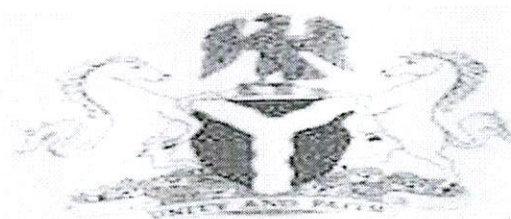




NIGERIA GOVERNORS' FORUM

PEER REVIEW REPORT

ON

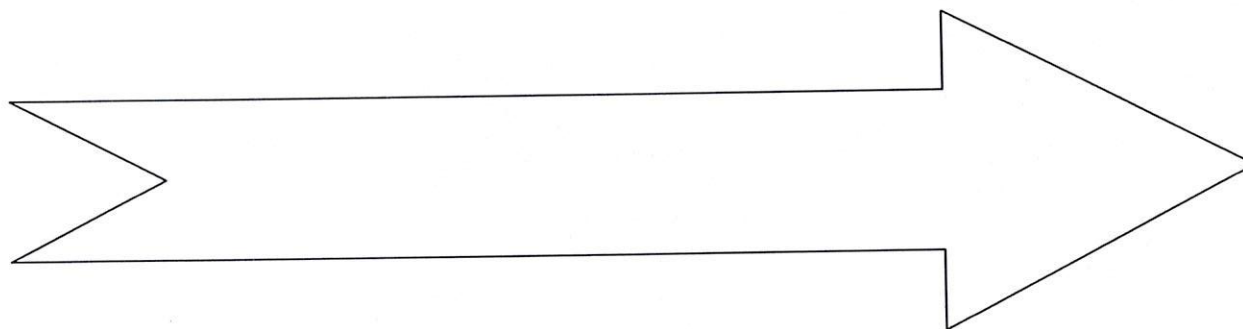


KOGI STATE

December, 2010

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PART 1: PREAMBLE

- ❖ Acknowledgements
- ❖ Political Map of the State
- ❖ State Fact Sheet
- ❖ Historical Background

ACKNOWLEDGEMENTS

I wish to most sincerely thank His Excellency, Dr. Bukola Saraki, CON, Chairman of the Nigeria Governors' Forum and Executive Governor of Kwara State, for his excellent leadership of the Governors' Forum and the support he accorded to the 1st State Peer Review Exercise in Nigeria. I am equally thankful to all the 36 State Governors for their invaluable contribution to the success of the review and facilitating the State Peer Review Tours.

Our unalloyed gratitude goes to His Excellency Ibrahim Idris, the Executive Governor of Kogi State, and the good people of Kogi for their hospitality and warm reception of members of the Review Mission during the exercise.

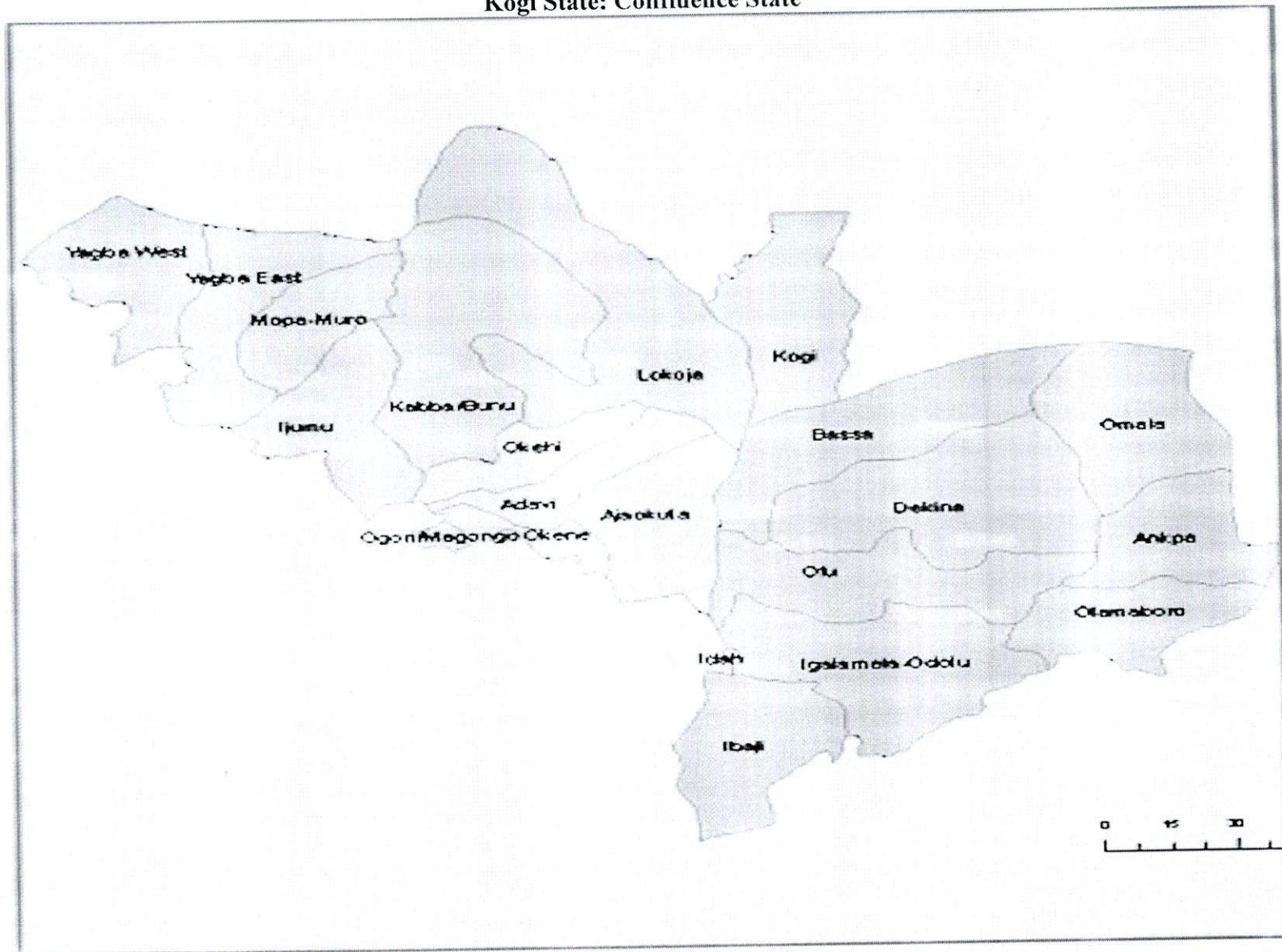
The mandate of the Peer Review Exercise is drawn from the National Economic Council's decision of January, 1999, where it was decided that all thirty-six states of the federation should review themselves; modelled after the African Union (AU) Peer Review Exercise. The key objective is to benchmark best practices across states; develop learning-points; and create comparative indices within the sub-national governments. Pursuant to these objectives therefore, the NGF Secretariat identified the following core areas of focus: **Health; Education; Infrastructure; Agriculture & Water; Economy, Budget and Internally Generated Revenue (IGR)**. These areas of focus emerged from serious thought-provoking intellectual processes, and general consensus amongst the Governors.

I wish to thank our development partners, especially the Department For International Development (DFID), State Partnership for Accountability, Responsiveness and Capability for funding the development of tools for a comprehensive State Peer Review Mechanism (SPRM) which is expected to lay the framework that would be used across all thirty-six states of the Federation.

Finally, my sincere appreciation goes to the NGF Secretariat Peer Review Mission: the Secretariat's principal officers; policy consultants/advisors; researchers; the press; and the documentary team for the professionalism and dedication demonstrated during the visits.

A.B. Okauru, Esq.
Director-General
Nigeria Governors' Forum

Kogi State: Confluence State



Kogi State: Fact Sheet

COUNTRY	NIGERIA
STATE	KOGI
DATE CREATED	27 th AUGUST 1991
CAPITAL	LOKOJA
GOVERNOR	HIS EXCELLENCY IBRAHIM IDRIS
TOTAL AREA	29,833km ²
AREA RANK	13 th /36
LGAs	21
POPULATION ESTIMATE (2006)	3,314,043
POPULATION RANK	24/36
DENSITY	70.4/km ²
GDP (2007)	\$4.64BILLION
GDP PER CAPITA (2007)	\$1,386

Acronyms and Abbreviations

APRM	Africa Peer Review Mechanism
Arc.	Architecture
AU	African Union
CBWM	Community-Based Water Management Committees
DFID	Department For International Development
DG	Director-General
ECA	Excess Crude Account
E-Payment	Electronic Payment
FCT	Federal Capital Territory
FGN	Federal Government of Nigeria
FRA	Fiscal Responsibility Act
GDP	Gross Domestic Product
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
ICT	Information and Communication Technology
IDB	Islamic Development Bank
IGR	Internally Generated Revenue
ILO	International Labour Organisation
IRS	Internal Revenue Service
IT	Information Technology
JVCs	Joint Venture Contracts
KG	Kogi
KGSG	Kogi State Government
LGAs	Local Government Areas
MDAs	Ministries, Departments and Agencies (MDAs)
MDGs	Millennium Development Goals
MOU	Memorandum of Understanding
MVAO	Motor Vehicle Administration Office
NEC	National Economic Council
NECO	National Examination Council

NEEDS	National Economic Empowerment and Development Strategy
NEPAD	New Partnership for African Development
NGA	National Governors Association
NGF	Nigeria Governors' Forum
NPC	National Planning Commission
NRC	Nigerian Railway Corporation
NURTW	National Union of Road Transport Workers
PFM	Public Financial Management
PHC	Primary Health Care
PPB	Public Procurement Bill
PPP	Public-Private Partnership
PRNS	Peer Review of Nigeria States
SA	Special Assistant
SCAC	State Cash Allocation Committee
SCIP	Strategic Community Involvement Partnership
SCR	Standard Control Reports
SEEDS	State Economic Empowerment and Development Strategy
SLL	Statements of Lessons Learnt
SMDAs	State Ministries, Departments and Agencies
SOPs	Standard Operations Procedures
SPRM	State Peer Review Mechanism
SPV	Special Purpose Vehicle
SSG	Secretary to the State Government
TB	Tuberculosis
TWG	Technical Working Group
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/ AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNICEF	United Nations Children's Fund
USA	United States of America
VVF	Vesico - Vaginal Fistula
WUA	Water Users Association

Slogan: Confluence State

Capital: Lokoja

Historical Background

Kogi State is located in North-central Nigeria and was created on the 27th of August, 1991 from Kwara and Benue States. The state shares boundaries with nine states and the FCT and is the most centrally located of all the states of the federation. The confluence of River Niger and River Benue is at Kogi's capital, Lokoja which is also the first administrative capital of modern-day Nigeria. It was in Lokoja that the name Nigeria was coined by Flora Shaw, the future wife of Baron Lugard, a British colonial administrator, while gazing out at the river that stretched before her in the late 19th century. Kogi state is currently governed by His Excellency, Ibrahim Idris.

Geography

Kogi state has land co-ordinates of 7°30'N 6°42'E. The state has an average maximum temperature of 33.2^{oC} and an average minimum of 22.8^{oC}. Lokoja, the state capital, is generally hot throughout the year. The State has two distinct weather seasons: the dry season which lasts from November to February and the rainy season that lasts from March to October. The vegetation of the state consists of mixed leguminous (guinea) woodland to forest savannah.

Local Government Areas

The state has 21 local government areas namely: Adavi, Ajaokuta, Ankpa, Bassa, Dekina, Ibaji, Idah, Igalamela-Odolu, Ijumu, Kabba/Bunu, Kogi , Lokoja, Mopa-Muro, Ofu, Ogori/Magongo, Okehi, Okene, Olamaboro, Omala, Yagba-East, Yagba-West.

Demography

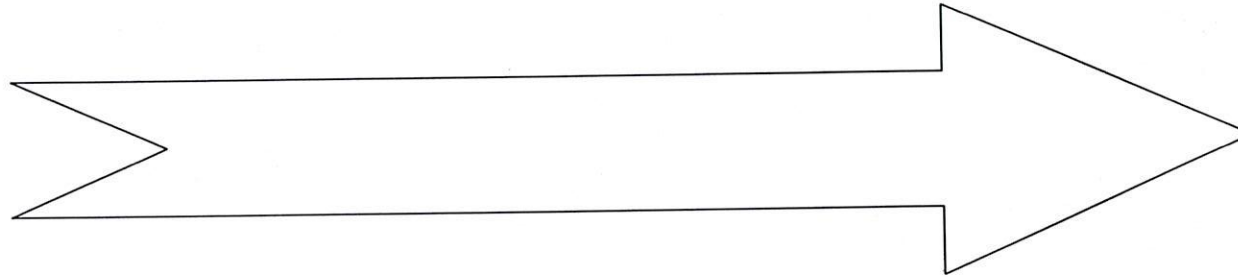
According to the population census of 2006, the state had 1,672,903 males and 1,641,140 females making a total of 3,314,043.

Ethnic composition and culture

There are eight languages spoken as first languages in Kogi State. The major ethnic groups are Igala, Ebir, Okun (Yoruba) and Nupe. Others are Bassa Komo, Bassa Nge, Kakanda, Kupa, Ogori-Magongo, Oworo, Gwari.

Natural and Mineral Resources

Available mineral resources in the state are coal, limestone, iron, petroleum and tin. The state is home to the largest iron and steel industry in Nigeria known as Ajaokuta Steel Company Limited. One of the largest cement factories in Africa, the Obajana Cement Factory has been built there. This cement company is a subsidiary of Dangote Group.



PART 2: PEER REVIEW REPORT HIGHLIGHTS

- ❖ **The Nigeria Governors' Forum (NGF)**
- ❖ **Mandate of the States' Peer Review Exercise**
- ❖ **Purpose and Objectives**
- ❖ **Specific Key Areas of Focus**
- ❖ **Methodology of the Peer Review**
- ❖ **Limitations of the Peer Review Methodology**

The Nigeria Governors' Forum (NGF)

The Nigeria Governors' Forum (NGF) was established in 1999 following a multi-party conference of all the thirty-six (36) democratically- elected state governors. The conference which was held in Abuja, Nigeria can be rightly described as the inaugural meeting of the Forum. This meeting came in the wake of the general elections of 1999 and was supported by the National Democratic Institute (NDI), a US-based organization and the Canadian-based Forum of Federations (FF).

The NGF brings governors together to share experiences, promote cooperation among States, serving as a mechanism for conflict resolution between states and federal government on the other.

The Nigeria Governors' Forum is registered under Part C of the Companies and Allied Matters Act (CAMA) 1990. Since inception, the NGF has been chaired by:

- Alhaji (Dr) Abdullahi Adamu (Former Governor, Nasarawa State): 1999-2004
- Arc. (Obong) Victor Attah (Former Governor, Akwa Ibom State): 2004-2006
- Mr. Lucky Igbinedion (Former Governor, Edo State): 2006-2007
- Dr. Abubakar Bukola Saraki (Governor of Kwara State): 2007-Date.

In 2007, the NGF headed by Dr. Abubakar Bukola Saraki was restructured for the enormous challenges of governance and development. The first of the efforts to revitalize the Forum was the establishment of a new Secretariat headed by a Director-General and supported by two (2) Executive Directors. Further attempts at institutionalizing the Forum culminated in the appointment of Mr Peter Obi, Executive Governor of Anambra State as Vice-Chairman.

Benchmarking State Governments: Lessons from Previous Efforts

Following the articulation of the National Economic Empowerment and Development Strategy (NEEDS), the National Planning Commission (NPC) in collaboration with development partners developed a set of benchmarks for measuring four areas of state governments' performance in 2005: policy, budget and fiscal management, service delivery, and communication and transparency. The four areas were those highlighted in the State Economic Empowerment and Development Strategy (SEEDS) developed by States in 2004. SEEDS drew on the federal government's National Economic Empowerment and Development Strategy (NEEDS) adopted in early 2004 that articulated national programmes for economic growth, public sector reforms and poverty reduction. A second SEEDS benchmarking exercise was carried out in 2006 and a report on the achievements and weaknesses of States as revealed by the exercise was published. Since several States reacted negatively to the ranking in the benchmarking report of 2005, the 2006 benchmarking report was not ranked and subsequent rounds beyond 2006 were discontinued.

Mandate of the States' Peer Review Exercise

At the onset of debates regarding the best way to optimize the utilization of the Excess Crude Account (ECA), the National Economic Council, (NEC), in 2007, concluded that there was the need for the States throughout the federation to peer review themselves. Consequently, the NEC, which also has all the 36 (thirty-six) States Governors as members, agreed and mandated its Secretariat to carry out a peer review exercise across the 36 States of the Federation. As a follow-up to the NEC decision, NGF mandated its Secretariat to engage a pool of Policy Consultants/Advisors across key sectors that would carry out the exercise.

It is important to note that the Secretariat of the NGF toured the 36 states of the federation as part of a preliminary effort to gather general information, develop a set of benchmarks, identify unique practices and document challenges to development efforts at the state level. The NGF Secretariat now has a robust library of information on all the states in addition to reaching out to the networks of officials, persons and institutions around our principals.

Purpose and Objectives

The objective of this initial peer review tour is to assist States to improve their development performance through periodic reviews of progress in the implementation of their development policies, plans and programmes.

The exercise is also expected to achieve the following key objectives:

- a. Evaluate the existing capacity around the State Chief Executive, the Governor.*
- b. Benchmark commendable and innovative practices by the State that could be of mutual or exclusive benefit to other states and promote cooperation among states; and encourage experience sharing through peer pressure.*
- c. Assess the states' strengths and challenges within the identified thematic areas on the basis of which a state's Programme of Action will be drawn up to redress the identified challenges as part of the review process.*

- d. *Make appropriate value-based recommendation(s) for the Government's optimal performance within the thematic areas of: agriculture and water resources, economy and budget, education, health, infrastructure and finance, and internally generated revenue.*
- e. *Promote good governance through enhancement of transparency, accountability, participation and communication; achieving better service delivery (timeliness, quality and public access) nation-wide through the progressive improvement of policies, planning, budgeting and public service reform on the one hand, and core sectors such as education, health, roads, and agriculture on the other.*

Specific Key Areas of Focus

The State Peer Review Exercise was focused on some key thematic areas critical to the fulfilment of the constitutional responsibility of state governments. The functions assigned to State Governments under the constitution are partly shared concurrently with the Federal Government, and partly with local governments. All the non-enumerated or residual functions are the exclusive responsibility of the State Governments. However, there were clear jurisdictional overlaps, which sometimes made it difficult to precisely determine and assess the performance of each tier of government in the delivery of certain services.

Typically, the scope of the Peer Review essentially covered only a select set of core sectors common to all state governments. Therefore, the following core sectors formed the basis for this exercise: **health, education, agriculture, environment, economy and budget, internally generated revenue, and infrastructure** (*i.e. roads and physical construction in core sectors and public financial management*). These sectors were assessed taking into account the following:

- **Governance and Strategy:** *Existence of evidence-based policies; reflection of state priorities; existence of strategies that would actualize policies; existence of targets to measure policy actualization.*
- **Financial Resource Management:** *Prudence in fiscal and budget management; linkage of budget to policies and strategies in the core sectors; existence of realistic budget; timelines for budget implementation with expected deliverables; mechanisms that support better public service delivery; use of State resources to support economic development and growth.*
- **Service Quality Assurance:** *Access to service, quality of service, efficiency (timeliness) of service and customer satisfaction in the core sectors.*
- **Citizens' Engagement:** *Participatory inclusiveness of policy and planning process, budgeting process; role of civil society in policy process; existence of feedback mechanism for citizens to report on service dissatisfaction.*
- **Monitoring and Evaluation:** *Existence of performance monitoring and evaluation system in the areas of plans, budget, programmes and projects; use of findings to improve performance; data quality; data presentation and availability to end-users.*

Kogi State was, however, assessed against general good practice on each indicator and not against other states as part of the guiding principles adopted by the technical panel.

Methodology of the Peer Review

The Assessment Instrument for the Peer Review of Kogi State subsumed the entire state's executive, legislative and judicial arms of government into one entity which was further divided into 6 (six) key thematic policy areas thus: agriculture and water resources, economy and budget, education, health, infrastructure and finance, and internally generated revenue. The thematic areas were delineated along the line of what is considered as fully

representative of the various critical sectors of the economy. Thus, the assessment instruments were developed by the Policy Consultants/Advisors to cover three core issues: (i) the objectives of the assessment for each thematic/sectoral area to be assessed; (ii) the relevant standards, codes and conventions and best practices; and (iii) the questions that the assessment will seek answers to and their specific indicators and benchmarks. Meanwhile, the guiding principles ensured that the peer review assessment process was participatory and inclusive, credible, politically non-threatening, and professionally competent. The following were key steps adopted that defined the methodology:

- a. The data and evidence reviews were managed through three principal layers: MDAs' Interactive Sessions in plenary, Technical Sessions with designated State Officials, and a Debriefing Session with the Governor. The MDAs' Interactive Session in plenary was followed up with physical confirmatory and observatory and guided inspection visits to designated projects and activity areas.
- b. Two major sources of data constitute the evidence base for this assessment; data from primary and secondary sources. These were instrumented through a randomly domesticated questionnaire which was complemented by desk research for reviewing relevant documentation on the thematic areas. There were also elite/decision-maker interviews and focused group inspection of project sites, operational documents, work decision tools and focused group discussions.
- c. The General Session was conducted to provide opportunity for the State Officials to present their programmes, achievements and challenges in plenary.

- d. Technical Interactive Session was conducted to assist the Peer Review Team to weigh the balance of reliability of the information and related matters contained in the substantive submissions and presentations by the State. Thus, the technical session provided a good opportunity for comprehensive discussions on all issues that would have been otherwise considered too 'sensitive' to be discussed openly in plenary; or those other matters that may have been considered boring to non-related technical persons.

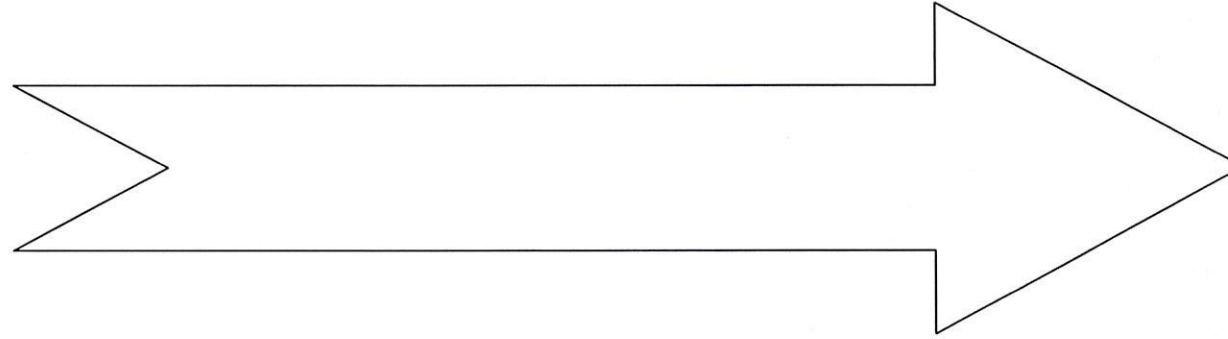
The scheduled visit to Kogi State took place from Sunday, 2nd August 2009 to Tuesday, 4th August, 2009. The NGF Secretariat Mission comprised of its Principal officers, Policy Consultants/Advisors, Researchers and Media Team; each of the six (6) thematic areas were anchored by a dedicated Policy Consultant/Advisor i.e. those of agriculture and water resources, economy and budget, education, health, infrastructure and finance, and internally generated revenue.

The Team undertook site visits to some projects executed by the Kogi State Government principally to obtain confirmatory evidence. The core areas of interest were roads, bridges, housing, electricity, educational facilities, factories, industries, recreational facilities, transportation utilities, and water dams.

Limitations of the Peer Review Methodology

The methodology adopted was, however, limited by the inability of the Policy Consultants/Advisors to access operational source documents in some cases. It was evident that the State officials were not briefed beforehand on the format and extent of technical information that would be required of them. It is noted that the initiative of Peer Review by NGF Secretariat is novel, so this limitation is normal and expected. Thus, the following limitations were observed particularly in Kogi:

- (i) Kogi Government officials did not meet the expected desire of getting public disclosure of their operations. This meant that more efforts were required to ease the difficulty arising from achieving the minimum information on routine Government activities. Thus, it was not possible to access the Audit Working Paper of the Government External Auditors. It was not also possible to examine the Minutes of Meeting of the State's Tenders Board and the Auditors' Report thereon without any problem.
- (ii) Kogi State officials were full of praises for the Government. This, in most cases, was in personal capacity. This has increased the level of discount placed on oral submissions as well as the degree of reliance on published documents that are not supported by appropriate schedules and related archival details.
- (iii) In addition to the Government's responses to the survey instrument, the assessment of civil society organisations, private sector and the public opinion on service delivery quality were tested through an opinion poll. Thus, Consultants ought to have been engaged for the exercise and the State did not put in place quality assurance measures that would guarantee that the assessment was carried out in accordance with the principles enunciated to guide it.



PART 3: REPORTS ON THE CORE SECTORS

- ❖ **Agriculture and Water Resources**
- ❖ **Education**
- ❖ **Economy/Fiscal Policy**
- ❖ **Health**
- ❖ **Infrastructure**
- ❖ **Internally Generated Revenue (IGR)**

AGRICULTURE AND WATER

A) Assessment Indicators: Water

- ✓ Water Treatment Plants (with potentials of meeting the water needs of the century)
- ✓ UN standard of 100 litres/person with running capacity of at least 12 hours per day
- ✓ Availability of solar-based plants
- ✓ Maximal reticulation within the state
- ✓ A buffer stock of treatment chemicals
- ✓ Quality of manpower
- ✓ Presence of WUA (Water Users Association) and CBWM (Community-Based Water Management Committees)
- ✓ Installed storage tank of 1 million litres
- ✓ Absence of water hawkers on major streets

B) Assessment Indicators: Agriculture

- ✓ Comprehensive Agricultural Policy
- ✓ Effective and efficient fertilizer distribution system
- ✓ Effective tractor hiring unit (at least 100 units)
- ✓ Micro-credit facilities to farmers
- ✓ Rapid pest control mechanism squad for pest control
- ✓ Well trained extension delivery system
- ✓ Presence of post-harvest processing and storage facilities
- ✓ Co-operatives, farm centres, agricultural, vocational and skill acquisition centres
- ✓ Specialised livestock units

Identified Benchmarks

- ❖ Prior to the intervention of the administration, water supply to the over three million people in Kogi State was at a low capacity of thirteen million gallons (13million) a day. Government had decided to provide its population in every community access to clean potable water, hence the decision of the government to award for construction the Greater Lokoja Water Scheme which would generate 60,000 cm³ of water upon completion in 24 months time. The contract which was already three months old at thirty percent (30%), would cost the government a sum of N9bn. The greater Lokoja water scheme was planned to bridge the gap of the shortfalls in water supply in the state. Government officials said the project would comprise an intake of 10m gallons a day, 3 sedimentation tanks, 5 clarifiers to generate 19 million gallons a day and a 2.2 million-gallon air water tank.
- ❖ The state government encouraged every civil servant in the state to own a farm by providing them with farm land each year in order to ensure the full success of the Kogi Food for All Programme (KOFAP) initiated by the state government to ensure food security.
- ❖ The government of Kogi State had equally provided two hundred and twenty-seven (227) 60-horsepower tractors which were distributed to the local government areas of the state.
- ❖ Apart from the state direct distribution of fertilizer to the local governments for sale to farmers at 42% subsidy by government, the state government had facilitated several other inputs towards improving

agriculture by instituting Kogi Agricultural Trust Fund through which the government made available N250m to banks for interested farmers to access.

- ❖ In a bid to encourage youth to embrace farming, government provided N17.4m to be awarded to one thousand (1,000) youth to help them start fish farming.

Key Observations

- ❖ Despite being a confluence state, Kogi State is still faced with problems of irrigated farming.
- ❖ Commercial Agriculture in the State was still at its infancy.
- ❖ Local Agriculture products storage and preservation are largely traditional in nature.
- ❖ There were no grazing reserves and clearly marked/dedicated cattle routes because the routes, created since the colonial administration have disappeared.

Recommendation

- ❖ Irrigated farming should be encouraged at all levels, especially for Kogi State commercial Agriculture.
- ❖ Establishment of more Agro-allied industries.
- ❖ Establishment of grazing reserves and indicate cattle routes.
- ❖ Introduction of various Agricultural support loan scheme especially for small farmers.

EDUCATION

Assessment Indicators

- ✓ Policy Document on Standards.
- ✓ Education database.
- ✓ Percentage of annual budget for education.
- ✓ Existence of Special Education (From special need to the exceptional).
- ✓ Extent of IT infusion in curriculum and institution.
- ✓ Curricular Focus, Alignment and Registration, Numeracy and Literacy and extend Maths, Science and Technology.
- ✓ Existence and scope of Vocational / Technical skills, Training for adults and school dropouts.
- ✓ Quality of learning environment.
- ✓ Educational support facilities (Libraries, media centre, laboratories).
- ✓ Functional Educational Inspectorate Infrastructure.
- ✓ Existence of effective professional learning programmes.
- ✓ Existence of teacher resource facilities.
- ✓ Teacher remuneration / welfare package.
- ✓ Students' feeding programmes.
- ✓ Functional Performance evaluation instruments.
- ✓ Standard of sanitary services (custodial).
- ✓ Student support services (Guidance / Counselling, parenting classes, social work).

Benchmarks

- ❖ It is important to note here that by Kogi State's assessment, it had moved from being number 1 in examination malpractice in the country to number 26. The school or academic spirit in the university was alive and contagious. You catch it the moment you drive through the gates.
- ❖ Computerized testing and grading programmes was introduced in school to discourage examination malpractices.

Key Observations

- ❖ Kogi State education department was seeking to revamp and resume her historical position of being the premier education centre of the country.
- ❖ The state university had graduated about 6,700 students and as at the time of the visit had a population of 960 students, 29 accredited programmes (optimistically awaiting the accreditation of biochemistry), 9 faculties, 76 professors and 34 associate professors. The overall staff strength was 1,470.
- ❖ There were clear signs of infrastructural development. They had an impressive library and an e-library, where students could access the library of congress and the internet. The entire media centre can accommodate 500 students at a time and houses about 4,500 books.
- ❖ The university approved information communication technology training for all students and staff at the university.

Policy Recommendations:

- ❖ There is need to provide a conducive, least restrictive and safe learning environment. The expansion of a major highway was much too close to the school for comfort.
- ❖ Government must embark on a major revamping of infrastructures (buildings), as they are in dire need of renovation and improvement (number of classrooms).
- ❖ Government must establish a library and teacher resource centre in all schools. The visiting team was informed there was a centralized teacher resource centre. It should preferably be in the school house for easy access.
- ❖ Teacher quality needs improvement. However, the state should institute a standards-based evaluation instrument to ensure teacher quality.
- ❖ There is a need for the state to develop policy documents on education standard.
- ❖ There is a need for the state to develop a comprehensive Data Base on Education.
- ❖ The extent of IT infusion into education curriculum for deriving instructions needs to be improved.
- ❖ The state needs to create more vocational training centres and special education schools.
- ❖ Teachers welfare and school feeding programmes needs to be enhanced
- ❖ Teachers Evaluation, and teachers performance monitoring need substantial improvement.
- ❖ Waste management and school sanitation condition needs senior attention.

ECONOMY AND BUDGET

Assessment Indicators

- ✓ Gross Domestic Product (GDP)
- ✓ Per Capita Income
- ✓ Natural Resource Endowment/Exploitation
- ✓ Index of Economic Activities
- ✓ Poverty Level
- ✓ Inequality Measure
- ✓ Human Development Indicator
- ✓ Frameworks for Public-Private-Partnership (PPP) Arrangement
- ✓ Documents on Development Plan
- ✓ Data Availability

Assessment Indicator Budget

- ✓ Budget Size
- ✓ Recurrent Expenditure component (as a percentage) of total expenditure
- ✓ Capital Expenditure component (as a percentage) of total expenditure
- ✓ Internally generated revenue component of Total Revenue
- ✓ Budget/project monitoring frameworks
- ✓ Budgeting process
- ✓ Linkage between budget and development plan goals
- ✓ Legislation on Fiscal Responsibility Act (FRA) and Public Procurement Bill (PPB).

Identified Benchmarks

- ❖ The state is home to the largest iron and steel industry in Nigeria and one the largest cement factories (Obajana Cement) in Africa is currently being built. As a result of the abundant mineral resources, many other industries are springing up in several locations.
- ❖ The region is a haven for tourists with many places of interest, including natural land features, fascinating sceneries and historic monuments. Popular tourist sites include colonial relics such as the Lord Lugard House; the confluence of the rivers Niger and Benue and Ogidi, an African town with formations of igneous rock mountains.
- ❖ Being only a two hour drive from Abuja, daytrips can be planned to most of Kogi's attractions. The Nnamdi Azikiwe International Airport in Abuja also serves as the national and international gateway for air travellers to and from the state.

Key Observations

- ❖ The present government never deducted any illegal funds from the statutory allocation due to the local governments. The excess crude oil fund was strictly spent on executing capital projects in the state.

- ❖ Government had made possible the formation of Community Development Committees across local governments with the responsibility of identifying the immediate needs of their communities for government action. Through this initiative, every ward in the state had water, primary health care centres etc.
- ❖ Government had established a skills acquisition centre in Lokoja at a cost of N35 million. The centre, which has eleven departments, was to train the youths to acquire skills in order to curb youth restiveness in the state.
- ❖ The state government had given out to empower the youths, one thousand and fifty tricycles and five hundred tractors to youth organized cooperative societies. Also, five thousand youths are paid a monthly stipend to help them train and acquire skills in trades which cost the government N5m monthly.
- ❖ Okehi Local Government Area in Kogi State had a newly completed secretariat complex at a cost of N57m.
- ❖ The states vast natural resources remains comparatively untapped.
- ❖ Critical human development index such as poverty level, inequality measure, gender e.t.c. still comparatively low compared to state strategic position as the gateway between northern and southern Nigeria.
- ❖ There were standard frameworks for Public Private Partnership (PPP) Schemes.
- ❖ There were clear disparity in policy implementation vis-sa-vis original policy outcomes due to inadequate monitoring and evaluation.
- ❖ The State's dependency ratio on federal allocation is still below acceptable limits of 50% average.
- ❖ The budget process and budget implementation needs to move people oriented for greater impact.

- ❖ The potential for fish farming and production is equally very high with over 2 000 fishing ponds and 200 major fishing villages sustained by the state's rivers and streams.
- ❖ Many strategic mineral resources can be found in the region. These include iron ore, mica, marble, limestone, coal, crude oil, gold, kaolin, tantalite, feldspar and dolomite.
- ❖ It was impressive that a local company , Western Goldfields was working with Energy and Metals Industries Limited and the two firms have established a group called Western Goldfields Group of Companies. A team of Russian and Ukrainian companies are also partnering the Nigerian outfit on the project to generate power predominantly from coal to put Nigeria's vast coal reserves to good use. The plant in Kogi was expected to generate 2,500 megawatts.
- ❖ Kogi state is one of the beneficiaries USAID. Nigeria has existing programs facilitating access to financial services for rural peoples, particularly loans for small-holder farmers. The USAID-funded MARKETS project has provided technical assistance to the Lift Above Poverty Organization (LAPO), Nigeria's largest microfinance institution (MFI), which has enabled 40,000 new clients to receive loans. In the coming year, USAID anticipates leveraging an additional 20,000 loans to small-holder farmers through LAPO with a net value of \$2 million.

Policy Recommendations

- ❖ Government should urge and encourage investors to look into Kogi State for investment since it is endowed with the afro-mentioned strategic mineral resources to boost the IGR of the state.

- ❖ The tourism sector in the state should be a combined venture with federal government and the private sector on a PPP basis.
- ❖ There is the need for the state to build an airport so tourists and investors do not have to make the two hour road congested and high accident prone journey from Abuja to Lokoja.
- ❖ the re-opening of the moribund Ajaokuta Steel Company Ltd and the National Iron Ore Mining Company, Itakpe should be a priority for government as these have the potentials to affect not just the state but the entire country and even the world with employment and investment opportunities.
- ❖ There should be a speedy privatization of the two facilities and a thorough assessment of the viability and value of assets of the two companies.

STATUS OF THE FISCAL RESPONSIBILITY AND PUBLIC PROCUREMENT BILLS

The Peer Review team learnt that the **Kogi State** legislative house had passed the Public Procurement Bill, and at the third reading of the Fiscal Responsibility Bill. The team urged the State to hasten action on the bill and impressed upon the State the importance of such legislation.

Recommendations

- ❖ The state needs to take comparative advantage of dredging of the lower Niger and the establishment of two ports at Lokoja and Idah.
- ❖ The state needs to focus on creating more Agro-allied industries.

- ❖ There is a need for the state to develop a standard framework for Public Private Partnership (PPP).
- ❖ The state needs to adopt citizen based budgeting process with active engagement of the civil society groups.

HEALTH

Assessment Indicators

- ✓ Programmes Functionality of Strategic Health Plan
- ✓ Access to health services through PHC
- ✓ Budget health percentage with performance
- ✓ Implementation of Maternal and Infant Mortality Programmes
- ✓ Implementation of Immunization Programmes
- ✓ Functionality of Health Financing programmes
- ✓ Development of Health systems
- ✓ Access to Emergency Medical Services
- ✓ Health Training Institutions in the state
- ✓ Special Intervention

Benchmarks

- ❖ To complement the service of the tertiary and secondary health care institutions in Kogi State, the state government, in its determination to fulfil the Millennium Development Goals in health care delivery, had accessed N408 million under the Conditional Grant Scheme (CGS) of MDG to provide primary health care centres in the state.

Key Observations and Other Findings

- ❖ The determination and commitment of government towards reversing the poor infrastructural state of the health sector in Kogi State translated into the construction of Kogi State Specialist Hospital, Lokoja.
- ❖ The specialist hospital which was completed in 2007 had two specialist doctors in each specialty area of medicine. With 37 medical doctors and 16 medical consultants, the hospital had met the basic requirements of the hospital but was now looking ahead for installation of high technological facilities. Government was fully funding the hospital and had promised to ensure that the staff welfare package of the hospital staff was competitive.
- ❖ Government was funding about 10 primary health care centres in each of the local government areas of the state. The government was equally funding the roll-back malaria programme and had purchased drugs and mosquito nets to effectively stamp out malaria.
- ❖ In addition, under the MDG's programme, the state had constructed 60 VIP toilets in all the local government areas vis-à-vis the construction of surface and borehole water schemes.

- ❖ The state has no strategic and functional Health plan.
- ❖ Access to Primary Health care (PHC) is still faced with typical challenges such as shortage of health workers and drugs.
- ❖ The percentage of health budget relative to entire budget is still comparatively low.
- ❖ Access to emergency health facilities is still below the required expected standard.
- ❖ The condition of most health institutions in the state were short of established standards.
- ❖ Special intervention programmes on health matters are faced implementation bottlenecks such as inadequate technical capacity especially doctors.
- ❖ Financing of health programmes had manifest gaps between inputs and outcomes.

Policy Recommendation

- ❖ The state needs to develop a strategic health plan
- ❖ The state needs to invest more in training health workers and provision of essential drugs.
- ❖ The current percentage of Annual Health Budget should be scaled upward.
- ❖ More emergency health facilities needs to be established
- ❖ Introduce drug revolving schemes and ensure financing is sustainable.
- ❖ Improve condition and standard of health training institutions.
- ❖ Introduce special health intervention schemes targeted towards primary health care.

INFRASTRUCTURE AND FINANCE

Assessment Indicators

This Report identifies twelve (12) principal assessment indicators for infrastructure, and eight (8) key primary assessment criteria for State Government finance evaluation.

Infrastructure:

For the purpose of assessing the State's infrastructure, the indicators used are as follows:

A) Regulatory Framework:

- ✓ Infrastructure Reporting Architecture
- ✓ Project Planning
- ✓ Project Expenditure Appraisal/and Project Costing
- ✓ Value-For-Money Analysis
- ✓ Project Ownership/Concentration Analysis
- ✓ Project Monitoring
- ✓ Post Project Execution Audit
- ✓ Core Statement of Lessons Learnt
- ✓ Sustainability Indicators (Maintenance, Tracking, Swaption, Cash-flow Management, Contract Risk Analysis)
- ✓ Environmental Impact Appraisal
- ✓ Green Index.

B) Finance:

The quality of infrastructure delivery is directly linked to the State's Public Sector Financial Management system, PFM. The PFM addresses critical questions of finance source optimization, proper valuation, custody and security of Government assets; proper measurement and accounting for Government liabilities. To achieve this, eight (8) key PFM indicators are however specified in this Report.

These are as follows:

- ✓ Statutory Framework for PFM
- ✓ Government Accounting Indicators (Timing of Report, Content and Scope of Financial Reports, External Audit, Publications)
- ✓ State Government Asset Register for Assets Custody and Liabilities Measurement
- ✓ Auditor-General's Report (Legislative Accountability)
- ✓ Internal Control and Quality Assurance
- ✓ Project Finance (Capital Market, Money Market, Borrowings, Grants/Aids, Special Interventions, Recoveries)
- ✓ MDA's Financial Operations
- ✓ Management of Special Funds and Designated Accounts/Accounts Maintained in Foreign Currencies and Foreign Banks

Benchmarks

- ❖ The housing programme of the government was geared towards providing accommodation for the civil servants in the state. In pursuance of this objective, the state government completed in 2005 and 2007, the 500-unit Ganaja Housing Estate and 250-Unit Otokiti Housing Estate respectively. The two housing estates which were fully occupied by civil servants were sold at subsidized rates based on owner-occupier policy of

the government. Both estates at Ganaja and Otokiti were built by a consortium of contractors at a combined cost of N2.5bn. He said further that a 3-bedroom apartment was offered at N4m, 2-bedroom at N3m while 1-bedroom went for N2m.

- ❖ Kogi State government, in its efforts to boost commercial activities in the state, had constructed an ultra-modern international market in Lokoja. The market consisted of 2400 lock-up shops, traditional open stall complex, some amenity buildings for banks, clinics, administrative office, police station, conveniences, a mosque and a fire service station. The market also had some warehouses for major marketers and a concrete pedestrian crossing to guarantee safety of both sellers and consumers at the market when crossing the highway that runs along the market. The market had cost the state government N3.8bn.

Key Observations

- ❖ Government's commitment to easy flow of traffic within Lokoja and its environs had resulted in the construction of the 23.5km 8.3km of internal roads at CAC, dualisation of the 7 km Lokoja-Ganaja Road and construction of 3.5km the 2 Ganaja – Ajaokuta road (a federal government road). These projects are to ease the congestion of traffic within the major streets of the city and also to make driving pleasurable for inter-state vehicles plying the Ganaja-Ajaokuta federal road.

- ❖ The contracts for the 8.3km internal roads and the dualisation of the 7km Lokoja-Ganaja road were awarded at a cost of N2.3bn. The 23.5km Ganaja – Lokoja Road contract was awarded at a cost of N3.3bn. All these projects were expected to be completed by February 2010.
- ❖ Earlier in 2007, government had commissioned for use the 8km Okene – Ege – Ehima road in Adavi Local Government Area of Kogi State. The contract for the road which was started in 2006 was awarded at a cost of N555m.
- ❖ The state government had completed 33 electrification projects while over seventy communities in the state have benefited from the one hundred and fifty-four (154) transformers which the government procured to boost electricity supply.
- ❖ To further boost commercial activities in Kogi State, the state government had signed an MoU with the Bank of Industry to the tune of N3bn to help the state reactivate its moribund industries. In addition, plans to establish a sugar factory had been completed and government had concluded plans to invest \$250,000 in the project.
- ❖ Statutory framework for public financial management is still weak.
- ❖ Inadequate project planning and monitoring especially in large projects.
- ❖ Project expenditure appraisal reveals gaps that suggest inadequate monitoring capacity especially for complex projects such as the Greater Lokoja Water Project
- ❖ Inadequate framework for ensuring project sustainability especially in (Maintenance, Tracking, Cash Flow management Contract risk)

- ❖ Government accounting indicators such as timing of reports, content, scope of financial disclosure, statutory audits and public had manifest gaps typical of most government organizations.
- ❖ Absence of a comprehensive asset reports for the government.
- ❖ The Auditor-General report was not up to date due to several gears of backlogs.
- ❖ Project financing options had limited Private Sector limitation, and capital market support.

Recommendation

- ❖ Develop stronger framework for public financial management.
- ❖ Develop technical capacity for project monitoring and evaluation
- ❖ Establish framework for maintenance, financial and operational risk management to ensure sustainability of projects.
- ❖ Establish a comprehensive and centralized assets register for the state.
- ❖ Update all the Auditor-General reports and address all audit queries in accordance with laid down procedures by law.
- ❖ Create an enabling environment for the private sector and the engagement and utilization of the capital marked in project financing especially for mega projects.

INTERNALLY GENERATED REVENUE (IGR)

Assessment Indicators

- ✓ Involvement of Government in IGR matters at the highest level.
- ✓ Autonomy of Internal Revenue Service (IRS) from the main Civil Service Bureaucracy.
- ✓ The Percentage Contribution of Internally Generated Revenue in Funding State Projects.
- ✓ Level of ICT infusion in Tax Administration.
- ✓ Non-Direct Tax Sources of Revenue.
- ✓ Debt Recovery Strategy.
- ✓ Level of Involvement of Internal Revenue Service (IRS) on Tax Payers' Education Campaign (Materials and Programmes).
- ✓ Dispute Resolution and Feedback Mechanism between Tax Payers and Internal Revenue Service (IRS).
- ✓ Extent to which the Informal Sector is integrated into tax system.

Identified Benchmarks

- ✓ Political Will From The Government: Granting of Autonomy to the State IRS – (Just as contained in the FIRS Establishment (ACT) 2007).
- ✓ Technical Capability: Application of IRS Performance Score Card: - Details of Financial and Non-financial Operational Matrix

- ✓ Tax Administration Reforms: Deployment of Modern Technology in Revenue Generation using e-Payment technology; Systematic Computation of Time-taken on Tax Assessment & Compendium of Tax Assessment Forms as well as The Implementation of Strategic Community Involvement Partnership (SCIP) model for Enhancing Revenue Generation.
- ✓ Operational Efficiency: Revenue congruence across all channels/sources: Integration of all revenue sources from Ministries and MDAs And The Integration of The Tax Management Office within The IRS premises (FRSC, Banks and GICT Desk for TIN)

Key Observations and Other Findings

- ❖ Informal sector activities that operated outside government control or the organized private sector was larger than those under the purview of formal control in Kogi State.
- ❖ There is lack of Integration between Tax Planning, Urban Planning and Urban Regeneration

Recommendations

- ❖ Integration of the Informal Sector into the Taxpayers' Data Base: The aggregate financial and business activity of informal sector operators is larger than those under the purview of formal control in Kogi State. The government of Kogi State needs to immediately deploy proactive measures/interventions built on

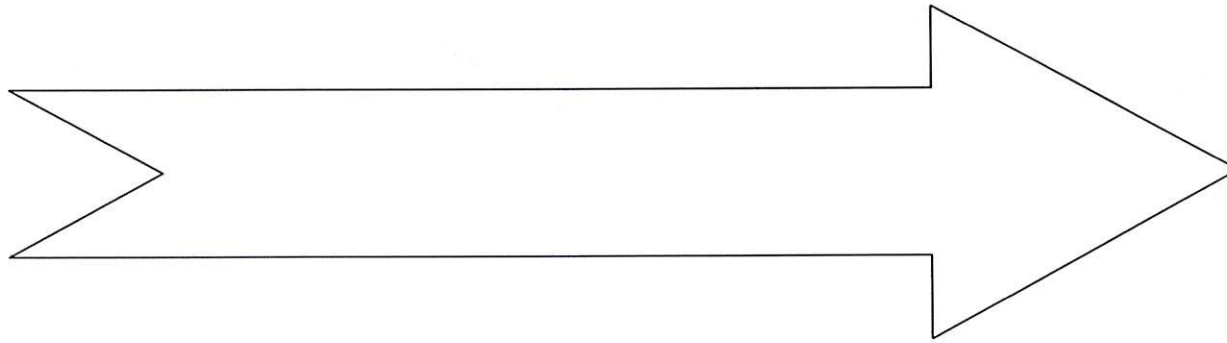
- community/grassroots foundations through Strategic Community Involvement Partnership (SCIP); Formation of Kogi Trade Council; Development of Standard Operations Procedures for the informal sector.
- ❖ Harness the huge untapped IGR potentials from Land; Housing & Urban Development related revenue sources.
 - ❖ Introduction of Indirect Taxes/Revenues instead of the application of direct taxes: There is need to intensify action on indirect taxes. The most common examples are: (1) State Hotel Occupancy, Restaurants and Events Centres Consumption Tax Law, 2009 (as in the Lagos State Consumption Tax). The Law imposes a five per cent (5%) tax on all goods and services consumed in Hotels, Restaurants and Events Centres (situated within the territory of Lagos State).
 - ❖ Kogi State has the propensity of increasing its ranking amongst African Governed Entities. The State Gross Domestic Product (**GDP**), (**\$4.64billion**) is greater than that of 20 African countries GDP. Thus, the State should invite international rating agencies for proper appraisal of the state financial status with a view of attracting Foreign Direct Investment. These countries are listed below:

KOGI STATE 2007 GDP COMPARED WITH AFRICAN COUNTRIES

Kogi State Gross Domestic Product (GDP), (\$4.64billion) is greater than 20 African countries' Gross Domestic Products (GDP).

S/N	AFRICA	GDP(\$) ¹ BILLION
1	Niger	5.38
1	Guinea	4.52
2	Rwanda	4.46
3	Malawi	4.27
4	Mauritania	3.16
5	Zimbabwe	3.15
6	Togo	2.89
7	Swaziland	2.84
8	Central African Republic	2.00
9	Sierra Leone	1.95
10	Cape Verde	1.74
11	Lesotho	1.62
12	Eritrea	1.48
13	Burundi	1.10
14	Djibouti	0.98
15	Liberia	0.85
16	Seychelles	0.82
17	The Gambia	0.81
18	Comoros	0.53
19	Guinea Bissau	0.46
20	Sao Tome and Principe	0.18

Source: CANBACK GLOBAL INCOME DISTRIBUTION DATABASE (C-GIDD)



PART 4: TECHNICAL WORKING GROUP (TWG) FOR REPORT IMPLEMENTATION

- ❖ **Policy Consultants/Advisors**
- ❖ **Development Partners**
- ❖ **NGF Secretariat**
- ❖ **Annexure**

Technical Working Group (TWG) for the Report's Implementation

❖ Policy Consultants/Advisors

The Technical Working Group (TWG) for the implementation of the findings of this report would be composed of all the Policy Consultants/Advisors that conducted the 1st Peer Review Exercise. Additionally, other subject experts and seasoned practitioners - drawn from academia and private sector – shall also serve as review experts. Accordingly, the Policy Consultants/Advisors through the NGF Secretariat shall be responsible for assisting Kogi State Government in the full implementation of the highlighted policy recommendations as contained in this Report.

❖ Development Partners

A lot of development partners have indicated interest in supporting the Peer Review Exercise. While the first Peer Review Exercise was still ongoing, the Department For International Development (DFID) had already started funding the development of a comprehensive State Peer Review Mechanism (SPRM). Besides, the UN, the World Bank and the entire international community have taken interest in assisting Kogi State especially in those areas of weakness highlighted in this report. Therefore, the Kogi State Government is expected to leverage this advantage by working with the NGF Secretariat to explore the huge Technical Assistance opportunity that this Peer Review Exercise provides through the Development Partners.

❖ NGF Secretariat

The NGF Chairman shall provide the overall leadership; this should be supported by all the Governors, especially in ensuring that the highlighted critical observations are noted and the policy recommendations implemented. The Director-General of NGF, via the NGF Secretariat, shall implement all decisions arising from the Peer Review Report after consultations with and the approval of His Excellency, The Executive Governor of Kogi State.

ANNEXURE (1)
TECHNICAL PANEL ON PEER REVIEW
NGF SECRETARIAT PEER REVIEW MISSION: PRINCIPAL OFFICERS

S/N	NAME	DESIGNATION
1.	A.B. Okauru	Director-General
2.	L.O.T. Shittu	Executive Director (Strategy and Research)
3.	M.A. Jibia	Executive Director (Administration and Finance)
4.	C.C. Chuku	Head (Legal)
5.	Bode Aiyenimelo	Head (Documentary and Press)

NGF SECRETARIAT PEER REVIEW MISSION: POLICY CONSULTANTS/ADVISORS

S/N	NAME	DESIGNATION
1.	G.U. Owoh B.Sc, M.Sc, Ph.D, FCA	Policy Consultant (Infrastructure and Finance)
2.	A.B. Gambo B.Sc, M.Sc, Ph.D	Policy Consultant (Water and Agriculture)
3.	Olufemi Ayewoh BA, MA, Ph.D	Policy Consultant (Education)
4.	Dale Ogunbayo MBBS, MBA	Policy Consultant (Health)
5.	Prof. Phillips A. Olomola B.Sc, M.Sc, Ph.D	Policy Consultant (Economy and Budget)
6.	I.B. Gashinbaki B.Sc, MLC, CNA, ACTI, CFE, ACSCMP	Policy Consultant (Internally Generated Revenue)

ANNEXURE (2)

LIST OF DEVELOPMENT PARTNERS & DONORS SUPPORTING IMPLEMENTATION OF THE PEER REVIEW REPORTS

- **Department For International Development (DFID)**
- **World Bank**
- **United Nations Development Programme (UNDP)**
- **United Nations Children's Fund (UNICEF)**
- **Bill and Melinda Gates Foundation**
- **National Governors Association (NGA) USA**
- **International Labour Organisation (ILO)**
- **United Nations AIDS (UNAIDS)**
- **United Nations Educational, Scientific and Cultural Organisation (UNESCO)**

ANNEXURE (3)
CONTACT INFORMATION FOR NGF SECRETARIAT PEER REVIEW MISSION

NIGERIA GOVERNORS' FORUM

The Secretariat

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