

BUDGET PROCESS REGULATION BILL, 2017

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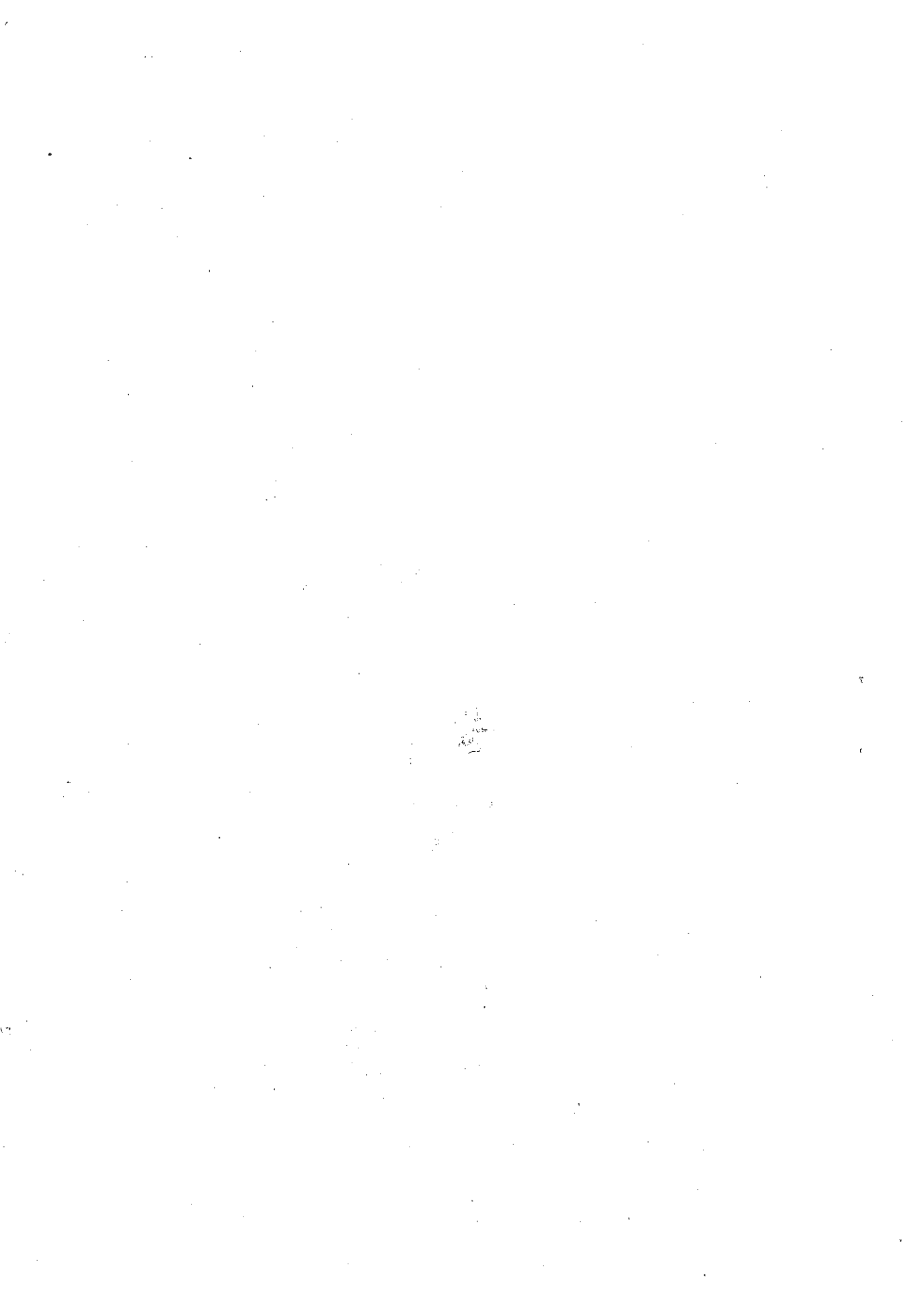
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A BILL

FOR

AN ACT TO REGULATE THE PREPARATION, PRESENTATION, ENACTMENT, IMPLEMENTATION AND OVERSIGHT OF THE BUDGET AND FOR RELATED MATTERS

Sponsors: Hon. Yakubu Dogara

Hon. Mustafa Bala Dawaki

Hon. Chike Okafor

Hon. Victor Nwokolo

Hon. Saheed Akinade Fijabi

Hon. Timothy Golu

Hon. Ahmed Yerima

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

1 PART I - OBJECTIVES OF THE BILL AND FUNCTIONS OF THE
2 COMMITTEES RESPONSIBLE FOR APPROPRIATION AND
3 RELATED COMMITTEES

4 1. The objectives of this Bill include improving the budget Objectives
5 process-

6 (a) by imposing compliance with strict timelines for the budget
7 process in the National Assembly;

8 (b) by applying specific indicators to measure the performance of
9 the Annual Budget and ensure delivery of the expected development
10 outcomes;

11 (c) to promote fiscal accuracy and transparency;

12 (d) to ensure compliance with the Federal Government current
13 policy on budgeting;

14 (e) to regulate the legislative oversight of the entire budget process;

1 (f) to promote greater cooperation between the legislative and
2 executive arms of government with respect to the making and passage of the
3 Annual Budget;

4 (g) to provide for sanctions against violators of the budget process;
5 and

6 (h) provide for rewards for outstanding performance in the budget
7 process.

Committees
responsible for
Appropriation
of the Senate and
the House of
Representatives

8 2.-(1) The Senate and the House of Representatives shall set up a
9 committee respectively, responsible for appropriations.

10 (2) The Committee shall, in collaboration with all the standing
11 committees of the Senate and the House of Representatives be responsible for-

12 (a) considering the Appropriation Bill;

13 (b) making recommendations to the Senate and the House of
14 Representatives on appropriation of funds for the government;

15 (c) consolidating the reports of the various sub-committees and
16 presenting the reports to the plenary in sectoral batches;

17 (d) reporting the consolidated report to the Committee of Supply;

18 (e) considering any amendment to the Appropriation Bill in
19 consultation with the relevant sub-committee and the President of the Senate
20 and the Speaker of the House of Representatives prior to report to the
21 Committee of Supply;

22 (f) Where the Committee of Supply makes amendments to the
23 Appropriation Bill and recommits the bill to the Committee responsible for
24 Appropriation, the Committee shall, in consultation with the relevant sub-
25 committee effect the necessary amendments;

26 (g) considering any supplementary Appropriation Bill;

27 (h) considering any financial Bill; and

28 (i) carrying out all other functions reasonably incidental to the
29 foregoing.

1 3.-(1) The Committees referred to under clauses 2 of this Bill, shall
2 serve as the main committee on all matters relating to Budgetary
3 Appropriation, while other committees shall serve as sub- committees.

Collaboration
between committees
responsible for
Appropriation and
other Committees

4 (2) The sub-committees referred to in sub-clause (1) of this clause,
5 shall-

6 (a) Carefully scrutinise the budget estimates of the Ministries,
7 Departments and Agencies and other arms of government under their
8 jurisdiction using all relevant intellectual and
9 information resources and reports of the Committee responsible for Finance
10 on the revenue profile and fiscal policy of government;

11 (b) arrange for defence of budget estimates by Ministries,
12 Departments and Agencies and other arms of government and involving
13 relevant stakeholders in such defence;

14 (c) conduct public hearings relating to the appropriations of funds
15 for all Ministries, Departments and Agencies, major Stakeholders, Civil
16 Societies and Organisations, and other arms of government;

17 (d) lay before the Committee responsible for Appropriation for
18 consideration their reports duly signed by at least two-thirds of members of
19 each of the sub-committees;

20 (e) conduct oversight activities with respect to the other arms of
21 government and the Ministries, Departments and Agencies under their
22 jurisdictions; and

23 (f) perform other functions which are reasonably incidental to the
24 foregoing.

25 (3) The report of the sub-committee as laid under sub- clause (2) of
26 this clause may only be altered with the written approval of two-third
27 majority of the members of the sub-committee and the chairman of the
28 Committee responsible for Appropriation of the each House of the National
29 Assembly.

30 (4) The Committee responsible for Appropriation shall not alter the

1 content of the report referred to in sub-clause (2) of this clause without the
2 approval in writing of two-thirds of the members of the sub-committee.

3 (5) The Committee responsible for Appropriation shall be responsible
4 for studying and making reports to the Plenary on the quarterly reports on
5 budget implementation mandated under clause 25 of this Bill.

6 (6) The report of the Committee responsible for Appropriation to be
7 presented to the plenary shall be signed by 2/3 majority of its members.

8 (7) The Committee responsible for Appropriation in collaboration
9 with the sub-committees of each House of the National Assembly shall carry
10 out from time to time activities aimed at sensitizing the officials of the
11 government, the Civil Society and the general public on the specific mandates,
12 timelines and obligations mandated by this Bill with a view to promoting
13 compliance with the provisions of the Bill.

14 4.-(1) In selecting Senators or Members of the House of
15 Representatives to serve on the Committees responsible for Appropriation, due
16 regard shall be had to their qualifications, experience, or expertise in public
17 financial management, accounting, economics, law or related disciplines:

18 Provided that not less than 20 per cent of the members shall possess
19 the requisite qualifications.

20 (2) All technical personnel of the Committees responsible for
21 Appropriation shall possess suitable educational and professional
22 qualifications and competencies or experience in financial data analysis,
23 public financial management, spread sheet analysis, statistics, law, economics
24 or related disciplines.

25 (3) For the purpose of carrying out its functions set forth in Clause 2 of
26 this Bill and generally ensuring the effective implementation of the Budget
27 Process, the Committee responsible for Appropriation is authorised to sit and
28 act at such times and places within the Federal Republic of Nigeria whether the
29 National Assembly is in session or not, to hold such hearings, to require the
30 attendance of such witnesses and production of such books, or papers or

1 documents or vouchers as the Committee may require in the discharge of its
2 functions under this Bill.

3 (4) The Committee responsible for Appropriation is authorised to
4 serve as the watchdog of the budget process created under this Bill; ensure
5 continuing study, observation and monitoring of the progress of the process
6 and to trigger strict compliance with the specific items on the budget process
7 calendar as prescribed in the First Schedule to this Bill by publicising and
8 demanding strict compliance by all officials or arms of government and
9 Ministries, Departments and Agencies with the Budget Process timelines or
10 the calendar.

11 (5) Where the Committee responsible for Appropriation fails or
12 neglects to perform its functions as stipulated in this Bill, the leadership of
13 each House of the National Assembly shall cause corrective measures to be
14 taken promptly.

15 (6) Guided and relying on specific provisions of this Bill, any
16 Senator or Member of the House of Representatives may move on the floor
17 any motion for warning or reviewing of the performance of the Committee
18 on Appropriations.

19 5.-(1) The report of the Committee responsible for Public Accounts
20 in respect of the immediate past financial year shall be taken into
21 consideration and acted upon by the Committee responsible for
22 Appropriation and the sub-committees in making recommendations to
23 plenary on budget estimates.

Committee
responsible for
Public Accounts

24 (2) The report referred to in subsection (1) of this section shall be
25 submitted to the plenary not later than the 31st March of the current financial
26 year.

27 6. The Reports of the Committee responsible for Finance on
28 revenue profile and fiscal policy of government shall be taken into
29 consideration and acted upon by the Committee responsible for
30 Appropriation and the sub-committees in making recommendations to

Committee
responsible for
Finance

Technical support
services for the
budget process

1 plenary on budget estimates.

2 7.-(1) There shall be technical support services for the Committees
3 responsible for Appropriation and sub-committees in the budget process.

4 (2) The services referred to in sub-clause (1) of this clause include-

5 (a) independent, unbiased and non-partisan analysis of the National
6 Budget estimates;

7 (b) independent and unbiased analysis of the Budget of the National
8 Assembly and assisting the Committees in developing their annual Budget;

9 (c) independent and continuous review of the Budget of the Federal
10 Government including monitoring of existing and proposed programmes and
11 budget;

12 (d) assisting the committees of each House of the National Assembly
13 by providing:

14 (i) information with respect to the Budget and all Bills relating to new
15 budget heads,

16 (ii) information with respect to estimated revenue forecast and
17 changing revenue conditions,

18 (iii) aggregate of all current liabilities and existing financial
19 commitments, and

20 (iv) any relevant information as the Committees may request.

21 (e) analysis of the economic implications on the private sector, the
22 budgetary and financial implication on the State and Local Government of any
23 proposed legislation;

24 (f) periodic forecast of the economic trends and alternative fiscal
25 policies;

26 (g) cost estimates including an analysis of the inflationary impact of
27 any proposed legislation;

28 (h) budget analysis, budget forecast, mapping and tracking;

29 (i) information with respect to-

30 (i) the budget, Appropriation Bills, and other Bills authorising or

1 providing new budget authority or tax expenditures;

2 (ii) revenues, receipts, estimated future revenues and receipts, and
3 changing revenue conditions; and

4 (j) any related information as the Committees may request.

5 (3) The services referred to in this clause may be carried out by
6 consultants.

7 8.-(1) In addition to the information referred to in clause 7 of this
8 Bill, where the Committee responsible for Appropriation of either House of
9 the National Assembly or the Committee responsible for Finance or any sub-
10 committee requests from the relevant agencies of the National Assembly
11 any other information which will assist it in the discharge of matters within
12 its jurisdiction, the agencies shall provide such information to the
13 Committee or subcommittee.

Assistance to
Committees

14 (2) Where the Committee responsible for Appropriation of either
15 House of the National Assembly or the Committee responsible for Finance
16 or any sub-committee requests from the Agencies of the National Assembly
17 for personnel to assist such Committee on matters which relate to the
18 provisions of this Bill, the agencies shall assign on temporary basis,
19 personnel to the requesting Committee.

20 (3) Where any committee of either House of the National
21 Assembly requests for the assistance of any agency on the analysis of
22 Budgetary or financial impact of any proposed legislation that may have-

23 (a) significant financial impact on the private sector; and

24 (b) significant employment impact on the private sector, such
25 agency shall as far as practicable render the requested assistance to the
26 requesting Committee.

27 (4) Where any Member of either House of the National Assembly
28 requests from any agency additional information compiled in line with the
29 provision of clauses 7 and 8 of this Bill, the agency shall provide such
30 additional information to the requesting member.

1 (5) Where a person requests from any agency any information, data,
2 estimates or statistics compiled in line with the provisions of clauses 7 and 8 of
3 this Bill, the agency shall give a copy of such request to the person.

4 PART II - BUDGET PREPARATION

Pre-Budget
Meetings and
consultations

5 9.-(1) There shall be pre-budget consultations between the National
6 Assembly and the Executive, and between the Executive and the public.

7 (2) The consultations with the National Assembly referred to in sub-
8 clause 1 shall be organised by the Minister responsible for Budget and National
9 Planning and the Minister responsible for Finance in collaboration with the
10 Senate President and the Speaker of the House of representatives not later than
11 the 15th day of August before the presentation of the Budget to the National
12 Assembly.

13 (3) The consultation between the Executive and the Legislature shall
14 consist of-

15 (a) interactive meetings with the principal officers of the National
16 Assembly including chairmen of committees and sub-committees;

17 (b) roundtable meetings with committees and sub-committees;

18 (c) seminars and workshops; and

19 (d) such other activities as are aimed at promoting understanding of
20 budget related issues.

21 (4) The Ministers referred to in sub-clause 2 of this clause shall take
22 all measures necessary to ensure effective consultation with the National
23 Assembly and the public.

24 (5) The consultations with the public by the executive as referred to in
25 sub-clause 1 of this clause shall be conducted not later than the third week of
26 August in every financial year.

27 (6) The measures referred to in sub-clause (4) of this clause shall
28 include but not limited to-

29 (a) media briefings;

30 (b) town hall Meetings;

1 (c) wide publicity in the media, print, electronic and social media;
 2 (d) issuance of sufficient notices of such consultations;
 3 (e) identifying and making early contacts with the relevant
 4 stakeholders with capacity to participate effectively in such consultations;
 5 and

6 (f) collaborating with civil society organisations;

7 10.-(1) The Minister responsible for Budget and National Planning
 8 and the Minister responsible for Finance shall cause to be prepared a report
 9 known as Budget Performance Monitoring and Evaluation Report
 10 (BPMER) in respect of:

Preparation of
 Budget Performance
 Monitoring and
 Evaluation Report
 (BPMER)

11 (a) the budget of the immediate past financial; and

12 (b) half of the current financial year's budget.

13 (2) The report referred to in sub-clause 1 shall be submitted to the
 14 National Assembly not later than 14 days before the presentation of the
 15 Budget to the National Assembly.

16 (3) All sub-committees in each House of the National Assembly
 17 shall utilise the report referred to in sub-clause 1 of this Clause during
 18 budget consideration.

19 (4) In preparing their budgets and considering the projects to
 20 embark upon, the arms of government, Ministries, Departments and
 21 Agencies shall be guided by the Budget Performance Monitoring and
 22 Evaluation Report referred to in sub-clause 1.

23 11.-(1) The Federal Government shall in collaboration with the
 24 governments of the States of the Federation caused to be prepared a
 25 Development Plan to be known as the National Development Plan with long
 26 and medium term perspectives.

Preparation of
 Sectoral
 Development
 Strategy

27 (2) In preparing the budget estimates, each arm of government,
 28 Ministries, Departments and Agencies shall develop a Sectoral
 29 Development Strategy which shall be linked to the National Development
 30 Plan.

1 (3) In the formulation of the Medium Term Expenditure Framework
 2 and the budget, the Minister responsible for Budget and National Planning and
 3 the Minister responsible for Finance shall ensure that the planned expenditures
 4 match the revenue projections as reasonably as possible.

Issuance of
 Budget Call
 Circular

5 **12.** The Minister responsible for Budget and National Planning shall,
 6 not later than the first week of July in each financial year issue a Budget Call
 7 Circular to the Ministries, Departments and Agencies and other arms of
 8 government, in line with the budget calendar as provided in the First Schedule
 9 to this Bill.

10 PART III - BUDGET STRUCTURE

Contents of the
 Budget

11 **13.** The budget for a financial year, which the Minister responsible for
 12 Budget and National Planning shall prepare after consideration of the
 13 appropriation requests submitted by the arms of government, ministries,
 14 departments and agencies and after consultations with such arms of
 15 government, ministries, departments and agencies, shall include:

- 16 (1) Budget overview information;
 17 (2) A revenue and expenditure plan;
 18 (3) Assets and expenditure commitments information;
 19 (4) Draft Annual Budget Procedures;
 20 (5) Details of how a budget deficit was financed and how a surplus
 21 was invested in the immediate past financial year;
 22 (6) The expected outcome of appropriations; and
 23 (7) Amount in the Treasury Single Account made available from cash
 24 management of public money

Budget Overview
 Information

25 **14.** The overview information for the budget shall include:
 26 (1) An overview of the [domestic and international [macro-]
 27 economic environment (in which the budget was prepared) and
 28 recommendations for short and medium term financial strategy;
 29 (2) The objectives and priorities of the budget including important
 30 revenue and expenditure estimates;

- 1 (3) Consistency with the National Development Plan;
- 2 (4) Identification of significant new spending envelopes adopted
3 and significant savings from cancelled or reduced programmes.
- 4 (5) The estimated budget deficit or surplus of the past immediate
5 financial year to be transferred forward to the new fiscal year;
- 6 (6) The budget deficit presented according to international
7 standard methodologies;
- 8 (7) Details of how a budget deficit is to be financed or any budget
9 surplus is to be invested; and
- 10 (8) Other information considered necessary by the Minister
11 responsible for Budget and National Planning.

12 **15.** The revenues and expenditure plan will include:

The revenue and
expenditure plan

- 13 (1) Estimated total revenues and expenditures of the arms of
14 government, ministries, departments and agencies, and the resulting
15 balances for the immediate past financial year and for the next three
16 financial years;
- 17 (2) Estimated special funds that will be received in the financial
18 year;
- 19 (3) Appropriations for each arm of government, ministry,
20 department and agency in the financial year;
- 21 (4) Appropriations of special funds in the financial year;
- 22 (5) Conditions attached to any appropriation;
- 23 (6) Appropriations for payments of interest or amounts in the
24 nature of interest on debt owed by the arms of government, ministries,
25 departments and agencies and for repayment of debt principal;
- 26 (7) An appropriation not exceeding 2% of total programme
27 expenditures for contingencies;
- 28 (8) The estimated number of permanent and temporary employees
29 of the arms of government, ministries, departments and agencies to be paid
30 from appropriations in the financial year;

1 (9) Estimates of anticipated expenditures for future financial year
2 towards the cost of acquisitions that will commence in the new financial year;

3 (10) Other information considered necessary by the Ministry of
4 Finance.

5 PART IV - BUDGET FORMULATION

Medium-Term
Expenditure
Framework

6 16.-(1) In developing the Medium-Term Expenditure Framework, the
7 Federal Government shall ensure effective consultation with the Government
8 of the States of the Federation through the National Economic Council.

9 (2) Upon the conclusion of the Medium-Term Expenditure
10 Framework, the Framework shall be submitted to the Federal Executive
11 Council for consideration and approval not later than June 15 in each financial
12 year.

13 (3) The Framework shall cover expenditure for the next three
14 financial years in compliance with the Fiscal Responsibility Act.

15 (4) The Framework shall be in sync with the National Development
16 Plan.

17 (5) Upon approval by the Federal Executive Council, the President
18 shall cause to be laid before each House of the National Assembly not later than
19 July 7 in each financial year the Medium-Term Expenditure Framework for
20 consideration.

21 (6) The framework laid before the National Assembly shall be
22 considered for approval with modifications, if any, by a resolution of each
23 House of the National Assembly not later than July 30 in each financial year.

24 (7) The Federal Ministry of Finance shall submit a copy of the
25 framework as approved by the National Assembly to the Fiscal Responsibility
26 Commission, not later than five working days from the date of such approval.

27 (8) The Medium-Term Expenditure Framework shall contain-

28 (a) a Macro-Economic Framework setting out the macro- economic
29 projections for the next three financial years; underlying assumptions for those
30 projections; and an evaluation and analysis of the macro-economic projections

- 1 for the preceding three financial years;
- 2 (b) a Fiscal Strategy Paper setting out-
- 3 (i) the Federal Government's medium-term financial objectives,
- 4 (ii) the policies of the Federal Government for the medium-term
- 5 relating to taxation, recurrent (non-debt) expenditure, debt expenditure,
- 6 capital expenditure, borrowings and other liabilities, lending and
- 7 investment,
- 8 (iii) the strategic economic, social and developmental priorities of
- 9 the Federal Government for the succeeding three financial years,
- 10 (iv) an explanation of how the financial objectives, strategic,
- 11 economic, social and developmental priorities and fiscal measures set out
- 12 pursuant to sub- paragraphs (i), (ii), and
- 13 (iv) of the paragraphs relating to the economic objectives as set out
- 14 in section 16 of the Constitution;
- 15 (c) An expenditure and revenue framework setting out-
- 16 (i) estimates of aggregate revenues for the Federation for each
- 17 financial year, based on the predetermined Commodity Reference Price
- 18 adopted, tax revenue projection and the expected share of the Federal
- 19 Government Revenue,
- 20 (ii) aggregate expenditure projection for the Federal Government
- 21 for each financial year in the next three financial years, and
- 22 (iii) aggregate expenditure projection for the Federation for each
- 23 financial year in the next three financial years;
- 24 (d) consolidated debt statement setting out and describing the
- 25 fiscal significance of the debt liability of the Federal Government and
- 26 measures to reduce any such liability:
- 27 (i) a statement describing the nature and fiscal significance of
- 28 contingent liabilities and quasi-fiscal activities; measures to offset the
- 29 crystallization of such liabilities; and
- 30 (ii) a consolidated debt profile and limit for the Federal, State and

1 Local Governments.

2 (9) Provided that the estimates and expenditures stated under
3 paragraph (d) of sub-clause (5) shall be-

4 (a) based on reliable and consistent data duly certified or confirmed
5 by the Minister responsible for Finance;

6 (b) targeted at achieving the macro-economic projection set out under
7 this clause; and

8 (c) consistent with the underlying assumptions contained in the
9 Macro-economic framework; and objectives, policies, strategic priorities and
10 explanations in the Fiscal Strategy paper.

Budget
Formulation

11 17. Every arm of government, ministry, department and agency shall
12 formulate its budget estimates for each financial year and submit the same to
13 the Minister responsible for Budget and National Planning along with
14 performance indicators and expected outcomes for incorporation into the
15 National Budget not later than first week of July in each financial year.

Submission of
Budget to the
Federal Executive
Council

16 18. The Minister responsible for Budget and National Planning shall
17 submit the consolidated budget to the President and the Federal Executive
18 Council not later than the first week of August in each financial year.

Duties of Minister
in respect of
Medium-Term
Expenditure
Framework

19 19. In submitting the Medium Term Expenditure Framework and
20 Fiscal Strategy Paper, the Minister responsible for Budget and National
21 Planning shall-

22 (a) ensure that the Medium Term Expenditure Framework/Fiscal
23 Strategy Paper are submitted to the National Assembly not later than July 7 of
24 each financial year as provided in the First Schedule to this Bill;

25 (b) ensure that the Medium Term Expenditure Framework/Fiscal
26 Strategy Paper documents contain sectoral data which will show government's
27 priorities and the reasons for those priorities;

28 (c) identify viable strategies with key performance indicators (KPIs)
29 and provide synergy between Development Plans and Budget;

30 (d) ensure that the ratio of capital to recurrent expenditure is

1 progressively upgraded to accelerate economic growth and development;
2 (e) ensure that the Medium Term Expenditure Framework/ Fiscal
3 Strategy Paper includes a growth plan which articulates strategies, policies
4 and incentives to drive rapid growth in some key sectors of the economy

5 PART V - BUDGET ENACTMENT AND DISPUTE

6 RESOLUTION MECHANISM

7 20. The President shall-

Budget
Presentation

8 (a) submit the budget to the National Assembly not later than the
9 first week of September in each financial year; and

10 (b) deliver a Budget Speech during presentation of the budget
11 which shall highlight the philosophy, objectives, priorities and expected
12 outcomes of the budget in the next financial year.

13 21.-(1) The Minister responsible for Finance shall present the
14 details of the budget to the public in not more than one week after the
15 President or his representative has laid the Budget before the National
16 Assembly.

Minister's
publication of
budget details

17 (2) The Minister shall within the week cause the budget to be
18 published in the Website of the Ministry for easy access by the members of
19 the general public.

20 22.-(1) Not later than five days after the laying of the Budget by the
21 President, the two chambers shall jointly resolve to mandate the Joint
22 Appropriation Committee (JAC) to draft the budget resolution for the
23 consideration of each House of the National Assembly.

Budget Resolution

24 (2) The Resolution referred to in this clause shall set out-

25 (a) the major principles and values which will govern the
26 consideration of the Appropriation Bill in both chambers, the committees
27 responsible for Appropriation and the sub-committees;

28 (b) the spending priorities which the Appropriation Bill addresses;

29 (c) the spending envelopes in relation to priorities of the arms of
30 government, ministries, departments and agencies;

1 (d) the common grounds between the budget estimates and the
2 legislative agenda of the Senate and that of the House of Representatives;

3 (e) the time-table or schedule on which the consideration of the
4 Appropriation Bill by the National Assembly will be based;

5 (f) the perspectives of the National Assembly on the connection
6 between the Appropriation Bill and the problems facing the ordinary Nigerian.

7 (3) The Resolution shall be used to harmonise the approaches of the
8 two Houses to the consideration of the Appropriation Bill in order to expedite
9 the enactment of the Bill.

10 (4) In formulating the Budget Resolution referred to in this clause, the
11 Joint committee responsible for Appropriation shall take into consideration-

12 (a) the reports of the Committee responsible for Public Accounts
13 referred to in clause 6 of this Bill;

14 (b) the Budget Performance Monitoring and Evaluation Report
15 (BPMER) referred to in clause 11 of this Bill;

16 (c) The Medium Term Expenditure Framework (MTEF) and the
17 Fiscal Strategy Paper; and

18 (d) any other document or report on the budget of the previous years;
19 Provided always that the President of the Senate and the Speaker of the House
20 of Representatives may, after consultation with the relevant committees,
21 authorize a departure from the budget resolution in situations of exigencies.

Budget
consideration
and passage

22 23.-(1) The Appropriation Bill shall be deliberated upon by each
23 House of the National Assembly and passed in line with the extant legislative
24 procedure as amended by this bill, the Budget Resolution and other reports
25 referred to in this Bill.

26 (2) The Procedure for the consideration of Appropriation Bill shall be
27 as follows:

28 (a) The laying of the Appropriation Bill by the President shall be
29 deemed to be the First Reading of the Bill;

30 (b) Not later than five days after the laying, the Joint Committee on

1 Appropriation shall draft the Budget Resolution;

2 (c) The Budget resolution shall be adopted in each House not later
3 than five days after its submission by the Committee responsible for
4 Appropriation;

5 (d) The Second reading shall take place not later than five days
6 after the adoption of the Budget resolution;

7 (e) The Appropriation Bill shall be referred to the Committee
8 responsible for Appropriation of each House of the National Assembly for
9 the purpose of considering the Bill;

10 (f) The Committee responsible for Appropriation shall refer the
11 Bill to Sub-committees for consideration of the Bill within 14 days;

12 (g) The sub-committees shall arrange defence of the budget
13 estimate by the arms of government, Ministries, Departments and Agencies;

14 (h) Each sub-committee shall conclude the hearings on the
15 Appropriation Bill within 14 days from the date of referral;

16 (i) The sub-committees shall submit their reports on the
17 Appropriation Bill to the Committee responsible for Appropriation;

18 (j) The Committee responsible for Appropriation shall report the
19 consolidated bill of the Sub-committees to the Committee of Supply within
20 fourteen days of referral;

21 (k) After due consideration of the Appropriation Bill by the
22 Committee of Supply, and in the absence of any reason for its recommittal,
23 the bill shall be passed by each House of the National Assembly not later
24 than the Second week of December of each financial year.

25 (l) Where differences exist in the Appropriation Bill passed by
26 either House of the National Assembly, a conference of the Joint
27 Appropriation Committee of the two chambers shall be convened to
28 harmonise the differences in the Appropriation Bill as passed by the each
29 chamber; the conference shall not exceed three days;

30 (m) The harmonised Appropriation Bill shall be reported for

1 adoption by each House of the National Assembly within one week of the
2 conclusion of the conference.

Guiding documents
in the consideration
of Appropriation
Bill

3 **24.** In considering the Appropriation Bill, the National Assembly, the
4 Committee responsible for Appropriation and the sub-committees shall be
5 guided by the following instruments:

6 (a) Medium-Term Expenditure Framework and Fiscal Strategy
7 Paper;

8 (b) sectoral Development Strategy Paper from the other arms of
9 government and Ministries, Departments and Agencies;

10 (c) reports of the Committee responsible for Public Accounts;

11 (d) sectoral implementation status reports on the past budget by the
12 Ministries, Department and Agencies;

13 (e) the reports of oversight activities by committees;

14 (f) report of the Committee responsible for Finance on revenue profile
15 and fiscal policy of the government;

16 (g) memoranda submitted by stakeholders during public hearing or
17 thereafter; and

18 (h) such other materials, information and intellectual resources that
19 are relevant.

Presidential
Assent

20 **25.** Upon receipt of the Appropriation Bill as passed by the National
21 Assembly, together with votes and proceedings of the Senate and House of
22 Representatives, the President shall assent to the Bill not later than 30th day of
23 December in each financial year.

Dispute resolution

24 **26.-(1)** In the event of any disagreement or dispute between the
25 President and the National Assembly over some items in the Appropriation Bill
26 such as may delay the passage of the Bill or disrupt the Budget process
27 Calendar in the first schedule to this Bill, the disagreement or dispute shall be
28 speedily resolved in an amicable manner through close-door negotiation
29 meeting amongst-

30 (a) the President;

- 1 (b) the Vice President;
- 2 (c) the President of the Senate;
- 3 (d) the Speaker of the House of Representatives,
- 4 (e) Chairmen of the Committees responsible for Appropriation of
- 5 the Houses of the National Assembly;
- 6 (f) the Minister responsible for Finance; and
- 7 (g) the Minister responsible for Budget and National Planning.

8 (2) The negotiation meeting shall be convened by the President of

9 the Federal Republic of Nigeria or the leadership of the National Assembly

10 within five days of such a disagreement or dispute arising.

11 (3) In the event that the Joint Negotiation Meeting referred to in

12 this clause fails to resolve the dispute or disagreement on the Appropriation

13 Bill, the provisions of the Constitution of the Federal Republic of Nigeria

14 1999 (as amended) shall take their effect.

15 PART VI - BUDGET IMPLEMENTATION AND OVERSIGHT

16 27.-(1) The implementation of the Appropriation Act shall

17 commence as soon as it is assented to by the President or after an override of

18 the President's veto in accordance with the provisions of the Constitution.

Budget
implementation

19 (2) The Minister responsible for Finance and the Minister

20 responsible for Budget and National Planning shall supervise the

21 implementation of the budget.

22 (3) The Ministers shall ensure that available funds are properly

23 allocated and releases made promptly.

24 28.-(1) For proper monitoring and evaluation of the

25 implementation of the Appropriation Act, each arm of government,

26 ministry, department and agency shall submit to the relevant Committees of

27 the National Assembly a quarterly report of their Budget Implementation

28 not later than the end of every quarter of the current financial year.

Budget Monitoring
and Evaluation

29 (2) Each Institution shall establish and maintain a website where

30 budget information will be available and shall be updated regularly.

Duties of Heads
of Institutions
regarding the
national Budget

- 1 **29.**-(1) The head of each arm of Government, Ministry, Department
2 and Agency shall-
- 3 (a) respond promptly to budget call circulars or letters;
- 4 (b) ensure that the most competent personnel are put in charge of
5 duties relating to the National Budget;
- 6 (c) prepare and submit reports as at when due;
- 7 (d) ensure quick resolution of any issue, dispute or disagreement that
8 may delay the passage of the budget;
- 9 (e) cooperate with committees and sub-committees with oversight
10 over them;
- 11 (f) exercise diligence in carrying out duties under this Bill;
- 12 (g) apply or promptly carry out recommendations to apply
13 administrative sanctions to violators of duties under this Bill;
- 14 (h) take all necessary actions to ensure strict compliance with the
15 budget process Calendar stipulated in the First Schedule to this Bill; and
- 16 (i) Update their website and ensure that information placed on the
17 website is accurate and reliable.

Exercising
oversight functions

- 18 **30.**-(1) In performing their oversight duties in respect of arms of
19 government, Ministries, Departments and Agencies, the committees shall
- 20 (a) utilise the approved means of exercising oversight functions as
21 detailed in the Manuals of the Senate and House of Representatives on
22 Oversight Procedure;
- 23 (b) be guided by the Code of Ethics of each House.
- 24 (2) Each Committee, at conclusion of its oversight shall lay its
25 oversight report to plenary.
- 26 (3) The resolution of either House of the National Assembly on
27 Oversight shall be communicated to the executive or other arms of government
28 for implementation.

Duties of the other
arms of government
and the Ministries
under oversight

- 29 **31.**-(1) The other arms of government, Ministries, Departments and
30 agencies shall-

1 (a) refrain from offering any form of gratification, bribe or
2 inducement to the legislators or the staff of legislative committees;

3 (b) be transparent in answering questions and providing
4 information required by the legislators during oversight duties;

5 (c) attend to summons and other lawful directives by committees;
6 and

7 (d) exercise diligence in preparing reports or documents or
8 responses to inquiries from committees; and

9 (e) show due respect and courtesies to legislators in the course of
10 their oversight work

11 **32.** All impounded assets belonging to the Federal Government Impounded Assets
12 duly recovered shall form part of the proceeds in the Consolidated Revenue
13 Fund of the Federation for the purpose of presentation and consideration of
14 Appropriation Bill in each financial year.

15 **PART VII - MISCONDUCT RELATING TO THE BUDGET AND**
16 **ADMINISTRATIVE SANCTIONS**

17 **33.** It shall be a misconduct for- Acts of misconduct

18 (a) any person to omit, refuse or neglect to discharge any function
19 imposed by this Bill;

20 (b) any public official or civil servant to omit, refuse or neglect any
21 lawful directive given under powers conferred by this law;

22 (c) any Senator or member of the House of Representatives to omit,
23 refuse or neglect to discharge any function in accordance with the budget
24 resolution, at committee level or at plenary or during oversight for
25 implementation of the budget.

26 **34.** Any of the following acts shall be treated as a misconduct with Other acts of
misconduct
relating to the
Budget
27 respect to the budget process:

28 (a) non-compliance with the budget process calendar stipulated in
29 the First Schedule to this Bill;

30 (b) refusal by a public official to carry out an official duty and as a

1 result incapacitated or prevented another official, public servant or civil
2 servant from discharging his function under this Bill;

3 (c) failing to take reasonable care or necessary steps to ensure that
4 there is compliance with this law by one's institution, colleagues or
5 subordinates;

6 (d) failing to report to the authority any act, lapses, omission, neglect
7 or failure on the part of any official which may adversely affect the Budget
8 Process Calendar stipulated in the First Schedule to this Bill;

9 (e) failing to implement a budget project where appropriated funds
10 are available to implement such project;

11 (f) any other act which though not of a criminal nature is inconsistent
12 with the duties imposed by this law.

Administrative
sanctions

13 **35.-(1)** Where it is proved to the reasonable satisfaction of the
14 Committee responsible for Appropriation that any person is guilty of one or
15 more of the acts of misconduct referred to in clause 33 or 34 the committee may
16 recommend one or more of following sanctions to the authority with
17 disciplinary power of the person:

18 (a) written reprimand;

19 (b) written warning;

20 (c) suspension from office;

21 (d) surcharge;

22 (e) demotion or reduction in status;

23 (f) denial of promotion;

24 (g) termination of employment;

25 (h) Impeachment

26 (i) removal from chairmanship of committee or

27 (j) any other disciplinary measure.

28 **PART VIII - OFFENCES AND PENALTIES**

Unauthorised
alteration

29 **36.-(1)** A person who unduly or without authorisation alters any of the
30 provisions of the Appropriation Bill or Supplementary Appropriation Bill after

1 the Bill has been submitted to the National Assembly commits an offence; or

2 (2) A person who without lawful authority or approval given in
3 accordance with this Bill alters or otherwise tampers with the report of a
4 committee or subcommittee with intent to mislead or gain an advantage or
5 benefit commits an offence.

6 37.-(1) A person who unlawfully provides, offers, solicits or Illicit influence
7 accepts anything of value for a direct or indirect benefit of a-

8 (a) current or former employee of a public authority;

9 (b) current or former public official, or

10 (c) related or associated person, wholly or partly for the purpose of
11 influencing a decision affecting the budget process or the use or expenditure
12 of any public money, commits an offence.

13 (2) A person, who takes any action, expresses or indicates
14 readiness to take an action for the purpose of intimidating or harming
15 physically, financially or otherwise, any person wholly or partly for the
16 purpose of influencing a decision on the budget process or the use or
17 expenditure of any public money commits an offence.

18 38. Any public officer or civil servant who more than once, fails to Violation by a
Public Official
or Civil Servant
19 comply with one or more obligations, requirements or procedure imposed
20 under this Bill or by any other law, commits an offence.

21 39. Any person other than a public officer or civil servant who Violation by other
persons
22 illfully contravenes any provision of this Act commits an offence.

23 40.-(1) A person who contravenes the provisions of clauses 36, 37, Penal sanction
24 38 and 39 of this Bill commits an offence and is liable on conviction to a term
25 of imprisonment not exceeding 2 years or a fine of not less than
26 N1,62.000,000 or both.

27 (2) In deciding the fine, the judge shall consider the gravity of the
28 loss caused or directly resulting from the commission of the offence.

29 41.-(1) The President of Senate, the Speaker of the House of Referral for
administrative or
penal sanction
30 Representatives, the Chairman of the Committee responsible for

1 Appropriation of each House of the National Assembly, the Minister
 2 responsible for Finance, or the Minister responsible for Budget and National
 3 Planning may refer for administrative or disciplinary sanction or penal
 4 sanction or both, any person under his jurisdiction alleged to have committed
 5 any misconduct or offence punishable under this Bill.

6 (2) The head of any institution, Ministry, Department or Agency may
 7 discipline or refer for the purpose of being disciplined or tried any official
 8 under his jurisdiction alleged to have committed any of the acts or omissions
 9 prescribed in this Bill.

10 (3) The referral referred to in sub-clauses 1 and 2 of this clause may be
 11 to the Attorney-General of the Federation, the Head of Service of the
 12 Federation, the Clerk of the National Assembly, the Nigerian Police Force, the
 13 Economic and Financial Crimes Commission, the Independent Corrupt
 14 Practices Commission or any other prosecuting agency or other appropriate
 15 authority.

16 PART IX - MISCELLANEOUS

Whistle-Blowing

17 42.-(1) A natural person who believes on reasonable grounds that a
 18 public officer or public body has engaged or is engaging, or proposes to engage
 19 in any act or omission which contravenes this Bill, may disclose such
 20 misconduct to the appropriate authorities.

21 (2) The appropriate authorities referred to in sub-clause 1 shall
 22 include:

23 (a) President of Senate;

24 (b) the Speaker of the House of Representatives;

25 (c) Minister responsible for Finance;

26 (d) the Minister responsible for Budget and National Planning;

27 (e) the Head of Service; or

28 (f) the head of any arm of government, ministry, department or
 29 agency.

Rewards for
 outstanding work

30 43.-(1) The President of the Senate or the Speaker of the House of

1 Representatives may recommend for an appropriate reward, recognition or
 2 incentive any public servant, public official, civil servant or any person
 3 noted to have performed exceptionally during the last or current fiscal year,
 4 duties imposed by this law for the purpose of promoting the objectives
 5 stipulated in clause 1.

6 (2) The President of the Senate, the Speaker of the House of
 7 Representatives, the Chairman of the Committee responsible for
 8 Appropriation of each House of the National Assembly, the Minister
 9 responsible for Finance, or the Minister responsible for Budget and National
 10 Planning may recommend for an appropriate reward, recognition or
 11 incentive any person who discloses any misconduct or offence pertaining to
 12 this Bill.

13 (3) The reward, recognition or incentive may consist of one or
 14 more of the following:

- 15 (a) letter of commendation;
- 16 (b) Certificate of merit;
- 17 (c) public decoration with a medal of recognition;
- 18 (d) recommendation for accelerated promotion;
- 19 (e) recommendation for National Honour;
- 20 (f) gift in cash or kind

21 44. Where any other law or rule relating to budgeting is
 22 inconsistent with the provisions of this Bill, this Bill shall prevail, and that
 23 other law or rule to the extent of its inconsistency shall be void.

24 45. In this Bill-

25 "Budget Process" means the various stages of budget making which include
 26 preparation, presentation, implementation, monitoring and oversight of the
 27 budget;

28 "The Constitution" means the Constitution of the Federal Republic of
 29 Nigeria, 1999 (as amended);

30 "Envelope" means the total amount of funds which any arm of government,

Relationship
 between this Bill
 and other budget
 related laws or
 rules

Interpretation

- 1 ministry, department or agency is allowed to appropriate in its budget;
 2 "Fiscal Strategy Paper" is as defined in the Fiscal Responsibility Act 2007;
 3 "Impounded" means recovered movable and immovable property;
 4 "Person" includes natural and juristic persons;
 5 "Relevant Authority" means the supervising Ministry;
 6 "Medium Term Plan" means a plan for a term of 5 years;
 7 "Long Term Plan" means a plan for a term of 10 years.

Short Title

8 **46.** This Bill may be cited as Budget Process Regulation Bill, 2017.

SCHEDULES

FIRST SCHEDULE

BUDGET PROCESS CALENDAR

SN	Activity & Relevant Law	Timeline	Person Responsible
1	Submission of the report of the immediate past financial year to the plenary	March 31 st	Committee responsible for Public Accounts
2	Submission of the Medium-Term Expenditure Framework to the Federal Executive Council	June 15 th	Federal Government of Nigeria
3	Issuance of Budget call circular to arms of government and MDAS	1 st week of July	Minister responsible for Finance
4	Laying of the Medium-Term Expenditure Framework before each House of the National Assembly	July 7 th	The president of the Federal Republic of Nigeria
5	Submission of budget estimates to the Minister responsible for Budget and National Planning	1 st week in July	Arms of Government and MDAS
6	Submission of the Medium-Term Expenditure Framework to the National Assembly	July 7 th	Minister responsible for Budget and National Planning
7	Approval of Medium-Term Expenditure Framework	July 30 th	National Assembly
8	Submission of budget to the President of the Federal Republic of Nigeria and Federal Executive Council	August 1 st	Minister responsible for Budget and National Planning

9	Pre-budget consultation between the National Assembly and the Executive	August 15 th	Minister responsible for Budget and National Planning and the Minister responsible for Finance in collaboration with the Senate President and the Speaker of the House of Representatives
10	Pre-budget consultation between the Executive and Public	3 rd week of August	Minister responsible for Budget and National Planning and the Minister responsible for Finance in collaboration with the Senate President and the Speaker of the House of Representatives
11	Submission of the budget to the National Assembly	1 st week of September	President of the Federal Republic of Nigeria
12	Publication of budget details in the public website	September 14 th	Minister responsible for Finance
13	Passage of the Bill	2 nd week of December	National Assembly
14	Assent	December 30 th	President of the Federal Republic of Nigeria

SECOND SCHEDULE

Section 10

BUDGET PERFORMANCE MONITORING AND EVALUATION REPORT (BPMER)

The BPMER shall include:

- (1) Actual revenues compared with projected revenues;
- (2) Actual special funds received during the financial year;
- (3) Actual expenditures from special funds appropriations;
- (4) Actual number of permanent and temporary employees of each arm of government, ministry, department and agency paid from the appropriation in the financial year;
- (5) Actual payments of interest or amounts in the nature of interest on debt owed by each arm of government, ministry, department and agency and repayment of debt principal;

1 (6) Details of all recipients of public grants and the amount they
2 received;

3 (7) Details of the adjustments made to appropriation in the financial
4 year;

5 (8) Actual user fee receipts for the financial year;

6 (9) Other information considered necessary by the Minister
7 responsible for Finance

8 THIRD SCHEDULE

9 QUARTERLY BUDGET MONITORING AND IMPLEMENTATION

10 REPORT (QBMIR)

11 1. After the approval of the budget, the Minister responsible for
12 Finance shall submit, quarterly progress reports to the National Assembly and
13 cause such report to be published in the website of the ministry for easy access
14 by the members of the general public.

15 2. The progress report shall include:

16 (a) a revenue and expenditure report;

17 (b) assets and liabilities information;

18 (c) a set of financial statements that have been audited; and

19 (d) budget overview information for the quarter

20 3. The budget overview information shall include:

21 (a) Task accomplished and the remain task for the current financial
22 year;

23 (b) An overview of important actual revenues and expenditures

24 (c) Details of how a budget deficit was financed or how a surplus was
25 invested; and

26 (d) Other information considered necessary by the Minister
27 responsible for Finance

28 4. Where the progress reports do not contain all the necessary
29 information, the report shall contain the reason they do not contain the missing
30 information.

EXPLANATORY MEMORANDUM

This Bill seeks to provide a legal framework for the reform of the Federal budget process through effective regulation of preparation, presentation, enactment, implementation, monitoring and oversight, and penalties for contravention of the Bill.

11-11-11