

**Government of The Federal Republic of Nigeria**  
**Support to the Home Finance Department in The Federal Ministry of Finance**

**Terms of Reference for the Development and Roll-out of a Citizens' Accountability Report  
Template for States in Nigeria**

**1. Background**

The Federal Government of Nigeria has agreed with the World Bank on a multi-year (2018-2022) program to support Nigerian states to strengthen fiscal performance and sustainability: *The State Fiscal Transparency, Accountability and Sustainability (SFTAS) Program for Results* (“The Program”). Details of the proposed Program is contained in Annex 1.

Consequent upon the aforementioned, the Federal Ministry of Justice through the Nigeria Open Government Partnership (OGP) Secretariat has been mandated to deliver tailored assistance to enable the states to achieve a component of the SFTAS Program - Disbursement Linked Indicator 2; Increased Openness and Citizens' Engagement in the Budget Process.

The Nigeria OGP Secretariat will deliver its Technical Assistance Component to the states through design and transmission of templates, national/zonal technical workshops, customized just-in-time advisory services, peer learning events, advocacy visits and preliminary sensitization workshops on the operationalisation of OGP at the subnational level. To implement these activities, the Nigeria OGP Secretariat will require the services of a vendor, as aforementioned; to support the delivery of a Citizen's Budgets and Participation Workshop.

The Nigeria OGP Secretariat has identified the need to engage seasoned and experienced Vendor to develop and design a Citizen Accountability Report Template, and provide support by facilitating a National Workshop on Citizens' Accountability Report for the 36 states on the use of the Citizens' Accountability Report Template. The consultant(s) will be selected in accordance with the procedures set out in the World Bank's “Procurement Regulations for IPF Borrowers” (Procurement Regulations) dated July 2016 (revised November 2017) under the “New Procurement Framework (NPF), available at the World Bank website:

<https://policies.worldbank.org/sites/ppf3/PPFDocuments/Forms/DispPage.aspx?docid=4005&ver=current>

**2. Objectives and Scope of the Assignment:**

The principal role of the vendor will be to develop and design a Citizens' Accountability Report Template suitable for use by States in Nigeria and provide support for its implementation through a National Workshop as well as Just-In-Time Advisory to States on demand.

### **3. Specific Responsibilities and Activities**

The selected vendor will be expected to conduct/implement the following key operational activities:

1. Develop and design a template for Citizens' Accountability Report
  - Conduct desk research and review existing resources and examples for Citizens' Accountability Report
  - Develop a draft template and guidance document suitable for use by States in Nigeria
  - Provide a process guide on the Citizens' Accountability Reporting process and where feedback can (and should) occur
  - Revise and update the template upon receiving feedback from stakeholders
  - Assist in publishing and disseminating the template online
2. Provide guidance and support to the States in the development of States' Citizens' Accountability Report;
  - The vendor will provide Just-In-Time Advisory Services (physical and virtual) to at least 18 States to produce their Citizens' Accountability Reports ahead of the deadline.
  - After the deadline for publication, the vendor will engage states that failed to produce their Citizen Accountability Reports with a view of providing advice on a sustainable mechanism for producing the report in subsequent years.
  - The vendor will also work with states who are adjudged by the Independent Verification Agent as failing to meet the required standard, to rectify issues.
3. Using a train-the-trainer approach, provide training to the State officials identified by the Nigeria OGP Secretariat on the use of the Citizens' Accountability Report Template.
4. Perform other duties as required and requested by the Program Coordinating Unit and Nigeria OGP Secretariat within the framework of this consultancy.

### **4. Supervision and Reporting Arrangements**

The Vendor will be supervised day-to-day by the SFTAS OGP Program Manager and Civil Society Adviser at the Nigeria OGP Secretariat. The Vendor will be required to submit an operational report of activities performed to the OGP Secretariat.

### **5. Duration of the Consultancy**

The contract shall be deliverable-based. The contract will be for a period of one year with provision of extension based on performance and continued business need.

## 6. Location of the Consultancy

The Vendor will facilitate a national workshop which will be arranged by the Nigeria OGP Secretariat in Abuja as well as, facilitate other technical sessions virtually. The Vendor will travel within Nigeria, as necessary to achieve the objectives of the Consultancy.

## 7. Payment and Schedule of Deliverables

This contract is a lumpsum contract based on deliverables. Following are the anticipated deliverables from the vendor:

- 1) Citizens' Accountability Report Template.
- 2) Facilitation and delivery of training at a National Workshop with participants drawn from 36 States
- 3) Follow up training with participants drawn from at least 24 States
- 4) Report of training showing that objectives are met.
- 5) Provision of demand-based support to at least 30 States in the roll-out of the template up to the deadline for publication.
- 6) Just-in-time support to at least 24 States that are unable to meet the requirements of SFTAS results (timeline and content) in identifying challenges, an action plan for achievement and hands-on training to stakeholders.
- 7) A process guide on the Citizens' Accountability Reporting process and where feedback can (and should) occur.

Payments shall be made on presentation of Vendor's invoices and deliverables.

## 8. Qualifications, Specialized Knowledge and Experience and Competencies:

- Vendor profile detailing experience working in the area of State Level Participatory Budget Processes in Nigeria States, citizens engagement, training the trainer programs, a framework for communication and feedback mechanism.
- Vendor profile detailing experience working with Budget Transparency and Disclosure methodologies like international budget transparency standards.
- Staff with a minimum degree in Mathematics, Statistics, Economics and other relevant social science fields. Professional Certifications will be an added advantage
- Prior experience in developing policy documents. (Proof will be required)
- Staff with a minimum of four (4) years cognate experience in budget relations and public financial management systems, two (2) of which MUST be in Nigeria
- Staff with a minimum of four (4) years experience in providing training/sensitization/capacity building
- Staff with a minimum of four (4) years of experience working with international donors.

- Staff with computer literacy - proficiency in running statistical software, Microsoft Office Suite (Word, Excel and PowerPoint) and graphics design
- Experience in working with an international and multi-stakeholder forum.
- Staff with fluency in the English Language. Knowledge of one or more major Nigerian language is an added advantage.

## **Annex 1: State Fiscal Transparency, Accountability and Sustainability Program for Results (“The Program”)**

- 1. Strategic Context.** State governments in Nigeria account for 37 percent of total government expenditure and a quarter of total public debt. States are provided with a high degree of fiscal autonomy under the country’s Constitution. The fiscal federalism framework does little to compel states to be fiscally transparent and accountable and exercise prudent fiscal management. The sharp decline in oil prices and revenues in 2015-2016 led to two financial assistance packages from the federal government to the states, and the adoption of the 22-point Fiscal Sustainability Plan (FSP). The current fiscal performance across states, with few exceptions, is sub-optimal: fiscal transparency and accountability is weak, revenues collected by the states are limited, states face recurrent spending pressures, and states’ debt sustainability has declined. The Federal Ministry of Finance of Nigeria (FMOF) requested a World Bank program to support Nigerian states to strengthen their fiscal performance and sustainability.
- 2. Program Development Objective.** The Program development objective is to strengthen the fiscal transparency, accountability and sustainability in the participating states.
- 3. Program Financing and Duration.** The Program will finance activities under two components: (i) a Program for Results (PforR) component in the amount of US\$700 million; and (ii) a technical assistance (TA) component, using the Investment Project Financing (IPF) instrument in the amount of US\$50 million. The duration of the Program will be four years with the program effectiveness expected by October 2018 and end date of December 2022. The PforR will cover the fiscal performance of states over four fiscal/calendar years: 2018-2021. Capacity building activities will commence after program effectiveness until the end of 2021.
- 4. Summary Program Design:** The Program will support participating states to implement a strategic set of reforms from two government programs: The Fiscal Sustainability Plan (FSP) and The Open Government Partnership (OGP) commitments. Ex-ante, the Program is open to all states and FCT to participate. The PforR component will provide performance-based financing to states. To access the PforR financing, every state must meet the annual eligibility criteria: the publication of annual budgets and audited financial statements. States meeting the eligibility criteria will receive performance-based financing based on their achievement of pre-agreed set of results/disbursement-linked indicators (DLIs). The results/DLIs support increasing state-level fiscal transparency and accountability, strengthening state-level domestic revenue mobilization, increasing efficiency in state public expenditures, and strengthening state debt sustainability. The states’ achievement of the results/DLIs are to be verified annually by the independent verification agent (IVA) and the annual performance results will be published. Under the TA component, comprehensive set of capacity building activities to support participating states to achieve the results/DLIs will be delivered by selected implementing agencies. In addition, support will be provided to the IVA and the Program Coordination Unit (PCU) under the TA component.
- 5. Program implementation and coordination arrangements:**

**Program implementation:** States will be responsible for achieving the program results and thus will be leading the implementation of the PforR component. To support the implementation of the Program in each state, a state steering committee and focal persons for SFTAS will be established and assigned in each of the participating states.

**Program coordination:** The Home Finance Department (HFD) in the Federal Ministry of Finance (FMoF) will house the Program Coordination Unit (PCU), with the Director of HFD as the National Program Coordinator. The HFD is the department within FMoF mandated to oversee transfers and financial support to the states. It manages the FAAC process with the states and disbursements from the Budget Support Facility (the federal government's financial assistance program to the states). The PCU's key functions are to: 1) coordinate state capacity building activities delivered by the selected implementing agencies; 2) conduct communications and outreach activities for the Program; 3) conduct monitoring and evaluation activities for the overall Program; 4) disburse PforR financing to the states on the basis of the verified results from the IVA; 5) provide accounting and reporting for the Program; 6) act as the interface with the Bank's supervision and implementation support team; and 7) act as the secretariat for the Central Steering Committee. The TA component will provide financing to FMoF to recruit several consultants to work full-time alongside Ministry staff to carry out the PCU's key functions. The PCU's work will be guided by the Program's operations manual (POM).

**6. Commitment and support:** There is strong federal and state-level government buy-in and ownership of the proposed SFTAS Program. For the federal government, the main benefits of SFTAS are in reducing the fiscal risks posed by the states and in encouraging a common set of fiscal behaviors across states. States welcome not just the PforR financing but also the capacity building support. The Program was presented and approved by the National Economic Council on 22 March 2018. As of 15 May 2018, 32 states have submitted formal expressions of interest to the Federal Ministry of Finance to participate in the Program.

### **Figure 1: Overview of the SFTAS Program Design and Implementation**

