

«Address_1»,
«Address_2»
«Address_3»,
«Agencies»

2020 – 2022 MEDIUM-TERM SECTOR PLANS
[Development of MTSS Base Document]

Introduction

Section 13 of Law No. 6 of 2009 which is the “Jigawa State Economic Planning and Fiscal Responsibility Law” provides that:

“The State Government shall ensure that there exist at all times a Medium-Term Expenditure Framework (MTEF) which provides the Framework for government’s fiscal operations for the next three financial years to be updated on annual basis. Such a Fiscal Framework should not later than four months before the commencement of the next financial year be prepared and following all the due process set out in this Law, be approved by the State House of Assembly with any modifications found to be necessary”

2. In line with this statutory provision, the development of Medium-Term Expenditure Frameworks (MTEF) and MTSSs has been pursued as a key Public Expenditure Reforms for several years which helps improve the quality and effectiveness of the annual planning and budget processes in the State. Through the multi-year budget planning perspective, the MTEF Process promotes credibility, realism and predictability in planning and budgeting. This ensures the production of policy-based budgets that are consistent with overall policy objectives and priorities of the State Government as may be contained in its policy documents and other policy pronouncements.
3. In line with these objectives and the requirements of the Economic Planning and Fiscal Responsibility Law, the Directorate of Budget and Economic Planning is presently concluding the documentation process of 2020 – 2022 MTEF which would subsequently provide the hard-budget constraints that would ensure strategic prioritization in resource allocation across all sectors.
4. In the meantime and in line with the outcomes of the 2020 – 2022 Planning Meeting convened by His Excellency the Executive Governor on Tuesday 30th July 2019, the Directorate is issuing this circular to request Sector MDAs to prepare and submit their preliminary **unconstrained medium-term plans**. As these initial submissions are not subject to any sectoral resource allocations, they would subsequently be strategically reviewed in line with 2020 – 2022 MTEF and Sectoral Resource Allocation to be transformed into Medium term Sector Strategies that would provide the context of the 2020 Budget. Furthermore, in line with requirements of the Law, these would also be subsequently consolidated and submitted to the State Legislature for approval. In order to guide the process and ensure standardization across sectors, the Directorate wishes to issue the following guidelines to all sectors to inform the preparation and submission of the preliminary medium-term sector plans.

Template Guidelines

5. As earlier indicated, even though the development of Medium Term Sector Plans are not bound by any resource constraints, Sectors are required to observe a number of guidelines to ensure that submissions are consistent with some of the principles and objectives of the MTEF Process – not mere wannabe listing of costed projects and programmes. In this regards, the attached templates should be strictly used in generating the medium sector plans to be submitted. **While the templates are Agency-specific, as the Permanent Secretary in the Lead Ministry of the «Sector» Sector, you are to coordinate all MDAs within the Sector.** As usual, this will help achieve a comprehensive sector-wide presentation, synergy and ease in the eventual consolidation of the costed Sector Plans into a Sector Strategy presentation. The template structure is as captured below:

S/N	PROJECT DESCRIPTION	PROJECT'S PRIMARY OBJECTIVE	PROJECT STATUS		Total Project Cost (NGN)	IF ON-GOING		MEDIUM-TERM PHASING OF COST TO COMPLETION (NGN)			Estimated Recurrent Cost Implication (Personnel and Running Cost)
			New or Ongoing	Project Budget Code		Year Project Started	Actual Expenditure to Date	2020	2021	2022	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

- i. Project Description (Column 2) – This simply state the description of the project as featured in previous approved estimates. If it is a NEW initiative, the exact description should be provided to reflect its essence;
- ii. Projects Primary Objectives (Column 3)– This provides a brief description of sectoral policy objectives being addressed by the project or programme such as for instance “improving enrolment and retention in primary schools; “strengthening Agricultural Extension, Research and Development”, “promoting local production for export and local markets”, “improving key health indicators particularly as they affect women and children”; “improving accessibility to affordable and qualitative primary healthcare services”, “easing the burden of poverty among vulnerable segments of the population”; “providing social protection to improve resilience among vulnerable segments of the population; etc;
- iii. Project Status (Column 4) is to indicate whether project is on-going or New;
- iv. IF On-ongoing (Column 5) - in any previous approved budget estimates, simply provide the Budget Code or Budget Line;
- v. Total Project Cost (Column 6) refers to the total estimated cost of the project or programme from start to commissioning;
- vi. Year Project Started (Column 7) require the year when the project was started IF the project is indicated to be on-going;
- vii. Actual Expenditure to Date (Column 8) – this requires total actual expenditure from the year the project was started to date;
- viii. Medium Term Phasing (Columns 9 –11) – spreading the required amount to complete the project. Where project is ongoing, this would be equal to the total cost of the project less actual payments already made to date which is to be phased over the medium-term depending on the magnitude of the amount and priority rating of the project;
- ix. Recurrent Cost Implication (Column 12) - requires an indication of the envisaged recurrent cost implications in terms of staff recruitment or operations and maintenance.

Medium-Term Policy Objectives and Priorities

6. As required under column 3 of the submission templates, MDAs and Sectors should be guided by the overall sector policy objectives as reflected in CDF II and any other sectoral policy document. However, considering that this is coming at the eve of His Excellency’s second term in Office as highlighted during the meeting referred to above, MDAs should proactively incorporate any emerging sector policy objectives and priorities as might have been determined at the Sector level. Notwithstanding, it would be imperative to mention that recent demographic projections for the State indicated a rapidly expanding population with a composition and structure that signify several implications for the long term development, prosperity and security of the State. Consequently, addressing the current human capital development challenges of the State should be central in determining its long-term socioeconomic development priorities. Thus, among the major policy thrust of the State Planning and Budget Process over the medium term should include the following:

- i. expanding access to and quality of human development services. In particular, addressing the issue of out-of-school children (including pupils in the traditional *tsangaya* schools), high malnutrition among children, maternal and child healthcare challenges, should be major areas of focus;

- ii. pursuit of multi-sectoral social protection programmes that prioritize children and women and reducing the burden of poverty among the extreme poor and highly vulnerable;
- iii. pursuit of programmes that socioeconomically empowers the youths and integrates them into the main stream of the economic value-chain;
- iv. accelerating inclusive economic growth with jobs and wealth creation, sustainable poverty reductions and overall improvements in socioeconomic wellbeing of the populations.

Resources Expectations

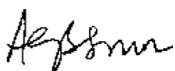
7. Even as the Directorate concludes the 2020 – 2022 MTEF which provides a comprehensive and informed projections of resources availability over the medium term and during the 2020 fiscal year, MDAs are enjoined to manage expectations by not being overly optimistic. This is especially in the light of other developments that may limit resources flow into the Capital Development Fund like the impending implementation of the new National Minimum Wage. While effort would be made to control the burgeoning of recurrent expenditure, this may only be achieved to a limited extent given the need to beef-up the manpower requirements in critical sectors such as education and health and considering that a number of ongoing projects in the education and health sectors would require higher recurrent spending to achieve the project's objectives..

8. In this regards, MDAs and Sectors should proactively leverage on other income sources to meeting the funding requirements even for their traditional projects directly funded from the central treasury. For almost all Sectors, various development grants and other project/technical support abounds from resources could be leveraged. **For the «Sector» Sector, «Dev_Partners»“. These are additional sources of funding that should be leveraged upon.** A separate template is therefore attached to provide data on grants and loans funded projects over the medium term including envisaged project and technical support from other Development Partners.

Conclusion

9. In conclusion, I would remind all MDAs of the need to Fast-track the process of developing the Medium-Term Sector Plans. As agreed during the Planning Meeting held with His Excellency, the Executive Governor, all submissions would be reviewed in line with the 2020 – 2022 MTEF and eventual consolidation into the sectoral MTSSs in no more than three weeks. In this regards, I am pleased to inform you that the DFID-Funded PERL-ARC Programme has committed to support a three-day Joint Strategy Session for all the Sectors involved during which MDAs will work assiduously to develop and finalise their Sector Plans. This is planned to hold during the week of Monday 12th August. In the meantime, PFM Consultants, in collaboration with the Sector Desk Officers from this Directorate, will hold separate meetings with all the Sectors during the week of Monday 5th August to ensure that we jointly work to achieve the desired results. Also recall that, all sectors are committed, as per the outcomes of the Planning Meeting, to ensure that the review and consolidation of sector plans into MTSSs and development of the 2020 Proposed Budget are completed in earnest for submission to the State Legislature early in October. This would ensure that, together, we achieve the timelines of the State Budget Calendar which aspire to see Appropriation Laws coming into effect at the very beginning of each Fiscal Year.

10. Please accept my sincere regards.



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(Permanent Secretary)