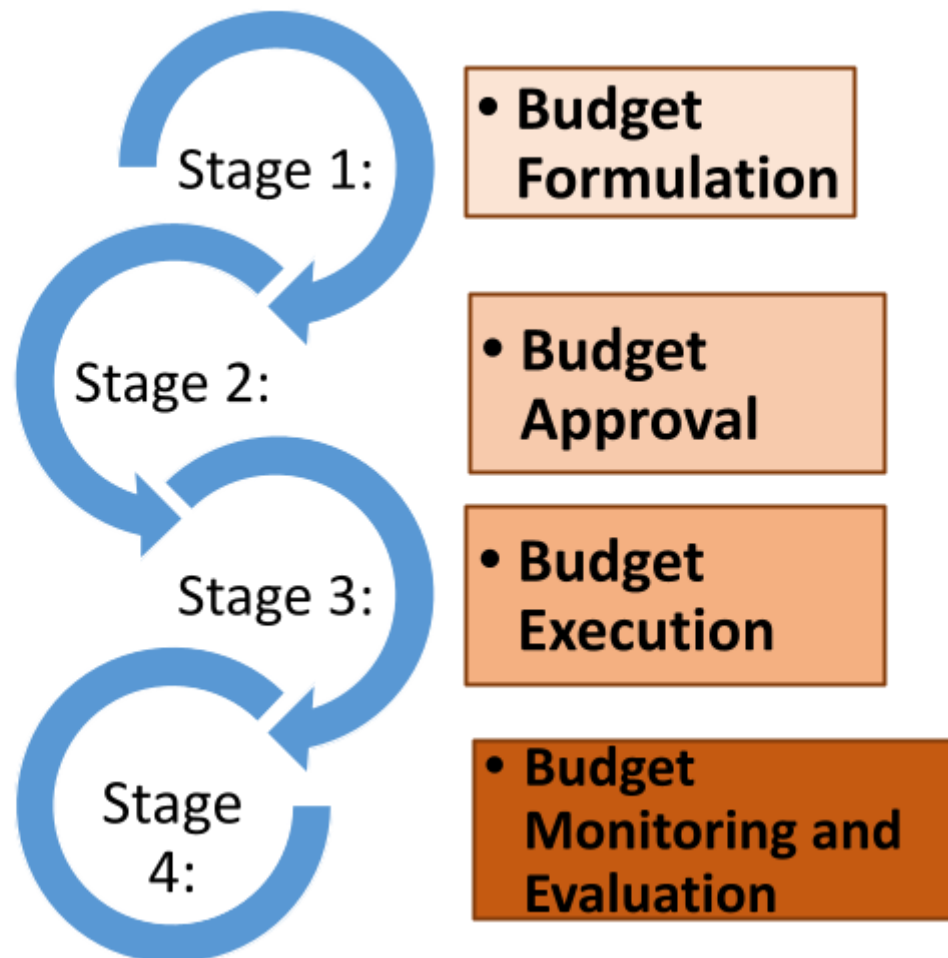
A total of ₦58,524,878,962 is the estimate of the funds allocated to the 472 DD-related projects in the 2022 Sokoto State Budget. A total of 240 projects are identified with the sum of ₦49,334,680,943 is allocated to the 12 most highly funded MDAs (Table 3.7), whose total allocation for DD-related programme is at least ₦1b. The most funded State Ministry in the State budget with 33 DD-relevant projects in Sokoto State is the Ministry of Health with a total budget of about 14.9 billion naira. This ministry has a total of 33 projects which are all related to Pillar 1 (Health and well-being) of the Sokoto State DD Roadmap. The next is the Ministry of Agriculture and Natural Resource with an estimated sum of 8.3billion naira for 17 projects. The Ministry of Basic Education with 46 projects is allocated a sum of 5.2 billion naira. The Ministries of Works and Transport; and Ministry of Science and Technology, both with 33 projects each have a budget of 4.7 and 3.4 billion naira respectively. The Ministry of Women Affairs whose budget is about ₦1,052,400,000 with 28 activities.

3.8 Budget for Demographic Dividend Model (B4DD Model)

The model adopted for the integration process is the “Budget for Demographic Dividend Model” (B4DD Model). It is important to note that the B4DD is not an entirely new process, In fact, it still comprises of the four (4) basic stages associated with budgeting. However, the B4DD

incorporates a number of re-structured activities into each stage of the budgeting processes. The model identifies the relevant phases to introduce DD-related activities into the budgeting process. The alignment of DD with the budget provides a foresight planning which is a platform to improve the fiscal space of any national or sub-national budget. The B4DD Model also identifies the four stages and expected budget document necessary at each phase of the process. However, each stage is accompanied with a number of DD-relevant steps.

Figure 3.12 The Budget for Demographic Dividend (B4DD) Model



STAGE ONE: BUDGET FORMULATION

The first phase of the B4DD Model is BUDGET FORMULATION. Budget formulation and preparation involves the process of collecting and collating data to articulate the budget document. The formulation of budget projects include the transformation of DD-related activities (policies) into budget-friendly financing framework. It is a data-intensive procedure. A number of Development framework, agenda or concepts, such as a DD Roadmap provide a basis for the identification and prioritization of governmental efforts and projects. Other programmes and projects in the budget can be aligned with other development documents and employed in the process budget formulation process for Sokoto State include State Development Plan, State Action Plan for Sustainable Development Goals (SDGs), Sokoto State Plan of Action for women and children, State Education Sector Plan. The focus of the B4DD Model is to incorporate DD into the budget process. The model is therefore adopted by States with a DD Roadmap and who aim to integrate the Roadmap into their budgeting process.

Step 1: Identification of DD activities in the DD Roadmap and the responsible MDAs

This onset phase of the B4DD also includes the identification of DD activities in the DD Roadmap and the roles of respective MDAs relevant for its achievement. This is necessary in order to identify projects and consequently, programme of the budget that are DD-relevant and are directly related to such MDAs. Discussions have to be held among the Stakeholders in such MDAs right from this stage of budget formulation. It is important to note that not all programmes and projects in the State budget need to be aligned with the DD. The Demographic Dividend Roadmap is concentrated on children, youths and women.

Step 2: Preparation of the Budget Proposal Narrative

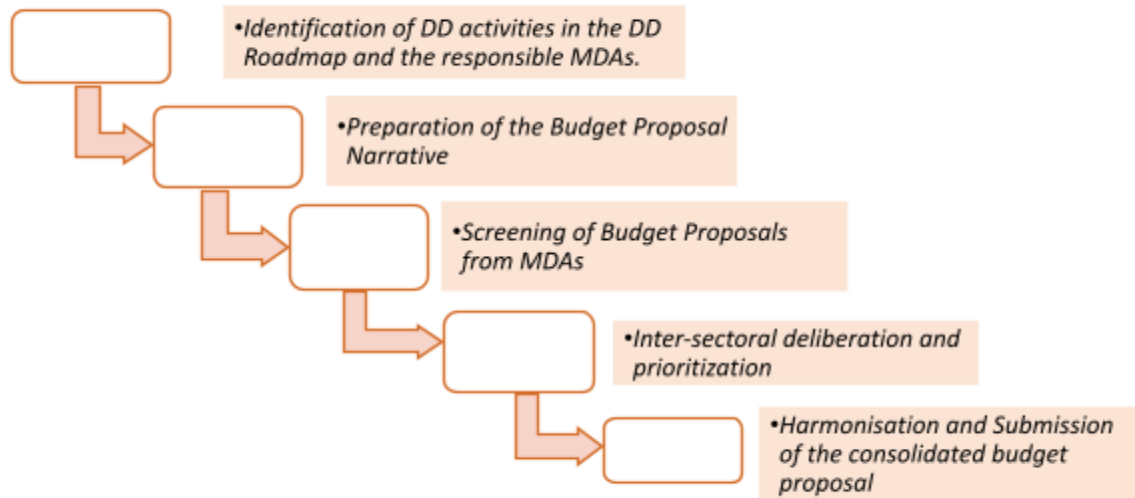
The budget office issues a call circular containing guidelines on government programmes, projects and policies to MDAs requesting for the proposals of their revenue and expenditure. Relevant formats are attached to the circular including request for information on the out-going fiscal year. Each ministry is expected to conduct an intra-ministry meeting to present a narrative about their activities in relation to the key DD-related investments and activities. The MDAs are expected to conduct Financial Needs Assessment and Costing of the Activities. Intra-sector meetings and prioritization must occur during this stage. It is important that the draft budget proposal also demonstrate the link between the budget proposal and its contribution to the overall DD process. This narrative MUST be Specific, Measurable, Articulate, Realistic and Time bound (SMART). Proposals from MDAs are subjected to screening within the MDAs in a process called preliminary budget defense. This is to ensure that proposals are in line with the objectives, goals and aspirations of the government, as well as DD-relevant.

Step 3: Screening of Budget Proposals from MDAs

Following the internal review meetings and preliminary budget defense, MDAs forward their proposals to the budget department for necessary action. The budget proposals sent by MDAs are screened by the State Budget Technical Defense Committee in the Ministry of Budget and Planning. Each MDA is expected to justify its budget proposals before the Committee detailing not only the expenditure but the sources of revenue for such expenditure. After the defense and screening, the Budget Department of Ministry of Budget and Planning should collate all the

screened proposals from MDAs and come up with the State Draft Budget Proposals for the financial year.

Figure 3.3: Steps in the Budget Formulation Process in the B4DD Model



Source: Authors' compilation

Step 4: Inter-sectoral deliberation and prioritization

Following the preparation and submission of proposals by the MDAs in line with other development agenda of the State (State DD Roadmap, SDGs, State Development Plan and others) to the State Budget Unit. It is necessary that the MDAs are invited for bilateral discussion where issues pertaining the proposals are trashed out and agreed upon. A lot of intersectoral deliberation and prioritization takes place during this period. Budget negotiations to link outputs to the desired outcome also occur. During this period, budget coding according to the DD to keep track of the allocation of resources to each DD pillar is also expedient at this stage. One of the goals of this stage is to link budgetary programs to DD pillars so they can determine the percentage of a pillar linked to any budgetary program and conversely the number of budgetary programs linked to each pillar

Step 5: Harmonisation and Submission of the consolidated budget proposal

Upon review, the corrections are effected and harmonisation of all the ministerial budget proposal is done. The key budget document, which is the final output of the formulation stage at this stage is the Draft Executive Budget Proposal and other supporting documents (evidences). This Draft Budget is then submitted to the SEC for review.

STAGE TWO: BUDGET APPROVAL

The onset of the approval stage is premised upon successful presentation of the citizen's budget to the State Executive Council (SEC). The Budget and Planning Committee host the Technical Committee by the State Budget Department to the State Executive Council (SEC) for their

reviews, observations, suggestions, as the case may be. The budget approval and authorization stage is the process of appropriation through legislation and assent including issuance of financial warrants to authorize expenditure. The Expenditure warrant is an authority to spend based on the approved budget. This second stage commences with the review and amendment of the proposed budget. Review of the comments given by SEC on the draft budget proposal are effected. Relevant ministries, members of the parliament, development partners, civil society and members of the academia would deliberate and advocate for the inclusion of projects which are DD-relevant.

Modification of the budget is effected based on the strength/depth of the debate. The amended budget is sent to the SEC again for their approval. Following this revision and amendment of the budget, it is then enacted into law. After the screening and defense, the State House of Assembly approves the Draft Budget by passing the Appropriation bill after series of amendments. The appropriation bill passed by the House is sent to the Executive Governor for his assent through an EXCO Memorandum. When the Executive Governor assents to the bill, it becomes an Appropriation Law or an approved budget for the state for the new financial year. Upon this assent, then the budget becomes a legal financial document for the State and he will direct the Accountant General to direct expenditure warrant to all the MDAs.

STAGE THREE: EXECUTION STAGE

The budget becomes executable once the Executive Governor has given his assent to the budget document. This next stage involves the explicit implementation of the approved budget. The approval and assent of the budget by the Executive Governor therefore signals the commencement of the budget implementation process. The budget execution or implementation stage involves the mobilization, allocation and utilization of human, material and financial resources, necessary for the achievement of the goals and objectives of an approved budget.

Financial warrants are issued to authorize the Accountant-General to disburse funds when approval is given for release of funds by the executive Governors. For capital expenditures, the appropriate MDAs invite tenders for projects in accordance with the due process mechanism. Only projects stated in the approved budget should be implemented. This stage also involves printing of the budget document, distribution to the relevant MDAs, mobilization/disbursement of the financial resources. The executive collects revenue and spends money based on the allocations assigned in the budget law. In the process of execution, there is also the need for in-year, mid-year and end-of-year reports, which in some cases can give rise to the need for the preparation of a supplementary budget.

STAGE FOUR: BUDGET MONITORING AND EVALUATION STAGE

Budget monitoring, evaluation and reporting involves the process of tracking the performance and impact of the budget. This process commences immediately after the implementation start. Consistent monitoring of progress occurs alongside the execution of the budget. The monitoring and evaluation process is an on-going process once the budget is being executed. The budget accounts are to be audited bi-monthly, quarterly, bi-annually and at the end of the budget year. The audit findings from the reviewed budget are further reviewed by the legislature. Based on

the review findings, actions are to be taken by the executive to correct the findings of the audit. The key budget documents here are audit reports, legislative audit and committee. Aligning the budget with the Demographic Dividend requires input from and active participation of all MDAs responsible for DD-related activities.

This is to be done for each programme, by the responsible MDAs. In order to ensure proper monitoring and evaluation, the efforts of the government and the outcome of such effort should be clearly specified. Government effort in this case, is the allocation and approval of funding for a specific programme or series of projects. The outcome is the target of such efforts. For example, a 20 percent reduction in the percentage of out-of-school children, a 5 percent increase in the rate of transition from primary school to junior secondary school, reduction of maternal mortality from 12% to 8% and many more, are specific outcomes which is what should be measured. This is the ex-Post analyses on impact of budgets on DD Pillars. The budget monitoring and evaluation therefore provides a feedback platform to the government for adoption or adjustment and in some cases, it provides an early warning mechanism for project failures.

The MDA responsible for the overall M and E is the Ministry of Budget and Economic Planning. Another important step in the M and E process is the strengthening of the DD budget expenditure monitoring and reporting. This stage also involves organising Regular Expenditure Review Meetings by the Monitoring Committee. Finally, at this stage there must be Budget auditing. The audit review will present a biannual progress report which will be presented to the house and publicly accessible and distributed to the media and other stakeholders.

Conclusion

In the B4DD model, outcomes, just like objectives or goals MUST be SMART, which is, Specific, Measurable, Articulate, Realistic and Time-bound. In summary, the B4DD aims to ensure budgets are neither mis-specified, mis-allocated nor mis-appropriated. To achieve this, it is imperative that conscious effort must be made to link the State budgets to the DD activities and investment. Since the DD Roadmap is a development framework document with specific focus on the welfare of the population, it helps to judge the operational impact of the programs and projects specified in the budget. The integration of the DD into the budgetary process therefore requires conscious efforts. If effected, these concerted efforts will place Sokoto State on the trajectory to manage her demographic characteristics and foster rapid Economic growth and Development in the State.

CHAPTER FOUR

IMPLEMENTATION STRATEGIES AND MONITORING FRAMEWORK

4.1 Implementation Framework

The Roadmap for harnessing demographic dividend in Sokoto State recommended a number of activities and specified implementation strategies for achieving them. A key process in the implementation of the various activities is the integration of DD into the budget and budgeting process of the State. During this process, critical programmes and projects to be undertaken are identified and mapped with responsible agencies with clear timelines to the commencement and completion of all individual programmes and projects. The Implementation Committee will provide technical support throughout the period of implementation, and provide feedbacks to the Steering Committee. Following the validation of the Roadmap for harnessing DD in the State, implementation process commences by transforming activities (policies) into budgeting-friendly financing frameworks, with careful consideration for the following:

Identify Budget-able Activities

Careful description of projects and programmes in the annual budgets by each MDA is critical for a successful implementation of the various activities recommended activities. Each project specified in the budget must be specific, measurable, attainable, realistic and Time-bound (SMART). Any budget developed on the basis of poorly describes projects are difficult to implement, monitor and evaluate and are deemed not to follow the DD-compliant budgeting process.

Map Activities with Existing Planning and Budgetary Frameworks

A critical aspect of the integration of DD into the budgeting process is the mapping of activities suggested in the Roadmap with existing planning and budgetary framework of the State. Each well-defined project is mapped with the most relevant activity in the Roadmap. This is important to identify the number of projects that relates to each DD pillar and how many DD investment and activities are covered by the budget. This is important for easy implementation and monitoring of DD activities in the budget execution process.

Conduct Financial Needs Assessment / Costing of the Activities

The budgeting process in Sokoto State considers financial need assessment and project costing as an integral part. However, the description of the projects that form the basis of the budget must be significantly improved for easy implementation. Accurate costing an activity in the roadmap relies heavily on an appropriate costing procedure, which facilitates the conduct of an effective financial need assessment. This assessment reveals the fiscal space and the extent to which the total budget accommodates DD-related programmes, as well as identifying the potential sources of funds for implementation of the various projects. This process is important for negotiation with relevant stakeholders for financing.

Develop Financing Framework

A successful implementation of the various DD-related projects depends largely on a robust financing framework. The main source of funds for financing the various projects and programmes is the statutory allocation from the federal government. Othe major sources

include loans (foreign and local), internally generated revenue (IGR), value added tax and domestic grants. The State can increase its efforts to boost grants from development partners.

Budget Circulars and Templates

Budget circulars signifies the commencement of the budgeting circle and process in Sokoto State. Budget circulars must clearly state the expectations of the State from all MDAs, while outlining the policy focus and priority of the State. It must require a brief and detailed narratives from each MDAs on their DD-related achievements and justify the inclusion of certain projects in the budgets. Each MDA is also expected to clearly define all projects along with their costing templates.

Intra-sectoral deliberation and prioritization

Within each MDA, the development of proposals must be well discussed to accommodate the contribution from each unit and departments. This allows the proposal to represent the consensus and priority of the MDA, rather than of an individual. Such deliberation must also include all NGOs and any external stakeholder working with the MDA.

Inter Sectoral Deliberation and Prioritization

The Ministry of Budget and Economic Planning (MBEP) need to consider effective consultation with the Technical Committee for the implementation of DD in the State. Each proposal submission from each MDA must be scrutinized to ensure consistency with the contents of the call circular, as an MDA can be invited for defence and revision where necessary. Subsequently, the MBEP or Budget and Planning Committee is expected to host the Technical Committee which has members across DD-related MDAs to map projects and programmes in the budget to DD activities. This ensures that the budget adequately provide for DD activities and investments.

Budget negotiations to link Output to Outcome

Prioritization and negotiation between different ministries and line agencies are key element of the budgeting process, which must be clearly considered in the budget narratives. Budget negotiations by each MDA must consider how the different outputs of their DD-related projects and programmes ensures the achievement of expected outcomes. This is expected at all levels of budget negotiation as a tool for prioritization and increased funding.

Ex-Ante impact analyses of budgets on DD Pillars

A successful implementation of a DD-compliant budget is expected to impact livelihood of the Sokoto State people as identified in each of the investments in the four pillars of DD for the State. An impact analysis is therefore expected after the completion of the execution of the various DD-related projects and programmes. This is a key focus of monitoring and evaluation.

4.2 Stakeholder Analysis and Engagement Strategy

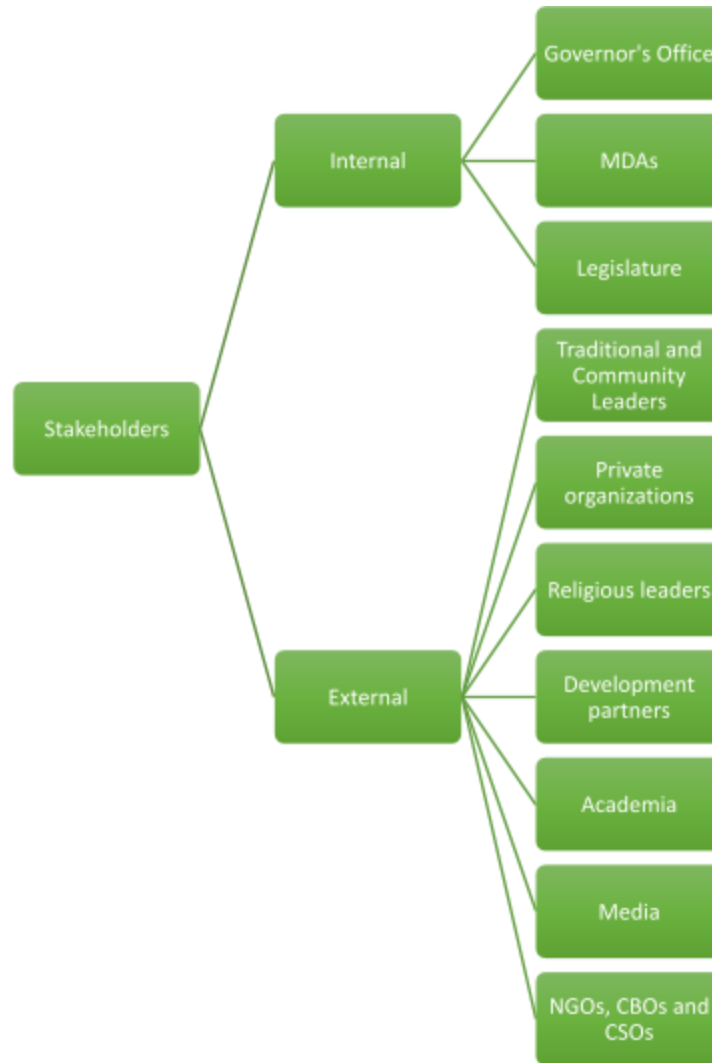
Demographic dividend sees stakeholders as an integral component of the programming and implementation process. It therefore actively engages relevant stakeholders at every stage towards harnessing demographic dividend. In the budgeting process, stakeholders in the DD programming are broadly categorized into internal and external, with distinct roles. In Sokoto State internal stakeholders are the State government, employees across MDAs that are related

to DD pillars, as well as the legislature, executive and judiciary. External stakeholders include private organizations, religious leaders, development partners, academia, media, NGOs, CBOs, and CSOs. This is shown in Figure 4.1.

At the level of budget formulation, MDAs play key roles in developing budget and consolidating proposals, where the MBEP coordinates the process on behalf of the executives. Some external stakeholders such as development partners, NGOs and private organizations may be invited during the intra-sectoral deliberations on budget proposals of some MDAs. These organizations and partners will discuss their views and activities with such MDAs, especially where some funding is expected from them or where counterpart funding is required. At this level, the aspirations of the people must also be incorporated in the proposals, following feedbacks from past and current implementation activities.

At the approval stage, the legislature is expected to engage all relevant external stakeholders, especially the CSOs, CBOs, media, academia as well as religious, community and traditional leaders for their opinions and contributions to improve the budget before it is pass into appropriation bill.

Figure 4.1: Demographic Dividend Stakeholders



4.2 Monitoring and Evaluation Framework

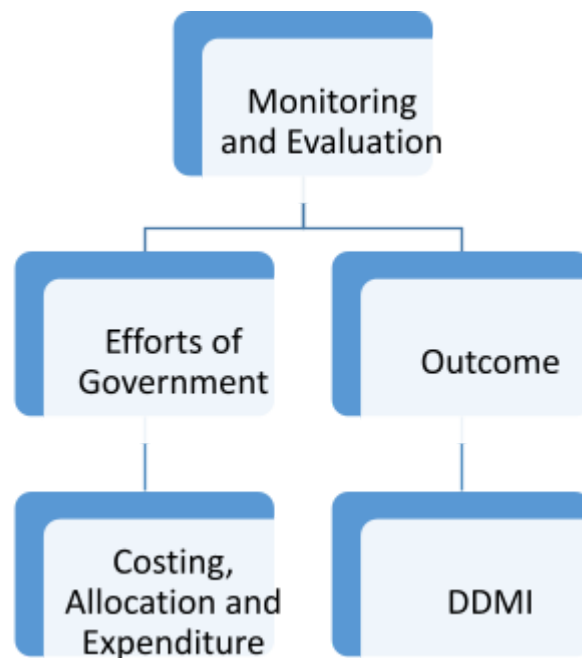
Effective integration of DD into the budgeting process of Sokoto State must include a clear and robust monitoring and evaluating framework. The framework set out the process of measuring the implementation progress for the various projects and programmes towards harnessing demographic dividend in the State. The Monitoring and Evaluation (M&E) Committee will develop DD-compliant indicators to track implementation progress, setting timelines and targets while providing feedbacks to the Steering Committee.

The State is expected to strengthen the monitoring and reporting of DD budget expenditure. It is therefore important to enhance the technical expertise and skills of the human resource that are dedicated to this course. This is important for effective data collection process. The M&E Committee must insist on timely and quality output from all stakeholders involved in the

implementation. Performance evaluation uses the various indicators developed to analyse and assess the effectiveness of the implementation of DD-related projects and programmes in line with each investment targets.

Monitoring and evaluation activities will essentially cover two key areas: government efforts and outcomes of the various efforts as shown in Figure 4.2. Monitoring and evaluation of the efforts of the government involves analysis of budgets (including costing and allocation) and actual expenditure of the State government. Outcomes will be monitored and evaluated using appropriate indicators. In particular, a Demographic Dividend Monitoring Index (DDMI) will be developed with dashboards for each pillar to be domiciled in the relevant MDAs, while the overall DDMI dashboard will domicile in the Ministry of Budget and Economic Planning. The DDMI relies heavily on sound and continuous data collection process for both qualitative and quantitative analysis. A biannual progress report should be produced by the M&E committee and submitted to the steering committee for approval. The report should be published biannually and made accessible to all stakeholders relevant to DD in the State. It should also be publicly available through all media, including the website of the State.

Figure 4.2: Monitoring and Evaluation Framework



CHAPTER FIVE

CONCLUSION AND WAY FORWARD

Sokoto State is the first State in Nigeria to map the Demographic Dividend to its budgetary process. The mapping process is key for reaping the benefits from its population bulge as part of the planning phase for harnessing the demographic dividend. This report emphasized the demographic dividend as a tool for evaluating budget effectiveness and tracking the progress towards economic development. It is tailored to reflect the DD Roadmap pillars, budgeting system, strategic framework for mainstreaming DD into budgetary processes as well as the implementation strategies and monitoring framework in order to sustain the accomplishment of the actions indicated in the roadmap. This endeavor to integrate DD into the State Budget has contributed to the analysis of the DD-related projects in the 2022 State budget with a focus on mapped activities, unmapped activities and overall DD-related projects in the budget.

The document presented the breakdown of the four DD pillars, with 44% of the total DD activities mapped in the 2022 State Budget and 39% of the Budget projects are DD-related. Specifically, health and wellbeing pillar contains 53 activities of which 15 activities have been mapped in the Budget with an overall of 84 projects in this pillar. Inclusive education pillar has a total of 32 activities, of which 24 activities have been mapped with a total of 168 projects allotted to the pillar. For sustainable economic development, 29 activities have been mapped from the 36 activities in the pillar with 167 projects being allotted to the pillar. For good governance pillar, 10 activities were mapped from the 37 activities identified in the DD roadmap with 53 projects allotted. In conclusion, the report includes 68 mapped activities, 90 unmapped activities and 472 projects linked with the 2022 Sokoto State Budget. In addition, the 472 projects were spread across 60 different MDAs.

It is therefore essential for this report to also highlight some of challenges, risks, threats and future needs of budgeting for the attainment of demographic dividend in the State.

5.1 Challenges, Risks, Threats and Future Needs

The presentations, group activities, and discussions during the four-day capacity training and workshop on integrating the demographic dividend into the State's budgetary process, which brought together participants from various MDAs and facilitators to share, discuss, and learn from one another, resulted in identifying the challenges, risks, threats, and future needs for budgeting for the Demographic Dividend.

Challenges

The main challenges noted include lack of good projects description and narrative; projects repetition, as well as projects without cost.

One of the most crucial aspects of any project costing is the proper project description. This frequently guides multiple decisions and is critical in determining the success of such project. However, due to the lack of good project description and narrative of some projects in the 2022 Budget of accomplishment and sustainable development, it was extremely impossible to track and measure the components of such project expenses. As a result, it is advised that the key performance indicators be specified in the short project description in order to correctly determine the scope of such project.

Another challenge that requires adequate attention going forward is the duplication of projects in the Chart of Account. This is one of the major pitfalls to be avoided during budgetary process. However, during the mapping process of the DD-related activities, the duplicated DD-projects were removed from the mapping exercise. This was done to avoid over-estimation of project and guard against embezzlement. Furthermore, such act should be discouraged going further as a re-check on projects would be needed.

Also, it was discovered that some projects stated in the budget were not budgeted for, as no cost estimate was stated in the budget exercise. The implication of such event is that it gives room to the possibility of the project failure. In order to avoid this negative outcome, any project's realization is greatly dependent on its funding, which would get the project started and ensure that the needed funds are mobilized to get all resources for its realization.

Risks and Threats

A number of factors serve as risks and threats to realization of demographic dividend. This include:

Security pandemic: The recurrent security challenges in the Northern part of Nigeria serves as a potential threat to the capitalization of demographic dividend

Macroeconomic instability: Instability in macroeconomic variables such as depreciation of Naira currency and rapid inflationary pressures can affect the stability of the economy.

Lack of funding: Funding of demographic dividend should also be considered among bilateral and multilateral donors with adequate support from the federal level

Weak financial system: This could hinder progress of DD if the system does not monitor and inform budget holders of their adherence to budget ceilings

Future Needs

One of the key takeaways is the ability to have a right project description, avoid duplication of projects and also ensure that all projects must be accounted for. Other future needs are:

- Integration of DD in the Budgeting process should be an ex-ante phase rather than ex-post
- There is need to create more awareness about demographic dividend and ensure active involvement at the local levels

DEMOGRAPHIC DIVIDEND – COMPLAINT BUDGETING IN SOKOTO STATE, NIGERIA

- Need to train civil servant experts on DD without transferring them to where they would not be relevant.
- Need for effort towards broadening the sources of DD-related financing.