

**THE REPORT OF THE CONSULTATIVE MEETING WITH CSOs, CBOs AND  
NGOs, IN ONDO STATE ON 2023 -2025 MTEF AND 2023 BUDGET  
PREPARATION HELD AT THE CONFERENCE HALL, MINISTRY OF ECONOMIC  
PLANNING & BUDGET, AKURE ON MONDAY, 22<sup>ND</sup> SEPTEMBER, 2022.**

**1.0 INTRODUCTION**

1.1. In line with the Section 22, Subsection 2 (a) and (b) of the Ondo State Fiscal Responsibility Law (FRL), (2017) which stipulates that the people of the State must be consulted to harvest their inputs into the State’s MTEF which ultimately leads to the yearly budget; a parley with Organized Private Sector, Trade Unions, and Professional Bodies on the 2023-2025 MTEF and 2023 Budget preparation was held at the Conference Hall, Ministry of Economic Planning & Budget on Wednesday , 24<sup>th</sup> August, 2022. The meeting was presided over by Pastor Igbasan Emmanuel, Commissioner for Economic Planning and Budget.

**2.0. OBJECTIVES OF THE MEETING**

- 2.1. The main objectives of the meeting were as follows:
- i. to project for scrutiny of figures for the 2023 – 2025 MTEF which included the estimates for 2023 budget;
  - ii. to harvest inputs of the Organized Private Sector, Trade Unions and Professional Bodies in order to include them in the 2023 budget.

**3.0. PARTICIPANTS**

3.1. Ondo State officials at the meeting were the Honourable Commissioner for Economic Planning and Budget, Pastor Emmanuel Igbasan, the Permanent Secretary, Ministry of Economic Planning and Budget, Mr. Bunmi Alade, Director Development Planning, Mr. B. J. Daisi, Director Budget, Mr. Aworere Stephen, Director Technical Assistance & Aid Coordination, Mr. Adebusoye Monday, Director Monitoring and Evaluation, Alhaji Adekunle L. A, Director,

Finance and Administration, Mr. Segun Akosile, Deputy Director, PASS, Mrs. Ayeni, R. K., Deputy Director Budget, Mr. E. O. Apata and host of other members of staff of the Ministry of Economic Planning and Budget.

- 3.2. Also, present at the meeting are the members of the Organized Private Sector, Representatives of Trade Unions, and Representatives of Professional Bodies.
- 3.3. The members of the Sector Planning Teams (SPTs) for the preparation of the 2023 – 2025 Medium-Term Sector Strategy (MTSS) were seated to observe and note the contributions of the Organized Private Sector, Trade Unions, and Professional Bodies.

#### **4.0. OPENING REMARKS**

- 4.1. The Permanent Secretary, Ondo State Ministry of Economic Planning and Budget, Mr. Bunmi Alade, welcomed the participants to the meeting. He remarked that the consultative meeting was organized to harvest the needs, desires and yearnings of the people as inputs into the year 2023 budget.
- 4.2. He appreciated the contributions of the Organized Private Sector, Trade Unions, and Professional Bodies towards the development of the Ondo State, especially, in the areas of preparation and implementation of state' annual budget which fetched the state the first position in budget transparency among the 36 states of the country.
- 4.3. He restated that the meeting sought to examine the projections of the Medium-Term Expenditure Framework (MTEF) and brainstorm on how to generate adequate funds for the implementation of the 2023 Budget. Government activities, according to the Permanent Secretary, were to be appraised for better performance.

4.4. Concluding his remarks, he enjoined the all stakeholders to contribute meaningfully to the discussion of the meeting so as to have a robust, people-oriented budget.

#### **5.0. KEYNOTE ADDRESS**

5.1. Giving his keynote address, the Honourable Commissioner for Economic Planning and Budget, Pastor Emmanuel Igbasan, on behalf of the Executive Governor of the State, Arakunrin Oluwarotimi Odunayo Akeredolu, *SAN*, enthusiastically welcomed all the participants to the auspicious occasion. While acknowledging the presence of the Organized Private Sector, Trade Unions, and Professional Bodies, he alluded to the fact that their constructive criticisms and contributions to the activities of the Ministry have enable the State to rank high in budget preparation and performance in the country.

5.2. Pastor Igbasan noted that the State has been organizing this type of forum since 2018, and that it might be tempting to see it as an ordinary routine, he appealed to the consciousness of the gathering to pay attention to the peculiarity of each year as each year is significantly different in challenges and opportunities.

5.3. He mentioned that the policy thrust for AKETI's second term in office is captioned in the acronym "REDEEMED" which he said has been used to deliver good governance to the people of Ondo State in fulfilment of campaign promises of the present government.

5.4. He further stated that, in line with global good practices, the State had taken a radical, bottom-up approach to budgeting process and that the engagement was necessary to foster relationship between the Government and the people and for the people to take ownership of the process.

5.5. While concluding his address, he enjoined the participants to speak dispassionately and make insightful contributions, as their aspirations, desires, requests and feedbacks would be presented to Mr. Governor to see how many of those desires would be accommodated in the 2023 budget.

## **6.0. BUSINESS OF THE DAY**

### **6.1.0. PRESENTATION ON 2023 – 2025 MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)**

6.1.1. In his presentation, the Director Budget, Mr. Aworere S. R. highlighted negative impacts of insecurity in Ondo State, rising inflation in Nigeria, non-functionality of the nation's refineries which leads to high fuel prices, the Russia/Ukraine war with its negative implications on food and energy prices, and inability of the State's Internally Generated Revenue to finance its running expenses as critical factors that informed the 2023 budget figures.

6.1.2. While giving an overview of the 2022 budget performance, Mr. Aworere explained both the recurrent and capital budget implementation performance as at June 2022. He stated that total revenue expected for the Mid-Year 2022 was ₦99.641billion while the total revenue received for the period was ₦78.014 billion, recording a shortfall of about 22%.

6.1.3. On the expenditure side, he explained that about 56.86% of the ₦99.64 billion was expended on recurrent expenditure while the remaining 43.14% was spent on capital projects.

6.1.4. Speaking on the 2023 - 2025 MTEF, the Director Budget briefed the meeting that, in 2023, the National Inflation forecast to be 17.16%, Real GDP to have a growth rate of 3.75%, Oil Production Benchmark is projected to be 1.6900 mbpd and the Oil Price benchmark of \$70.00. The State is proposed to have a total ₦116.893 billion for recurrent revenue and a total budget size of

₦151.523 billion for year 2023. He mentioned that the transfer to the capital account is having a negative figure of ₦13.474 billion meaning that the total revenue expected in the year 2023 is ₦13.474 billion less than the budgeted recurrent expenditure of ₦151.523 billion.

6.1.5. The table below shows the details of the sectoral capital allocation.

### **2023-2025 SECTORAL CAPITAL ALLOCATION**

<b>Capital Expenditure by Sector</b>		<b>Non-Discretionary Funds</b>		
<b>No.</b>	<b>Sector</b>	<b>2023 Allocation</b>	<b>2024 Allocation</b>	<b>2025 Allocation</b>
1	ADMINISTRATION OF JUSTICE	0	0	0
2	AGRICULTURAL DEVELOPMENT	10,224,300,000	5,714,300,000	2,214,300,000
3	EDUCATION	1,695,000,000	1,695,000,000	1,695,000,000
4	ENVIRONMENT AND SEWAGE MANAGEMENT	1,000,000,000	1,000,000,000	1,000,000,000
5	GENERAL ADMINISTRATION	0	0	0
6	HEALTH	1,800,000,000	1,900,000,000	2,000,000,000
7	INFORMATION	0	0	0
8	INFRASTRUCTURAL DEVELOPMENT	17,360,400,000	13,115,400,000	9,755,400,000
9	LEGISLATIVE ADMINISTRATION	0	0	0
10	PUBLIC FINANCE	240,000,000	252,000,000	264,600,000
11	REGIONAL DEVELOPMENT	7,399,808,939	8,213,787,923	8,788,753,077
12	COMMUNITY DEVELOPMENT	0	0	0
13	TRADE AND INDUSTRY	0	0	0
	<b>Total</b>	<b>39,719,508,939</b>	<b>31,890,487,923</b>	<b>25,718,053,077</b>

6.1.6. Mr. Aworere explained that the sectoral capital expenditure was divided into two: Discretionary Funds and Non-Discretionary Funds. ₦39.720 billion for non-discretionary fund which the State does not have outright control over. Concluding his presentation on the 2023 – 2025 MTEF, he stressed that the State needs more revenue in order to continue to prioritise the needs of the people of Ondo State.

6.1.7. Commenting on the fundamentals of the 2023-2025 MTEF, the Honourable Commissioner, Pastor Igbasan, reiterated that Nigeria was affected by the impacts of the global economic shocks occasioned by the measures put in place to curb the spread of COVID-19. He explained that Nigerian economy was not the only one witnessing a rise in inflation which put at 19.6% by the

National Bureau of Statistics, he affirmed that Europe had witness inflation rate risen to 10.2% for the first time in 40 years.

## **7.0. OBSERVATIONS/COMMENTS/REACTIONS FROM STAKEHOLDERS**

7.1. In reactions to the presentation, the participants appreciated the effort of the State Government for organizing the consultative meeting as a platform to air their views and make requests which may likely make 2023 budget. They, however, commented/reacted as follows:

- i. The state was not going out of its way to attract international investors;
- ii. Instead of being a team effort, revenue creation was left in the hands of the government;
- iii. The Waste Management Authorities are not making enough efforts to turn waste into wealth.;
- iv. The rising expense of governance is caused by duplication of positions and duties;
- v. Lack of sufficient information on intervention funds prevented the state from gaining from them.;
- vi. Insufficient revenue generation as a result of neglecting MSME growth;
- vii. Low use of local fabricators' services when carrying out large-scale state projects;
- viii. Cotton industry in decline as a result of sector neglect in the State;
- ix. Low educational standards brought on by the failure to replace retiring school teachers;
- x. That in trying to complete too many road projects at the same time led to poor results;

- xi. xi. Local engineers' decreasing involvement in the state fabrication industry as a result of not being supported; and
- xii. Bitumen exploration in the state was hindered by the Federal Government's power.

## **8.0. RECOMMENDATIONS**


8.1. The followings were the recommendations:

- i. The government should foster an environment that encourages international investment;
- ii. Collective efforts and working strategy should go into generating revenue;
- iii. The Waste Management Authority should use the appropriate tactics and tools to turn waste into wealth.;
- iv. Offices and functions that are related should be merged to lower the expense of governance and refocus the administration on providing benefits to people;
- v. Adequate information and platforms should be employed on how to access intervention funds;
- vi. Making MSME growth a priority will enhance revenue generation;
- vii. Increase local fabricators' involvement in significant State projects;
- viii. The State should focus on reviving the cotton sector as another source of revenue;
- ix. To raise the educational standard in the State, recruitment should be done to replace retiring teachers;
- x. One or two road projects should be executed at a spaced time for quick completion period and other sector of the State won't be affected;

- xi. Local engineers should be well-represented in the makeup of engineers working on state projects; and
- xii. The State Governor should relate with the relevant Federal ministries to get a permit for bitumen exploration in the State.



8.2 In closing, the Permanent Secretary reaffirmed the government's determination to work tirelessly to bring the State to a high level of unparalleled development among the States in the nation under the administration of Arakunrin Oluwarotimi Akeredolu, SAN.

  
**Mr. Akintunde Greatsheyi**  
State Chairman, NASSI  
08064408074

  
**Mr. Akarakiri Thomas**  
President, OSATU  
08038054754

  
**Mr. Ezekiel Adeyinka Oke**  
General Secretary, ICAN, Akure District Society  
08064422005