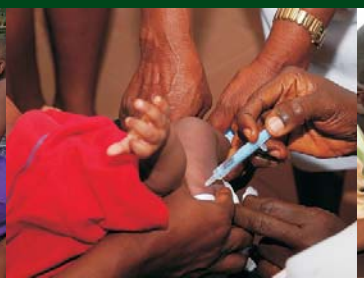
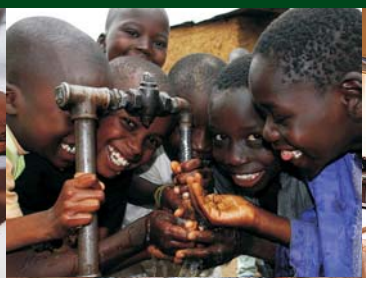
NIGERIA: MILLENNIUM DEVELOPMENT GOALS (MDGs)

COUNTDOWN STRATEGY

2010 to 2015: Achieving the MDGs




Millennium Development Goals [NIGERIA]

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FOREWORD

The Millennium Development Goals (MDGs) caught the world's imagination from the very day they were agreed by a record 189 countries at the UN General Assembly in September 2000. Nigeria was an enthusiastic signatory to the MDGs and has pursued them vigorously since then, though with varying degrees of success.

The five key areas in which Nigeria has made remarkable progress are the eradication of extreme poverty and hunger; the achievement of universal primary education; the promotion of gender equality and the empowerment of women; combating HIV/AIDS, malaria and other diseases; and the achievement of a global partnership for development.

2010 should be seen as the year in which work towards the MDGs enters its final stretch. Now is the time to put in the extra effort required in terms of planning, human resources, materials and financing. So while we must not lose sight of the good progress that we have made, we must also recognise that there's a lot of ground to cover.

We therefore resolve to commit more resources towards the achievement of our MDG initiatives (without which we will not attain this Administration's Vision 20:2020); to retain the attainment of the MDGs as a core platform for our Reform Agenda; and to work to plug holes where they exist and generate and implement strategies for achieving accelerated progress.

Finally, I'd like to commend the efforts of the various local and international agencies that have put in impossible hours to make this report a reality. But I also want to say that our advancement towards 2015 requires increased support from our partners and a redoubled effort and vigilance on our part as citizens and stakeholders. This Administration remains firmly committed to the initiatives and interventions that fall under the range of vision of the MDGs, in order to enable continuing improvement in the quality of life and the advancement of our country.

Dr. Shamsudeen Usman, OFR
Honourable Minister/Deputy Chair, National Planning Commission
Federal Republic of Nigeria

PREFACE

The five-year Countdown Strategy is a testimony to Nigeria's unflagging determination to achieve the Millennium Development Goals. Produced with an acute awareness of the short amount of time that is left to achieve the lofty objectives of the 2015 deadline, this document is therefore squarely focused on clarifying Nigeria's current position with a view to putting measures in place to ensure accelerated progress.

The advantage we have is that the MDGs are not new to Nigeria. They are essentially a scaled-up version of policies and investments that Nigeria has been putting in place for decades. In this context, the specific targets, international collaboration and clear timelines associated with the MDGs have provided an invaluable reference point for ensuring that our efforts are redoubled and continuously scrutinised.

The Countdown Strategy has been designed to identify the gaps and lay out the policy actions, investments, and milestones that will help us further scale up our successes and remedy our weaknesses. It provides a road map to achieving the MDGs, drawing on this administration's direct engagement with issues such as improving service delivery and public accountability, increasing investment, and building partnerships across the three tiers of government. In particular, it will be the reference point for any new administration, so ensuring that the opportunity to renew momentum provided by such a transition is seized rather than wasted.

The Countdown Strategy will also guide the institutional improvements, policies and human resources required to meet the MDGs, chart the trajectory of MDGs financing and investment to 2015, and interface with the country's Vision 20:2020 and the 7-Point Agenda.

For the MDGs to be achieved on time, massive pro-poor investments will have to be made across all sectors. Without this, lack of investment in one particular area will wipe out the successes recorded through interventions in others. That is why there is a need for a coordinated strategy of accelerated impact as we race towards 2015. Five years may not seem like a long time, but we are ready to do what it takes to ensure that a lot is packed into that time span in order to leave us all better off.

I'd also like to take this opportunity to express my appreciation for the guidance provided by the Honourable Minister and the Secretary of the National Planning Commission, and to thank our partners in government, the private sector and civil society, and our international development partners. I'm also grateful to our consultants, who were ably supported by a crack team of technical experts – they deserve special commendation for their tireless commitment and professionalism. Their painstaking effort will see us making good progress as we invest time and hard work to implement the recommendations provided.

Hajia Amina Az-Zubair, OFR
Senior Special Assistant to the President on MDGs

EXECUTIVE SUMMARY

1 Introduction and overview

The overarching objective of the five-year Countdown Strategy (CDS) is to accelerate Nigeria's progress towards achieving the MDGs by 2015. The specific objectives are:

- to identify the most effective mechanisms and interventions that have made progress against the MDGs;
- to re-emphasise the constitutional roles and responsibilities of each tier of government and the need for stronger partnerships with key stakeholders;
- to guide the institutional improvements, policies and human resources required;
- to chart the trajectory of MDGs financing and investment to 2015; and
- to interface with Vision 20:2020 and the 7-Point Agenda.

The Countdown Strategy summarises Nigeria's progress towards the MDGs up to mid-2010, highlights an outstanding success story (the Conditional Grants Scheme) and addresses the critical challenges and gaps which account for average to slow progress. The Strategy explains the strategic initiatives that the Government will introduce to tackle these challenges and gaps, and spells out sharply-focused strategies for speeding progress towards achieving the eight goals (or a combination thereof).

The Strategy first reviews the Government's investment plans, priorities and choices, highlights how plans to achieve the MDGs integrate with plans to achieve the Nigeria Vision 20:2020 (NV20:2020) and stresses that a combination of public and private investments will be needed to accelerate progress. Next, the Strategy re-examines assessments of the costs of achieving the MDGs and presents a new financing strategy. The financing strategy emphasises the need for the three tiers of government, all arms of government[1] and all relevant stakeholders to make solid commitments to achieving the MDGs in the next five years through a national partnership and fiscal compact.

Finally, the Strategy presents a Roadmap of actions, responsibilities and timeframes. The Roadmap indicates how plans will be coordinated, monitored and evaluated in 2010 and 2011, leaving room for refinements and modifications which a new administration might decide to introduce after presidential and legislative elections in 2011.

[1] The three tiers of government are the federal, state and local government; the three arms of government are the Executive, the Legislature and the Judiciary.

2 Progress towards the MDGs and current status

Nigeria's progress towards the MDGs is mixed. Progress towards five MDGs has been average, but progress has been less satisfactory towards the three other MDGs:

MDG 1: *Eradicate extreme poverty and hunger.* Slow progress. Although poverty has been reduced since 2000, growth has not been equitable or generated enough employment. Five out of every ten Nigerians still live in poverty. However, nutrition has improved significantly.

MDG 2: *Achieve universal primary education.* Average progress. Significant progress has been made in net enrolment. Nine out of ten eligible children are now in school as a result of Universal Basic Education Programme interventions and enrolment in private schools. However, disadvantaged groups are still excluded and the quality of education remains poor. A lot still needs to be done in teacher education and the development of infrastructure.

MDG 3: *Promote gender equality and empower women.* Average progress. Improvements have been made in gender parity. For every ten boys in school, there are nine girls, but female economic and political empowerment remains elusive.

MDG 4: *Reduce child mortality.* Average progress. There has been a remarkable reduction in under-5 mortality, from 201 deaths per 1,000 live births in 2003 to 157 deaths per 1,000 live births in 2008 (National Population Commission 2004, 2009). Infant mortality also

shows a significant reduction from 100 per 1,000 live births in 2003 to 75 deaths per 1,000 live births in 2008. The proportion of children immunised against measles by 12 months of age marginally increased from 31.4 per cent in 2003 to 41.1 per cent in 2008.

MDG 5: *Improve maternal health.* Slow progress. Although maternal mortality fell from 800 deaths per 100,000 births in 2003 to 545 deaths per 100,000 births in 2008, progress in this goal has been slow and challenges remain. The proportion of births attended by skilled health personnel increased slightly from 36 per cent in 2003 to 39 per cent in 2008. The use of contraceptives increased from 8 per cent in 2003 to 10 per cent in 2008.

MDG 6: *Combat HIV/AIDS, malaria and other diseases.* Average progress. The prevalence of HIV/AIDS dropped from 5 per cent in 2001 to under 4 per cent in 2008. HIV prevalence in pregnant women aged 15-24 years fell steadily, from 6 per cent in 2001 to 4.2 per cent in 2008. The proportion of the population accessing antiretroviral drugs increased from 16.7 per cent in 2007 to 34.4 per cent in 2010. Furthermore, the proportion of children under-5 sleeping under insecticide-treated mosquito nets rose from 2.2 per cent in 2003 to 5.5 per cent in 2008. Malaria infection rates have dropped, but malaria still accounts for an average of 300,000 deaths each year. There is impressive progress against polio.

MDG 7: *Ensure environmental sustainability.* Slow progress. Access to safe water and sanitation has not improved significantly and other environmental challenges, such as erosion, coastal flooding and climate change, are growing.

MDG 8: *Develop a global partnership for development.* Average progress. The benefits of debt relief have not been matched by an increase in aid. Trade and access to markets remain unequal.

Debt-relief gains have helped immensely in Nigeria's modest progress towards achieving the MDGs. The government has used debt relief to adopt many promising interventions and initiatives, such as the OPEN-Monitoring and Evaluation Framework (OPEN-M&E), the Midwives Service Scheme and the Federal Teachers Scheme.

The government has also used debt relief for social safety net policy initiatives, such as Conditional Cash Transfers (CCTs), the Micro-Credit Scheme, and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) Vocational Training Scheme. Other initiatives are the MDGs Costing and Needs Assessment, Universal Basic Education Counterpart Fund Scheme, HIV&AIDS (distribution of antiretroviral drugs), the Community Health Insurance Scheme, the Rollback Malaria Partnership with the Global Fund (providing insecticide-treated mosquito nets to every Nigerian family) and the development of a National Gender Data Bank.

3
Gaps and challenges

One of the legacies of the long period of military rule in Nigeria is the loss of a national development planning culture. A concomitant effect is the lack of a reliable system for collecting national planning and development data. This historical deficit negatively affects government efforts to generate reliable and consistent baselines for assessing progress towards the MDGs.

Aside from the huge gaps in data, other challenges have slowed progress. These include a lack of skills and capacity to implement initiatives, and poor coordination between different tiers and arms of government. However, measures are in place to overcome these challenges.

Overcoming gaps and challenges

Key responses to overcoming gaps and challenges include:

- Strengthening the capacity of all government data-gathering agencies at national and sub-national levels;
- Harmonising the production of data relating to MDGs in all agencies at federal, state and local government levels under the National Bureau of Statistics;
- Coordinating overseas development assistance under the National Planning Commission (NPC);
- Mainstreaming achievement of the MDGs into Nigeria Vision 20:2020 to ensure that (i) budgets are MDG-compliant, (ii) investment programmes and projects derive from national

development plans, and (iii) sub-national governments participate effectively in the implementation of plans to achieve the MDGs;
- Implementing a capacity building programme for federal, state and local government employees under the Conditional Grants Scheme (CGS); and
- Addressing weak governance and accountability through multi-pronged initiatives that include, but are not limited to, the National Strategy for Public Service Reform that is working to produce a world-class public service by 2020.

4 A success story: the Conditional Grants Scheme

The Conditional Grants Scheme (CGS), introduced in 2007, has three specific objectives: (i) to invest in achieving the MDGs at the sub-national level and ensure local ownership and sustainability; (ii) to empower state and local governments to carry out their constitutional responsibilities; and (iii) to leverage public sector reform, public expenditure reform and national planning for service delivery. According to an independent evaluation (SPARC 2010) of the programmes and projects financed in 2007 and 2008, the CGS has been very successful: 98 per cent completion rates were achieved for projects and programmes financed with CGS awards in 2007, and 88 per cent completion rates were achieved for projects and programmes financed with CGS awards in 2008.

In 2007 and 2008 most projects focused on health, water and sanitation, and economic activities. The 2009 CGS projects and programmes are still at various stages of implementation. The estimated number of beneficiaries 2007-2009 ranged from about 500,000 for economic projects to over 30 million for health projects, and over 8 million for water and sanitation projects. Furthermore, an independent assessment (SPARC 2010) of a sample of states that benefitted from CGS awards between 2007 and 2009 showed that the objectives of the CGS have largely been met.

The CGS has four salient features. First, counterpart funding, introduced in the second year of implementation (2008), requires states to contribute 50 per cent of the amount they apply for from the fund. The objectives are to ensure state ownership and to secure state commitment to the success and sustainability of the projects. The matching grant approach also helps to leverage funding to achieve the MDGs and assure both the ownership and sustainability of the CGS. A significant measure of the success of the scheme is that more states applied for CGS funds in 2008 than in 2007, and 35 of the 36 states applied in 2009.

Second, the preparation and annual revision of the CGS Implementation Manual is a consultative process involving states. Third, the requirement for consultation with state and federal ministries, departments and agencies (MDAs) and local governments helps to enhance collaboration between all three tiers of government. Fourth, the CGS underpins reforms in the public sector by requiring institutions to put in place systems to account for CGS expenditures (public expenditure reforms, modernisation of state budgetary processes) and draw up plans for developing human capacity, and for facilities, equipment and supplies.

One key lesson from the CGS experience is that counterpart fund arrangements that are accompanied by participative features are more likely to succeed than those that lack such features. A second lesson is that a grant mechanism can leverage public sector reform. As pointed out above, the criteria for assessing state applications for CGS funds take into account the extent to which they engage in public sector reform and, in particular, in improving public expenditure management and developing human capacity.


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Achieving MDGs
4,5&6
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4,5&6

Photo: SPARC

5 Strategies for accelerating progress towards achieving the MDGs

The presentation of the strategies for achieving the MDGs is preceded by a discussion of four strategic imperatives that are critical to accelerating Nigeria's progress towards achieving the MDGs by 2015. The four strategic imperatives are (i) improving governance and accountability; (ii) strengthening coordination and cooperation between the three tiers and arms of government; (iii) mobilising and securing the commitment of all communities and key stakeholders to achieving the MDGs; and (iv) ensuring effective mainstreaming of the MDGs into national and sub-national development visions and plans.

The CDS elaborates on each strategic imperative. The availability of data (quality and timeliness) is a particular challenge. However, the government is compiling and harmonising data on MDG indicators at both the national and state levels, and is likely to establish credible baselines for the MDGs during the first year of the Countdown Strategy.

Some of the specific strategies proposed for accelerating achievement of the MDGs during the five years covered by the CDS are:

MDG 1: ***Eradicate extreme poverty and hunger.*** Accelerate the growth of the economy, ensure a stable macroeconomic environment, address infrastructure gaps, ensure an enabling environment for a market-based, private sector-driven economy, and ensure pro-poor economic policies.

MDG 2: ***Achieve universal primary education.*** Ensure training of an adequate number of teachers and continuous teacher re-training as a priority. Provide more classrooms to address the shortfall in school infrastructure.

MDG 3: ***Promote gender equality and empower women.*** Implement the National Gender Policy effectively through sector budgets, legislation and clear policy directives (guidelines, incentives and sanctions) on mainstreaming gender in both federal and state ministries, departments and agencies. Accelerate implementation of the Beijing Platform for Action to ensure at least 35 per cent of political posts are filled by women.

MDG 4: ***Reduce child mortality.*** Rapidly implement the Integrated Maternal, Newborn and Child Health Care Strategy using the Ward Minimum Health Package.

MDG 5: ***Improve maternal health.*** Strengthen the primary health care system at local level and ensure the implementation of the Safe Motherhood Programme.

MDG 6: ***Combat HIV/AIDS, malaria and other diseases.*** Rapidly adopt and effectively implement the new National HIV/AIDS Strategic Framework for Action 2010-2015. Reinforce the implementation of an integrated approach to malaria control, tuberculosis and neglected tropical diseases (NTDs).

MDG 7: ***Ensure environmental sustainability.*** Implement integrated National Environmental Action Plans that address climate change. Scale up the coverage of access to potable water and sanitation facilities.

MDG 8: ***Develop a global partnership for development.*** Promote the fulfilment of the G8 Gleneagles commitments, the Doha Development Round and the Copenhagen Accord. Strengthen the G20, D8 and NEPAD initiatives to encourage foreign direct investment.

6 Investment plans, priorities and choices

Investments to achieve the MDGs are critical for the attainment of the Nigeria Vision 20:2020 (NV20:2020). The Vision recognises that Nigeria has to increase public and private investments significantly if the target of making Nigeria one of the leading 20 economies in the world by 2020 is to be reached. The challenge is to direct investment to achieve the MDG goals by 2015 and meet the Vision target by 2020.

In the last decade, investment in Nigeria has focused on just a few sectors. However,

investments in infrastructure, human development, security, law and order, development of the Niger Delta and regional development are critical to attaining the MDGs. Nigeria also requires substantial investments in agriculture, energy and roads to boost economic growth and to increase productivity. Higher productivity is critical in translating growth in the various sectors into poverty reduction. The NV20:2020 recognises that adequate investments in these critical sectors are essential to meet the Vision target and attain the MDGs.

The First National Implementation Plan (1st NIP) for the NV20:2020 anticipates a total investment of N32 trillion[2] (naira) over the four-year period, 2010-2013. Of this amount, the public sector budget is expected to provide N19 trillion.

However, Nigeria is projected to need N24 trillion (US$170.38 billion) for the five years 2010-2015, or N4 trillion (US$28 billion) a year, to achieve the MDGs. Over the four years of the 1st NIP NV20:2020, N4 trillion a year is estimated to be required to achieve the MDGs, or N16 trillion in all. It is clear that the public sector budget of N19 trillion (2010-2013) cannot provide the N16 trillion required to achieve the MDGs. Investments must be secured from sources other than the public sector. However, the investment of N32 trillion (2010-2013) projected for the 1st NIP NV20:2020 could easily provide N16 trillion to achieve MDG targets if a pro-poor growth strategy is adopted.

Various models for funding achievement of the MDGs have been suggested. Federal funds could be channelled directly to local projects by federal agencies. Alternatively, federal funds, including statutory allocations, could be channelled to states as grants. In this model, the states would be the sole funding and executing agencies, meaning a 'federal exit' from projects. A closely related model pools federal and state resources in the form of matching grants for projects carried out by states, such as in the Universal Basic Education Counterpart Grants Scheme and the Conditional Grants Scheme. Other models involve the private sector in designing ways and providing funds to achieve the MDGs.

There are various ways to fund what is required to achieve MDG targets. These include making existing investments more efficient, leveraging other investment priorities, making social investments at the sub-national level for priority MDGs, and investing in communities through Transforming Rural Areas in Nigeria (TRAIN).

Markets and public-private partnerships (PPPs) could play an important role in providing social services. Nigeria has to do things differently if it hopes to radically accelerate progress towards achieving the MDGs. The mix of public-private financing has to be appropriate. The challenge is to significantly increase private sector involvement in providing social services and to reward private enterprise for social responsibility. PPPs could also be useful for developing infrastructure in other sectors related to the MDGs.

7 Costs and financing strategy

Costs

In October 2009, the cost of financing the achievement of the MDGs 2010-2015 was estimated at US$171 billion. Annual costs varied from US$19 billion in 2010 to US$38 billion in 2015. Assuming private sector funding for the housing and environment sectors brings the total cost down to an estimated US$164.05 billion.

Options for closing the funding gap

A 2010 analysis of public expenditure allocations for achieving the MDGs (Federal Government, state government and local government authority allocations) suggested that the annual gap between the amount allocated and the amount needed may be as high as US$17.7 billion. The Federal Government Medium Term Expenditure Framework (MTEF) 2010-2012 indicates that the budget allocated to ministries, departments and agencies (US$17.4 billion) for achieving the MDGs is about 62 per cent of the total estimated annual costs (US$28 billion). The gap of 38 per cent could be closed by better prioritisation and rationalisation, and improvements in efficiency.

The MTEF budgets for states are not yet available but, again, state budgets are sizeable enough to fund achieving the MDGs at state level if measures are taken to prioritise and rationalise strategies, and improve efficiency. Therefore, the

[2] In this document, a billion is one thousand million and a trillion is one million million.

main challenge is to provide funds for achieving the MDGs at local government level. The MDGs Needs Assessment and Financing Strategy for Nigeria (OSSAP-MDGs and UNDP 2008) projected that local governments would contribute 17.5 per cent of total public sector funding for achieving the MDGs 2009-2010. The most recent estimates indicate they will contribute 16.6 per cent in 2009.

Resource mobilisation options

Nigeria has considerable scope for mobilising domestic resources. Public-private partnerships (PPPs) for example could be used to mobilise additional resources from the private sector to meet the MDG targets. Tax revenues (other than oil and gas receipts) offer challenges as they are particularly low, at about 10 per cent of gross domestic product (GDP). This is mainly because value added tax (VAT), the chief source of tax revenue in both developed and developing countries, is very low: 3-5 per cent compared with 16-20 per cent in most developing countries. Nigeria could at least treble VAT rates to bring them into line with global norms. Nigeria also subsidises domestic fuel consumption substantially; fuel is twice the price in neighbouring countries.

However, bar a new fiscal compact between the people and government, and without the buy-in of key constituencies in Nigerian society, raising substantial new tax revenues will be politically very problematic, if not impossible. This means that adequate resources to achieve the MDGs can only be raised within the framework of a national partnership and fiscal compact for the MDGs, such as the fiscal pact and accompanying taxation reforms launched by Chile in 1990.

Financing strategy

The MDG countdown financing strategy has six prongs: (i) enhancing transparency, integrity, efficiency, effectiveness and accountability in the use of resources at all levels; (ii) reinforcing local government responsibilities for implementing plans, controlling resources and accounting for results; (iii) forging a national partnership and fiscal compact for achieving the MDGs; (iv) mobilising additional public resources; (v) enabling and promoting substantial investments by the private sector and non-state actors; and (vi) targeting, utilising and disbursing resources flexibly.

Strategic initiatives for a critically important national partnership and fiscal compact for the MDGs are summarised below.

Forging a national partnership and fiscal compact for the MDGs:

This partnership and compact would seek to:

(a) Obtain a commitment to the timely achievement of MDGs from all sections of the Nigerian nation and especially from political leaders and leaders at all levels in the public sector. This commitment is necessary for mobilising the resources and resolve needed to attain the MDGs;
(b) Achieve effective collaboration between all three tiers of government, an imperative acknowledged in successive evaluations of progress towards the MDGs in Nigeria (see Chapter 5); and
(c) Effect policies to: (i) harness new initiatives such as the National Solidarity Fund, (ii) mobilise domestic resources, such as increasing federal, state and local government taxes, and (iii) optimise the mobilisation of resources from international development partners.

The measures that will be undertaken to forge a national partnership and fiscal compact for the MDGs are:

(a) Articulating a framework for a national partnership and fiscal compact for the MDGs. Led by the President, this will initially be a collaborative effort by the National Planning Commission (NPC), the Office of the Senior Special Assistant to the President on the MDGs (OSSAP-MDGs) and the Federal Ministry of Finance (FMF);
(b) Securing endorsement and sponsorship of a compact from the National Economic Council, the National Council of State and the National Assembly, in that order; and
(c) Convening meetings of stakeholder representatives to inform, educate and persuade them to endorse a compact.

8 Roadmap, coordination, and monitoring and evaluation

The strategy for the Nigeria Vision 20:2020 directly and positively impinges on the Countdown Strategy, not just in terms of the strategies for each MDG or the sector strategies associated with each MDG, but also in terms of the proposed monitoring and evaluation (M&E) and coordination frameworks in the NV20:2020 Economic Transformation Blueprint. The Roadmap for the Countdown Strategy has been prepared in the context of evolving NV20:2020 strategic directions, and M&E and coordination frameworks. Initiatives, programmes and projects to achieve the MDGs will align with the NV20:2020 agenda.

NV20:2020 proposes an elaborate, nationwide, robust and development results-oriented M&E framework. More pertinently, the Nigeria Strategy Map set out in the Vision Blueprint which will guide the new M&E framework is virtually identical to M&E for the MDGs, except for the different timeframe. Therefore, the M&E system for the MDGs (focusing on activities, inputs and outputs leading to development outcomes) fits neatly within the NV20:2020 M&E framework.

The Roadmap

The Countdown Strategy Roadmap has nine milestones:

1. Mobilise the nation to achieve the MDGs and Nigeria Vision 20:2020;
2. Forge a national partnership and fiscal compact for the MDGs;
3. Build capacity in federal government ministries, departments and agencies, and state and local governments;
4. Institutionalise the Fiscal Responsibility Act (FRA) and Public Procurement Act (PPA) in all state and local governments;
5. Partner with oversight and watchdog institutions at state and local government levels to enhance accountability in the achievement of the MDGs;
6. Promote institutional integration in the delivery of the MDGs;
7. Mobilise additional public resources for the MDGs;
8. Prepare annual targets and benchmarks for achieving the MDGs by 2015;
9. Continually monitor and evaluate implementation.

The Countdown Strategy describes each milestone and an indicative Roadmap matrix shows the key action plans, timeframes and responsibilities for each of the nine milestones.

1.0 INTRODUCTION

Photo: SPARC

1.0 Introduction

1.1 Context

In 2000 Nigeria joined 189 countries worldwide to endorse the United Nations Millennium Declaration. The eight inter-related and time-bound Millennium Development Goals (MDGs) that were formally adopted in 2001 and which are to be achieved by 2015 are listed below.

- MDG 1: Eradicate extreme poverty and hunger
- MDG 2: Achieve universal primary education
- MDG 3: Promote gender equality and empower women
- MDG 4: Reduce child mortality
- MDG 5: Improve maternal health
- MDG 6: Combat HIV/AIDS, malaria and other diseases
- MDG 7: Ensure environmental sustainability
- MDG 8: Develop a global partnership for development

Progress towards the MDGs in Nigeria was initially slow. Federal, state and local governments funded programmes and projects related to the MDGs from their annual budgets, but there was little or no coordination. However, progress accelerated in 2004 when the Federal Government integrated the MDGs into Nigeria's comprehensive economic development framework, the National Economic Empowerment and Development Strategy (NEEDS).

The goals were also integrated into NEEDS-inspired development strategies in the states' State Economic Empowerment and Development Strategies (SEEDS)[3]. Furthermore, some of the country's 774 local government areas integrated the goals into Local Economic Empowerment and Development Strategies (LEEDS).

Progress towards the MDGs was given a huge boost in 2005 when the Federal Government pledged to allocate savings from the Paris Club Debt Relief Deal (debt relief gains) to pro-poor programmes and projects. The Government set up the Virtual Poverty Fund (VPF) to report on debt relief expenditures[4]. The Office of the Accountant General of the Federation tracks federal government expenditures that support poverty reduction through the Accounting Transaction Recording and Reporting System.

To further demonstrate commitment to the achievement of the MDGs and give the effort more visibility, the Government established the Millennium Development Goals Office and appointed a Senior Special Assistant to the President (SSAP) to head the Office. The President also established a Presidential Committee for the Assessment and Monitoring of the MDGs. The members of the Presidential Committee (chaired by the President) include representatives of state governors, the National Planning Commission, local and international non-government organisations and ministers of implementing agencies of debt relief gains programmes and projects. The Office of the SSAP serves as the secretariat of the Committee.

In 2007, the Yar'Adua administration assumed office and explicitly stated that there would be consistency between its 7-Point Agenda and the MDGs. The Nigeria Vision 20:2020 (NV20:2020), adopted in late 2009, integrates the MDGs and reinforces the Government's commitment. Table 1.1 and Figure 1.1 show the alignment of the MDGs, the 7-Point Agenda and NV20:2010.

[3] There are 36 states in the Nigerian Federation.
[4] The VPF is a coding system in the budget that enables poverty-reducing spending to be tagged and tracked.

Table 1.1: Alignment of the MDGs, the 7-Point Agenda and the Nigeria Vision 20:2020

Millennium Development Goals	7-Point Agenda* (Medium Term Development Strategy 2009-2011)	Nigeria Vision 20:2020** Pillars and strategic objectives (SOs)
1. Eradicate extreme poverty and hunger	Agenda #1, 3, 4, 6 and 7	Pillar 1, SO #1 and 6; Pillar 2, SO #1, 2, 3 and 4; Pillar 3, SO #1, 2 and 5
2. Achieve universal primary education	Agenda #4	Pillar 1, SO #5
3. Promote gender equality and empower women	Agenda #5	Pillar 1, SO #7; Pillar 3, SO #3
4. Reduce child mortality	Agenda #4	Pillar 1, SO #2 and 3
5. Improve maternal health	Agenda #4	Pillar 1, SO #2 and 3
6. Combat HIV/AIDS, malaria and other diseases	Agenda #4	Pillar 1, SO #2 and 3
7. Ensure environmental sustainability	Agenda #5, 6 and 7	Pillar 3, SO #6
8. Develop a global partnership for development	Agenda #6	Pillar 2, SO #3; Pillar 3, SO #1, 2 and 3

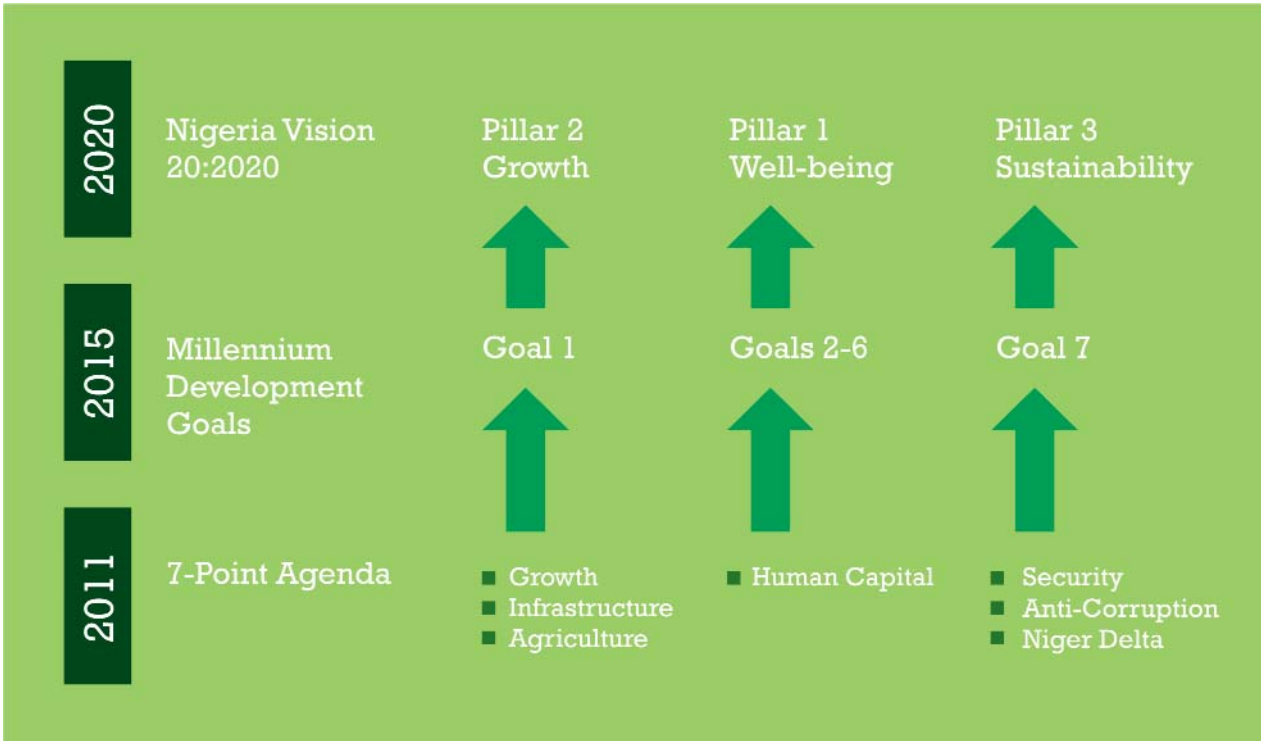
***Key to 7-Point Agenda**

1. Sustainable growth in the real sector of the economy
2. Physical infrastructure: power, energy and transportation
3. Agriculture
4. Human capital development: education and health
5. Security, law and order
6. Combating corruption
7. Niger Delta development

****Key to Nigeria Vision 20:2020 – Pillars and strategic objectives**

Pillars	Strategic objectives
1. Guaranteeing the well-being and productivity of the people	1. Eradicate extreme hunger and poverty 2. Enhance access to quality health care 3. Provide sustainable access to potable water and basic sanitation 4. Provide accessible and affordable housing 5. Build human capacity for sustainable livelihoods and national development 6. Improve access to microcredit 7. Promote gender equality and empower women 8. Foster a culture of recreation and entertainment for enhanced productivity
2. Optimising the key sources of economic growth	1. Stimulate primary production to enhance the competitiveness of Nigeria's real sector 2. Significantly increase production of processed and manufactured goods for export 3. Stimulate domestic and foreign trade in value-added products and services 4. Strengthen linkages between key sectors of the economy
3. Fostering sustainable social and economic development	1. Develop efficient, accountable, transparent and participatory governance 2. Establish a competitive business environment characterised by sustained macroeconomic stability 3. Enhance national security and improve the administration of justice 4. Promote unity in diversity, national pride and the conservation of the nation's cultural heritage 5. Develop sufficient and efficient infrastructure to support sustained economic growth 6. Preserve the environment for sustainable socioeconomic development 7. Promote the sustainable development of Nigeria's geo-political regions into economic growth poles

Figure 1.1 Relations between 7-Point Agenda, MDGs and Nigeria Vision 20:2020*



*See Tables above for full details of the 7-Point Agenda, MDGs and Nigeria Vision 20:2020

1.2 Objectives

The overarching objective of the five-year Countdown Strategy (CDS) is to accelerate Nigeria's progress towards achieving the MDGs by 2015. The specific objectives are:

- to identify the most effective mechanisms and interventions that have made progress against the MDGs;
- to re-emphasise the constitutional roles and responsibilities of each tier of government and the need for stronger partnerships with key stakeholders;
- to guide the institutional improvements, policies and human resources required;
- to chart the trajectory of MDGs financing and investment to 2015; and
- to interface with Vision 20:2020 and the 7-Point Agenda.

2.0 Overview of trends and current MDG status

2.1 Introduction

The first step in preparing this Countdown Strategy was to take stock of progress towards achieving the MDGs by 2015. The stock-taking had three main aims: (i) to examine trends and progress since 2004 when efforts began to gain traction; (ii) to identify the current situation with respect to the MDGs as a guide for new strategies to fast-track progress; and (iii) to identify effective and promising initiatives and assess their impact. Promising initiatives, some of which have had outstanding results, will serve as good guides on the journey towards 2015.

2.2 Progress

Since 2004, many reports have tracked Nigeria's progress towards the MDG targets. The common thread in reports for 2004, 2005 and 2006 was whether or not Nigeria would achieve national MDG targets. All three reports broadly agreed that Nigeria has the potential to achieve some of the targets ahead of 2015, especially those related to Goals 2, 6, 7 and 8. However, in 2004, it was considered unlikely that Nigeria would be able to meet the goals related to eradicating extreme poverty and hunger, reducing child and maternal mortality, and combating HIV/AIDS, malaria and other diseases. Nevertheless, the 2005 and 2006 reports described modest progress and cited emerging evidence showing that, given strong political will, extreme poverty and hunger could be eradicated.

The Mid-Point Assessment of the MDGs in 2007 showed that, in general, Nigeria had made some progress towards achieving MDG targets. Specifically, the assessment showed appreciable progress on Goals 2 and 8, and partial progress on Goals 3 and 6. But Nigeria still faced serious challenges on Goals 4, 5 and 7, and on some indicators for Goal 1. In retrospect it appears that where progress has been made it can be attributed to major initiatives introduced by the Government, particularly the application of debt relief gains (DRG) to pro-poor programmes and projects, effective from 2006.

The application of the savings from the Paris Club Debt Relief Deal in 2005 to pro-poor programmes and projects was a critical turning point. This initiative coordinated efforts to achieve the MDGs. The Federal Government established a Virtual Poverty Fund (VPF) to track debt-relief expenditures dedicated to poverty reduction. Debt relief gains provided *additional* resources to strengthen and scale up interventions in areas with the greatest potential to boost progress towards MDG targets and greatest challenges.

In fiscal years 2006 and 2007, the Office of the Senior Special Assistant to the President on the MDGs (OSSAP-MDGs) coordinated the allocation of N99.9 billion and N109 billion respectively to various MDG programmes. The funds were channelled through key federal ministries, departments and agencies including the Federal Ministries of Agriculture, Water Resources, Power, Health, Housing, Environment, Women Affairs, Youth Development and the Federal Capital Territory. Further allocations were made in fiscal years 2008 and 2009. In 2007, 2008 and 2009 many state governments and the Federal Capital Territory also received OSSAP-MDGs allocations through the Conditional Grants Scheme. Table 2.1 gives details of the allocations from 2006 to 2009.

2.3 Current status

Debt relief gains have enabled Nigeria to make some progress towards MDG targets. Tables 2.2 and 2.4 show the trends and status at a glance, while Table 2.3 shows the likelihood of achieving the MDG targets.

Table 2.1: Debt relief gains (DRG) appropriations, 2006-2009

Sector	Allocation (N billion)*			
	2006	2007	2008	2009
Education	18.2	15.3	13.6	9.75
Health	21.3	16.07	22.9	15.9
Youth Development	0.96	1	1	1.026
Women's Affairs	1	1.04	0.595	1.742
Agriculture and Water Resources	28.6	28.8	15.7	1.8
Housing	0.495	3	1.7	4.5
Environment	1.4	-	1.6	-
Power	16.9	11.3		-
Monitoring and Evaluation	1	2	2	2
Social Safety Nets	-	10	9	2.265
Defence	-	-	1	1
Police	-	-	-	1
Works	9.8	-	-	-
Federal Capital Territory		1.8	-	
Head of Service/ Capacity Building	-	-	2	3.8
Conditional Grants Scheme	-	20	24.4	32.6
Quick Wins	-	-	19.7	17.5
Total Appropriation	**100**	**110**	**111**	**112**

Source: Presidential Committee on the MDGs 2nd and 3rd Quarter Reports for 2009 (OSSAP-MDGs 2009e). See also CGS Assessment Report (SPARC 2010).
*** Exchange rate Nigerian naira (N):US dollar ranged between N100 and N150:US$1.**

Table 2.2: Progress towards MDG targets and current status (June 2010)

Goal	Status
1. Eradicate extreme poverty and hunger	**Slow:** There is less poverty than in 2000 but the data is not clear. Five out of every ten Nigerians still live in poverty. Growth has not been sufficiently equitable or generated enough jobs to reduce poverty further. Nutrition has improved significantly.
2. Achieve universal primary education	**Average:** Many more children are in school. Nine out of every ten eligible children attend school as a result of Universal Basic Education Programme interventions and enrolment in private schools. However, disadvantaged groups are still excluded and the quality of education remains poor.
3. Promote gender equality and empower women	**Average:** Some improvement in gender parity. Nine girls attend school for every ten boys. Economic and political empowerment remains elusive. A common reason for the disparity in rates of girls and boys completing schooling, especially at secondary level, is poor or non-existent water and sanitation facilities.
4. Reduce child mortality	**Average:** Significant reductions but progress needs to be accelerated.
5. Improve maternal health	**Slow:** The data for 2008 show a significant improvement, but the gap between the current situation and the target is still very large.
6. Combat HIV/AIDS, malaria and other diseases	**Average:** The prevalence of HIV/AIDS in the population has fallen from 5 per cent to under 4 per cent. Rates of malaria infection have dropped, but still account for 300,000 deaths a year, on average. The hard work is still to come. Impressive progress against polio.
7. Ensure environmental sustainability	**Slow:** Access to safe water and sanitation has not improved significantly and other environmental challenges, such as erosion, coastal flooding and climate change, are growing.
8. Develop a global partnership for development	**Average:** The benefits of debt relief have not been matched by an increase in aid. Trade and access to markets is still unequal. Rapid increase in access to information and communication technologies, teledensity and regional initiatives (New Partnership for Africa's Development, Economic Community Of West African States, etc.).

Source: OSSAP-MDGs 2010c.

Table 2.3: Potential* to achieve MDG targets

		Potential to meet target	Supportive policy environment
MDG 1:	**Extreme poverty**		
Target 1:	Halve, between 1990 and 2015, the proportion of people living in extreme poverty.		
Target 2:	Halve, between 1990 and 2015, the proportion of people who suffer from hunger.		
MDG 2:	**Universal primary education**		
Target 3:	Ensure that, by 2015, children everywhere, boys and girls alike, will be able complete a full course of primary schooling.		
MDG 3:	**Gender equality**		
Target 4:	Eliminate gender disparity in primary and secondary education, preferably by 2005 and to all levels of education no later than 2015.		
MDG 4:	**Child mortality**		
Target 5:	Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.		
MDG 5:	**Maternal mortality**		
Target 6:	Reduce by three-quarters, between 1990 and 2015, the maternal mortality rate.		
MDG 6:	**HIV/AIDS**		
Target 7:	Have halted, by 2015, and begun to reverse the spread of HIV/AIDS.		
Target 8:	Have halted, by 2015, and begun to reverse, the incidence of malaria and other major diseases.		
MDG 7:	**Environmental sustainability**		
Target 9:	Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.		
Target 10:	Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation.		

Source: Adapted from Nigeria MDGs Report 2010 (Federal Republic of Nigeria 2010a).

***Key to achievability potentials**

Meet target:	Good potential	Average potential	Weak potential
Policy environment:	Strong	Good/Fair	Weak but improving

2.4 Promising mechanisms and interventions 2006-2009

Since 2006, several promising measures have accelerated progress towards achieving the MDG targets in health, education, women's affairs and providing social safety nets. Chapter 4 describes the Conditional Grants Scheme (CGS), an outstanding success story, in detail. Table 2.4 summarises the results of promising initiatives and interventions as measured by OPEN M&E.

Table 2.4: Promising initiatives and interventions to achieve MDG targets

Sector	MDG	Initiative or intervention	Initial output and results
Health	Goal 5	Midwives Service Scheme	Deployed 2,488 midwives, and retained 2,323 as of April 2010. Seen as an excellent initiative which promises good results if kept on track.
Health	Goal 6	HIV/AIDS (distribution of antiretroviral drugs)	Excellent initiative. Population with access to antiretroviral drugs increased from 16.7% in 2007 to 34.4% in 2010.
Health	Goal 6	Roll Back Malaria partnership with Global Fund to provide insecticide-treated nets to every Nigerian family.	Still under implementation.
Health	Goals 4 and 5	National Health Insurance Scheme (Community Health Insurance Scheme)	A good initiative but currently limited to 1,200,000 women and children.
Education	Goal 2	Universal Basic Education Counterpart Grants Scheme targeting the net enrolment ratio in basic education	A good initiative that has led to a significant increase in the net enrolment rate, but significant numbers of states are not accessing the Scheme.
Education	Goal 2	Federal Teachers Scheme: Recruitment of Nigeria Certificate in Education teachers	A good initiative for reducing the teacher gap in the basic education programme in states. Recruited 70,404 Nigeria Certificate in Education teachers for primary schools. Recruited 4,939 science and mathematics teachers for junior secondary schools.
Education	Goal 2	National Teachers' Institute: nationwide capacity-building programme for primary school teachers.	National Teachers' Institute (NTI) conducted in-service training of 416,115 Nigeria Certificate in Education teachers nationwide.
Education	Goal 2	Gender Education Programme	A good intervention that has (a) greatly increased access to, and retention of children in schools; (b) greatly increased community participation; and (c) greatly empowered youth through establishment of youth centres in both boy's drop-out programmes and Girls Education Project States with low enrolment. Projects so far report 95% success.
Education	Goals 2 and 3	Gender Education Programme: Literacy by radio programmes	Significant increase in the ratio of literate women to men in the 15-24 age group.
Women's Affairs	Goal 3	Development of National Gender Data Bank	Excellent initiative that, for the first time, provides gender disaggregated data to support programmes and projects.
Cross-cutting	Goals 1-8	MDGs Costing and Needs Assessment	An innovative and comprehensive strategy.
Environment	Goal 7	Community Based Solid Waste Management	Construction and installation of five plastic recycling plants, processing 10 tonnes per day. Installation of five composting plants, processing 10 tonnes per day. Mass mobilisation is leading to attitude change to view waste as a valuable product.
Environment	Goal 7	Forestry Development and Natural Resources Conservation	Maintenance of 445 gazetted forestry reserves comprising 10% of Nigeria's land area.
Social Safety Nets	Goal 1	Conditional Cash Transfer (CCT), Quick Wins, Microcredit Scheme, Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) Vocational Training	Some impressive results on the ground (for example, CCT and Quick Wins). However, their effectiveness has yet to be evaluated.

Source: Compiled by CDS Team, with assistance from OSSAP-MDGs, July 2010.

In addition to the above initiatives implemented by federal government agencies (some of which are run in collaboration with state governments), there are many promising ones that have been implemented by state governments. The following are just a few examples of these initiatives.

1. In Kano State, the Wudil Water scheme has benefited 240,000 people and doubled the proportion of people with access to safe water across three Local Government Areas. This is an excellent model of community involvement and technical support from development partners.
2. In the Federal Capital Territory Administration, Abuja, the Mobile Integrated Primary Health Care Services Delivery Teams (Mailafiya Health Project) make up a strategic health programme – addressing the health service delivery needs of the poorest communities and fast-tracking the attainment of MDGs 4, 5, and 6.
3. In Jigawa State, the Safe Motherhood Initiative has helped to rewrite the history of the maternal mortality crisis in the state.
4. In Ekiti State, the new water supply scheme has a huge potential for impact (though this has yet to be measured).
5. In Rivers State, the marine ambulances initiative is helping to address healthcare delivery challenges in difficult-to-reach areas.
6. In Zamfara State, the state's agricultural training programme is offering large-scale training to youth, in collaboration with the Ahmadu Bello University in Zaria.
7. In Cross River State, the state government is scaling up the Conditional Cash Transfers scheme, based on a national framework.

Photo: ESSPIN

3.0 Gaps and challenges

3.1 Introduction

Nigeria has to overcome significant gaps and challenges in order to achieve the MDG targets by 2015. Some cut across the eight MDGs, for example the lack of reliable and consistent baseline data, huge funding gaps, human capacity challenges (particularly weak capacity and lack of discipline in implementing programmes), a weak governance and accountability environment and poor coordination between the tiers of government.

In addition to these cross-cutting gaps and challenges, there are issues that are specific to certain goals: agricultural mechanisation, production and storage; use of funds for universal primary education; reducing child and maternal mortality; and ensuring environmental sustainability. This chapter deals first with crossing-cutting gaps and challenges, and then discusses goal-specific challenges.

3.2 Cross-cutting gaps and challenges

The issues considered here are data and data analysis, human capacity to carry out programmes, and coordination between the tiers of government. Funding gaps and challenges are dealt with comprehensively in Chapters 6 and 7.

3.2.1 Data

Nigeria does not have adequate data or systems to collect and analyse data. This makes planning and implementing measures to meet the MDG targets particularly difficult. The data deficit has a long history. Before the emergence of democratic rule in 1999, Nigeria was governed for many years by military regimes. During this period *adhocracy in governance* replaced Nigeria's national development planning culture. A concomitant effect was the disappearance of disciplined collection and analysis of data for national planning and development.

This legacy impedes efforts to plan and track progress towards the MDG targets because the data available is not reliable or consistent. For example, there is a two to four year lag in collating data on key indicators such as poverty, maternal mortality, the prevalence of malaria, the ratio of girls to boys in secondary education, and carbon dioxide emissions.

Two critical issues are, first, that the capacity of institutions to gather data is very weak and, second that, as a result, the data available are not reliable or consistent. Assessments of progress towards achieving the MDGs since 2006 and the recent assessment (Phillips 2010a,b) of the Conditional Grants Scheme (CGS) consistently reflect the inadequacy of data. This underscores the critical need for quality data both for planning programmes and projects, and for monitoring progress.

States have difficulty identifying where to locate projects (CGS projects in particular) because they do not have appropriate data. These problems stem from their lack of capacity to conduct relevant surveys and studies, or inadequate funding, for example. The major challenges are to (i) formulate a national baseline for human development; (ii) address the lack of skills in coordinating and managing data and statistics; (iii) shorten the time lag between collecting and reporting data; and (iv) harmonise and transform data management nationwide through the National Strategy for the Development of Statistics.

3.2.2 Human capacity and implementation

To date, the monitoring and evaluation reports of projects and programmes funded from debt relief gains highlight the lack of human capacity at all levels (federal and state ministries, departments and agencies and local government). As a result, projects related to meeting MDG targets are poorly executed. Delays in procurement often stem from an inability to comply with requirements. And delays in processing certificates to award contracts and release funds to pay contractors mean that states return unspent funds to the treasury and many projects are abandoned.

A key challenge to implementation often resides in the processes of procurement where there are insufficient checks and balances to ensure good governance and accountability. This requires a system that demands accountability and provides for sanctions where necessary.

Another area where human capacity is weak is in costing and budgeting. Here, the key challenges are to (i) institutionalise costing related to achieving the MDG targets in ministries, departments and agencies, (ii) keep track of staff trained in costing and budgeting for the MDGs and ensure that they use their skills, and (iii) expand costing to cover all tiers of government. The weak capacity in the lower tiers of government where many projects are carried out is a major concern.

Many contractors also do not have the skills to carry out projects related to achieving the MDGs. Projects are often not completed, not because of lack of funds, but because some contractors are not capable – contracts have been revoked because of the inability of the contractors to deliver – and others are simply in business to defraud the government. This is a major challenge that all institutions must tackle creatively and pro-actively between now and 2015.

3.2.3 Coordination of government tiers and arms[5]

Coordinating projects to meet the MDG targets in a large country such as Nigeria is a huge challenge. Effective collaboration and cooperation are essential. Experiences with debt relief gains (DRG) projects show that the effort required to coordinate projects across federal, state and local governments is significant. For example, some states have yet to access Universal Basic Education (UBE) Programme funds, which suggests that criteria for the UBE Counterpart Grants Scheme may need to be reviewed.

The implementation of federal projects *not* funded by DRG has consistently lagged behind the implementation of those that *are* funded by DRG and that are effectively monitored and evaluated. A major challenge for the next five years is, therefore, how to effectively coordinate fast-track projects to reach MDG targets.

A related challenge is getting effective cooperation among ministries, departments and agencies (MDAs) at both federal and state levels. A particular area of concern is the disparity between the budgets proposed by the executive arm of government for MDAs involved in work relating to achieving MDG targets and the actual appropriations approved by the legislative arm.

As pointed out in Chapter 4, the Conditional Grants Scheme has perhaps been the most successful initiative in the last six years. Unfortunately, the legislative arm reduced the N51.49 billion (US$0.34 billion) proposed by the government executive for the CGS 2010 to N35.03 billion (US$0.23 billion). This cut may hinder current and subsequent efforts to scale out the CGS to the local government level. The challenge here is how to get both executive and legislative arms of government to appreciate the urgency of fast-tracking projects to achieve the MDG targets between now and 2015, and agree on budget allocations.

3.3 Goal-specific challenges

Goal 1: Eradicate extreme poverty and hunger
Challenges specific to eradicating extreme hunger and poverty are:

- The lack of management capacity and access to affordable funds among small business entrepreneurs;
- The low level of agricultural mechanisation;
- The predominance of older people unfamiliar with modern technologies in agricultural production;
- Poor industrial processing and storage technology, resulting in high post-harvest losses and weak links with markets;
- Poor rural infrastructure, spurring migration and leading to high unemployment in urban areas;
- Huge under-investment in poverty alleviating projects, infrastructure and agricultural production in rural areas; and
- Poor water, sanitation and hygiene, leading to recurring diarrhoea and nematode infections, child malnutrition, low productivity and low incomes.

Goal 2: Achieve universal basic education
Challenges specific to achieving universal basic education are:

- The failure of some states to contribute counterpart funds for the Universal Basic Education Counterpart Grants Scheme;
- Scaling up the Universal Basic Education Programme without compromising quality;
- A quarter of children (National Bureau of Statistics) aged between 5 and 15 are engaged in work such as street hawking;

[5] The three tiers of government are the federal, state and local government; the three arms of government are the Executive, the Legislature and the Judiciary.

3.0 GAPS AND CHALLENGES

- Data on school enrolment, children out-of-school and school inputs are not consistent across agencies and tiers of government;
- Inadequate nutrition causing poor outcomes in learning;
- Unsafe water and lack of sanitation. Children (mostly girls) lose millions of school days each year because of diseases related to poor water and sanitation. Chronic infections have long term effects on educational performance; and
- The poor quality of teacher training.

Goal 3: Promote gender equality and empower women

Challenges specific to promoting gender equality and empowering women are:

- The under-representation of women in decision-making positions;
- Mainstreaming gender into development strategies and budgets at all levels and across sectors; and
- Getting parental support for the enrolment and retention of girls in primary and secondary schools. Women and girls would benefit from fewer infections and illnesses, and better menstrual hygiene if they had access to private, safe and sanitary toilets. Drop-out rates for girls are higher in schools that do not have separate toilet facilities for boys and girls.

Goals 4: Reduce child mortality

Challenges specific to reducing child mortality are:

- Poor access to health facilities, particularly primary health care;
- High cost of health care. Out-of-pocket spending by households on health care is as high as 64.6 per cent of household budgets;
- Poverty and environmental factors (such as malnutrition, unhealthy living conditions and lack of basic social services), which accentuate health care challenges. Diarrhoea kills thousands of children every day, more than AIDS, malaria and tuberculosis combined (WHO 2009); and
- Sustaining routine immunisation to prevent polio and prevent re-infection of polio-free communities.

Goal 5: Improve maternal health

Challenges specific to improving maternal health are:

- Harmful cultural practices in some rural communities;
- Dearth of health personnel in rural areas;
- Limited emergency obstetric care services; and
- Poor access to health facilities, particularly primary health care.

Goal 6: Combat HIV/AIDS, malaria and other diseases

Challenges specific to combating HIV/AIDS, malaria and other diseases are:

- Centralised procurement and ineffective distribution systems for HIV/AIDS drugs and materials;
- Thousands of deaths each year from malaria and tuberculosis;
- Inadequate funding;
- Shortfall in directly observed treatment, short course (DOTS);
- Low detection rate (30% instead of 70%) for tuberculosis;
- Low success rate in treating tuberculosis; and
- Emergence of resistant strains of malaria and tuberculosis, and TB/HIV interactions.

Goal 7: Ensure environmental sustainability

Challenges specific to ensuring environmental sustainability are:

- Poor housing; large numbers of people still live in slums;
- Lack of safe drinking water and sanitation, compounding squalor and hastening degradation of natural resources such as water and soils, especially in and around slums and squatter settlements;
- Oil spills that pollute rivers and streams, and damage ecosystems;
- Rapid deforestation due to high demand for energy in both rural and urban areas; and
- Erosion and desertification.

Goal 8: Develop global partnership for development

Challenges specific to developing a global partnership for development are:

- The flow of overseas development assistance (ODA) per capita is still very low and is insufficient to close the funding gap to achieve the MDGs;
- Poor access to markets in industrialised countries;
- Trade barriers and agricultural subsidies in the industrialised world; and
- Ensuring that the current external debt ratio is sustainable.

3.4 Overcoming the gaps and challenges

Key measures to overcome gaps and challenges include the following:

- Strengthening the capacity of data-gathering agencies at national and sub-national levels of government.
- Harmonising the production of data on the MDG indicators at federal, state and local government levels under the National Bureau of Statistics.
- Coordinating overseas development assistance under the National Planning Commission.
- Mainstreaming achievement of MDG targets into the Nigeria Vision 20:2020 to ensure that (i) budgets are MDGs-compliant, (ii) investment programmes and projects derive from national development plans, and (iii) that sub-national governments participate effectively in achieving MDG targets.
- *Capacity Building Programme:* Implementation of a capacity building programme for federal, state and local government employees under the Conditional Grants Scheme. For example, OSSAP-MDGs in collaboration with the Office of the Head of the Civil Service of the Federation has developed training modules and workbooks for civil servants. This programme also aims to improve the quality of training institutions, such as the Administrative Staff College of Nigeria and National Institute for Educational Planning and Administration. There is also a capacity building programme for teachers in colleges of education.
- *New National Strategy for Public Service Reform:* The weak governance and accountability system is being addressed through multi-pronged initiatives that include, but are not limited to, the National Strategy for Public Service Reform that aims to create a world-class public service by 2020.

4.0 Success story: Conditional Grants Scheme (CGS)

Between January 2006 and June 2010 when debt relief gains (DRG) allocations were used to scale up efforts to meet MDG targets, some initiatives and interventions produced outstanding or promising results (Table 2.4). These positive results were achieved in spite of the challenges described in Chapter 3. There is broad consensus amongst both internal and external observers that the Conditional Grants Scheme (CGS) is the most outstanding of the initiatives that have been introduced. This judgement is based on the following two criteria: (i) that the initiative has substantially met its objectives over a period of two years or longer; and (ii) that the lessons from implementing the initiative are of interest to both national and international audiences.

4.1 Introduction

The Conditional Grants Scheme (CGS) was introduced in 2007 in recognition of the shortcoming of federal ministries, departments and agencies (MDAs) when implementing activities to meet MDG targets funded by DRG. Previously, federal MDAs had not been able to cope with the wide variety of state and local government needs. And federal MDAs did not involve state and local governments in identifying and implementing projects. The CGS aimed to address these issues.

The specific objectives of the CGS are: (i) "investing in the MDGs at the sub-national level and ensuring local ownership and sustainability"; (ii) "empowering state and local governments to carry out their constitutional responsibilities"; and (iii) "leveraging public sector reform, public expenditure reform [and] national planning for service delivery".

There are two major indicators of CGS success. One is the competition among the 36 states and the Federal Capital Territory (FCT) to access CGS funds. The other is the satisfactory implementation of programmes and projects (SPARC 2010).

4.2 Competition among states for CGS funds, 2007-2009

As shown in Table 4.1, the number of states that applied for CGS funds increased from 27 in 2007 to 35 in 2009. According to a recent assessment (SPARC 2010), keen state interest is due partly to the participatory approach implicit in the criteria for the awards and partly to the considerable flexibility for states to determine their own priorities within the areas of funding identified for each funding round. Table 4.2 shows the areas of funding for 2006-2009.

Table 4.1: Conditional Grants Scheme, 2007-2009

Year	Applications		Approved	
	Number of states	Amount (N billion)*	Number of states	Amount (N billion)*
2007	27	74.0	18	18.4
2008	34	71.5	34	48.4
2009	35	71.2	31	43.3
				Total 110.1

Note: The approved amounts for 2008 and 2009 include 50% state cash counterpart contributions. Only a few states voluntarily made contributions in kind or in cash (in varying amounts) in 2007.
Source: SPARC (2010).
*** Exchange rate Nigerian naira (N):US dollar ranged between N100 and N150:US$1. In July 2010 the rate was approx. N150:US$1.**

Table 4.2: Conditional Grants Scheme funding, 2007-2009

Year	Areas of funding
2007	■ Primary health care-related projects and programmes that support child and maternal health; ■ Rural electrification projects that provide solar power to rural households, local schools and primary health care centres; ■ Rural water supply and sanitation projects located close to, and benefiting local primary schools and health care clinics; and ■ Projects that support and encourage public-private partnerships in the health, water and education sectors.
2008	■ Primary health care-related projects and programmes that support child and maternal health; ■ Rural electrification projects that provide solar power to rural households, local schools and primary health care centres; ■ Rural water supply and sanitation projects located close to, and benefitting local primary schools and health care clinics; and ■ Projects that support and encourage public-private partnerships in the health, water and education sectors.
2009	■ **Primary health care systems and infrastructure:** construction/rehabilitation of primary health care centres; supply of equipment and drugs to health care centres; interventions supporting the Integrated Maternal and Newborn Child Health Care Strategy; training of health care workers in state health care institutions; treatment of HIV/AIDS in states with above-average incidence; treatment of tuberculosis in states with above-average incidence; procurement of all the routine immunisation vaccine requirements for the country; and support to nutrition programmes and scaling up community management of acute malnutrition in states. ■ **Access to potable water and sanitation:** boreholes in rural communities or primary service facilities; small town water supply schemes; sanitation strategies – combating waterborne diseases, residual spraying of malarial areas. ■ **Skills and economic empowerment:** a 'head-start' package of skills, literacy and credit, including skills in technical vocations that support the maintenance of social infrastructure (plumbers, electricians, mechanics, masons, carpenters) and in agricultural extension; adult literacy training; provision of microcredit through effective existing state institutions. ■ **Conditional cash transfers (CCT):** based on the existing National Poverty Eradication Programme (NAPEP) In Care of the People (COPE), introduced in 2007, or state-designed CCT frameworks and aimed at ensuring poverty alleviation among marginalised and vulnerable groups at a sufficient scale to impact on overall community welfare. ■ **Agriculture:** support to smallholder farmers in line with the agricultural sector Revive Academic Excellence In Schools & Educational institutions (RAISE) programme.

Source: OSSAP-MDGs 2010b.
Note: Three key sectors related to meeting MDG targets – education, agriculture and environment (except water and sanitation) – are excluded from the CGS to avoid duplication with other funding arrangements: education is addressed through the Universal Basic Education Counterpart Grants Scheme, environment through the Ecological Fund, and agriculture through various investments by the federal and state governments. However, educational institutions benefit from some CGS interventions in health, water and sanitation. Minor interventions in agriculture were approved in 2009.

The qualifying criteria for CGS awards, established in 2007 and revised in both 2008 and 2009, include the following:

- Adequate institutional structure to support the implementation of projects and programmes;
- Adequate institutional structure to account for expenditure (public expenditure reforms, modernisation of state budget processes);
- Development planning for human resources, facilities, equipment and supplies;
- Project or programme is in a key area for intervention (determined annually and communicated to the states);
- Project relates to state priorities as declared in state development-policy strategy documents;
- Project relates to and/or demonstrates areas of greatest needs;
- States commit to maintain the project;
- Consultation with federal MDAs on project rationale, specifications, cost, and due process mechanisms; and
- Consultation with local governments to identify projects and select locations.

The states' acceptance of the introduction of matching counterpart funding in 2008 was particularly significant. The intent was to ensure

state governments took ownership of projects and committed to their success and sustainability. The matching grant approach also helps to leverage more funding for achieving MDG targets and assures the sustainability of the CGS.

The Scheme was designed to ensure participation by states and participation is implicit in several of the criteria for granting funds (OSSAP-MDGs 2009b). The preparation and updating of implementation manuals is also a consultative process. The requirement for consultation helps to enhance collaboration between federal MDAs, state and local governments. A CGS focal person in each state, often the head of the state's MDG Office, is responsible for ensuring effective federal-state-local collaboration and coordination of interventions to achieve MDG targets.

4.3 Effective implementation

According to independent monitoring and evaluation reports, CGS projects and programmes financed in 2007 achieved 98 per cent completion rates and those financed in 2008 achieved 88 per cent completion rates. The CGS projects and programmes funded in 2009 are still underway.

A visit by members of the House of Representatives' Committee on the MDGs to CGS projects in selected states in 2009 largely corroborated the performance reported by OPEN M&E. According to an assessment (SPARC 2010) of a sample of state projects funded by the CGS between 2007 and 2009, the CGS has largely met its objectives. Table 4.3 summarises key CGS deliverables, 2007-2009.

Feedback from different areas of government indicated that the CGS has delivered impressive results on the ground and has served as an effective policy instrument. The CGS has also improved collaboration and partnership between the federal and state governments on efforts to achieve the MDG targets. Given this positive feedback, in 2009 the Federal Government decided to engage the third tier of government and launched a distinct CGS track, effective 2010, to engage local government. New grants will be available to local governments for implementing pro-poor projects but will not bypass state governments. This will ensure synergy between the state and local government tracks of the CGS.

4.4 Challenges

For obvious reasons, many of the challenges highlighted in Chapter 3 affect the CGS to varying degrees. In particular, inadequate and unreliable data, and weak capacity to implement projects and programmes have a negative effect. Urgent remedies for these problems will improve the performance of the CGS over the next five years.

Table 4.3: Conditional Grants Scheme key deliverables, 2007-2009

Sector	Deliverables	Estimated beneficiaries*
Water and sanitation	3,524 solar powered boreholes; 489 motorised boreholes; 393 small town water supply schemes; 6,031 hand-pump boreholes; 1,784 ventilated improved pit latrines.	More than 8 million
Health	2,844 primary health care centres; 10 health training institutions; 2,312 facilities equipped with medical equipment; 6,673 health workers trained; 2,444,374 insecticide treated nets.	More than 30 million
Economic	307 rural electrification projects; 14,420 extension workers/farmers trained; 21,842 households receiving conditional cash transfers; 49 skill acquisition/vocational training centres; 27 women's development centres; 7,673 people trained in vocational skills; 6 agricultural facilities constructed.	More than 120,000

Source: OSSAP-MDGs Office, June 2010.
*** A note on the calculation of the estimated beneficiaries is provided in Annex 1.**

4.5 Lessons from the CGS

Conditional grants are widely used in many countries, both federal and unitary. The requirement to contribute counterpart funds is a key success factor. A similar scheme, the Universal Basic Education Counterpart Grants Scheme, has not been as successful because the participative process designed into the CGS was absent. Therefore, a lesson from the CGS is that counterpart grant schemes that incorporate participative features are more likely to succeed than those that lack such features.

As pointed out above, the criteria for assessing state applications for CGS funds require states to have public sector reforms underway, particularly in managing public expenditure and developing human capacity. A second lesson, therefore, is that grant mechanisms can be used to successfully leverage reform in the public sector.

5.0 STRATEGIES FOR ACHIEVING MDG TARGETS

Photo: SPARC

5.0 Strategies for achieving MDG targets

The Mid-Point Assessment of the Millennium Development Goals in Nigeria 2000-2007 (OSSAP-MDGs 2008b), proposed specific strategies for reaching targets in each of the eight MDGs. This Countdown Strategy refines and updates the strategies proposed in the Mid-Point Assessment, taking account of the recommendations of a subsequent report by the Presidential Committee on the Strategy and Prioritisation of the MDGs (OSSAP-MDGs 2009f) and developments with respect to achieving MDG targets between January 2008 and June 2010.

A discussion of four strategic imperatives – critical issues that demand attention and action – to accelerate Nigeria's progress towards achieving MDG targets by 2015 precedes the discussion of specific strategies. The four strategic imperatives are:

1. Improving the governance and accountability environment;
2. Strengthening coordination and cooperation among the three tiers and arms of government;
3. Mobilising and securing the commitment of all communities and key stakeholders to achieving the MDG targets; and
4. Ensuring effective mainstreaming of the MDGs into overall national and sub-national development visions and plans.

5.1 Strategic imperatives

5.1.1 Improving governance and accountability

Assessed against many governance indicators published during the last decade, Nigeria's governance environment is weak and needs improvement. For example, the negative rating for corruption, as measured by the Transparency International's Corruption Perception Index (CPI) only started to improve in 2008. Similarly, Freedom House, a non-government organisation that measures political freedoms and civil liberties including electoral democracy, has consistently given Nigeria a low score over the last decade. A third governance indicator on which Nigeria ranked among the weak performers is administrative competence and the effectiveness of public service delivery.

Each of these weaknesses has significant negative consequences on the capacity of governments and public sector institutions to effectively implement programmes to achieve the MDG targets. Corruption negatively affects the management of public expenditure; where there is no electoral democracy, citizens cannot call governments to account; and administrative incompetence results in poor performance in the public sector. The Countdown Strategy tackles these weaknesses (and there are more) to accelerate progress towards achieving MDG targets.

The recent improvement in Nigeria's CPI ranking and the country's renewed resolve to continue the fight against corruption are moves in the right direction. Reducing corruption will enhance integrity and accountability in the management of public expenditure. Furthermore, Nigeria's commitment to free, fair and credible elections in 2011 could bring in governments that are held to account and empower citizens.

To address poor performance in the public service, the Government undertook a needs assessment and introduced a capacity building initiative for all levels of government in 2008. This programme strengthens capacity in selected Management Development Institutes. In addition, the new National Strategy for Public Service Reform is a roadmap for rebuilding the public service to eventually become world-class. The Strategy is currently being fine tuned for speedy adoption and, effectively implemented, will gradually strengthen capacity.

5.1.2 Strengthening coordination and cooperation between the three tiers and arms of government[6]

The Conditional Grants Scheme (CGS) is a model for intergovernmental coordination and collaboration (Chapter 4). Successful features of the CGS could be applied to the less successful

[6] The three tiers of government are the federal, state and local government; the three arms of government are the Executive, the Legislature and the Judiciary.

Universal Basic Education (UBE) Counterpart Grants Scheme by incorporating the participatory features of the CGS. The proposed Health Fund should also draw on lessons learned from the CGS.

Although for the most part the executive and the legislative arms of government at federal and state levels work well together on issues related to the MDGs (the Quick Wins partnership between federal legislators and OSSAP-MDGs is a good example), occasional disagreements over budget allocations for MDG-related activities need to be avoided. Timely and adequate budget allocations are critical for accelerating progress to achieve MDG targets by 2015.

The private sector contributes a percentage of its annual profits to the Education Trust Fund (ETF). The Health Bill pending in the National Assembly proposes that the private sector will make similar contributions to a Health Fund.

5.1.3 Mobilising and securing the commitment of communities as key stakeholders to achieve the MDG targets

Citizens' contributions at personal, household and community levels are critical to Nigeria's pursuit of the MDG targets, and indeed to the attainment of Nigeria Vision 20:2020. Federal, state and local governments will use appropriate channels to communicate this message. In order to ensure sustainability, it will be essential to engage the communities to the extent that they take ownership of, and then maintain, the assets that the government invests in.

5.1.4 Mainstreaming MDGs into national development visions and plans

The federal government plan for the first four years of Nigeria Vision 20:2020 fully incorporates the MDGs, especially with respect to education, health, agriculture and the environment. State and local government plans are expected to follow the federal example. All three tiers of government will translate their plans into programmes and projects to deliver concrete results and accelerate progress towards achieving the MDG targets. The sector strategic plans for health and education will help coordinate planning and implementation and are good examples for other sectors to emulate.

5.2 Strategies for achieving MDG targets

5.2.1 Goal 1: Eradicate extreme poverty and hunger

Progress

Progress on Goal 1 since 2004 when the first progress report for Nigeria was published (Federal Republic of Nigeria 2004) has been slow. Although the rate of economic growth has improved over the last decade, this has not led to more jobs or less poverty. Citizens still suffer gross deprivation in what has been aptly described as 'jobless growth'. UNDP (2009) reports that more than half (54%) of Nigeria's population of 140 million are poor. Although Nigeria is one of the world's largest exporters of oil, the country ranks third in the list of countries with the largest number of poor people (after India and China). Poverty is more pronounced in rural than in urban areas, and among farmers and large households headed by persons with a low level of education.

Strategies for accelerating progress

Strategic interventions to accelerate progress are:

- Professionalizing agriculture to attract youths and new graduates in the areas of production, processing and marketing.
- Breeding and distributing high-yielding and disease-resistant species of crops, livestock and fish.
- Achieving an efficient agricultural extension system by increasing the ratio of extension agents to farmers to 1:500 by 2013.
- Accelerating the growth of the economy, ensuring a stable macroeconomic environment, ensuring an enabling environment for a market-based, private sector-driven economy and ensuring pro-poor economic policies.
- Instituting policies and programmes specifically designed to eradicate extreme poverty and hunger, such as youth empowerment and conditional cash transfer schemes, conditional grants to state governments, and Presidential initiatives on various agricultural commodities and microfinance. In addition, putting in place a robust evaluation framework to improve the quality of programmes and encouraging rapid scaling-up when they deliver good results.
- Speeding up improvements in infrastructure,

services and human resource capacity, particularly in rural areas.
- Increasing investments in agriculture, promoting modern equipment and technology transfer to attract the younger generation to the sector, and strengthening industrial processing technology and market linkages to boost employment and income from agriculture.
- Establishing community-based care schemes to strengthen social security for the elderly.
- Urgently improving all coordination, monitoring and evaluation of poverty eradication efforts throughout the country.

5.2.2 Goal 2: Achieve universal primary education

Progress

The net enrolment ratio has improved, from eight in every ten children in 2004 to nine in every ten children in 2007. However, completion rates for sixth grade primary education fell, from eight out of ten children to seven out of ten children between 2004 and 2007. The Universal Basic Education (UBE) Act makes it compulsory for every child to receive nine years of education free of charge (six years of primary and three years of junior secondary education).

Nigeria still has more than seven million children out of primary school, of which girls constitute about 62 per cent. In addition, diseases due to poor water and sanitation cause the loss of millions of school days each year and often lead to chronic infections that lower educational performance in the long term. Furthermore, the education system largely excludes disadvantaged groups and the quality of education is poor.

Strategies for accelerating progress

Three areas where strategic interventions could accelerate progress in achieving universal primary education (and in time universal junior secondary education) are finance; teacher training and curriculum review; and school management and supervision.

Finance:
- Urgently reviewing the criteria for states to access UBE Counterpart Grants Scheme funds, to ensure that they can access funds if they need to.
- Institutionalising regular tracking of budget allocations (including grants) to schools by independent monitoring groups and publishing the results. Tasking the Universal Basic Education Commission with making lessons learned from international good practices in tracking expenditure (for example, Uganda) available to states.

Teacher training and curriculum review:
- Ensuring an adequate supply of trained teachers and regular re-training as a priority. Maintaining and expanding ongoing efforts to supply teachers through the National Teachers' Institute.
- Reviewing school curricula to ensure a balance between acquiring basic knowledge and preparing for the world of work.

Management and supervision of schools:
- Empowering and making accountable the institutions responsible for managing and supervising schools (State Primary Education Boards). Ensuring that parent-teacher associations are fully involved in managing and supervising schools. Focusing the attention of all concerned on operational efficiency and effectiveness.

5.2.3 Goal 3: Promote gender equality and empower women

Progress

Gender inequality pervades every facet of Nigerian life. Nigeria missed the 2005 target of gender parity in education although enrolment of girls in school rose from 78 per cent to 85 per cent between 2000 and 2008. Reaching the target of 100 per cent enrolment of girls by 2015 would require accelerating progress considerably. The gross enrolment ratio has consistently been over 10 per cent higher for boys than for girls. At secondary level, although enrolment of both males and females has risen, the enrolment of males has been higher than that of females. Drop-out rates for girls tend to be significantly higher in schools that do not have separate toilet facilities for boys and girls.

Women are grossly under-represented in leadership and key decision-making bodies at all levels (federal and state legislatures, cabinets at both federal and state levels, civil services, public enterprises, and private companies). Furthermore, progress in economic empowerment has been slow. Crucially, persistent cultural beliefs and practices across the country undermine efforts to achieve gender equality more rapidly.

Strategies for accelerating progress
Five strategic interventions will be pursued to accelerate progress:

- Committing all stakeholders to the National Gender Policy and National Gender Policy Strategic Implementation Framework through sector budgets and legislation, and clear policy directives (guidelines, incentives and sanctions) on mainstreaming gender in the activities of both federal and state ministries, departments and agencies.
- Fully implementing the Child Rights Law and encouraging greater use of the National Child Policy and Guidelines. Creating incentives to promote compliance at state and local government levels, beginning with passing the Child Rights Act in states that have not yet done so.
- Promoting female enrolment, retention, completion and performance in school by scaling up the Girls' Education Project in all states where female-male parity has not yet been achieved in primary school enrolment. This includes intensifying efforts to scale up installation of private, safe and sanitary toilets for girls in schools.
- Providing an enabling environment for economic empowerment of women by facilitating their access to credit (especially microcredit) and access to agricultural seeds and fertilisers.
- Domesticating and implementing international agreements that guarantee respect for women's rights in Nigeria.

5.2.4 Goals 4, 5 and 6 (health goals)

Six cross-cutting strategic interventions are needed to achieve health goals:

1. Rapidly passing and effectively implementing the new Health Bill and Health Investment Plan that establishes a comprehensive strategy to monitor health care delivery involving key stakeholders.
2. Developing and enhancing consultative, cooperative and coordination mechanisms and strategies across key stakeholder groups: among federal-state-local government cooperation and coordination; government-private sector-civil society organisation cooperation and coordination; and government-civil society organisation-development partner cooperation and coordination mechanisms. The Conditional Grants Scheme is a good example. Establishing a Health Fund for contributions from all three tiers of government, the private sector and international development partners would be a step in the right direction. Promoting creative ways to assure the involvement of beneficiaries (not necessarily through user charges).
3. Continually improving the capacity of health institutions, such as by hiring sufficient numbers of qualified health personnel, rehabilitating existing institutions and providing basic equipment, effectively allocating skilled health care workers to primary facilities, and establishing rewards for better performance by health care providers, especially those in rural areas.
4. Adopting a cross-sector approach to tackling the environmental factors determining maternal, newborn and child health, including access to basic sanitation, safe drinking water and hygiene practices. These efforts will require working with institutions and partners outside the health care system.
5. Promoting good governance and efficient management of public health resources by establishing an institutional framework to enable civil society organisations to track health sector budgets and expenditure, and ensure transparency and accountability.
6. Encouraging international development partners to scale up technical and financial support for primary health care under the new Health Bill and the National Health Development and Strategic Plan.

5.2.5 Goal 4: Reduce child mortality

Progress
Between 2003 and 2008, the infant mortality rate fell from 100 to 75 deaths per 1,000 live births. The under-5 mortality rate declined from 199 deaths per 1,000 live births in 1999 to 157 deaths per 1,000 live births in 2008. These gains would need to be accelerated and sustained to achieve the targets for 2015: infant mortality rate down to 30 deaths per 1,000 live births and under-5 mortality rate down to 75 deaths per 1,000 live births.

Strategies for accelerating progress
The strategic interventions needed to accelerate progress towards the targets for Goal 4 are:

- Rapidly implementing the Integrated Maternal, Newborn and Child Health Care Strategy using the Ward Minimum Health Package.
- Encouraging state governments to adopt the

Community Health Insurance Scheme.
- Adopting and implementing measures to ensure that immunisation goes beyond *ad hoc* support for routine immunisation and becomes an integral part of the primary health care system. This involves proactively involving all political and opinion leaders across the three levels of government.
- Securing the commitment of all stakeholders to Integrated Management of Childhood Illness, biannual Integrated Maternal, Neonatal and Child Health Weeks, Integrated Disease Surveillance and Response, and the strategic framework and plan of action central to making progress on this Goal.
- Increasing advocacy for epidemiological database management, including health system planning, regulation, licensing and legislation.
- Stepping up the campaign against religious and cultural beliefs that have adverse effects on health, such as persistent refusal to immunise children and allow blood samples.

5.2.6 Goal 5: Improve maternal health

Progress
Between 1999 and 2007, national maternal mortality rates ranged between 800 and 1,000 deaths per 100,000 live births, and over 1,500 deaths per 100,000 live births in the north east of Nigeria. In 2008, the national average maternal mortality rate was 545 deaths per 100,000 live births, again with striking regional differences.

Furthermore, because the data are estimates from hospital studies and less than 50 per cent of pregnant women use hospital services in Nigeria, for every death in a hospital, there could be several unrecorded deaths. Overall, the maternal mortality rate falls far short of the MDG target of 136 deaths per 100,000 live births.

Strategies for accelerating progress
Strategic interventions needed to accelerate progress on Goal 5 are:

- Effectively implementing the Safe Motherhood Programme and insisting that implementation is a precondition for states to access debt relief gains funds for health.
- Fully implementing universal access to reproductive health care across the three tiers of government.
- Fully integrating targeted environmental management into strategies to reduce disease and promote health, such as ensuring that family planning, combating HIV/AIDS, maternal, newborn and child health services, and sanitation, water and hygiene services are fully incorporated into all primary health care facilities.
- Promoting strong health referral systems and strengthening coordination at the local level.
- Encouraging states to adopt and adapt an innovative law on compulsory reporting of maternal deaths (already passed by one state in Nigeria).
- Continuing support for staff training to improve life saving skills, including emergency obstetric care and community-based care for newborns.

5.2.7 Goal 6: Combat HIV/AIDS, malaria and other diseases

Progress
The prevalence of HIV/AIDS in the population dropped from 5.8 per cent in 2001 to 4.6 per cent in 2008, but varied significantly across states. Mother-to-child transmission fell from 10 per cent in 2004 to 4 per cent in 2010. The current adult prevalence rate translates to about 3 million infected persons, with women and girls bearing the brunt. The number of AIDS orphans is estimated at about 1.97 million.

The prevalence of tuberculosis and malaria is on the decline. However, malaria still accounts for an average of 300,000 deaths a year and tuberculosis is still a public health problem (Nigeria ranks 4th out of 22 countries for tuberculosis prevalence): tuberculosis cases notified increased from 31,164 in 2002 to 94,114 in 2009.

Strategies for accelerating progress
Strategic interventions needed to accelerate progress on Goal 6 are:

- Rapidly adopting and effectively implementing the National HIV/AIDS Strategic Framework for Action 2010-2015 and the National HIV/AIDS Strategic Plan to control HIV/AIDS and eliminate mother-to-child transmission.
- Fast-tracking the production of condoms, antiretroviral drugs and other consumables to reduce the cost of procuring them from abroad. (Nigeria has invested N3 billion in the HIV test kit factory at Sheda, which will also produce test kits for malaria.)
- Fast-tracking implementation of the Strategic

Framework for Action on Malaria 2009-2013 recently developed by the National Malaria Control Programme. Effectively coordinating institutions involved in managing the programme and enhancing transparency and accountability in the management of resources, particularly at state and local government levels.
- Integrating malaria, HIV/AIDS and tuberculosis services in primary health care.
- Enhancing directly observed treatment, short course (DOTS) services coverage in all 36 states. Mapping zones where tuberculosis is prevalent and intensifying efforts in endemic areas.
- Encouraging international development partners to take an integrated approach to addressing HIV/AIDS, malaria and tuberculosis to achieve better results.
- Addressing the underlying socio-cultural and economic determinants of HIV/AIDS transmission, particularly among women.

5.2.8 Goal 7: Ensure environmental sustainability

Progress

Although the proportion of the population with sustainable access to an improved water source increased from 54.2 per cent in 1990 to 58 per cent in 2008, the proportion with access to improved sanitation declined from 37 per cent to 31.2 per cent.

Nigeria is likely to be one of the countries worst hit by climate change. Desertification has spread. The area of forest fell from 14 per cent of the land area in 2000 to 12.6 per cent in 2007, against the target of 20 per cent by 2015. There is a growing risk of flooding and erosion along the highly populated southern coast, and the 2008 deadline for eliminating gas flaring has not been achieved.

Strategies for accelerating progress

- Implementing National Environmental Action Plans and the Niger Delta Development Plan of Action more vigorously (all stakeholders). Continuing to integrate sustainable development ideals into national, state and local development plans and strategies, and committing to implement such plans.
- Adopting a more effective mechanism to control logging, deforestation and marine fishing and committing to implement afforestation, desert reclamation and erosion and flood control programmes.
- Establishing sanitation inspection offices in local government areas to enforce sanitation laws and improve community cleanliness.
- Raising investment in water and sanitation infrastructure and related services by not less than 10 per cent annually at federal, state and local government levels, and adopting a public-private partnership approach to providing such infrastructure.
- Scaling up federal and state government urban renewal projects and refocusing public and private housing financing and delivery systems to include the poor.
- Establishing a National Housing Commission to regulate the housing sector.
- Conferring secure, registrable and marketable title on land.
- Establishing an efficient and transparent land-title transfer system.
- Introducing private targeted subsidies to facilitate home ownership for lower income groups.
- Establishing a mortgage and title insurance system that will mitigate credit risks.
- Integrating development-partner technical and financial support for strengthening institutional and human capacities in environmental agencies to improve sourcing, maintaining, analysing and disseminating environmental statistics.

5.2.9 Goal 8: Develop a global partnership for development

Progress

Nigeria is a key player in regional and international initiatives, the African Union, the New Partnership for Africa's Development, the World Trade Organization, and the Economic Community of West African States among others. Even if Nigeria's resources were managed effectively, there would still be significant funding gaps with respect to achieving MDG targets. Meanwhile, development assistance to Nigeria only amounts to 1 per cent of gross domestic product.

Strategies for accelerating progress

- Strengthening the global partnership for development by reinforcing existing partnerships and engaging in diplomatic relations to promote strategic engagement at the regional and international levels.
- Integrating external and domestic debt management strategies to fund development projects at federal, state and local government

levels. At the same time develop systems to analyse domestic and foreign debts, set benchmarks and provide early warning of unsustainable debt.

- Attracting more foreign direct investments through guided capital account reform and foreign direct investment policy to optimise development projects at federal, state and local government levels.
- Creating a political and economic environment conducive to attracting more development assistance. Implementing the Paris Declaration by promoting effective donor coordination and harmonisation and ensuring national institutions and development partners are mutually accountable.
- Enforcing local content policy in the extractive industries in a way that promotes local job and wealth creation in upstream and downstream subsectors of the oil industry.

6.0 Investment plans, priorities and choices

6.1 Context

Investing in achieving MDG targets is critical for the attainment of Nigeria Vision 20:2020 (NV20:2020). This Vision recognises that the country has to boost public and private investment significantly to meet the 2020 target of making Nigeria one of the leading 20 economies in the world. To achieve Vision 20:2020 and the MDG goals by 2015 Nigeria will have to change her investment trajectory.

Significant increases in national savings and investment are required to grow the economy fast enough to achieve the Vision and MDGs. The First Implementation Plan (2010-2013) forecasts that the economy needs to grow at a double digit rate (Federal Republic of Nigeria 2010b). In the last five years, the gross domestic product has grown on average by 7 per cent a year. This is an improvement compared with less than 3 per cent in 1999. However, given the immediate challenges, including pervasive poverty, the decay of infrastructure, youth unemployment, low productivity, a low level of technology, a poor business environment and insecurity, as well as the need to meet the MDG goals by 2015, the present growth rate of the economy must double by 2015. This means much more investment.

6.2 Investment plans

Aggregate investment is the sum of investments in all sectors of the economy. In the last decade, most investments in Nigeria have been made in just a few sectors. However, to accelerate progress towards achieving MDG targets, investments in key sectors, such as infrastructure (especially energy and roads), agriculture, human development, security, law and order, development of the Niger Delta and regional development, are critical.

To translate growth in the various sectors into poverty reduction, productivity must improve. NV20:2020 recognises that achieving the Vision and attaining the MDG targets means making investments in critical sectors. The inadequacy of investment targeted towards achieving the MDGs is a major concern.

The total investment for the 1st National Investment Plan (NIP) 2010-2013 for NV20:2020 is N32 trillion over the four-year period (Table 6.1). The public sector is expected to contribute N19 trillion of this. However, Nigeria is projected to need N24 trillion (US$170.38 billion), or N4 trillion (US$28 billion) a year, to achieve the MDGs. It is clear that the public sector contribution of N19 trillion is insufficient to provide the N16 trillion required to achieve the MDG targets. However, the N32 trillion for the 1st NIP NV20:2020 could accommodate the N16 trillion required to achieve the MDGs, especially if a pro-poor growth strategy were adopted.

The National Planning Commission currently projects that the total amount needed to meet the NV20:2020 1st NIP would be approximately N32 trillion (US$214.4 billion). Capital expenditure of N10 trillion will be financed from recurrent revenue surpluses, domestic borrowing and external sources. Federal, state and local governments are projected to invest N19 trillion.

In an important structural shift, the share of private sector investment in the economy is projected to grow. Public sector investment as a percentage of total investment is forecast to decline from an average of 72 per cent (2004-2009) to 60 per cent in 2010-2013. Private investment is expected to increase from an average of 28 per cent a year in recent years, to 40 per cent a year 2010-2013 and, therefore, to be the main engine of economic growth.

Foreign investment shows a healthy trend over the last five years, although limited to sectors such as the oil industry, banking and communications. Investment in human capital development has been minimal, although this is critical for the attainment of key aspects of the MDGs.

The investment projected to be required to the end of the countdown period in 2015 (assuming that investments would be at least the average of annual investments during the 1st NIP), would be N49 trillion. The public sector would be expected


Are you prepared for the birth of your baby?
Things you should know:
Expected date of delivery
Danger signs: in pregnancy; during labour; after delivery; for the newborn
Who will assist you at delivery
Where you will deliver
How you will raise funds
the cost of delivery
Who will donate blood
Your post-partum
Insist on seeing a skilled birth attendant
and delivery. Let us reduce death
Visit your nearest health center for
MIDWIVES SERVICE SCHEME
MSS
Answering the call

Photo: SPARC

Table 6.1: National Investment Plan, 2010-2013 (N trillion)

Investment	2010	2011	2012	2013	Total	Average
Gross investment	4.6756	6.2534	8.4710	12.9785	32.3786	8.0946
Government investment	2.8054	3.7521	5.0826	7.7871	19.4272	4.8568
Federal Government	1.8539	2.4904	2.7389	2.9168	10.0000	2.5000
State and local government	0.9515	1.2617	2.3437	4.8703	9.4272	2.2500
Private investment	1.8702	2.5014	3.3884	5.1914	12.9514	3.2379

Source: Federal Republic of Nigeria (2010b).
Note: in 2010, N150 = US$1.

to invest N24 trillion, of which the federal government would contribute N15 trillion. Private sector investment would be expected to be N19 trillion.

6.3 National investment priorities

To achieve NV20:2020 and the MDG goals in the face of enormous challenges, the Government has set national investment priorities for channelling investments to critical drivers of growth – such as infrastructure, human capital development, security, law and order, development of the Niger Delta and regional development – and providing an enabling environment for the private sector. Policies to promote private sector investment seek to ensure that investments ensure maximum growth. The 1st NIP recognises that substantial public sector and private sector investment will be required to:

- Strengthen institutions and systems, particularly markets and economic governance structures;
- Promote private sector leadership of the economy through public sector support and encouragement of initiatives such as independent power projects, public-private partnerships, build-operate-transfer and similar schemes;
- Enhance national savings and investment to sustain growth;
- Strengthen the government's social commitment to poverty reduction and economic justice;
- Promote employment opportunities by encouraging the growth of science and technology, and their applications, especially in information technology and high-end services; and
- Intensify and reinvigorate public sector reforms.

6.4 Investment choices

6.4.1 Public sector investment

Federal government investment 2010-2013 is estimated to be N10 trillion (Federal Republic of Nigeria (2010b). This includes investment in achieving the MDGs. Successful implementation of the 1st NIP will be a sign of the government's commitment to NV20:2020 and the MDGs. The level of public investment during the plan period will be influenced by government revenues. Investment projections are based on macroeconomic assumptions, such as developments in the world oil market and the stability of the Niger Delta region, which may prove incorrect.

Public investment in a federation like Nigeria also depends on how public resources are shared between various tiers of government. In the highly centralised Nigerian system, investment has often ignored the important role that lower tiers of government can play in increasing the level of investment in the country.

The MDGs Needs Assessment and Financing Strategy for Nigeria (OSSAP-MDGs and UNDP 2008) proposes a funding mechanism in which all three tiers of government work more effectively together. Legislation provides a formula for sharing revenue between the various tiers of government and, in effect, describes how financing can be optimally shared.

The scale of investment required to achieve the MDGs implies commitment of significant proportions of federal, state, and local government budgets to MDG-related programmes and projects. The key to achieving the MDGs will, therefore, be scaling up investment in MDG-related expenditures in all three tiers of

government. Nevertheless, government alone will not be able to invest enough to meet the targets of the 1st NIP.

6.4.2 Private sector investment

Reforms in Nigeria since the return to democratic governance in 1999 have focused on encouraging the economy to become market-driven and led by the private sector. The private sector was not considered well positioned to provide social services because social services are not profitable – in most cases target communities cannot afford to pay user charges. However, pro-poor economic growth is expected to make it possible for communities to pay for social services.

Moreover, public-private partnerships can bring down the cost of social services; for example, insecticide-treated bed nets manufactured in-country are cheaper than imported nets. The Government recognises the need to continue prudent macroeconomic management, while further fostering an environment conducive to private sector development, employment and growth.

The 1st NIP NV20:2020 forecasts a rapid increase in private sector investment as a result of public sector interventions in critical sectors of the economy. The Plan is anchored on empowering the private sector to lead domestic investment to a level where the domestic capital stock can sustain growth. As government investment in infrastructure accelerates, it is hoped that this will attract corresponding investment by the private sector. The public-private partnership framework for infrastructure development will facilitate this.

Financial sector reforms and innovations in the capital market are expected to increase the volume of funds available for investment in the economy. A stable political environment and Government's commitment to sustaining the implementation of the reform agenda should help restore the confidence of investors. It is important that these developments speed progress towards attainment of the MDGs.

6.5 Alternative investments, roles and responsibilities

The investment strategy for the 1st NIP NV20:2020 gives the private sector a bigger role in driving the economy and meeting MDG targets than is presently the case. Private sector growth could make a significant contribution to achieving MDG targets, not only by providing social services, but also by boosting the ability and willingness of citizens to pay for social services.

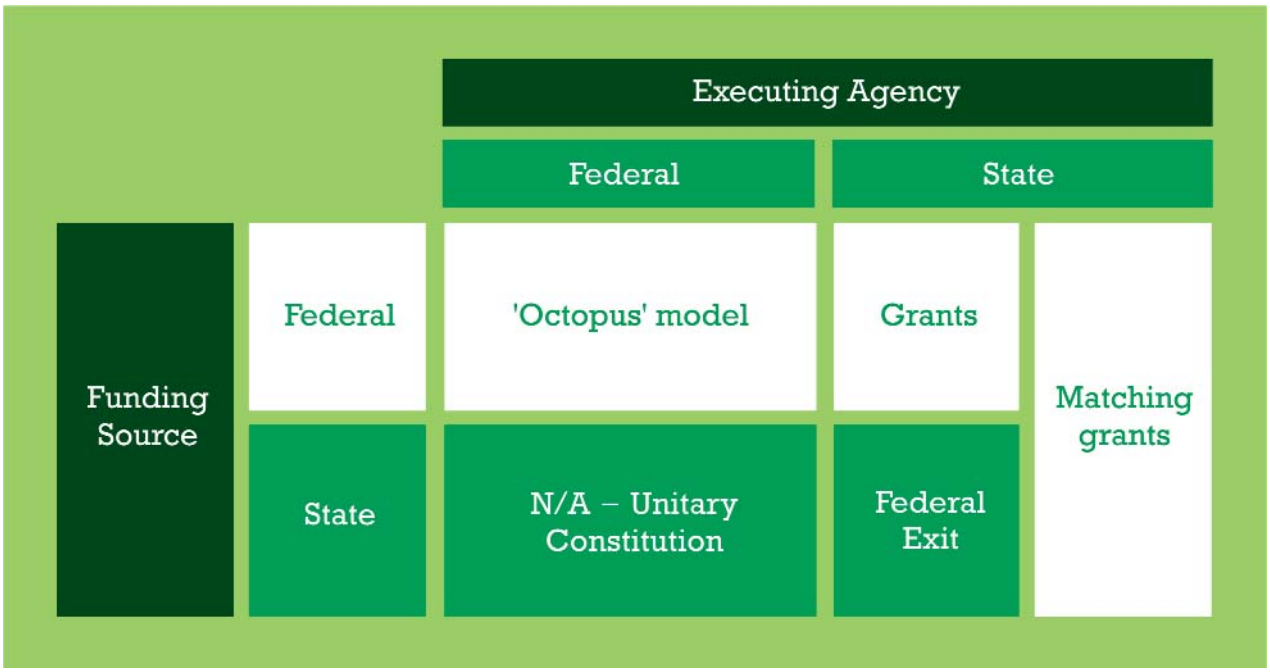
Policies and inducements that would give the private sector a bigger role in achieving MDG targets would be an improvement on the present situation. Nigeria ranks poorly in global business environment and competitiveness indexes. The high cost of doing business negatively affects the economy and industries, particularly small and medium enterprises, have a high failure rate. The 1st NIP NV20:2020 must remedy this.

The challenge is how to enable the private sector to drive economic growth as quickly as possible. Measures include improving governance, accountability and transparency, reducing the cost of doing business, addressing infrastructure challenges, reducing administrative costs to the barest minimum, improving the regulatory environment, reviewing obsolete laws, and ensuring a predictable macroeconomic environment that enhances profitability and improves access to cheaper funds. Such reforms would encourage a more vibrant private sector and private sector investments to help meet MDG targets.

The Presidential Committee on the Strategy and Prioritisation of the MDGs identified four options for government investments to support achieving MDG targets (Table 6.2). In the 'Octopus' model, federal agencies allocate federal funds directly to projects. In the 'Grants' model, federal funds, including statutory allocations, are channelled to states as grants.

In the 'Federal Exit' model, there is no federal government involvement and the states are the sole funding and executing agencies. In the 'N/A – Unitary Constitution' model, matching grants from federal and state governments are pooled, such as in the Universal Basic Education Counterpart Grants Scheme or Conditional Grants Scheme, and projects are carried out by state agencies.

Table 6.2: Government investment options



Source: Report of the Presidential Committee on the Strategy and Prioritisation of the MDGs (OSSAP-MDGs 2009f).

Another option, one that aligns with current reforms, would encourage the private sector to invest in providing services to achieve MDG targets and involve the public to ensure affordability. Government investments alone will be insufficient to cover the cost of meeting MDG targets. Such public-private partnerships could play an important role in improving the provision of social services in Nigeria.

The 'Matching Grants' model is particularly promising. These grants can effectively leverage funds at federal, state and local government levels. However, success depends on the ability of states and local governments to provide counterpart funds. The matching grants approach would require:

(a) *Making existing investments more efficient* To do this, the use of allocated funds must be transparent. Bottlenecks in budgeting, planning and due process must be addressed. In general, this means improving accountability and building a robust and responsive capacity for planning, implementing and monitoring investments.

(b) *Leveraging other investments* It is clear that the MDG targets cannot be achieved in isolation, but are part of the broader national development effort that includes the 7-Point Agenda and Nigeria Vision 20:2020. Investments in the social sector will only be affordable and effective where there is supporting infrastructure. Federal (and some state) budget priorities for infrastructure and agriculture are, therefore, an important contribution to achieving MDG targets. Public-private partnerships are also a promising way to raise additional funding for agriculture and infrastructure in the short term, and promote sustainability in the longer term.

(c) *Sub-national investment for priority MDG targets* In addition to agriculture and infrastructure investments, progress towards priority MDG targets will require improvements in health care and education. This means directing policies and debt relief gains to these areas.

Table 6.3 shows the national framework of roles and responsibilities as defined in the Constitution, by legislation and by working practices. The Countdown Strategy respects, clarifies and builds upon these roles and responsibilities.

The framework indicates the roles and responsibilities of stakeholders with respect to attaining MDG targets. Government bears the primary responsibility for delivering on the MDGs. Non-government agencies play a significant support role and are encouraged to do so.

Table 6.3: National framework of roles and responsibilities

National Framework	Developing a coherent strategy & funding mechanisms to achieve the MDGs	Translating plans into budget allocations	Sectoral policy framework & intervention design	Implement-ation	Human resource development	Maintenance & sustain-ability	Monitoring & evaluating progress against MDG indicators	Monitoring & evaluating project performance
National Planning Commission	✓						✓	✓
OSSAP-MDGs	✓						✓	✓
National Bureau of Statistics							✓	
Federal Ministry of Finance		✓					✓	✓
Federal MDAs			✓	✓	✓			✓
State Governments	✓	✓		✓	✓	✓		✓
Local Governments	✓	✓		✓	✓	✓		✓
National Assembly		✓					✓	✓
Civil Society			✓		✓		✓	✓
Private Sector				✓	✓			
International Development Partners		✓	✓		✓		✓	

Source: Report of the Presidential Committee on the Strategy and Prioritisation of the MDGs (OSSAP-MDGs 2009f).

6.0 INVESTMENT PLANS, PRIORITIES AND CHOICES

The private sector, because it is the engine of growth and employment, has a role in developing strategies, especially as regards public-private partnerships, sector policies and monitoring and evaluation. Public-private partnerships have potential, as has been demonstrated in some developing countries, and the private sector can be a critical partner in helping the government install effective and low-cost infrastructure.

However, public-private partnerships are less appropriate in social sectors which do not generate profits or where target communities cannot afford to pay. Grants and incentives for the private sector will be necessary to direct investment and develop markets in sectors and regions where they will have the biggest effect on progress towards MDG targets.

The main role of international development partners is in technical support and institutional capacity building for public sector policy. The National Planning Commission will seek to ensure that all development assistance in the next five years is targeted at the MDGs in a specific and measurable way.

The core challenge to the achievement of the MDG targets, apart from financing, is that Nigeria's service delivery institutions, government ministries, departments and agencies, are unproductive. According to a recent World Bank review, "despite recent improvements, the core problem within Nigeria's budget system … is more one of low efficiency of budget spending, than of inadequate amount of funding" (World Bank 2007). This underscores the need to improve the efficiency and effectiveness of public service delivery institutions.


Photo: SPARC

7.0 Costs and financing strategy

7.1 Context

Since 2006, considerable effort has gone into estimating the costs of funding the interventions necessary for Nigeria to achieve the MDGs. Many opportunities and options for financing have been explored and assessed. In 2006-2008, OSSAP-MDGs and UNDP produced the MDG Needs Assessment and Financing Strategy for Nigeria (OSSAP-MDGs and UNDP 2008). In 2009, the Presidential Committee on the Strategy and Prioritisation of the MDGs (PCSPM) again reviewed costs and options for financing the MDGs. More recently, to support the Countdown Strategy, OSSAP-MDGs commissioned an analysis of MDG allocations in federal, state and local government budgets. The Countdown Strategy takes the findings and recommendations of these assessments into account.

The PCSPM revised the aggregate costs of achieving MDG for the period 2010-2015 downwards. However, all analyses to date conclude that Nigeria is seriously challenged to fully and effectively fund the cost of achieving the MDG targets by 2015. It is, therefore, in this context that the financing strategy 2011-2015 for achieving MDG targets is presented.

7.2 Basis for costing

As mentioned above, the MDG Needs Assessment and Financing Strategy for Nigeria provided a comprehensive and rigorous assessment of the costs of achieving MDG targets. This report projected costs of about US$247.54 billion for 2007-2015, which included anticipated spending by the private sector and households. The total costs were projected to rise from US$19.65 billion a year in 2009 to US$43.33 billion a year in 2015. The report recommended scaling-up spending to achieve the MDG targets at a compound rate of 13.8 per cent a year.

This report assessed cumulative per capita costs of on average US$164 a year, higher than the estimated global average of $120 a year. The report indicated that the per capita cost of meeting the MDG targets in Nigeria was higher than in Ghana (US$80), Ethiopia (US$121), Tanzania (US$87) and Uganda (US$92). The disparity was explained by the prevailing poor human development indices in Nigeria, the multiplicity of governments and the size of the country.

The PCSPM report revised the total cumulative investment costs of financing the MDGs downwards to US$171 billion for the period 2010-2015 (Table 7.1), an annual average of between US$19 billion in 2010 and US$38 billion in 2015. The per capita cost fell marginally from US$164 to US$163 and, by assuming private sector funding in the housing and environment sectors (Table 7.1), aggregate costs estimates for 2010-2015 were scaled down from US$170.38 billion to US$164.05 billion.

7.3 Funding gap and options for closing it

The MDG Needs Assessment and Financing Strategy for Nigeria showed that the annual cost of meeting the MDGs was a fraction of the aggregate expenditure of the three tiers of government. Aggregate government spending amounted to US$46.65 billion: the federal government accounted for US$21.71 billion, state governments US$17.93 billion and local governments US$7.01 billion. The cost of achieving the MDG targets in 2007 amounted to US$15.36 billion, or about one-third of aggregate government expenditure. Between 2008 and 2010, this was projected to increase by about 6 per cent annually, still less than half of projected aggregate government spending. The annual cost of achieving the MDGs was forecast to exceed half of government spending only after 2010.

Although the MDG Needs Assessment and Financing Strategy for Nigeria thoroughly explored and assessed the options and prospects for meeting the costs to achieve the MDG targets, the conclusion was that, "Nigeria is unlikely to achieve all the MDGs by 2015. Investments in the MDGs would need to be scaled up substantially to achieve the MDGs by the target date of 2015. The huge financial resources required to achieve the MDGs by this date pose significant challenges to the revenue mobilisation capabilities of the three tiers of government". The Countdown Strategy seeks to respond to these financing challenges.

Table 7.1: Costs of achieving MDG targets 2010-2015 by sector (US$ billion)

Sector	2010	2011	2012	2013	2014	2015	Cumulative (2010-2015)	Annual average
Education	1.38	1.53	1.72	1.93	2.19	2.53	11.27	1.88
Health	2.68	3.58	4.56	5.33	6.28	7.29	29.72	4.95
Agriculture	4.76	5.66	6.77	7.90	9.33	10.14	44.56	7.43
Energy	3.47	4.19	4.95	5.75	6.59	7.47	32.42	5.40
Water	2.29	2.47	2.66	2.87	3.10	3.35	16.74	2.79
Housing	0.59	0.69	0.77	0.88	1.01	1.13	5.07	0.85
Roads	4.02	4.33	4.67	5.04	5.43	5.85	29.34	4.89
Environment	0.19	0.19	0.20	0.21	0.22	0.24	1.25	0.21
Aggregate cost	**19.38**	**22.64**	**26.30**	**29.91**	**34.15**	**38.00**	**170.38**	**28.40**
Memo item								
Per capita (US$)	121.89	138.05	155.62	170.91	189.72	204.30	980.49	163.42

Source: Report of the Presidential Committee on the Strategy and Prioritisation of MDGs (OSSAP-MDGs 2009f).

To close the funding gap, the MDGs Needs Assessment and Financing Strategy for Nigeria report recommended: (i) mobilising domestic resources, and (ii) promoting high rates of economic growth to enhance domestic revenue mobilisation and enable the private sector and households to increase their contributions to financing the MDGs. The report made specific recommendations on:

(a) *Domestic savings:* Financing to achieve MDG targets can come from household contributions and government spending, including government borrowing from the banking and non-banking public, and from budget surpluses;

(b) *Taxation and other internally-generated revenue:* The ratio of non-oil tax revenue to gross domestic product can be raised to levels consistent with Nigeria's level of development, that is, well above 10 per cent. Lower tiers of government could boost internally-generated revenue significantly through, for example, user charges, property taxes, broadening the base of taxes, tapping non-mineral and other resources in the states, developing tourism, improving administration of internal sources of revenue and other tax reforms;

(c) *Deficit financing:* Borrowing from the banking system and the capital market is a viable way of financing the deficit;

(d) *Bond financing:* Long-term bond financing is particularly recommended for financing infrastructure;

(e) *Financial sector poverty-reducing economic activities:* Microfinance banks and the Small and Medium Enterprises Equity Investment Scheme can be encouraged to grant loans on highly concessional terms;

(f) *Allocation of excess crude oil revenue balances and foreign exchange reserves:* At the time the report was written, the Federal Government had accumulated excess crude oil revenue balances of about US$20 billion, and external reserves of about US$64 billion (equivalent to 32 months of imports) that could contribute;

(g) *Household contributions:* Households could contribute more through properly targeted and administered user charges for services such as energy, water and sanitation, and senior secondary education;

(h) *Contributions from the private sector:* Corporations can be encouraged to donate products and services in sectors such as education, health and environmental sustainability; adopt specific MDG interventions, such as rehabilitating, upgrading and maintaining or building schools, hospitals and water schemes; and step up MDG corporate social responsibility programmes. The private sector and non-state actors could contribute to a special fund for activities related to the MDGs, either in cash or in kind; and

(i) *Official development assistance:* This would be a marginal contribution, estimated at US$2.25 billion over the six-year period (excluding debt relief gains already secured).

Table 7.2: Projected spending on meeting MDG targets (households and government) and the funding gap, 2010-2015 (US$ billion)

Source of funding	2010	2011	2012	2013	2014	2015	Total
Households	3.43	4.01	4.65	5.36	6.14	6.82	30.41
Government	11.31	13.49	16.08	19.18	22.88	27.31	110.25
Total projected funding	14.74	17.50	20.73	24.54	29.02	34.13	140.66
Aggregate costs	18.60	21.76	25.33	28.82	32.92	39.63	164.06
Funding gap	**3.86**	**4.26**	**4.60**	**4.28**	**3.90**	**5.50**	**23.40**

Source: Report of the Presidential Committee on the Strategy and Prioritisation of the MDGs (OSSAP-MDGs 2009f).

Table 7.3: Estimated annual public sector funding gap for meeting the MDG targets 2010-2015 in key sectors, based on 2009 budget allocations at the three tiers of government (N million)

Sector	Cumulative estimated total costs 2010-2015	Annual average costs	2009 total budget for meeting MDG targets at the three levels of government	Public sector funding gap (2009 budgets)
Education	1,692,000	282,000	199,787	82,213
Health	4,458,000	743,000	218,866	524,134
Agriculture	6,684,000	1,114,000	306,541	807,459
Energy	4,863,000	810,500	159,909	650,591
Water	2,511,000	418,500	147,504	270,996
Housing	760,000	126,667	74,004	52,663
Roads	4,401,000	733,500	400,992	332,508
Environment	187,000	31,167	92,739	-61,572
Total all sectors	**25,556,000**	**4,259,333**	**1,600,342**	**2,658,991**
US$ equivalent (billion)	170.37	28.40	10.67	17.73

Source: OSSAP-MDGs Costing Team, June 2010.

As discussed above, the PCSPM revised the estimate of the cumulative expenditure required to achieve the MDG targets in the period 2010-2015 downwards to US$164 billion. In identifying options for fully funding the achievement of MDG targets, the Committee estimated the (affordable) spending on MDGs by households and the three tiers of government during the period 2010-2015 at US$30.41 billion and US$110.25 billion respectively (Table 7.2). Based on these projections, the funding gap would be US$23.39 billion over the six-year period, on average US$4 billion a year.

However, a recent analysis of the public expenditure allocations required by federal and state governments and local government authorities for achieving the MDG targets, commissioned by the OSSAP-MDGs, suggests that the funding gap is considerably higher than previously estimated, on average of N2,658 billion (US$17.7 billion) a year (Table 7.3). This may seem inflated, but only amounts to a per capita expenditure of about US$71 a year (or less than 7% of gross domestic product). Given the size of Nigeria's gross domestic product, the proposed financing mix (i.e. with significant contributions from the private sector) and the potential for the public sector to mobilise domestic resources, it should be possible to close the funding gap.

At the federal government level, the funding gap for ministries, departments and agencies (MDAs) is surmountable with improved strategic prioritisation and rationalisation, and the efficiency gains from on-going reforms. The federal Medium Term Expenditure Framework (MTEF) 2010-2012 indicates an aggregate budget for MDAs in 2010

Table 7.4: Federal Government Medium Term Expenditure Framework and Fiscal Strategy (and expenditures by MDAs), 2010-2012 (N million)

Expenditure category	2008 actual	2009 actual	2010 projected	2011 projected	2012 projected
Statutory transfers	162.57	168.62	148.26	159.86	168.55
Debt servicing	372.20	283.65	297.78	327.56	360.31
MDAs spending	2,112.72	2,649.54	2,676.31	2,922.56	3,191.61
Aggregate	2,647.49	3,101.81	3,122.35	3,409.98	3,720.47
Memo items:					
Aggregate in US$ billion equivalent			20.80	22.70	24.80
% Change in MDAs budgets		17.16	0.66	9.21	9.11

Source: FMF and BOF (2010a,b).
Note: In 2010, N150 = US$1

Table 7.5: Estimated 2009 government budget allocations for meeting MDG targets

Tier of government	Total budget 2009 (estimated for states and LGAs), in N billion	Tier's own budget allocated to meeting MDG targets		Proportion of nationwide total allocated to achieving MDG targets (%)
		%	N billion	
Federal	3,078	23.1	712.0	38.06
States	3,825	22.2	848.8	45.37
Local government authorities (LGAs)	1,147	27.0	310.0	16.57
Total	**8,050**	**22.8** (average)	**1870.8**	**100.00**

Source: CDS Team computations, July 2010, based on OSSAP-MDGs (2010d).
Note: In 2010, N150 = US$1.

of about N2,676 billion (US$18 billion). This is set to increase significantly (by more than 9 per cent a year) in the following two years (Table 7.4). The current budget for MDAs is about 62 per cent of the total estimated annual costs for achieving MDG targets, at US$28 billion (Table 7.3).

The MTEFs for states are not yet available, but state budgets are sizeable and sufficient to fund achieving the MDG targets if states strategically prioritise and rationalise their budgets, and improve efficiency through budget reforms. Therefore, the main challenge is to mobilise additional resources for local government. The MDG Needs Assessment and Financing Strategy for Nigeria forecast that local governments would contribute 17.5 per cent of total public sector funding to achieve the MDG targets 2009-2010. As Table 7.5 shows, local government allocations for achieving MDG targets add up to around 16.6 per cent of the amount spent nationwide on achieving on the MDGs.

However, as Table 7.5 shows, local government allocations for achieving MDG targets add up to just 5.4 per cent.

The OSSAP-MDGs expenditure analysis (OSSAP-MDGs 2010d), in general, reiterated the recommendations of the PCSPM:

- Adopt public-private partnerships as a strategy for mobilising additional resources to bridge the funding gap and capture all ongoing contributions of the private sector towards the attainment of the MDG goals;
  Improve allocation and efficiency of resource use through budgetary reforms at federal, state and local levels, and more effective coordination by the National Planning Commission of the three tiers of government (e.g. through the Conditional Grants Scheme and other collaborative mechanisms);

- Use resources more efficiently. Scale down the per capita cost in line with other countries while recognising that Nigeria started from a lower baseline, has huge infrastructure challenges and, in some cases, has more ambitious targets and higher unit costs;
- Focus on domestic resources as a source of funds as they are more reliable and predictable. Emphasise partnerships with the private sector. Raise tax collection across the three tiers of government and issue state and municipal bonds; and
- Effectively coordinate the contributions of international development partners through the National Planning Commission.

7.4 Resource mobilisation options

Nigeria has considerable scope for mobilising domestic resources. Tax revenues (non-oil and gas revenue) are particularly low, only about 10 per cent of gross domestic product. No developed or middle income country has such a low rate of taxation as this (Table 7.6). This is not surprising, as VAT, the main source of tax revenue in both developed and developing countries, is only 3-5 per cent in Nigeria, compared with 16-20 per cent in comparable countries (Table 7.6). In other words, Nigeria could treble its VAT rate. Nigeria also substantially subsidises domestic fuel prices with the result that fuel costs half as much as in neighbouring countries.

However, bar a fiscal compact, raising substantial new revenues will be politically problematic, if not impossible. 'Tax morale' is low in Nigeria because the perception, articulated in Nigeria Vision 20:2020 and many other governance documents, is that the challenges of corruption and accountability are yet to be adequately addressed. This means that raising sufficient resources to fund achievement of the MDG targets by increasing taxes may only be possible within the framework of a yet-to-be-forged 'national partnership and fiscal compact for the MDGs'.

7.5 The MDG Countdown financing strategy

7.5.1 Context

Seven themes set the framework for financing of the Countdown Strategy:

1. Considerable public resources, especially debt relief gains, are allocated to achieving the MDG targets every year. Efficiency, effectiveness and accountability in the use of these resources, especially resources allocated to federal ministries, departments and agencies, are unsatisfactory.
2. The funding gap in public sector investments needed to ensure timely attainment of MDG targets is significant. The size of the gap is difficult to verify, but successive assessments have confirmed that government budgets are insufficient to close the gap in the countdown period.
3. The potential for the private sector and non-state actors to finance and carry out programmes and projects to achieve MDG targets cost-effectively is huge. The Nigeria

Table 7.6: Comparison of tax revenues as a percentage of GDP in Nigeria and selected countries (2006-2008)

Country	2006	2007	2008
Nigeria	**9.4**	**10.4**	**10.1**
Ghana	21.3	20.5	22.9
Algeria	32.4	29.4	46.5
Kenya	17.4	17.9	18.9
Mauritius	17.3	16.4	18.2
South Africa	28.7	29.0	27.7
Brazil	28.1	27.7	28.6
Norway	29.7	29.1	28.1
United Kingdom	28.1	27.7	28.6

Source: World Bank and IMF.

Vision 20:2020 Blueprint (Chapter 6) estimates that private sector investments will need to be around N3 trillion a year. The highest estimate of the funding gap is less than 1 per cent of that.

4. Progress towards achieving the MDG targets varies across states, localities and sectors, and within states, localities and sectors. The financing strategy recognises these variations in funding gaps.
5. More effective coordination of the three tiers of government by the National Planning Commission is essential.
6. The financing strategy takes account of Presidential Committee recommendations for innovative financing approaches, including the Universal Basic Education Commission, the Conditional Grants Scheme, and the Community Health Insurance Scheme, and the Natural Resources Fund. These will engage communities, the private sector, development partners and others in closing the funding gap.
7. The clarion call for a transformation of the collective national mindset and a new approach to national development – and an end to poverty by enabling access to assets by the poor and to productive employment opportunities in the economy.

7.5.2 Strategic thrust

The countdown financing strategy has six prongs:

1. Enhancing transparency, integrity, efficiency, effectiveness and accountability in the use of resources, through robust governance systems, to achieve the MDG targets at all levels.
2. Reinforcing local government responsibilities for implementing programmes, using resources and accounting for results on the ground.
3. Forging a national partnership and fiscal compact for the MDGs.
4. Mobilising additional public resources.
5. Enabling and promoting substantial investments by the private sector and non-state actors.
6. Flexibly targeting, using and disbursing resources.

7.5.3 Strategic initiatives

7.5.3.1 Enhancing transparency, integrity, efficiency, effectiveness and accountability

The Presidential Committee on the Strategy and Prioritisation of the MDGs recommended: (i) more efficient use of resources to scale down per capita costs, and (ii) improving allocation and more efficient use of resources through federal, state and local government budget reforms. However, measures to enhance transparency, integrity, effectiveness and accountability are also required:

- to ensure that federal and state ministries, departments and agencies allocate and use resources to achieve the MDG targets in line with national and state development plans and budgets. At present, many fail to allocate resources and/or fully and effectively execute budgets to achieve the MDG targets; and
- to bring about conditions that will allow the other five prongs of the financing strategy to be successful, especially that of forging a national partnership and fiscal compact for the MDGs.

The strategic initiatives for enhancing transparency, integrity, efficiency, effectiveness and accountability are:

- Ongoing federal and state budget reforms, entailing institutionalisation of the Fiscal Responsibilities Act and Public Procurement Act;
- Implementation of a robust nationwide monitoring and evaluation system as elaborated in the Nigeria Vision 20:2020 Blueprint – in particular, the introduction of results score cards to ensure that ministries, departments and agencies are held accountable for performance; and
- Effectively tackling corruption, as articulated in the Nigeria Vision 20:2020 Blueprint.

The Overview of Public Expenditure on NEEDS (OPEN) Monitoring and Evaluation (OPEN-M&E) described in Chapter 2 is a first step. OPEN-M&E tracks debt relief gains expenditures, and is "a results-based monitoring strategy anchored in good planning, good budgeting and effective feedback" (Annex 2).

7.5.3.2 Reinforcing local government responsibilities

Reinforcing local government responsibilities is pertinent for a number of reasons. First, the Presidential Committee on the Strategy and Prioritisation of the MDGs recommended that future spending to achieve MDG targets should be bottom-heavy. Second, a recent analysis by the OSSAP-MDGs suggests that local governments currently account for only 5.4 per cent of all public sector budgets for achieving MDG targets, well

below the target of 17.5 per cent established by the OSSAP-MDGs and UNDP MDG Needs Assessment and Financing Strategy for Nigeria (2008).

Third, the Nigeria Vision 20:2020 Blueprint stipulates that, "A key strategy that will be used to drive the implementation of NV20:2020 will be the empowerment of the local governments to drive rural development at the grassroots" consistent with strategies for achieving several of the MDGs. Fourth, to lend credence to the drive to mobilise additional public resources, especially through new taxes (section 7.5.3.3), by assuring the public that resources will not be wasted or lost by federal and state bureaucracies.

Local government budgets to achieve the MDG targets are relatively small (5.4 per cent of all public expenditures (budgets) for MDGs). The strategic initiatives for reinforcing the responsibilities of local government level are:

(a) Ensuring that local governments use resources transparently, efficiently and effectively and account for the use of these resources (section 7.5.3.1); and
(b) Channelling more resources to local governments that explicitly commit to achieving the MDG targets. This will include:
- Expanding and improving the delivery of the Conditional Grants Scheme (CGS) (Chapter 4);
- Establishing a National Partnership Fund for the MDGs (section 7.5.3.3); and
- Earmarking additional non-oil revenues (sections 7.5.3.4 and 7.5.3.5) exclusively for local governments.

7.5.3.3 Forging a national partnership and fiscal compact for the MDGs

A national partnership and fiscal compact for achieving MDG targets is a prerequisite for the pursuit of the strategic initiatives needed to:
(a) Obtain a commitment to timely achievement of the MDG targets from all sections of the Nigerian nation and, especially, from political and other leaders at all levels of the public sector. This commitment is, in turn, necessary for mobilising the resources and resolve to attain MDG targets;
(b) Achieve effective collaboration among all three tiers of government in order to realise the MDG targets, an imperative acknowledged in successive evaluations of the progress towards the MDG targets in Nigeria (Chapter 5); and
(c) Take action on the recommendations of the Presidential Committee on the Strategy and Prioritisation of the MDGs to:

- Harness new initiatives, such as the National Partnership Fund,
- Consider a national effort to mobilise domestic resources, such as increasing taxes, and
- Optimise the use of resources contributed by international development partners.

To achieve the above, the strategic initiatives will be:

(a) Articulating a framework for a national partnership and fiscal compact for the MDGs. This will be led by the Presidency and, at a technical level, will initially be a collaborative effort between the National Planning Commission, the OSSAP-MDGs and Federal Ministry of Finance (Table 7.7);
(b) Securing endorsement and sponsorship of the compact by the National Economic Council, the National Council of State, and the National Assembly – in that order;
(c) Convening meetings of other stakeholder representatives (parties to the compact shown in Table 7.7) to inform, educate and ultimately persuade them to endorse it.

Box 7.1 (over) presents a case study of the fiscal compact and changes in taxes in Chile in 1990.

7.5.3.4 Mobilising additional public resources

The Presidential Committee on the Strategy and Prioritisation of the MDGs suggested "increased tax collection across the three tiers of government" as an option for mobilising additional public resources to close the funding gap for achieving MDG targets. At current tax levels, Nigerians are virtually on a tax holiday, and out of line with practices in both developed and middle income countries. Nonetheless, tax measures require a due process of policy research and formulation. Moreover, until a national partnership and fiscal compact is in place, it may not be opportune to seek additional public revenues to fund achieving MDG targets.

Box 7.1 Fiscal pact and tax reform in Chile, 1990

"Because different interest groups often have conflicting views over what is a just level and composition of taxation, there is a need for the construction of institutions around which tax policy can be negotiated. Political parties provide one important focal point around which such bargains can be struck. In Latin America, a major institutional arrangement that has reinforced the link between democratization and tax policy is the emergence of fiscal pacts.

The most well known example took place in Chile in 1990, during the transition to democracy after seventeen years of military rule. The reforms comprised four major elements: corporate income tax was increased from 10% to 15%; the standard VAT rate was raised from 16% to 18%; marginal personal income tax rates were increased for taxpayers in intermediate income brackets; and various tax exemptions for the private sector were eliminated. The tax reforms were at best neutral, but the overall effect was redistributive since the various parties involved in the pact agreed to use increased tax revenues to increase pro-poor social spending.

Two factors specific to the recent history of Chile enhanced the prospects of fiscal pact-making.

One was the widespread notion that there was a 'social debt' to the poor, arising from their previous experience under the military regime that should now be compensated. Second, the tax increases could be represented as a dimension of restoring the country to normality: the military regime had cut the government's tax take by 5% of GDP between 1980 and 1990. Recall that a similar idea of 'social debt' lies behind the maintenance of high levels of income tax collection in post-apartheid South Africa."

Source: World Bank-FIAS and DFID (2009).

Thus, in parallel with forging a partnership and fiscal compact, the following strategic initiatives will be undertaken:

(a) A comprehensive review of the options for mobilising additional domestic resources to identify appropriate policies for closing the funding gap to achieve the MDG targets; and
(b) An assessment of efficient and effective modalities for targeting and channelling additional resources to achieve the MDG targets and, in particular, expanding and improving the Conditional Grants Scheme.

7.5.3.5 Enabling and promoting substantial investments by the private sector

The Nigeria Vision 20:2020 National Investment Plan (Federal Republic of Nigeria 2010b) "expects rapid increases in private sector investment in response to projected public sector interventions in critical sectors of the economy. The Plan is anchored on an empowered private sector, which is expected to lead domestic investment to a level where the domestic capital stock would sustain the growth level envisaged under the Plan. While government investment spending is expected to accelerate due to infrastructure development needs, it is hoped that this phenomenal growth would attract corresponding private sector investment. The PPP [public-private partnership] framework for infrastructure development is expected to facilitate this process. Financial sector reforms and innovative measures in the capital market are expected to increase the volume of investable funds available in the economy". In the latter context, as indicated in Chapter 6, the Nigeria Vision 20:2020 envisages that the annual average investment by the private sector will be N3 trillion to 2015.

To enable and promote substantial investments by the private sector and non-state actors, including communities and households, the following strategic initiatives will be taken:

(a) Accelerate the institutionalisation of a policy and implementation framework for public-private partnerships, especially for infrastructure development;
(b) Collaborate with banks in promoting bond financing of infrastructure;
(c) Build an incentive for local governments to enable and promote the participation of communities and households in developing and maintaining services to achieve the MDG

Table 7.7: Framework for a national partnership and fiscal compact to achieve MDG targets

Key features	Incentives and benefits, commitments and obligations of each of the parties to the compact					
Parties	1. The public (citizens of Nigeria)	2. The Presidency and subsidiary organs of the Executive	3. National Assembly and National Council of State	4. State governments and houses of assembly	5. Local governments	6. Private sector, major non-state actors and international development partners
The common bond	**A shared vision, passion and commitment to meeting the MDG targets and achieving Nigeria Vision 20:2020**					
Incentives and anticipated benefits	1. The tangible benefits of meeting MDG targets 2. A new sense of national pride and solidarity 3. The promise of a great future for all Nigerians	1. A great leadership score 2. Effective discharge of mandate 3. Popularity	1. A great leadership score 2. Effective discharge of mandate 3. Popularity	1. Additional revenue resources to achieve MDG targets 2. A great leadership score 3. Effective discharge of mandate 4. Popularity	1. Additional revenue resources to achieve MDG targets 2. Effective discharge of mandate 3. Popularity	1. Effective discharge of respective mandates 2. Pride in true solidarity with the Nigerian people
Commitments and obligations	1. Organise demand for accountability in use of public resources at all levels 2. Contribute additional revenues to achieve MDG targets at local level 3. Organise locally to access conditional grants	1. Lead and coordinate implementation of the Countdown Strategy and NV20:2020 2. Lead in the search for ways and means to mobilise additional resources 3. Establish MDGs National Partnership Fund (NPF)	1. Endorse and sponsor the national partnership and fiscal compact 2. Support the MDGs National Partnership Fund and associated policy and legislative measures	1. Institutionalise the Fiscal Responsibility Act and Public Procurement Act at this level 2. Comply with planning, budgeting and M&E systems set out in the NV20:2020 Blueprint 3. Transparency, integrity and accountability in the use of funds 4. Earmark all annual increases in budget allocations to MDAs for achieving MDG targets 5. Public-private partnerships and long-term (bond) funding of major infrastructure	1. Institutionalise the Fiscal Responsibility Act and Public Procurement Act at this level 2. Comply with planning, budgeting and M&E systems set out in the NV20:2020 Blueprint 3. Transparency, integrity and accountability in the use of funds 4. Earmark all annual increases in budget allocations to MDAs for achieving MDG targets 5. Mobilise and incentivise communities to achieve MDG targets	1. Contribute to MDGs National Partnership Fund 2. Make technical support available to state and local governments 3. Strengthen the demand side of accountability in the use of public resources

Source: CDS Team, July 2010.

targets at the grassroots level into the Conditional Grants Scheme; and
(d) Develop, promulgate and implement appropriate user charges (including tolls and other fees for use of infrastructure).

7.5.3.6 Flexibly target, use and disburse resources

Given the diversity of interventions across and within sectors, states and local governments, and the pluralism and diversity of potential actors, the modalities and channels for targeting, using and disbursing funds must be flexible. Flexibility is a key strength of the Conditional Grants Scheme. Nonetheless, more flexibility, while preserving due process and accountability, is necessary for deployment of resources on a timely basis to diverse implementing agencies. To achieve this, the following strategic initiatives are planned:

(a) A comprehensive review of the policies and modalities for mechanisms that target, use and disburse funds. Examples include the Ecological Fund, the Universal Basic Education Counterpart Grants Scheme, the Education Trust Fund and the Conditional Grants Scheme (CGS). The Presidential Committee on the Strategy and Prioritisation of the MDGs recommended efficiency improvements in the use of available resources "through more effective coordination of the three tiers of government by the NPC". It will be necessary to seek innovative modifications to the existing funds (conditional and non-conditional) as well as to identify alternative mechanisms that may be more appropriate in specific contexts not currently catered for by the existing funds. For example, if communities and non-government organisations were to participate in the Conditional Grants Scheme, significant modifications of the procedures may be necessary;
(b) Develop detailed policy and procedures manuals for accessing and disbursing funds. This will include policies, procedures, controls and accounting for the proposed National Partnership Fund (NPF) under a national partnership and fiscal compact initiative. The manuals will also be useful for training and guiding staff of both the fund management and implementing agencies.

8.0 ROADMAP, COORDINATION, AND MONITORING AND EVALUATION

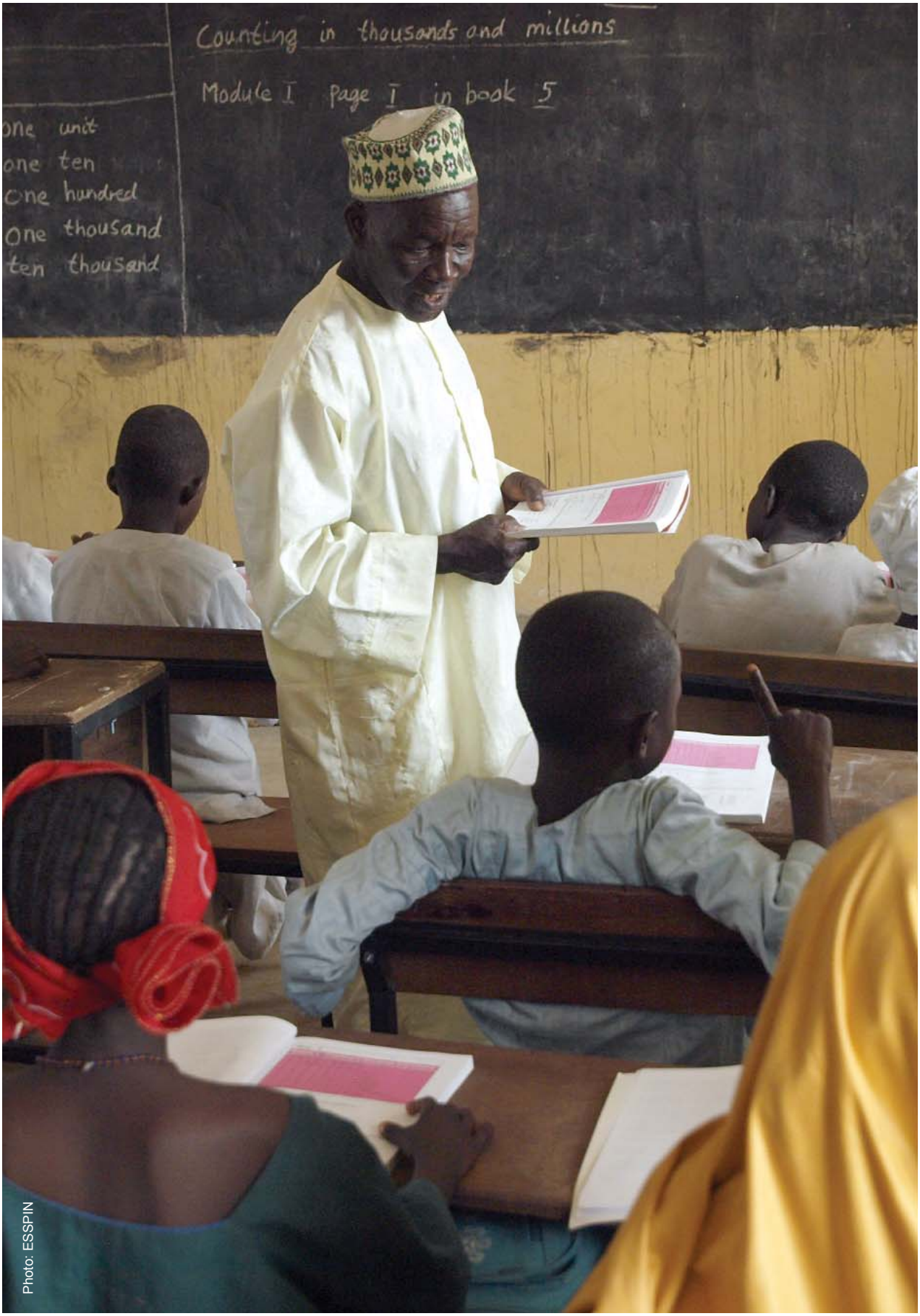


Photo: ESSPIN

8.0 Roadmap, coordination, and monitoring and evaluation

8.1 Introduction

The First National Implementation Plan for Nigeria Vision 20:2020 (NV20:2020) aligns strongly with the five-year Countdown Strategy (CDS). This is true not just in terms of the strategies for each of the MDGs (Table 1.1) or the sector strategies associated with each MDG, but also in terms of the proposed monitoring and evaluation (M&E) and coordination frameworks in the NV20:2020 Economic Transformation Blueprint (Federal Republic of Nigeria 2009b). Therefore, the Roadmap for the CDS must be seen in the context of the NV20:2020 strategy and its monitoring and evaluation (M&E) and coordination frameworks.

8.2 Anchoring achievement of the MDG targets to the trajectory and motive force of Nigeria Vision 20:2020

The Nigeria Vision 20:2020 is the motive force for socioeconomic transformation in Nigeria. As shown in Chapter 1, achieving the MDG targets is fundamental to realising NV20:2020. Achieving the MDG targets is wholly within the trajectory of the Vision. This means that the initiatives, programmes and projects for achieving the MDG targets are firmly anchored in NV20:2020.

The NV20:2020 Blueprint stipulates three sets of medium term economic development plans, which will provide detailed roadmaps and set out milestones. The National Planning Commission has already mobilised public sector institutions and knowledge centres to develop the first of the three sets of plans – the First Implementation Plan (2010-2012) – anticipating that government ministries, departments and agencies, the private sector and the people of Nigeria will work together to sustain momentum. The first and subsequent (2013-2015) medium term economic development plans will embrace priorities and performance benchmarks consistent with achieving the MDGs.

The pursuit of the MDG targets not only rides on national aspirations and the strategy for achieving NV20:2020, but also aligns strategic priorities and targets with the national vision. Since MDG targets are intermediate NV20:2020 targets, coordination, monitoring and evaluation frameworks for achieving both the MDG targets and NV20:2020 will be integrated.

8.3 Monitoring and evaluation framework

8.3.1 Building on success in monitoring public expenditure in achieving MDG targets

The monitoring and evaluation (M&E) of activities to achieve MDG targets has been exemplary (Annex 2). A particularly strong feature is the fact that OSSAP-MDGs procured an independent monitoring group to conduct M&E. Future M&E activities related to achieving the MDG targets will build on the strengths of the current system.

The current M&E framework is not entirely satisfactory. First, it focuses on inputs and outputs, and relies on other sources to assess outcomes. Second, constitutional, institutional and administrative bottlenecks in ministries, departments and agencies at both federal and state levels severely constrain coordination and M&E. Third, the Countdown Strategy requires more extensive, systematic participation and accountability than the current framework provides.

8.3.2 Integrating M&E for the MDGs within the NV20:2020 M&E Framework

NV20:2020 proposes an elaborate, nation-wide, robust and development results-oriented M&E system. The NV20:2020 M&E framework is

> "designed to enable a fact-based assessment of Nigeria's performance and enhance the execution capacity of Government as the nation strives to achieve accelerated economic

development. Nigeria requires a single framework for M&E which should offer a platform for assessing any programme implemented in the interest of the Nigerian public. It is important to highlight that the M&E framework described in this context is conceived as Nigeria's national M&E framework; and it is not limited to the NV20:2020 programme alone".

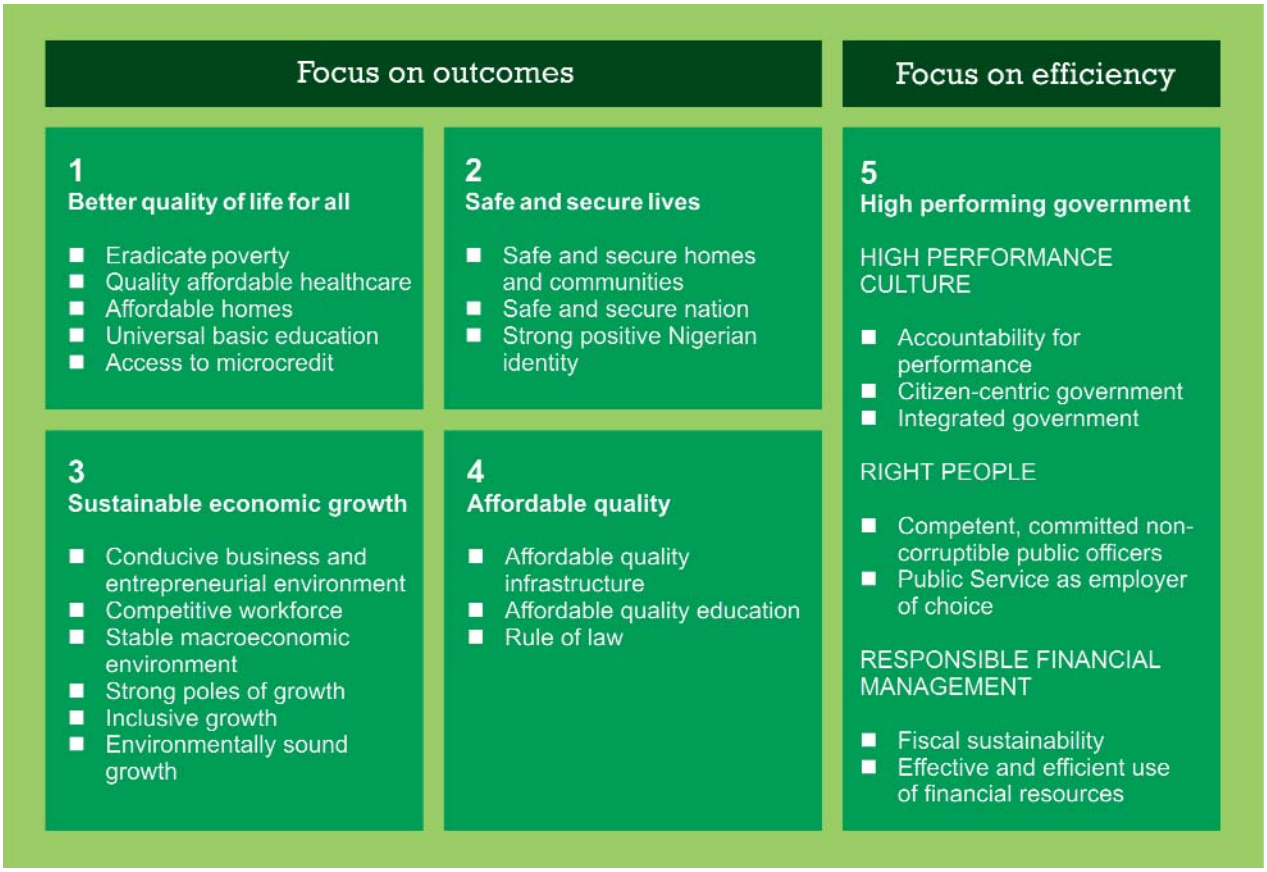
One of the five guiding principles of the proposed NV20:2020 M&E system is that M&E will be a fundamental part of governance in Nigeria and will span the entire spectrum of government activities at all levels – federal, state and local. The NV20:2020 Blueprint integrates M&E for achieving the MDG targets, and M&E for other development programmes, into a new all-encompassing M&E system.

The NV20:2020 Blueprint's Strategy Map (Figure 8.1), which will guide the new M&E framework, virtually duplicates the framework for monitoring and evaluating progress towards the MDG targets, except for the different timeframe. Parallel M&E systems for essentially the same outcomes to 2015 would be wasteful and most probably less effective. Also, without the legislative and other institutional reforms sponsored by the NV20:2020, OSSAP-MDGs would continue to be too constrained to cost-efficiently and effectively monitor and evaluate progress towards the MDGs.

8.3.3 Coordination between OSSAP-MDGs and the National Planning Commission

The Office of the Senior Special Assistant to the President of Nigeria on the MDGs (OSSAP-MDGs) effectively monitors and evaluates the activities, inputs and outputs of debt relief gains-related MDG investments. In line with the proposed NV20:2020 M&E framework, agreed M&E tools would be revised to ensure coherence with inputs of the National Planning Commission evaluation on performance-based public

Figure 8.1: Nigeria Vision 20:2020 Strategy Map



Source: Nigeria Vision 20:2020 Economic Transformation Blueprint (Federal Republic of Nigeria 2009b).

investment. There is a need to strengthen further collaboration and coordination between OSSAP-MDGs and the National Planning Commission.

8.3.4 Collaboration between lead sector ministries and state governments

Federal sector ministries have the primary role and responsibility in leading and coordinating progress towards MDG targets that fall within their portfolio mandates. However, their performance to date has been unsatisfactory. In particular, they have failed to effectively reach out to state ministries, departments and agencies (MDAs) to coordinate and guide programmes and projects to achieve MDG targets. This weak link between federal sector ministries and state government MDAs must be overcome in the countdown to 2015. The mandate of the National Planning Commission in coordinating states through the National Economic Council and the proposed NV20:2020 M&E framework should strengthen this link.

8.4 Reinvigorating the National Coordination Framework for MDGs

The OSSAP-MDGs and the Presidential Committee for M&E of MDGs provide a sound framework for overall coordination. Nonetheless, in the countdown to 2015, organisations that are part of the National Coordination Framework for MDGs must be strengthened and reinvigorated. The key stakeholders involved will include:

- National Council of State
- National Economic Council
- National Planning Commission
- The Presidential Committee on the Assessment and Monitoring of the MDGs
- A proposed Presidential stakeholder forum on the MDGs
- Office of the Senior Special Assistant to the President of Nigeria on the MDGs (OSSAP-MDGs)
- Sector ministries and sector fora on MDGs
- Offices for MDGs in the states.

8.4.1 National Council of State

The main role of the National Council of State in the early stages of the Countdown Strategy is to secure endorsement and sponsorship of a national partnership and fiscal compact for the MDGs. Bi-annual special sessions of the Council will exclusively examine policies, strategies and progress towards MDG targets across all the states of Nigeria. The Council will follow up on M&E reports from the National Planning Commission.

8.4.2 National Economic Council

The National Economic Council will pay particular attention to achieving MDG targets. As with the National Council of State, the first step will be to endorse a national partnership and fiscal compact for the MDGs and proactively sponsor the compact. Secondly, the Council will convene bi-annual sessions to review progress towards MDG targets.

8.4.3 National Planning Commission

The National Planning Commission will champion the planning, budgeting and M&E frameworks for NV20:2020 relating to the Countdown Strategy and oversee institutionalisation of the frameworks. The Commission will also collaborate with OSSAP-MDGs and UNDP in preparing annual targets and benchmarks for achieving the MDGs by 2015.

8.4.4 Presidential Committee on the Assessment and Monitoring of the MDGs

The Presidential Committee on the Assessment and Monitoring of the MDGs meets quarterly to review the progress of programmes and projects to achieve MDG targets. Firstly, the Committee will champion the development of a national partnership and fiscal compact for the MDGs. Secondly, the Committee will oversee the modification and expansion of the Conditional Grants Scheme. Thirdly, the Committee will review progress against the MDG annual targets and benchmarks.

8.4.5 Presidential stakeholder forum on the MDGs

It is proposed that an inclusive national forum of all MDG stakeholders be set up. This will expand the existing forum convened by the Presidential Committee on Assessment and Monitoring of MDGs and will be held twice a year.

The Presidential forum will include all partner agencies. Representatives of Nigeria's development partners, civil society and the private sector will be invited to join public and non-state sector representatives at regular roundtables. Roundtables will be a platform for:

(a) helping to forge and popularise a national partnership and fiscal compact for the MDGs;
(b) building more coherent planning, financing and support, and strengthening states and local governments in their efforts to achieve MDG targets; and
(c) catalysing support by improving transparency, coordination and information around service delivery (setting service delivery standards, meetings between relevant actors, sharing service-delivery success stories).

8.4.6 Office of the Senior Special Assistant to the President of Nigeria on the MDGs

The Office of the Senior Special Assistant to the President on the MDGs (OSSAP-MDGs) will continue to be the main point of coordination on the MDGs. Priorities for the OSSAP-MDGs in the countdown period will include supporting the Federal Ministry of Finance and the National Planning Commission in forging and sponsoring a national partnership and fiscal compact for the MDGs.

Another priority of the Office will be to review the Conditional Grants Scheme, with a view to expanding and using the scheme to promote institutional integration in achieving MDG targets. The capacity and modus operandi of the OSSAP-MDGs will be reviewed and, based on the review, a capacity development programme will be launched to enhance efficiency and effectiveness.

8.4.7 Sector ministries and sector fora

Nigeria Vision 20:2020 National Technical Working Groups reported lack of coordination between sector institutions in the three tiers of government. Federal sector ministries will therefore convene inclusive stakeholder fora to assess progress towards the MDG targets. Using these assessments as a guide, ministries will convene sector fora to inform, educate and train stakeholders in planning, budgeting and M&E to achieve the MDG targets.

8.4.8 Coordination at state level

The mandates, organisational focus and capacity of state offices for MDGs will be reviewed with a view to strengthening them and ensuring their effectiveness.

8.5 The Roadmap

The Roadmap for the Countdown Strategy has nine milestones:

1. Mobilise the nation to achieve the MDGs and Nigeria Vision 20:2020;
2. Forge a national partnership and fiscal compact for the MDGs;
3. Build capacity in federal government ministries, departments and agencies, and state and local governments;
4. Institutionalise the Fiscal Responsibility Act (FRA) and Public Procurement Act (PPA) in all state and local governments;
5. Partner with oversight and watchdog institutions at state and local government levels to enhance accountability in the achievement of the MDGs;
6. Promote institutional integration in the delivery of the MDGs;
7. Mobilise additional public resources for the MDGs;
8. Prepare annual targets and benchmarks for achieving the MDGs by 2015;
9. Continually monitor and evaluate implementation.

The key features of each of these steps are outlined below. Following this, Table 8.2 presents a matrix of the key actions, lead responsibilities and timeframes for each of the steps.

8.5.1 National mobilisation for the MDGs and Nigeria Vision 20:2020

For Nigeria to meet the MDG targets, disparate stakeholders at all levels in both the public and private sectors must participate actively (Table 8.1) as articulated by the Presidential Committee on the Strategy and Prioritisation of the MDGs:

> "A cross-cutting theme was the importance of collaboration across the three tiers of Government and the need for a community-driven development approach [in the choice of implementation strategies]".

To encourage broad participation, the OSSAP-MDGs is (i) partnering with Members of the National Assembly to advocate accelerating progress towards the MDG targets, and (ii) launching a smart, proactive communication and advocacy strategy. Nonetheless, a far-reaching, inclusive, non-partisan, nationwide effort involving political and social leaders at all levels, and led by His Excellency the President, is crucial to mobilise the nation, and encourage solidarity and concerted effort in pursuit of MDG targets and Nigeria Vision 20:2020.

Mobilisation efforts will exploit every institution, organisation and channel, embracing, for example, the National Council of State; the Governors' Forum and various national councils in the public sector, as well as fora involving the private sector and non-state actors at national, state, local and community levels.

The Presidential Committee on the Assessment and Monitoring of MDGs will champion the national mobilisation effort. The OSSAP-MDGs will provide technical support. The outcome will be a national partnership and fiscal compact for the MDGs.

8.5.2 Forging a national partnership and fiscal compact for the MDGs

The aim of the proposed national partnership and fiscal compact for the MDGs is to formally commit all key stakeholders, especially all three tiers of government, to timely attainment of the MDGs in Nigeria. The essence of such a compact is to galvanise all sections of Nigerian society to contribute towards achieving the MDGs. The Near Eradication of Polio programme demonstrates what can be achieved through such a national partnership and compact (Annex 3).

Table 8.1: Achieving the Millennium Development Goals: roles and responsibilities of stakeholders

Goal	Roles and responsibilities
1. Eradicate extreme poverty and hunger	*Lead:* Federal Government *Partners:* National and state assemblies, states and local governments, civil society, private sector, international development partners
2. Attain universal primary education in all countries by 2015	*Lead:* States and local governments *Partners:* Federal Government, national and state assemblies, civil society, private sector, international development partners
3. Promote gender equality and empower women	*Lead:* Federal Government *Partners:* National and state assemblies, states and local governments, civil society, private sector, international development partners
4. Reduce child mortality	*Lead:* States and local governments *Partners:* Federal Government, national and state assemblies, civil society, private sector, international development partners
5. Improve maternal health	*Lead:* States and local governments *Partners:* Federal Government, national and state assemblies, civil society, private sector, international development partners
6. Combat HIV/AIDS and other diseases	*Lead:* Federal Government *Partners:* National and state assemblies, states and local governments, civil society, private sector, international development partners
7. Ensure environmental sustainability	*Lead:* Federal Government *Partners:* National and state assemblies, states and local governments, civil society, private sector, international development partners
8. Develop a global partnership for development	*Lead:* Federal Government *Partners:* National and state assemblies, states and local governments, civil society, private sector, international development partners

Source: CDS Team, July 2010.

8.5.3 Building capacity in federal ministries, departments and agencies, and state and local governments

Currently, federal government ministries, departments and agencies, and state and local governments do not effectively plan and implement projects and programmes to achieve the MDG targets. While there are various reasons for this, lack of capacity is a major factor. Planning, budgeting and M&E frameworks that will be introduced for Nigeria Vision 20:2020 will exacerbate capacity constraints. Developing capacity for planning, budgeting and M&E at all levels of government is, therefore, very important.

8.5.4 Institutionalising the Fiscal Responsibilities Act (FRA) and Public Procurement Act (PPA) in all state and local governments

Some states have already implemented the Fiscal Responsibilities Act (FRA) and Public Procurement Act (PPA). Under the auspices of the Nigeria Governors' Forum, all states are about to sign a memorandum of understanding committing them to institutionalising these Acts. A national partnership and fiscal compact for the MDGs will reinforce the pressure for states to comply.

8.5.5 Partnering with oversight and watchdog institutions at state and local government levels

National oversight and watchdog institutions, such as the national and state assemblies, the Office of the Auditor-General, the Economic and Financial Crimes Commission, the Independent Corrupt Practices and Other Related Offences Commission, and the Code of Conduct Bureau will be required to ensure integrity, efficiency, effectiveness and accountability in the use of resources to achieve MDG targets. This will include compliance with a national partnership and fiscal compact for the MDGs. The Countdown Strategy includes partnering with these institutions, especially with regard to their operations at state and local government levels.

8.5.6 Promoting institutional integration

The Countdown Strategy calls on all national institutions – households, communities, private corporations, non-state actors and government at all levels – to contribute to the attainment of the MDGs in Nigeria. This means promoting institutional integration in the delivery of the MDGs and popularising the principle of subsidiarity in both policy and social mobilisation.

8.5.7 Mobilising additional public resources

The National Planning Commission, Federal Ministry of Finance and OSSAP-MDGs will collaboratively develop policy papers on the options for mobilising additional resources, and will support the National Economic Council and the Cabinet in developing appropriate legislation and guidelines.

8.5.8 Preparing annual targets and benchmarks for achieving the MDGs

OSSAP-MDGs, UNDP, and the National Planning Commission will work together to prepare detailed targets and benchmarks for measuring progress of the implementation of MDG-related programmes.

8.5.9 Monitoring and evaluating progress towards MDG targets

Programmes and projects to achieve the MDG targets will be monitored and evaluated against medium-term expenditure frameworks within the Nigeria Vision 20:2020 M&E framework. The evaluations will inform changes in strategies and plans to realise the MDGs in Nigeria. The National Planning Commission and OSSAP-MDGs will issue comprehensive guidelines to help this M&E process.

8.6 Indicative Roadmap matrix

The key actions, timeframes and lead responsibilities in the Countdown Strategy for the nine milestones are presented in an indicative Roadmap matrix (Table 8.2). The Roadmap will be enhanced and confirmed in consultation with stakeholders, starting with a Presidential forum (section 8.4.5).

Table 8.2: Roadmap: Matrix of actions, lead responsibilities and timeframes for the Countdown Strategy

Milestone	Key actions	Lead responsibilities	Timeframe
1. Mobilise the nation to achieve the MDGs and Nigeria Vision 20:2020	1. Develop and launch a nationwide information, education and communication programme to popularise the idea of Nigerians' unity of purpose to achieve the MDGs	OSSAP-MDGs	2010
	2. Convene the first Presidential forum on the MDGs and explain the concept of a national partnership and fiscal compact for the MDGs	Presidential Committee on the MDGs	2010
	3. Present a motion to support national "unity of purpose to achieve MDGs" for debate in the two chambers of the National Assembly	National Assembly Committees on MDGs	2010
2. Forge a national partnership and fiscal compact for the MDGs	1. Prepare a comprehensive national partnership and fiscal compact for the MDGs	Federal Ministry of Finance (FMF)	2010
	2. Secure endorsement of a national partnership and fiscal compact for the MDGs from the National Council of State, the National Economic Council and the Federal Executive Council	National Planning Commission	2011
3. Build capacity in federal ministries, departments and agencies (MDAs), and state and local governments	1. Expand and fine-tune the existing capacity building programme 2. Implement the capacity building programme	Office of the Head of the Civil Service of the Federation and National Council on Establishments	2010 2011
4. Institutionalise the Fiscal Responsibilities Act (FRA) and Public Procurement Act (PPA) in all state and local governments	Strengthen and scale up to all states the implementation of the programme to institutionalise the FRA and PPA	FMF, development partners and Bureau of Public Procurement (BPP)	2010 and 2011
5. Partner with oversight and watchdog institutions at state and local government levels to enhance accountability in the achievement of the MDGs.	Partner with oversight and watchdog institutions to design activities to promote accountability towards the achievement of the MDGs	To be determined	2010
6. Promote institutional integration in the delivery of the MDGs	Develop an implementation strategy for promoting institutional integration in the delivery of the MDGs – including public-private partnerships and private investment	National Planning Commission (NPC)	2011
7. Mobilise additional public resources for the MDGs	Develop a policy paper on options and modalities for raising new public resources and obtain endorsement from the National Economic Council and the Federal Executive Council	FMF (through Federal Inland Revenue Service, FIRS) and NPC	2010
8. Prepare annual targets and benchmarks for achieving the MDGs by 2015	Prepare detailed targets and benchmarks for measuring progress of the implementation of MDG related programmes	OSSAP-MDGs, NPC (through National Bureau of Statistics and National Population Commission), UNDP	2010
9. Continually monitor and evaluate implementation	Issue comprehensive guidelines for the implementation of the NV20:2020 M&E framework with MDGs as benchmarks for target outcomes in the relevant sectors	NPC, OSSAP-MDGs	2010

ANNEX 1 BENEFICIARIES

Deliverables	No. units supplied				Beneficiaries per unit	Total beneficiaries	Source
	2007	2008	2009	Total			
Primary Health Care Centres	226	1,617	1,001	2,844	10,000	**28,440,000**	NPHCDA Ward Minimum Health Care Package
Insecticide-treated nets (ITNs)	527,500	1,121,074	795,800	2,444,374	2	**4,888,748**	Based on mother and child sharing
Total beneficiaries: health						**33,328,748**	
Solar Boreholes	780	1,390	1,354	3,524	1,000	**3,524,000**	WaterAid
Hand-pump Boreholes	777	2,994	2,260	6,031	350	**2,110,850**	WaterAid
Motorised Boreholes	130	174	185	489	1,000	**489,000**	Estimate from WaterAid data
Small Town Water Supply Schemes	88	192	113	393	6,000	**2,358,000**	Estimate from project data
						8,481,850	
Ventilated Improved Pit (VIP) Toilets	1,423	1,925	361	3,709	100	**370,900**	Estimate
Total beneficiaries: water & sanitation						**8,852,750**	
Rural Electrification Schemes	307	0	0	307	350	**92,100**	Estimate
Extension workers/ farmers trained	0	10,000	4,420	14,420	4.7	**67,774**	Average household size
Households receiving conditional cash transfers	0	0	3,790	3,790	4.7	**17,813**	Average household size
People trained in vocational skills		2,013	5,660	7,673	4.7	**36,063**	Average household size
Total beneficiaries: economic						**121,650**	

ANNEX 2 OPEN MONITORING AND EVALUATION (OPEN-M&E)

1 Background and overview

In 2006, the OSSAP-MDGs developed a broad tracking initiative for debt relief gains (DRG) expenditures. The initiative is referred to as the Overview of Public Expenditure on NEEDS (OPEN). OPEN Monitoring and Evaluation (OPEN-M&E) "is a results-based monitoring (RBM) strategy anchored on good planning, good budgeting and effective feedback".

This monitoring initiative includes assessing whether debt relief gains have been spent on poverty-reduction projects, the quantity and quality of services and goods provided or created, and whether policy objectives have been realised. Specifically, OPEN monitoring initiatives cover (i) inputs – resources allocated to the processing unit for an expected output level; (ii) activities – the various tasks of government carried out to deliver the required services (coordinated by OSSAP-MDGs); and (iii) outputs – the expected levels of services or goods to be created, based on the units of inputs (assessed by an independent monitoring group).

In 2007-2008, OSSAP-MDGs procured an independent monitoring group to apply OPEN-M&E to 2006 and 2007 MDG projects. The report, Monitoring & Evaluation Report of the DRG-funded MDG Projects and Programmes in Nigeria, 2006/2007 (OSSAP-MDGs 2009a) provides comprehensive feedback on the results achieved with 2006 and 2007 appropriations – on things that went well and the challenges experienced by federal ministries, departments and agencies (MDAs) and state governments. Additionally, it presented recommendations to federal and state governments.

The M&E report covered projects funded from DRG and executed through MDAs in 2006 and projects funded from DRG and executed by MDAs and under the Conditional Grants Scheme (CGS) in 2007. The draft M&E report on projects funded from DRG in 2008 (executed by MDAs and under the CGS) was only available as a draft in June 2010 and publication is expected before the end of the year.

2 Distinguishing features

The independent monitoring and evaluation initiative was introduced because the Federal Government decided to monitor "what has been achieved with the DRG spending from the 2006 and 2007 budgets, the challenges of implementation and the lessons learnt" (President Yar'Adua in the Foreword to the 2006, 2007 M&E report). Pointedly, the president added that the Government was sharing the report with Nigerians and "any group of people especially our international development partners who will find it useful".

A second salient feature is the engagement of an independent multi-disciplinary group of professional experts and representatives of civil society organisations (CSOs) to work together to undertake the M&E exercise. The group comprised a national M&E team, six zone M&E teams (one for each of the country's six geo-political zones), 36 state M&E teams and a team for the Federal Capital Territory. Each team was made up of M&E consultants and one CSO representative (two at the national level). Effectively coordinating the work of these teams was no mean achievement.

The M&E teams used common assessment and reporting templates, both at MDA headquarters and in the field visits to MDA and state-government projects. The teams used a combination of two or more of the following tools: focus group discussions, key informant interviews and in-depth interviews. In preparing the report on the 2008 projects, the work of the M&E teams was facilitated by the development of a web portal (M&E Portal) for the use of both the M&E consultants and civil society organisation (CSO) representatives.

The report on the 2006 and 2007 projects summarises results for each MDG-related MDA and for projects financed under the CGS (2007 only). Specific recommendations are provided for both the MDAs and the CGS. Summary tables of sector expenditures were provided in electronic book format and attached to the back cover of the report. The two M&E reports (the first on the 2006 and 2007 DRG-funded projects and the second on the 2008 projects) provide comments on challenges and general recommendations.

3 Challenges

A major challenge highlighted in the report covering 2006 and 2007 was collaboration between the consulting firms (engineers, construction experts, architects and so on) and the CSOs. After some initial "hiccups" (as delicately put in the report), coordination and collaboration improved as a result of meetings, the regular flow of information, and joint field visits. A second challenge, highlighted in both reports, was the lack of timely, quality data that could be used to verify information and assess activities and outputs. To rectify this, OSSAP-MDGs needs to persuade the MDAs and governments to cut bureaucratic red tape in matters related to projects funded from DRG.

A third challenge, specific to the federal MDAs and highlighted in the 2008 report, relates to the failure to undertake needs assessments and ensure community participation. According to the report, "this has raised fear about the efficient and effective operation of the facilities when completed and sustainability of the programmes in the long run". The introduction of two Conditional Grants Scheme (CGS) tracks (one for state governments in 2007 and the other for local governments in 2010) aimed to limit the negative effects of this persistent shortcoming of DRG-funded projects implemented by federal MDAs.

Photo: SPARC

4 Lessons learned

Two lessons for both internal and external audiences warrant highlighting. The first is the successful collaboration between the professional experts and the CSO representatives on M&E work that has been sustained for close to four years and that is still continuing. This innovative collaborative approach to M&E fosters independence and credibility and deserves to be replicated.

The second lesson to highlight regards the usefulness of the M&E process and its limitations. According to the report on 2008 projects, improvements were noted in both completion rates and the quantity and quality of outputs of several MDA and CGS projects as a result of the M&E process. The 2008 report also implicitly acknowledges the persistence of shortcomings. Federal MDAs fail to undertake needs assessments and promote community participation in projects funded from DRG that they implement in states and local government authorities (LGAs) across the country.

Finally, a limitation that is yet to be addressed is the assessment of project outcomes and their effects. This is partly because the M&E process has only been in place for a short time (three years) and partly because the current methods would need to be modified to ensure a robust and credible assessment of outcomes and effects.

ANNEX 3 NEAR ERADICATION OF POLIO

1 The context and magnitude of Nigeria's polio crisis

In 1996, the United Nations Children's Fund (UNICEF) reported that 75,000 children in 32 African countries were paralysed by polio. By the start of 2003, Africa had driven polio back to only two countries, Nigeria and Niger, reporting only 204 cases across both countries.

However, UNICEF reported that a final victory was being kept agonisingly out of reach by unfounded rumours that the vaccine was part of a plot to harm African children. This rumour turned a moment of opportunity into a moment of crisis as some states in northern Nigeria refused to participate in immunisation campaigns to prevent the spread of polio in Africa. Following the boycott, the polio crisis escalated. In 2003, Nigeria accounted for 45 per cent of all global cases of polio and by 2004 the figure had risen to 70 per cent.

In 2008, the African Union (AU) reported that 57 per cent (946) of all polio cases worldwide were in AU member states, with Nigeria accounting for 49 per cent (806). In May 2008, the World Health Assembly urged Nigeria to reduce the risk of the spread of polio internationally by intensifying the eradication effort. And, in November the same year, the American Chronic Pain Association observed that Nigeria posed a high risk to international health.

Finally in 2009, African Union data (African Union 2009) showed that 87 per cent (147) of all polio cases reported globally were in AU member states, with Nigeria accounting for 53 per cent (90). It is against this background that the renewed efforts by the Nigerian Government and the Global Polio Eradication Initiative to eradicate the menace must be seen.

2 Renewed national and global polio eradication campaign

The magnitude of the polio problem in Nigeria prompted a vigorous, combined national and international endeavour. Given the atypical nature of the problem, efforts were made to get the support of political, religious and traditional leaders for the renewed immunisation campaign.

In February 2009 the Federal Ministry of Health and the Chairman of the Nigerian Governors' Forum (NGF) signed a landmark public commitment on behalf of Nigeria's 36 state governors in which they pledged to hold local government authorities (LGAs) accountable for the performance of their eradication programmes. As a consequence of this commitment and sustained international pressure (for example from Bill Gates Jr.), the governors recognised the urgent need to tackle the gaps in immunisation coverage They signed the historic Abuja Declaration on Polio Eradication in Nigeria, a public pledge to mobilise state and LGA administrations to reach the target of 90 per cent coverage.

3 An impressive and successful outcome

The outcome of the renewed efforts was a 99 per cent reduction in the number of polio cases, from 806 in 2008 to 90 in March 2009, and to just 3 by

June 2010. The successful outcome has been confirmed by independent collaborating partners. For example, an independent evaluation team commissioned by the Director General of the World Health Organization (WHO) reported in October 2009 that it was impressed by the progress that had been made in polio eradication in Nigeria in the previous two years.

Furthermore, in June 2010 the Global Polio Eradication Initiative announced that it was "building its new polio eradication strategy on Nigeria's successful campaign against the disease that led to a 99 per cent drop in polio cases". It further said that nowhere is progress more evident than in Nigeria, where case numbers have plummeted by more than 99 per cent from 312 cases at this time last year to three in 2010.

Nigeria's achievement of the near eradication of polio has been described by experts as "a historic gain against the disease", which is also a demonstration of the Government's ability to partner and invest to protect public health. Given the fact that polio immunisation is actually one of the more difficult immunisations to carry out, the potential for this to be used as a springboard for routine immunisation for other major diseases is high.

4 Key challenges

The first challenge is how to overcome continued resistance from pockets of Malams (local leaders) as their buy-in is key to sustained success. The need to capitalise on success to date to persuade and convince will be important. Sustainability is a major challenge as, if routine immunisation in the remaining high-risk states, such as Kano, is not stepped up, widespread re-infection may turn the clock back. According to experts familiar with Nigeria's polio eradication efforts over several decades, if one case of polio occurs in a community where most of the children have not had vaccinations, then it will spread. It is, therefore, a strategic imperative to replicate operational improvements across the remaining high-risk states.

Lastly, as noted by the WHO evaluation team, management issues at all levels of the polio eradication campaign are critical barriers to success in Nigeria.

5 Lessons learned

A major lesson learned from the campaign was that the involvement of state governors and LGA chairpersons in eradication efforts was crucial for success. The active involvement of religious, traditional and community leaders in the eradication campaign and the excellent collaboration between the Nigerian Government and international development partners (including international philanthropic foundations/bodies) were also key success factors.

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ANNEX 5 ACRONYMS AND ABBREVIATIONS

AIDS	Acquired immune deficiency syndrome
AU	African Union
BOF	Budget Office of the Federation
CCT	Conditional cash transfer
CDS	Countdown Strategy
CGS	Conditional Grants Scheme
COPE	'In Care of the People' initiative (NAPEP)
CPI	Corruption perception index
CSO	Civil society organization
DFID	Department for International Development (UK)
DHS	Demographic and Health Survey
DOTS	Directly observed treatment, short-course
DRG	Debt relief gains
ETF	Education Trust Fund
FCT	Federal Capital Territory
FDI	Foreign direct investment
FGN	Federal Government of Nigeria
FIAS	Foreign Investment Advisory Service (World Bank)
FIRS	Federal Inland Revenue Service
FMF	Federal Ministry of Finance
FRA	Fiscal Responsibility Act
FTS	Federal Teachers Scheme
GDP	Gross domestic product
GEP	Gender Education Programme
GPEI	Global Polio Eradication Initiative
HIV	Human immunodeficiency virus
IMF	International Monetary Fund
ITN	Insecticide treated net
LEEDS	Local Economic Empowerment and Development Strategy
LGA	Local government authority
M&E	Monitoring and evaluation
MDAs	Ministries, departments and agencies
MDG	Millennium Development Goal
MTDP	Medium-term development plan
MTEF	Medium-term expenditure framework
MTSS	Medium-term sector strategy
NAPEP	National Poverty Eradication Programme
NBS	National Bureau of Statistics
NEEDS	National Economic Empowerment and Development Strategy
NEPAD	New Partnership for Africa's Development
NGF	Nigerian Governors' Forum
NGO	Non-governmental organization
NIP	National Implementation Plan
NPC	National Planning Commission
NPF	National Partnership Fund
NPHCDA	National Primary Health Care Development Agency
NTI	National Teachers' Institute
NV20:2020	Nigeria Vision 20:2020
ODA	Overseas development assistance
OPEN	Overview of Public Expenditure in NEEDS
OPEN M&E	OPEN monitoring and evaluation framework
OSSAP-MDGs	Office of the Senior Special Assistant to the President, MDGs
PCSPM	Presidential Committee on the Strategy and Prioritisation of the MDGs
PHC	Primary health care
PPA	Public Procurement Act
PPP	Public-private partnership
RAISE	Revive Academic Excellence In Schools & Educational Institutions
RBM	Results-based monitoring
SEEDS	State Economic Empowerment and Development Strategy
SMEDAN	Small and Medium Enterprises Development Agency of Nigeria
SO	Strategic Objective (in Nigeria Vision 20:2020)
SSAP	Senior Special Assistant to the President
TB	Tuberculosis
TRAIN	Transforming Rural Areas in Nigeria
UBE	Universal basic education
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
VAT	Value added tax
VIP	Ventilated improved pit
VPF	Virtual Poverty Fund
WHO	World Health Organization

Photo: SPARC