

FAST – TRACKING
THE BUDGET IMPLEMENTATION PROCESS

In

Ministries, Departments and Agencies (MDAs)

Issued By

The Head of the Civil Service of the Federation

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Introduction

The Federal Executive Council, at its sitting of Wednesday 30th July, 2008, observed, with dismay, the slow pace of Budget implementation by MDAs. Consequently, it set up a Committee, headed by the Head of the Civil Service of the Federation, to examine the Budget implementation process, with a view to identifying the problems and proffering solutions. The Committee carried out its assignment as directed. Its recommendations were approved by the Council on Wednesday 23rd October, 2008.

2. The committee identified five major **bureaucratic** causes of delays in the Budget implementation process, as follows:

- (a) lack of familiarity and understanding of extant laws, regulations and guidelines that govern the process of project execution by MDAs;
- (b) delays in obtaining approvals of Ministers and Permanent Secretaries for various stages of the procurement process;
- (c) delays in processing payments;
- (d) challenges in documentation; and
- (e) delays in processing memos to Council.

3. Following below are specific measures/actions, approved by Council, to eliminate each of the identified clog in the process.

1. Lack of Familiarity and Understanding of Extant Laws, Regulations and Guidelines on Procurement

1.1 Expected Actions:

Accounting officers are to ensure that all officers involved in the procurement process have copies of the Procurement Act, 2007, relevant circulars and relevant BPP handbooks.

Accounting officers are to ensure that all officers involved in the procurement process undergo an in-house training on the process before the end of February, 2009.

Accounting officers are to ensure that all officers involved in the procurement process undergo regular training to update their knowledge and understanding of the process.

Procurement officers should avail themselves of the use of the BPP website (www.bpp.gov.ng) for information (particularly on prices of goods and services).

2. Delays in Obtaining Approvals of Ministers and Permanent Secretaries for Various Stages of the Procurement Process

2.1 Expected Actions

2.1.1 Accounting officers are to treat all matters relating to budget implementation expeditiously.

2.1.2 Accounting officers are to take note of the time lines stated in paragraph 7 below in respect of the various stages of the budget implementation process.

2.1.3 Relevant officers in the Procurement Process are to draw the attention of the Minister/Permanent Secretary to Procurement matters that need their urgent attention.

3. Delay in Processing Payments

3.1 Expected Actions:

3.1.1 Authorization for payment should be given by the Honourable Minister, (for Ministries) or, in his or her absence, the Accounting officer and by the Accounting officer (for Parastatals) once he/she is satisfied that all requirements for payment, including Certificate of Valuation or Job Completion, Stores Receipt Voucher (SRV), audit clarifications (where necessary), availability of funds, etc. have been met. **However, Accounting officers will duly inform their Ministers or Councils/Boards, thereafter.**

3.1.2 Contractors should be paid **within 2 weeks** from the time approval of payment is granted by the Accounting Officers. **All payments should be by electronic transfer.**

4. Challenges in Documentation

4.1 Expected Actions:

4.1.1 Once the budget is released, the Procurement Department/Unit shall submit to the Procurement Planning Committee (PPC) a comprehensive proposal on all projects in the budget, detailing the necessary steps and time lines for the procurement of goods, works and services required by the MDA.

4.1.2 Pre-qualification of Contractors and Tendering can be done at the same time so as to shorten the process, i.e. both technical and financial bids can be received together, after advertising the contract in both the Federal Tender Journal and at least 2 national dailies, as provided by the extant laws. However, only the financial bids of pre-qualified contractors will be opened.

4.1.3 All planning process should be finalized **within 2 months** after the release of the Budget, and thereafter the actual award of contracts should be made **not later than 3 months** after.

4.1.4 All requests for clarifications to MDAs, by the BPP shall be responded to within 2 weeks.

5. Delays in Processing Memos to Council

5.1 Expected Actions:

5.1.1 Memos should go to the Council Secretariat not later than 2 weeks from the time the BPP issues the certificate of “No Objection”.

6. Responsibility of Accounting Officers

Accounting officers shall be held responsible for unnecessary delays in drawing down funds in pursuance of the implementation of the Budgets of their MDAs.

7. Summary of New Time-Lines in the Budget Implementation Process

S/N	Action	Time-Line	Beginning of Time-Line
i.	Procurement Planning	2 months	From the date of release of Budget.
ii.	Response to BPP requests for clarifications	2 weeks	From the date of request.
iii.	Submission of Memos to Council	2 weeks	From the date of issuance of “No Objection” Certificate by the BPP.
iv.	Award of Contracts	5 months	From the date of release of Budget.
v.	Payment of contractors	2 weeks	From the date of approval of payment by the Hon. Minister or, in his or her absence, the accounting officer.