



African Forum and Network
on Debt and Development

**An Assessment of the Progress made in the
Implementation of the Paris Declaration and
Accra Agenda for Action on Aid Effectiveness**

A Focus on Mutual Accountability and Democratic Ownership Principles

THE CASE OF NIGERIA

About AFRODAD

Vision

AFRODAD aspires for an equitable and sustainable development process leading to a prosperous Africa

Mission

To secure policies that will redress the African debt crisis based on a human rights value system

Objectives include the following:

- 1 To enhance efficient and effective management and use of resources by African governments;
- 2 To secure a paradigm shift in the international socio-economic and political world order leading to a development process that addresses the needs and aspirations of the majority of people in the world
- 3 To facilitate dialogue between civil society and governments on issues related to Debt and Development in Africa and globally.

From the vision and the mission statements and from our objectives, it is clear that the Debt crisis, apart from being apolitical, economic and structural issue, has an intrinsic link to human rights. This forms the guiding philosophy for our work on Debt and the need to have African external debts cancelled for poverty eradication and attainment of social and economic justice. Furthermore, the principle of equity must of necessity apply and in this regard, responsibility of creditors and debtors in the debt crisis should be acknowledged and assumed by the parties. When this is not done, it is a reflection of failure of governance mechanisms at the global level to protect the interests of the weaker nations. The transparent arbitration mechanism on debt proposed by AFRODAD as one

way of dealing with the debt crisis finds a fundamental basis in this respect.

AFRODAD aspires for an African and global society that is just (equal access to and fair distribution of resources), respects human rights and promotes popular participation as a fundamental right of citizens (Arusha Declaration of 1980). In this light, African society should have the space in the global development arena to generate its own solutions, uphold good values that ensure that its development process is owned and driven by its people and not dominated by markets/profits and international financial institutions.

AFRODAD is governed by a Board composed of seven members from the five regions of Africa, namely east, central, western, south and the North. The Board meets twice a year. The Secretariat, based in Harare, Zimbabwe, has a staff compliment of seven programme and five support staff.

An Assessment of the Progress made in the
Implementation of the Paris Declaration and
Accra Agenda for Action on Aid Effectiveness:
*A Focus on Mutual Accountability and
Democratic Ownership Principles*

The Case of Nigeria

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Acronyms

AAA	Accra Agenda for Action
AFD	African Development Fund
AfDB	African Development Bank
CBN	Central Bank of Nigeria
CIDA	Canadian International Development Agency
CSOs	Civil Society Organisations
DF	Degree of Freedom
DFID	Department for International Development
DMO	Debt Management Office
IFIs	International Financial Institutions
IMF	International Monetary Fund
JICA	Japan International Cooperation Agency
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
NPC	National Planning Commission
OECD	Organisation for Economic Cooperation and Development
PD	Paris Declaration
PSI	Policy Support Instrument
PRS	Poverty Reduction Strategy
TOR	Terms of Reference
EC	European Commission
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WB	World Bank

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Preface

This report is essentially an attempt to ascertain the progress made by Nigeria in implementing the principles and commitments on aid effectiveness under Paris Declaration (PD) of 2005 and Accra Agenda for Action (AAA) of 2008. The report investigated Nigeria's commitment to implement the PD and AAA in terms of mutual accountability, ownership, good governance and domestic accountability within the context of sustainable development and citizens' participation.

Foreign Aid represents one of the funds accessible to National and Sub-National governments in Nigeria for the execution of development projects and programmes. As part of the deliberate will to ensure the good management, ownership and accountability of these funds for sustainable development, Nigeria along with a host of other countries subscribed firmly to the PD and AAA. Since then Nigeria has taken inadequate steps or made weak progress in adapting its aid governing and accountability mechanisms in line with the requirements of the PD and AAA. There is currently no comprehensive aid planning that gives an overview of Nigeria aid reform process.

Aid management at both the national and sub national levels reveal serious short-comings in aid management and effectiveness that cannot support sustainable development in Nigeria as well ensure Nigeria's compliance with the requirements of the PD and the AAA.

It is important that lessons be drawn from the deficits of donor funds management in the post PD and AAA era in Nigeria. There is

need to consider the strategies and policies that have been adapted to access and manage donor funds. There is need to conduct viability of current practices within the context of short, medium and long-term development challenges. Upgrading the technical competences of specialized legislative, bureaucratic agencies and CSOs roles in accessing and monitoring and evaluation of donor funds is important.

The research points to the need to accelerate governance reforms (donors' machinery inclusive) for managing the aid process-policy development, data collection, monitoring and evaluation, improvements to national planning process, and capacity building. Establishment of community-based project and programme monitoring, planning and management committees at community level, with high levels of budget transparency and accountability is needed.

Donors and Nigeria should commit behavioral changes and reform procedures that strengthen incentives for mutual accountability, ownership, good governance and domestic accountability. In order to ensure aid effectiveness for sustainable development within the context of the PD and AAA the study made some policy recommendations which need to be implemented by both donors and aid recipient governments.



Collins Magalasi
Executive Director
AFRODAD

Introduction

The Paris Declaration (2005) is a follow up of the High Level Forum on Harmonization in Rome (February 2003) and Marrakech Round table on Managing for Results (February 2004). Over 100 signatories from partner governments, bilateral and multilateral donor agencies, multilateral and regional developments banks and private international agencies endorsed the PD, committing to specific actions that would promote aid effectiveness. The PD is an action oriented roadmap aimed at strengthening efforts to increase ownership of partner countries over development policies; to align donor countries strategies to partner countries national development strategies; to harmonize activities of donor agencies; to strengthen decision making for results; and ensure mutual accountability.

The Accra Agenda for Action (AAA) of 2008 is a High Level Forum 3, outcome document that expresses national governments and international community (Nigeria inclusive) commitment to aid effectiveness. It represents a product of an unprecedented alliance of development partners-developing and donor countries, emerging economies, UN and multilateral institutions, global funds and civil society organizations.

Both the PD and the AAA represent comprehensive frameworks or actions plans designed to invigorate the aid effectiveness agenda and achieve targets set for 2011. They are aimed at assisting in the scaling up of poverty reduction and the development process and accelerate the achievement of Millennium Development Goals (MDGs) by 2015.

Foreign Aid represents one of the funds accessible to National and Sub-national governments in Nigeria for financing of development projects and programmes. As part of the deliberate will to ensure the good management, ownership and accountability of these funds for sustainable development, Nigeria along with a host of other countries subscribed firmly to the Paris Declaration (2005) and the Accra Agenda for Action (2008). Since then it has taken inadequate steps or made weak progress in adapting its aid governing and accountability mechanisms in line with the requirements of the PD and AAA. Beside there is currently no comprehensive aid planning that gives an overview of Nigeria aid reform process.

Since the adoption of the Paris Declaration and the AAA not much has been put in place to institutionalize effective aid harmonization, coordination and management frameworks in Nigeria. Although Nigeria is not an aid dependent nation (donor administered aid constitute less than 1% of GDP and 2% of public expenditure) and hence does not generally operate a budget support system, yet the need to make the best use of aid that comes to the country remains imperative. The volume of this type of aid is increasing quickly, from less than US\$200 million in 2000 to US\$911 million in 2006 and US\$1800 million in 2010. This trend makes the deliberate sustainable management of this type of foreign financial assistance a necessity¹. There are indications of the dominance of bilateral relations between development partners and government agencies with minimal synergy of operations among them. This approach is characterized with absence of clear division of responsibilities between the two parties. This to a large extent has created and multiplied aid problems and challenges in terms of high transaction costs, duplication of resources and low aid impact on development outcomes. This further undermines the already weak absorptive capacity of the government which it was

1 Punch Newspaper, 2010

Box 1: The PD is grounded on five mutually reinforcing principles

- 1 **Ownership** - partner countries exercise effective leadership over their development policies and strategies, and coordinate development Actions
- 2 **Alignment**-Donors base their overall support on partner countries national development.
- 3 **Harmonization** - Donor actions are more harmonized, transparent, and collectively effective.
- 4 **Managing for Results** - Managing resources and improving decision making for development results.
- 5 **Mutual Accountability** - Donors and partners are accountable for development results.

Box 2: The AAA has among others the following objectives

- 1 Accelerate progress in donors and partners implementation of the AAA commitments with regard to ownership and accountability.
- 2 Facilitate and disseminate evidence based information on ownership and accountability.
- 3 Strengthen international and country level mechanisms for donor and partner countries to hold each other to account for meeting aid effectiveness commitment.
- 4 Support the robust mutual accountability mechanism country at level based on what works and what does not work.
- 5 Accelerate progress in donor's use of country systems.
- 6 Facilitate the strengthening of country systems and effectively locally rooted capacity reform system where deem necessary
- 7 Better communicate the benefits of using country systems and involve a greater number of stakeholders (parliaments, civil society organizations, the host communities, citizens) in overseeing and strengthening the use of country systems.

originally meant to address. This is further compounded by the absence of clear structured strategy from the Federal Government side. The vision 2020 provide a firm framework to structure aid by sectors and the National Development Plan provide the tool for alignment and aid coordination. Another difficulty is how to address accountability and good governance at sub-national level. Sub-national governments benefit from a large autonomy due to the federal structure of the country and it's key actors in terms of poverty reduction and service delivery to realm the Millennium Development Goals (MDGs).

The existing structures for aid management in Nigeria are defective and need to be reviewed or reformed for better efficiency, impact, ownership and accountability. In an attempt to realize this Donors Head of Mission Group was set up in 2008 and meets every month. The group is made up of World Bank (WB), Department for International Development (DFID), United States Agency for International Development (USAID), European Commission (EC), United Nations Development Programme (UNDP), African Development Fund (AFD), African Development Bank (AfDB), Japan International Cooperation Agency (JICA), Canadian International Development Agency (CIDA) and the Nigerian National Planning Commission, The Federal Ministry of Finance and other major governmental agencies that has the power to negotiate both bilateral and multilateral aid.

Nigeria received a total of USD 6 billion as official development assistance by 2010². Out of US\$ 6billion, grants constituted USD 3.2 billion while credits/loans were about USD 2.8 billion. Out of the USD 6 billion only about 50% of this amount has been disbursed (USD 3.2 billion). Nigeria is an aid orphan as it receives

2 National Planning Commission Report, 2010

less than USD 2 per capital compare to the average in Africa of USD 28 per capital. Nigeria has 12 main donor countries and agencies, seven of which are in the United Nations System. Over the years the biggest recipient sector has been the health sector with 54% (USD 1.3 billion) followed by poverty alleviation with 18% (USD 481 million) and Women and Empowerment 4%. Agricultural sector received 1%, energy and environment 1% and finance 1%. Indications are that the aid was disbursed by the donors themselves through direct project support. This made it impossible for country ownership and mutual accountability since the government of Nigeria (sub-national governments inclusive) was unable to claim ownership or account for funds it did not receive.

Nigeria exhibits overlapping spheres of policy and programming characterized by their differing degree of government and donor ownership influence. Nigerian government does not limit donor influence over policy agenda (intentionally or unintentionally). It does not also balance a mix of traditional and non-traditional sources of financing in order to maximize aid flows. The nation's weak accountability structure continues to adversely affect the flow of foreign aid in the country. There is serious concern about the operating environment which is tax dysfunctional permitting corruption and ineffectiveness application of aid funds³.

There are currently governmental mechanisms in place to carryout oversight functions on foreign aid transactions at both the national and sub-national levels in Nigeria. These include the Public Accounts Committee (which is a legislative committee) and the office of the Auditor General; and a large extent the Economic and Financial Crimes Commission. Added to this is civil society

3 Punch Newspaper, 2010

which to some extent is officially recognized by laws passed by the National Assembly and State Houses of Assembly, such as the Public Procurement Act. Against the backdrop of heightened need to scale up poverty reduction and sustainable development there is an increase demand for transparency in the budget process, particularly in terms of citizens participation in aid administration drafting, disbursement approval/implementation and accountability.

1 Country context, interpretation and awareness of Paris Declaration and Accra Agenda for Action

Sustainable development cannot be achieved through foreign aid due to its inadequacies and deficits as a means of sustaining national development in Nigeria. Nigeria has a highly defective institutional and legal framework, very weak governance and very weak accountability mechanisms. This renders it impotent as a tool of national sustainable development and compliance with the PD and AAA.

There is weak commitment at both national and sub-national level to the PD and AAA. For instance there are no evidence based policy making with regard to the PD and the AAA. This is further compounded by the lack of discussion and knowledge sharing forum that should allow national and sub-national governments to make sound and informed aid effectiveness policies and strategies or where necessary bring depth to issues in aid effectiveness as required by the PD and AAA.

The whole process of managing foreign aid in Nigeria grossly falls short of what is required as dictated by the PD and AAA. Nigeria lacks both in performance and good governance culture - largely shrouded in window dressing of results, corruption and bad management in the use of aid resources. Consequently the management process lack clear focus, clear priorities and transparency despite renewed commitment to aid effectiveness that should have accompanied Nigeria's endorsement of the PD and AAA. In addition the interpretation of aid resources management seems to

have grown around the concept of government ownership of the process and not citizens or all national stakeholders' ownership. As a result opportunity for a broad range of national stakeholders to contribute to the growth through transparent, accountable and democratic institutions and processes is lacking. This thus robs the stakeholders of inclusivity and openness in dialoguing on aid development policies, strategies and priorities in the utilization of aid resources.

There is little or no awareness of the existence of the PD or the AAA. The awareness is restricted to few top government functionaries in aid policy formulation and implementation institutions. This is largely as a result of the interpretation of the definition of the concept of ownership of aid resources in Nigeria, which is hinged on government ownership and not citizens. Consequently in order to assist in the capture of the aid resources by the elite or bureaucratic or political class creating public awareness of the existence of this type of resources is avoided as much as possible.

There is a significant level of non-correlation between Nigeria commitment to economic governance and the implementation of PD and AAA on aid effectiveness. However, to some extent this finding runs counter to that expressed by the IMF in its Policy Support Instrument⁴ and IMF 2007 Article IV Consultations that indicated some level of good governance of financial assistance to Nigeria from 2005-2008 that indicated strong macro-economic management: strong policies and growth, lower inflation and reduced external vulnerability.

4 Roger Nord, 2008

2 Importance of mutual accountability in development aid effectiveness

The importance of mutual accountability rest on the premise that the donors and the recipient country, Nigeria both account to each other for the failure or success of the aid process. But this does not appear to be the case in Nigeria and this has led to the unsustainability of the aid process and the loss of the contributions aid would have made to the sustainable development of Nigeria.

Mutual accountability under the PD and AAA also appears very weak as it is one sided-from government to donors only. While efforts appear to be made by Nigeria to render accounts to donors, the donors appear not willing to do same to Nigeria. This is because Nigeria is seeking more funds for her development process and as such will do anything that will allow her access to the donor funds. However the donors do not appear willing to subject the financial assistance process to Nigeria's appraisal. This is particularly because of fragmentation, uncertainty and donor aid loaded with high administrative/overhead cost that should not be borne by Nigeria, which have prevented Nigeria from getting the full benefit of the aid.

There is significant high level of non-relationship between Nigeria's mutual accountability and her commitment to aid effectiveness under the PD and the AAA. This finding runs counter to that expressed by the IMF in its Policy Support Instrument and Article IV Consultation reports that indicated acceptance by the Paris Club as evidence of sound macroeconomic policies (accountability to

external authorities) but external agencies do not reciprocate by subjecting to Nigeria appraisal.

Grants administered by donors: Donors do not account to Nigeria in detail as to how they administer the aid. Particularly in areas concerned with excessive loading of donors administrative/overhead costs. Donors do not render accounts on the fragmented aid disbursement to Nigeria in terms of who benefited, for what the disbursement was made, and through what channels the aid get to the final beneficiaries. This is as a result of the wide gap in terms of the original memoranda of understanding and what is being implemented. Donors have accused Nigeria of not accounting for funds. But the funds were not administered by Nigeria, consequently it is difficult to see how Nigeria can account for funds it did not receive or disburse⁵.

Interest yielding grants: Nigeria receives interest yielding grants from both traditional and non-traditional donors and as a result should be held accountable for funds it receive. In this regard there is evidence of localized agenda with some elements of mutual accountability, such as consultative group meetings and working sector meetings at national and sub national levels that go beyond the exchange of information. However, the quality of participation remains low.

There is also evidence of Nigeria accounting to donors on bilateral basis and through their International Financial Institutions (IFIs) proxy, such as the World Bank and the IMF, using instruments such as the Policy Support Instrument (PSI) and Article IV Negotiations. Generally Nigeria as a debtor nation that has just exited the debt trap appear to be doing everything possible to be in

5 National Planning Commission Aid Report, 2010

the good books with her former creditors (who are largely members of the OECD) or doing everything to get reintegrated into global economy, appear to have insufficient capacity to hold donors to account and this has largely undermine aid effectiveness.

3 Linkages between mutual accountability and democratic ownership in aid delivery processes

Ownership of the aid process as required by the PD and AAA is also very weak. Most of the aid in Nigeria is still donor managed particularly that from the European Union and the emerging donors, particularly China and India. Predictability of aid flow is important for Nigeria if she is to successfully manage the aid and engage in meaningful planning. Consequently she has become vulnerable to funds that are committed and scheduled, but not disbursed on time or there is insufficient information about donors' intention to disburse. As a result ownership of the process is very weak or is not there.

Domestic accountability is also very weak as there appears to be little or no framework in place for ensuring that the managers of aid are held accountable to the citizens. Both at national and sub-national level CSOs and the general public are rarely included in the mutual accountability process. Multiple accountability frameworks are needed, where donors, Nigeria local/domestic accountability mechanisms, CSOs, Parliament and general public are allowed to play important role in the accountability processes. However this appears not to be the case as the CSOs and the general public are not informed about the resources used and or are coming into the country from donors.

There is non-association between Nigeria domestic accountability and her commitment to aid effectiveness under the PD and AAA

for sustainable development. National budgets is ritualistic in nature, it is ritualistic in terms of input, approval, implementation and evaluation, deprived of the basic essentials for participatory planning, accountability and good governance. Public participatory nature in terms of public ownership, monitoring and evaluation remains very low. The budget does not specifically include sections on income gotten from foreign financial assistance. The budgets also fail to explicitly show how much was gotten from both interest and non interest yielding grants. Consequently this makes it impossible to hold the Nigeria government accountable to the citizens. Although the budget is a public document, assessment by relevant public agencies remains a huge problem.

Central Bank of Nigeria (CBN), National Planning Commission (NPC) and the Debt Management Office (DMO) annual accounts and reports to some extent shows financial resources gotten from interest yielding grants or financial assistance. However they do not explicitly show sectors, programmes or projects to which these financial assistance were utilized rather they are shown as a part the overall national expenditure. Besides the circulation of these official documents are restrictive, largely to the national headquarters or regional headquarters of these agencies.

Though the national budget, CBN, NPC and DMO annual accounts and reports are instruments of good governance and domestic accountability, through the oversight by national parliament, they suffer from serious problems of a pseudo representative parliament that has lost the confidence of its electorate. Consequently these instruments become inadequate as tools of domestic accountability and good governance.

The bicameral national parliament and the unicameral parliament sub-national states in the 36 states of Nigeria have important role to play in aid monitoring and evaluation, and aid effectiveness under the PD and AAA. This is in terms of:

- i) Enactments of laws to guide the negotiation, utilization and management in Nigeria.
- ii) Approval of and passing into law of appropriation bills that should contain the detail of how the foreign aid will be utilized and managed.
- iii) Appointment of Public Accounts Committee that can investigate the negotiation, utilization and management of foreign aid. This committee in the Nigerian context is a toothless instrument of the legislature (contrary to the provisions of the Federal Republic of Nigeria Constitution, 1999). This is as a result of the high level of corruption in Nigeria.

The 1956 Audit Management Act set out the audit of government accounts and in this context empower the Auditor General to audit government accounts including foreign aid. There is lack of standards to guide the recording, accounting and auditing of financial transactions (receipts and payments) specifically relating to foreign aid. A part of foreign aid to Nigeria is administered by the donors themselves particularly that funded by the European Union (EU). Investigation revealed that there is lack of reporting and accountability mechanism to the Nigerian citizens on how much funds the donors brought into the country in this regard and how these funds were disbursed/administered by the donors. The National Planning Commission, Debt Management Commission, The Central Bank of Nigeria and other institutions and the Auditor General (nation and sub national) who are charged with various forms of institutional management and oversight functions for

aid effectiveness are yet to live up to expectation in discharging these responsibilities. Beside the collaborating and coordinating mechanism for pulling together their various responsibilities for aid effectiveness is either non-existent or too weak to be effective.

4 Mechanisms, processes and structures for Civil Society Organisations (CSOs) involvement in the implementation of PD and AAA.

Few CSOs have knowledge of foreign aid flow to Nigeria. In addition it is only a few CSOs that have knowledge of the existence of the PD and the AAA. But almost all lack knowledge of the requirements of the PD and the AAA. The PD and AAA appear to be loaded with too much of technical jargon which makes it uninteresting for both the CSOs and the general public to digest/assimilate and act on. Besides, little or no publicity/enlightenment has been made by the government with regard to the PD and AAA. Few CSOs have been involved in the negotiations, implementation, management, monitoring and evaluation, of foreign aid at both national and sub-national levels. Some of the national CSO Platforms include the Africa Network Environmental and Economic Justice, Action Aid International Nigeria, Publish What You Pay Coalition, Publish What You Fund, and Justice Development and Peace Commission, among a few others.

A few sensitization conferences and workshops have been held for CSOs by a very few development specialized CSOs or forums and coalitions as a way of getting CSOs sensitized on aid matters as well as getting them integrated into national and sub-national aid management, transparency and accountability process for aid effectiveness. However there is a problem with financing these conferences and workshops because they are dependent on foreign funding.

Few CSOs have taken part in the parliamentary deliberations and passage into law of supplementary appropriations bills or budgets where aid or aid related issues are discussed. The reason for this is that they are either not aware when the deliberations will take place or there is a sham arrangement which exclude a lot of them from the deliberations.

5 Conclusion and recommendations

The above findings are indications that there are very weak commitments by Nigeria national and sub-national governments to the tenets of the PD and the AAA. With limited and sometimes politically manipulated accountability, monitoring and evaluation, the executive and donors dominant aid processes. Nigeria aid processes of negotiations, planning and disbursement of foreign financial assistance call for reforms. This call for specific accountability instruments outside national budget and annual accounts of financial statements of apex monetary, fiscal and debt regulatory organs of the federal government, and citizens participatory planning and execution of foreign financial assistance.

Given the above Nigerian weak state of ownership, mutual accountability, good governance and domestic accountability into account and the fact that unless these deficits are tackled with all the seriousness they deserve aid as an instrument of sustainable development under the PD and AAA will continue to be ineffective. Consequently donors, aid policy makers, Nigerian government and CSOs should seek to implement the following recommendations:

5.1 Implementable Recommendations to Donors (bilateral, multilateral and private)

- Donors accountability should be redefined and made truly mutual. Donor accountability should not be restricted to realizing funds on time. It should include accountability to the people of Nigeria on how funds given to the country were utilized or administered.

- Donor administered funds should show some level of transparency. Public access to how these funds were administered must not be denied and documents relating to the funds must be easily assessable. The administration of the funds must be open and transparent.
- Donors should address the issue of fragmented disbursement of aid with a view to enhance Nigeria's ability to manage the aid for sustainable development. Fragmented disbursements undermine the clarity and simplicity of the aid process that further weakens monitoring and evaluation as well as the achievability of the development aspirations which the aid is meant for. In addition it erodes the sense of Nigeria ownership as well as it weakens Nigeria's commitments to reprioritize public expenditure and improve governance.
- Donors should address their unhelpful habits of results based management where there is an inequitable balance of influence between the donors and Nigeria governments in aids management. This include donors deciding what knowledge is admissible in defining Nigeria problem as well as identifying the solution that has largely led to undesirable outcomes and shot down Nigeria government ability to account to Nigerians.
- Donors should reform their openness and flexibility which is far from the desired. Their excessive use of short term consultants, together with the rapid turnover of donor staff causes damage to the institutional memory of the donor agencies and in the process undermine the donor agencies ability to develop an in-depth understanding of aid management process and resources deployment, as well as lead to distortion in

accountability by the donors and prevention of true ownership by Nigerians.

- Donors should conduct and deepen their research capacity into how aid can become effective in Nigeria. This is with a view to understanding the political economy factors and incentive created by domestic politics that drive Nigeria development strategy choices, as this will assist in throwing more light on the short comings of donor intervention in Nigeria as well as identifying better entry points for assisting in nurturing sustainable development in Nigeria.
- Donors should conduct present and future aid commitments to Nigeria from a formal research that is focused on past success stories where large external flows were successfully integrated and utilized for development purposes. Cases of particular effective sectoral strategies, of the use of natural resources and of reform efforts that allow for a significant step change in public sector performance could be draw upon, with a view to make management effective in Nigeria as required by the PD and AAA.
- Donors should spur Nigeria into effective utilization of aid under the PD and AAA through alternative arrangements. They should provide better incentives for Nigeria to use resources effectively, or develop and test new delivery mechanism to reach the poor people directly.

5.2 Recommendation to Nigerian government (Recipient Country)

- Nigerian government should ensure greater coordination and coherence in aid policy formulation, implementation and in capacity development at the national and sub-national levels.
- Nigerian government should ensure that the operations, activities, conditions of budget support are presented during budget discussions at both the national and sub-national levels, with a view to enhance accountability and good governance.
- Nigerian government should put in place appropriate legal machinery that will ensure that both national and sub-national governments convey regular or periodic press briefings on the state of development aid, as well as the location of the associated projects with a view to enhance domestic accountability.
- Nigerian government should put in place a machinery that should compel national and sub-national, budget and planning commissions, which are critical agencies in the aid negotiations/administration to always brief the civil population on their activities before and after the aid has been negotiated and administered with a view to ensure good governance and domestic accountability.
- Nigerian national and sub-national governments to cooperate with development partners in monitoring and evaluation of aid disbursement and the associated projects with a view to ensure good governance and accountability but to the extent that it does not threaten ownership and domestic accountability and the effective administration of the funds.

- Government should double its efforts to ensure that CSOs engagement in monitoring donor funds and associated projects/ programmes implementation are improved. Participation of CSOs and citizens in budget drafting, implementation and approval should be a requisite.
- In order to ensure effectiveness and sound macroeconomic practice both national and sub-national government should meet transparency requirements; at both levels government roles and responsibility should be clearly stated, information on government activities should be provided to the public; budget preparation, execution, and reporting should be undertaken in an open manner; and fiscal information should attain widely accepted standards of data quality and be subject to independence of assurances of integrity.
- Both national and sub national governments should provide and promote a forum that makes politicians and technocrats be accountable to communities and citizen so that they can be interested in aid monitoring, evaluation and accountability.
- Both national and sub national governments should build political ownership of the policies embodied in aid negotiation, policy formulation, implementation and monitoring and evaluation by ensuring that aid policy formulation is complies with transparency and accountability requirements .
- Both at national and sub national levels efforts should be made to reduce donor dependence and improve domestic resource mobilization.

5.3 Recommendations to Civil Society Organisations

For CSOs to effectively engage in the aid processes with a view to ensure that the states (National and Sub National) comply with the requirements of the PD and the AAA for aid effectiveness it should:

- CSOs should include in their activities analysis of ways in which aid affect state transparency and accountability. By doing this they will be able to ensure that important aid related information are disclosed. By doing this they will be able to detect lapses in aid effectiveness under the PD and AAA and then institute actions/measures for effective aid governance and accountability in the use public funds (aid).
- CSOs should form coalitions for monitoring and evaluation of aid. This is because most CSOs on their own do not have the capacity to do an effective monitoring and evaluation of aid.
- CSOs should partner with the media for a responsive aid effectiveness advocacy. This is with a view to raise awareness of PD and AAA.
- CSOs should come together as a network or coalition and set agenda (essential and discretionary) on how they should pursue the issue of aid effectiveness as recommended by the PD and the AAA.
- CSOs through citizens score card, reports, expert review and beneficiary assessment provide lead on foreign aid governance systems covering five focal areas based on stakeholders consultations: i) transparency and accountability in the utilization

and deployment of the aid; ii) Public participation in decision making and oversight of resources from foreign aid; iii) Good governance in foreign aid utilization for aid effectiveness and sustainable development; iv) Capacity development in aid administration and deployment for national development; and v) Reforms in the democratic governance of foreign aid process.

- CSOs should partner with the local communities and the academia in the monitoring and evaluation, planning and budgeting at sector and local levels with a view to ensure service delivery of the aid process.
- CSOs should put in place mechanism on how to coordinate and report on donors activities and effectiveness on the aid process in the country or in selected sectors or regions or states in Nigeria.
- CSOs should play a stronger role in assisting to move mutual accountability beyond aid management but within the ramifications of the PD and AAA and related development instruments.

Methodology

The primary data was collected with the aid of survey questionnaire, focus group interviews and unstructured interviews. Secondary data was collected from existing records or sources which include statistical records, published books/works, government monetary, fiscal and debt regulatory organs and published annual accounts and statements/reports. The data gathered from the focused group discussion, structured interview and the secondary data were analyzed through content and judgmental analysis.

Study limitations

The study was constrained by the following:

- i) Government officials (civil servants) were not too keen to comment on the issue because of the oath of confidentiality which they have sworn to uphold or abide
- ii) Non availability or grossly inadequate national record keeping of statistical data (that is secondary statistical data) on aid inflow from both emerging and traditional donors to Nigeria. Consequently, this made it impossible to lay hands on secondary statistical data for model building or graphical or tabular analysis to substantiate findings emanating from documented literature or secondary data sources.
- iii) Civil Society Organizations were widely scattered all over Nigeria and that made it difficult to get across to a large number of them for their response.

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