

THE REPORT OF THE CONSULTATIVE MEETING BETWEEN MINISTRY OF ECONOMIC PLANNING & BUDGET AND THE PEOPLE OF OWO AND OSE LOCAL GOVERNMENT AREAS OF ONDO STATE ON 2023 -2025 MTEF AND 2023 BUDGET PREPARATION HELD AT OWO LOCAL GOVERNMENT SECRETARIAT OWO ON MONDAY, 31st AUGUST, 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 the people of Owo and Ose Local government on the 2023-2025 MTEF and 2023 budget preparation was held at Owo local government secretariat on Monday, 31st August, 2022. The meeting was presided over by Pastor Igbasan Emmanuel, who is the Commissioner for Economic Planning and Budget in the State.

2.0. OBJECTIVES OF THE MEETING

2.1. The main objectives of the meeting were as follows:

- i. to project for scrutiny, the figures for the 2023–2025 MTEF which included the estimates for 2023 budget;
- ii. to harvest inputs of the people of Owo and Ose local government areas in order to include their inputs 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, Deputy

Director, PASS, Mrs Ayeni, R. K., Deputy Director Budget, Mr. E. O. Apata and a 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 Traditional rulers, Chairmen Local Government, Head of Local Government Administration, Budget Officers, Representatives of artisans, Farmers, Youths, Students women groups
- 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 people of Owo and Ose local government.

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 people of Owo and Ose local government the on development of 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 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 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 People of Owo and Ose Local Government, 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 policy platform to deliver the campaign promises of the present government to the good people of Ondo State.
- 5.4. He further stated that, in line with global best 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 had led 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 actual 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

Capital Expenditure by Sector		Non-Discretionary Funds		
No.	Sector	2023 Allocation	2024 Allocation	2025 Allocation
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
	Total	39,719,508,939	31,890,487,923	25,718,053,077

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 for them to air

their views and make their requests with a view to including them in the 2023 budget. They, however, commented/reacted as follows:

- i. There were lopsided distributions of school teachers in the state's public primary and secondary schools which favour schools in the urban centers;
- ii. The State was still witnessing subsistence agricultural practices which was not capable of improving the State's Internal Revenue;
- iii. Traditional rulers present at the consultative meeting complained that they are not accorded due respect during the consultative engagement meetings;
- iv. Government attention was called to the problem of unemployment bedeviling the productive youth in the state;
- v. Idogun community had not benefited from FADAMA programs;
- vi. Programs of Government were not well publicized for the awareness of the citizens;
- vii. State government should not neglect Ose people in the administration road construction projects they thereby prayed that the project be extended to the local government area;
- viii. Lack of safe drinkable water in Ose local government area, the people so pleaded that they allowed them to benefit from Kamomi Aketi;
- ix. The CSOs needed to be carried along from the very beginning of budget preparation through to implementation stages;
- x. Inability of Ose people who are big Cassava producer hindered by distance to supply the Ethanol producing plant at Ore with cassava rather than sourcing for it from outside the state;

- xi. Menace of Erosion was a critical one and it should be controlled in Idogun community and entire Ose Local government urgently;
- xii. Menace of Erosion was a critical one and it should be controlled in Ifon community and entire Ose Local government urgently; and
- xiii. Government attention drawn to primitive implement being used to do agricultural activities by farmers at Imoru and environs.

8.0. RECOMMENDATIONS


8.1. The followings were the recommendations:


- i. Address the lopsided distribution of school teachers in the state's public primary and secondary schools which favour schools in the urban centers;
- ii. Government to vigorously support mechanized agricultural practices which is capable of improving the State's Internal Revenue;
- iii. Traditional to be accorded due respect in future editions of the consultative engagement meetings;
- iv. Government to urgently solve the problem of unemployment bedeviling the productive youth in the state;
- v. Idogun community to given the opportunity to benefit from FADAMA programs going in the state;
- vi. Government programs to widely publicized through available media channels available in the state for citizen awareness;
- vii. State government to extend the road construction project going on in the state to Ose local government people, so that they can benefit from the Arakunrin Oluwarotimi Odunayo Akeredolu administration;
- viii. Provide safe drinkable water for the people of Ose local government area, possibly allow them to benefit from Kamomi Aketi scheme;


- ix. CSOs to be carried along from the very beginning of the budget preparation process through to implementation stages;
- x. Ose people as big Cassava producer to be given opportunity to supply the Ethanol producing plant at Ore with cassava rather than sourcing for it outside the state;
- xi. Government to urgently tackles Erosion Menace facing Idogun and entire Ose Local government communities;
- xii. That the state government to urgently solve the problem of Erosion in Ifon community and environs; and
- xiii. Government attention drawn to primitive implement being used to do agricultural activities by farmers at Imoru and environs.

9.0. CONCLUSION


9.1. The Honourable Commissioner appreciated the participants, particularly the Kabiyesi and other dignitaries, for their contributions, comments and suggestions at the meeting. He promised them that the State Government under the leadership of Arakunrin Oluwarotimi Akeredolu, SAN, who was passionate for the development of the State, would continue to hold trust for the people, service them and give them their desired expectations.


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