



COMMUNIQUE ISSUED AT THE CONCLUSION OF THE RETREAT TO REVIEW YEAR 2017 BUDGET PROPOSAL OF THE STATE OF OSUN HELD FRIDAY 9TH TO SUNDAY 11TH OF DECEMBER, 2016 AT TIMSED HOTELS, IJEBU-JESA

Preamble

As part of the process of its 2017 budget preparation, the State Government of Osun, under the leadership of Ogbeni Rauf Aregbesola, organised a retreat to review the Year 2017 budget proposal. This retreat, which was the first of its kind with regards to the State's annual budget preparation, was held at the instance of Mr. Governor against the backdrop of the current economic realities of the State and the Government's commitment to delivering on its development promises to the people of the State of Osun.

The three-day retreat was designed to elicit robust and rigorous discussions along the lines of the State's revenue vis-à-vis budget performance and the delivery on the promises of the administration to the people of the State of Osun. This is considered imperative in view of the the fact that the administration is only two (2) years to the end of its tenure.

Participants were drawn from both the public and private sectors, comprising of Mr. Governor, Madam Deputy Governor, Speaker of the State House of Assembly and prominent Honourable members, Secretary to the State Government, Chief of Staff to the Governor, Head of Service, prominent citizens of Osun, former cabinet members of the State Executive Council, Heads of relevant MDAs of the State.

Purpose of the Retreat

The three (3) day retreat was conducted to:

1. Review the performance of Year 2016 Budget.
2. Review the Draft 2017 Budget Proposal.
3. Review the performance of the State's IGR.
4. Highlight key budgeting issues with respect to delivering on the state developmental projects.
5. Identify key flagship projects to be embarked on/improved upon that will catalyze economic growth.

Key Points and Resolutions

1. The retreat observed the need to challenge the status quo on the State's economic situations, and find innovative means to increase the State's IGR, which has been identified as the mainstay of the

State's budgetary support, considering that allocations from the federation account would likely continue to decline steadily.

2. For sustainable good governance of the state, the minimum that the state required monthly is not less than 10 billion Naira.
3. The success of the proposed 2017 budget which is proposed to be a balanced budget is dependent of aggressive revenue drive that takes IGR to about =N= 5 to =N=6 billion per month.
4. Budgets estimates of the state should be driven by revenue and not expenditure in line with global best practice.
5. Need to set up a committee/task team and/or consultancy to: review existing revenue heads; determine genuine heads of revenues and conduct realistic assessments of what can be generated, making recommendations on capacity enhancement mechanisms. This should be done within 2 weeks of the conclusion of this retreat.
6. Quarterly review of revenue generation performance by all revenue generating agencies to appraise performance, identify challenges, propose solutions towards the attainment of revenue set targets.
7. Mobilization of the civil service to embrace efficiency and productivity as the essence and watchword for successful budget implementation in 2017.
8. Effective coordination of all revenue generation activities in the state by Osun Internal Revenue Services (OIRS).
9. Prioritization of projects with a view to funding them at the appropriate time was also considered imperative.
10. Potential areas considered as low-hanging fruits on the state's IGR generation were identified for immediate exploration. These include cultivation and development of necessary value chain for Plantain, Broilers, Piggery, Sweet Potatoes and Cocoa.
11. The setting up of Inter-Ministerial task team to drive (10) above and ensuring proper funding within the first quarter of 2017.
12. State Asset Management Agency (SAMA) to be established for mapping, custody and management of all the State's assets particularly land and vacant school properties across the State.
13. Private sector participation in investment drives in Tourism and Real Estate (including but not limited Oranmiyan New Town) should be pursued.
14. For effective implementation of the Land Use Charge Law, it is resolved that Local Government staff should be trained and engaged for the identification, enumeration, categorization of properties, and service of assessment notices.
15. The setting up of abattoirs across the State with private sector involvement to enhance health and sanitation.
16. Immediate implementation of payment of Education Trust Levy in all public and private schools and maintenance levy in all the model schools and this should be captured in the 2017 budget proposal.
17. Efforts must be intensified to identify and explore solid mineral and forestry resources in the state through public/private partnership.
18. Mobilization of the citizens of the state for productive economic activities as a basis for expanding the economy of the state which is recognized as essential basis to increasing revenue generating capabilities of the government and as a contribution to overcoming the current economic recession.
19. An inter-ministerial Committee should be set up immediately to ensure the implementation of the resolutions at the retreat.

Conclusion

The retreat certainly provided a unique platform to ensure optimal performance of the administration in the face of current economic and financial challenges. The retreat underscored the imperative of aggressive revenue generation which must be seen as a business for ALL. Furthermore, the need for synergy among all MDAs in the areas of revenue generation and budget implementation was emphasized. It is hoped that full implementation of the resolutions of the retreat shall be ensured.