

TABLE OF CONTENT

| | Pages |
|---|--------------|
| Foreword | ii-iii |
| Acknowledgements | iv |
| List of Tables | v |
| Executive Summary | 1-2 |
| 1 CHAPTER ONE – OBJECTIVES OF THE DOCUMENT | |
| 1.1 Objectives of the MTSS Document | 3 |
| 1.2 Outline of the Structure of the Document | 3-4 |
| 1.3 Process used for the MTSS Development | 4 |
| 1.4 Summary of the sector’s Programmes, Outcomes and Related Expenditures | 5 |
| 2 CHAPTER TWO – THE SECTOR AND POLICY IN THE STATE | |
| 2.1 A Brief Introduction to the State | 6-8 |
| 2.2 Overview of the Finance and Revenue Mobilization Sector | 8 |
| 2.3 The Current Situation in the Sector | 9 |
| 2.4 Sector Policy | 10 |
| 2.5 The Sector’s, Mission, Vision and Core Values | 10-11 |
| 2.6 The Sector’s Objectives and Programmes for the MTSS Period | 11-14 |
| 3 CHAPTER THREE – THE DEVELOPMENT OF SECTOR STRATEGY | |
| 3.1 Major Strategic Challenges | 15 |
| 3.2 Resource Constraints | 16 |
| 3.3 Projects Prioritization | 17-18 |
| 3.4 Personnel and Overhead Costs: Existing and Projections | 19 |
| 3.5 Contributions from our Partners | 19 |
| 3.6 Cross-Cutting Issues | 19 |
| 3.7 Outline of Key Strategies | 20-21 |
| 3.8 Justification | 22 |
| 3.9 Responsibilities and Operational Plan | 22-23 |
| 4 CHAPTER FOUR – THREE-YEAR EXPENDITURE PROJECTIONS | |
| 4.1 The process used to make Expenditure Projections | 24 |
| 4.2 Outline Expenditure Projections | 24 |
| 5 CHAPTER FIVE – MONITORING AND EVALUATION | |
| 5.1 Conducting Annual Sector Review | 25 |
| 5.2 Organizational Arrangements | 25-26 |

FOREWORD

The imperative of effective revenue mobilisation, generation and allocation cannot be over-emphasised. Ditto the utilisation and allocation of the resources so generated to ensure value addition to the governance. It has become apparent that funds from the Federal allocation can no longer meet the myriad of mandatory financial responsibilities confronting the State Government. Yet there is the need for the State to move beyond the current threshold in its efforts to meet the yearnings of its citizenry.

In recognition of this fact, the present administration sustained the process and implementation of the Medium Term Sector Strategies (MTSS) in the State. In the process, Agencies of Government that are finance - and revenue - related are grouped into MTSS Finance and Revenue Mobilisation Sector and are charged with the mandate to evolve strategies that are capable of improving revenue performances in the State. The efforts of the Sector are expected to birth the Sector's Implementable MTSS that are revenue-generation driven. Therefore, this document is a product of the efforts on how to review and improve the revenue generation and allocation in the State leveraging on the Global MTSS standard.

The document details the various world - class strategies aiming at soaring up the State's IGR and effective allocation of same. The strategies primarily are going to dwell on plugging both the existing and potential revenue leakages, expansion of tax base, bringing of more eligible tax-payers into the tax net to

mention but a few. Without mincing words, an impressive IGR figure is to serve as supplement to the State's Federal Fund Allocation and even, in some instances, desired to be more than it. The current administration in the State desires the later.

The twin-sister to revenue generation is effective revenue allocation and this has been determined to be healthily pursued. This is because, the State Government cannot afford to let its efforts on revenue generation be wasted when their products are not well allocated or allowed to go down the drain. To this end, this document provides strategies for revenue mobilisation and generation as well as prioritisation of resource allocation to people projects based on need assessments in a way that ensures equities and value addition among the competing projects.

It is therefore my pleasure to recommend this MTSS Finance and Revenue Mobilisation Sector document for advancing the frontiers of development of the State.

Signed
Hon. Bola Oyebamiji
Supervisor (Finance & Commerce).

ACKNOWLEDGEMENTS

I wish to specially thank the following Public Officers whose unwavering efforts and supports culminated in the successful development of this document. First and foremost, I wish to express appreciation to the Executive Governor of the State of Osun, Alhaji Gboyega Oyetola and his Deputy, Mr. Benedict Alabi for their assured readiness to implement the content of this document. Also worthy of appreciation are the Supervisor, Finance and Commerce, Hon. Bola Oyebamiji who doubles as the Chairman of the Finance and Revenue Mobilisation Sector as well as his colleagues in Finance and Revenue Mobilisation Sector Agencies who have been giving their unflinching supports to the development and implementation of the MTSS in the State.

The contributions from the Accounting Officers and other Career Officers of the Sector's conglomerate cannot afford to go unappreciated. Thus, I express gratitude to them for making themselves personally available and releasing their Officers for activities leading to the emergence of this document when the need arose and all the Officers who, in one way or the other, participated in the development of the document.

To everyone, I say thank you.

Adebimpe Ogunlumade, mni
Permanent Secretary (Financ

EXECUTIVE SUMMARY

Since August 27, 1991 when Osun State was created, successive Governments had been trying to develop the State without any definite developmental blue print. This is characterized with uncoordinated development in all the twelve (12) sectors of the State. This document attempts to put in place a plan of action capable of bringing meaningful and coordinated developments in the State as being done in other climes that have brought them to where they are. It equally attempts to look at programs and projects that lead to the achievement of the stated goals.

The Finance and Revenue Mobilization Sector is the one of the Sectors established in the State Development Plan (SDP) for the State of Osun with a view to preparing a Medium-Term Sector Strategy (MTSS). The main goal of Medium-Term Sector Strategy is to provide a linkage between Development Plan and Annual Budget in the Sector. The Finance and Revenue Mobilization Sector comprises of the following Agencies: Ministry of Finance, Office of the Accountant-General, Osun Internal Revenue Service (OIRS) and Debt Management Office (DMO).

The mandate of the Sector is to evolve strategies that are capable of improving revenue generation and performances in the State by developing a robust Finance and Revenue Mobilization Strategies that will be pursued over the next three years (2020 - 2022) towards the achievement of the Sector's goals and objectives. The Sectors seeks to address the following key financial and revenue generation issues:

- Treasury Management Reform
- Expansion of Revenue Collection Points
- Public Enlightenment Campaign and Tax Enforcement
- Osun Partnership Public Private Support Scheme

In conclusion, the Strategies put together by the Finance and Revenue Mobilization Sector is expected to improve revenue generation and utilization in the State.

CHAPTER ONE

1.1 Objectives of the MTSS Document

The Medium-Term Sector Strategies (MTSS) is a three years (2020-2022) plan that provide a link between government expenditures and State goals and programmes as analysed in the State Development Plan (SDP). In the development of the MTSS, medium-term objectives are set, broken down into programmes and linked to the SDP. In other words, MTSS is consistent with Sector Plan, linking the overall government policy to detailed sector strategy. All activities are costed within projected ceilings with no funding gap.

This MTSS represents Finance and Revenue Mobilization Sector's priorities which are determined and aligned with resources allocated, within the context of forecast information on the State's macroeconomic and financial outlook. It broadly defines the outcomes which the Sector is trying to achieve and the strategies to reach its objectives for the Three Years (2020-2022).

1.2 Outline of the Structure of the Document

The five chapters of this MTSS documents are as follow:

Chapter One: It summarizes the key objectives of the MTSS document; the process used for the development of the MTSS; and the sector's programmes, expected outcomes and related expenditures. The chapter ends with an outline of the structure of the MTSS document.

Chapter Two: This chapter contains brief introduction to the State, overview of sector institutional Structure, the current situation in the sector, Sector's policy, Statement of the Mission, Vision and Core Values, the Sector's objectives and programmes for the Medium-Term Sector Strategy period

Chapter Three has to do with the development of this sector's strategy; it contains an outline of the major strategic challenges to the sector, resource constraints, project prioritization, personnel and overhead cost (Existing and Projections), contributions from our partners, cross-cutting issues, outline of key strategies, justifications, responsibilities and operational plan.

Chapter Four contains the Sector's three (3) years (2020-2022) expenditure projections which includes the process used and outline in making the projections

Chapter Five contains the monitoring and evaluation process which has to do with conducting the annual sector review and organizational arrangement.

1.3 Process used for the MTSS Development

The production of the Finance and Revenue Mobilization Sector's (2020 – 2022) MTSS Rollover document is a product of a series of workshops organized by the State Government in collaboration with the U.K. Department for International Development (DFID) which brought together various stakeholders such as NGOs and CSOs. Due considerations were given to Key financial and revenue generation issues in some high-level policy documents such as ERGP, SEED, SDG. In the course of the workshops and consultations, participatory approaches and concerted efforts were adopted to review the goals, objectives, programs, activities, outputs, outcomes, key performance indicators (KPI) and costing within the ceilings of budget envelope. Various plenary sessions were held during the MTSS workshops in order to arrive at the project prioritization, costing and KPI that were agreed and contained in this report.

1.4 Summary of the sector's Programmes, Outcomes and Related Expenditures

Table 1: Programmes, Expected Outcomes and Proposed Expenditures

| Programme | Expected Outcome | Proposed Expenditure | | |
|---|---|----------------------|------------------|----------------|
| | | 2020 | 2021 | 2022 |
| Treasury Management Reform | Improved Accountability and Efficiency in Government Spending | 600,000,000.00 | 650,000,000.00 | 750,000,000.00 |
| Expansion of Revenue Collection Points | Expanded Revenue Collection Centres | 1,839,000,000.00 | 1,254,700,000.00 | 654,600,000.00 |
| Public Enlightenment Campaign and Tax Enforcement | Increased awareness on Tax | 194,000,000.00 | 160,000,000.00 | 160,000,000.00 |
| Osun Partnership Public Private Support Scheme | Increased PPP and Donors Participation | 46,100,000.00 | 37,600,000.00 | 37,600,000.00 |

CHAPTER TWO

THE SECTOR AND POLICY IN THE STATE

2.1. A Brief Introduction to the State

GEOGRAPHY

Osun State is located in the South-Western part of Nigeria. It covers an area of approximately 14,875 square kilometres. It lies between longitude 04 00E and 05°5 latitude 05°55⁸N and 08°07W. It is bounded by Ogun, Kwara, Oyo, Ondo and Ekiti States in the South, North, West and East respectively. The State lies within the tropical rain forest.

POPULATION

According to the National Population and Housing Census exercise conducted in 2006, Osun State has a population of 3,423,535.

PEOPLE AND CULTURE

The indigenes of the State belong to the Yoruba tribe and are composed of the Oyos, Ifes, Ijesas, Igbominas and Osuns. However, non-indigenes from all parts of Nigeria and foreigners reside in the State and live together in harmony. Yoruba and English are the languages used for official and business transactions.

The people have a rich cultural heritage which is eloquently demonstrated in all spheres of their lives. Their culture finds expression in their arts, literature, music and other social activities. It is marvellous being among the people savouring the beauty of their well-acclaimed cultural inheritance.

TOURISM

Tourist centres abound across the State. Some of the popular ones are the Oranmiyan Staff; Ife Museum; Obafemi Awolowo University Zoological Gardens; Ile-Ase; Yeyemolu and Oduduwa Shrines and Grove, all at Ile-Ife. Others include Osun-Osogbo Shrine, which is the venue of the internationally recognised Osun-Osogbo Festival; the Mbari-Mbayo Cultural Heritage; Idi-Baba Cultural Centre; Adunni Susan Wengers Centre and Nike Arts Gallery, all based in Osogbo. There are also the Olumirin Water-Falls at Erin-Ijesa; Igbo-Sango, Ede, Kiriji War Site, Igbajo and the Ayikunugba Water-Falls at Oke Ila-Orangun.

The State Government accords great importance to tourism. All issues pertaining to tourism are handled by the State Ministry of Home Affairs, Culture and Tourism. This Ministry is charged with the responsibility of modernizing and developing tourism and culture in the State. Osun Osogbo Grove has been recognised by UNESCO as a World Heritage Site while the Osun Osogbo Festival has been listed as an international festival. The UNESCO has also established the Centre for Black Culture and International Understanding in Osogbo, the State Capital.

PREVIOUS ADMINISTRATIONS

Col. Leo Segun Ajiborisa was the pioneer Military Administrator of the State from August to December, 1991. He wielded both executive and legislative powers. He was succeeded by Alhaji Isiaka Adetunji Adeleke, the first democratically-elected Governor, who ruled from January 1992 to November, 1993. With the take-over of the government by the Military, the State was administered from November, 1993 to May, 1999 by a succession of Military Administrators. They were Navy Captain Anthony Udofia, Col. Anthony Obi and Col. Theophilus Bamigboye. On 29th May, 1999, Chief Bisi Akande was sworn-in as the second Executive Governor. He was succeeded by Prince Olagunsoye Oyinlola from 2003 – 2007. He recontested for the second term and was in office from 29th May, 2007 till 26th November, 2010 when he was sacked by a Court order which declared Mr. Rauf Adesoji Aregbesola as the winner of April, 14, 2007 Governorship election. Consequently, Mr. Rauf Governor of Osun State. Having served out his second tenure on 26th November, 2018 Alhaji Gboyega Oyetola was sworn-in on November 27, 2018 as a successor to Mr. Rauf Adesoji Aregbesola.

EXECUTIVE

The Executive arm of Government is headed by Alhaji Gboyega Oyetola; and is being assisted by his Deputy, Mr. Benedict Gboyega Alabi, the Secretary to the State Government (SSG), Mr. Kola Oyebamiji, the Chief of Staff, Dr. Charles Akinola, the Head of Service Dr. Festus Olowogboyega Oyebade.

LEGISLATURE

The State House of Assembly consists of 26 Honourable Members. The Speaker is Hon. Timothy Owoeye.

JUDICIARY

The Judiciary is headed by Hon. Justice Adepole Ojo. The Chief Judge is assisted by 18 other High Court Judges in the dispensation of justice. The Customary Court of Appeal is headed by Justice Gloria E. Oladoke and consisted of other Judges.

ADMINISTRATIVE SET UP

The State is divided into three Senatorial Districts viz: Osun 1 (West), Osun II (Central) and Osun III (East). Each of these districts is further divided into two zones, making a total of six zones. Osun I is made up of Ede and Iwo Zones while Osun II comprises Osogbo and Ikirun Zones. Osun III consists of Ilesa and Ife Zones. The State is made up of 30 Local Government Areas, 37 Local Council Development Areas and Ife-East Local Government Area Office.

2.2 Overview of the Finance and Revenue Mobilization Sector

The Finance and Revenue Mobilization Sector in the State of Osun has been the sole handler of the Finances of the Government for effective Governance of the State. Its responsibilities involve making funds available for the three arms of Government and Ministries, Departments and Agencies (MDAs) alike. The Sector comprises all MDAs whose roles are finance-related and their roles cut across the entire Service. These MDAs include Ministry of Finance, Office of the Accountant-General, Osun State Internal Revenue Service and Debt Management Office.

The Finance and Revenue Mobilization Sector conglomerate's roles based on its component MDAs include mobilization/generation of revenues, productive distribution/application of Government funds, exploration of creative means of increasing and expanding our internally generated revenue base for the collective good of the citizenry, harnessing the State's resources to achieve wealth and prosperity for the populace, equitable distribution of resources and effective management of Government debt portfolios (that is, ensuring sustainability of Government debts).

2.3 The Current Situation in the Sector

The Sector is made up of four MDAs namely:

- Ministry of Finance
- Office of the Accountant-General
- Osun State Internal Revenue Service
- Osun State Debt Management Office

Finance is the wheel that drives governance at any level. It is therefore of great importance to secure adequate revenue for the government and to effectively and efficiently allocate the revenue so generated in a way that will better the lots of the greater percentage of the citizenry.

Hitherto, the State is characterized by inadequate financial resources, weak financial management and planning skills, low level of revenue generation and non-availability of State Integrated Financial Management Information System (SIFMIS). However, the State is in the process of reviewing its obsolete revenue laws, assenting to new financial legislations such as Revenue Harmonization Law, Public Financial Management Law (currently at the Ministry of Justice and State House of Assembly respectively) as well as launching its Cash Management Strategy. The State has also successfully implemented the Treasury Single Account (TSA) Policy which has helped in Her Financial Management by plugging revenue leakages. In addition, the State has developed a robust taxpayers' database that captures all eligible taxpayers including the informal sector which has subsequently improved the internally generated revenue in the State. Through the implementation of the International Public Sector Accounting Standards (IPSAS), financial reporting system is now in line with International best practices.

It is therefore important for the State to expedite actions in developing a robust financial management information system. Full utilization of the taxpayers' database is germane to the improvement of the State internally generated revenue in order to improve the financial status of the State.

2.4 Sector Policy

The policy thrust of Finance and Revenue Mobilization Sector in the State of Osun is the institutionalization of a robust financial system which ensures availability of funds to meet government expenditures, reduce wastages and leakages, and ensures fiscal transparency, accountability and sustainability. The policy has the following specific dimensions:

- Developing accountable and transparent institutions at all levels;
- Increasing Internally Generated Revenue;
- Ensuring provision of adequate financial input to all MDAs without which their functioning will be impossible.
- Ensuring formulation of fiscal policy with positive impacts on the State Economy.
- Prioritizing funding of revenue generating projects by the government;
- Ensuring programmes/projects are monitored to achieve value for money.
- Ensuring effective maintenance and upkeep of the State's capital assets and expenditure plan schemes.

Thus, the policy goal in the Finance and Revenue Mobilization Sector is an accountable and transparent governance that ensures effectiveness and efficiency in the sourcing and application of government funds.

2.5 The Sector's, Mission, Vision and Core Values

Mission Statement

To improve the financial status of the State by maximizing the State's revenue potentials and ensuring transparency, accountability and sustainability through effective and efficient use of State's financial resources.

Vision Statement

To be the most efficient sector in the State of Osun in achieving financial self-reliance and fiscal sustainability for the State.

Core Values

- **Accountability:** Be fiscally responsible and focused on efficient, effective and prudent use of resources. E.g. strict adherence to MTEF document, timely publication of Annual Financial Statements
- **Transparency:** Provide transparent financial reporting to enable public scrutiny and provide apolitical and non-partisan advice. i.e. timely publication of Annual Financial Statements on the State’s website and regular conduct of Audit Forum.
- **Sustainability:** Maintain the growth and development in the State’s financial status through steady growth in IGR
- **Integrity:** Act professionally with honesty, consistency and impartiality. i.e. strict adherence to financial laws
- **Efficiency:** Focus on quality and value for money in public expenditure.
- **Financial Discipline:** Ensure that government spending is within the available resources.

2.6 The Sector’s Objectives and Programmes for the MTSS Period

Table 2: Summary of State Level Goals, Sector Level Objectives, Programmes and Outcomes

| State Level Goal | Sector Level Objective | Programme | Outcome |
|---|--|--|---|
| Achieve diversified and enhanced revenue base by providing enabling business environment which will attract and retain investors and expand existing businesses | Ensure adequate Mobilization and judicious utilisation of government resources | Treasury Management Reform | Improved Cash Management System |
| | | Expansion of Revenue Collection Points | <ul style="list-style-type: none"> • Expanded Revenue Collection |
| | | Review of Rates and Levies | <ul style="list-style-type: none"> • Revenue Collection Improved |
| | | Harmonization of Revenue Collection System | <ul style="list-style-type: none"> • Improved Visibility On Government Revenue |

| | | | |
|--|--|--|---|
| | | | <ul style="list-style-type: none"> • Revenue Leakages Reduced • Revenue Collection Improved |
| | | Public Enlightenment Campaign/Tax Education | Increased Awareness on Tax |
| | | Tax Payers Enumeration | Tax Payers Database Improved |
| | | Tax Enforcement | <ul style="list-style-type: none"> • Tax Defaulters Reduced • Tax Compliance Enhanced |
| | | Osun Public Private Partnership Support Scheme | Increased PPP Investment |

Table 3: Objectives, Programmes and Outcome Deliverables

| S/N | Objective | Programme | Outcome | Key Performance Indicators (KPI) | Baseline (e.g. Value of the Outcome in 2018) | Outcome Target Values | | |
|-----|---|--|---|--|--|-----------------------|---------------------|--------------------|
| | | | | | | 2020 | 2021 | 2022 |
| 1. | Ensure adequate and judicious utilisation of government resources | Treasury Management Reform | Improved Accountability and Efficiency in Government Spending | (i) Ratio of Overhead to Capital (ii) Timeliness of Publication of Financial Statements | 1:4 6 Months | 1:5 3 Months | 3:20 1 Month | 1:10 1 week |
| | To increase Internally Generated Revenue | Expansion of Revenue Collection Points | Expanded Revenue Collections | Number of Revenue Collection Points | 36 | 67 | 72 | 75 |
| | | Review of Rates and Levies | Revenue Collection Improved | Percentage Increase in Revenue | 29% | 80% | 90% | 100% |
| | | Harmonisation of Revenue Collection System | <ul style="list-style-type: none"> Improve Visibility on Government Revenue Revenue Leakages Reduced Revenue Collection Improved | <ul style="list-style-type: none"> Number of Revenue Generating MDAs Harmonized Number of Revenue Sub-Heads Harmonized | 0 | 22 | 22 | 22 |
| | | Public Enlightenment | Increased Awareness On Tax | Number of Public Enlightenment | 0 | 21,404 | 21,404 | 21,404 |

| | | | | | | | | |
|----|--|---|---|---|------------------|--------------------|--------------------|--------------------|
| | | Campaign/Tax Education | | Programmes or Tax Education Carried out | | | | |
| | | Tax Payers Enumeration | Tax Payers Database Improved | Number of New Tax Payers Identified | 0 | 11,360 | 11,360 | 11,360 |
| | | Tax Enforcement | <ul style="list-style-type: none"> • Tax Defaulters Reduced • Tax Compliance Enhanced | Number of Tax Enforcement Carried Out | 0 | 12 | 12 | 12 |
| | | Public Enlightenment Campaign and Tax Enforcement | Increased awareness on Tax | <ul style="list-style-type: none"> • Number of people in the Tax net • Amount of IGR recorded | 699,712 ₦15bn | 1,437,900 ₦23bn | 2,775,800 ₦41bn | 5,551,600 ₦45bn |
| 3. | To increase support through PPP and Donors | Osun Public Private Partnership Support Scheme | Increased PPP and Donors Participation | Percentage of New International Cooperation/Agreement successfully started | 15% | 35% | 30% | 20% |

CHAPTER THREE

THE DEVELOPMENT OF SECTOR STRATEGY

3.1 Major Strategic Challenges

The following constitute the challenges hampering productivity of the Finance and Revenue Mobilization Sector in the State of Osun:

- i. Low information and communication Technology skills on the part of some Officers of the sector coupled with existence of inadequate data base;
- ii. Apathy to implementation of government policies by the citizenry;
- iii. The general idea of “expecting from the government” rather than “giving back to the society”;
- iv. Poor commitment to enforcement of the fiscal/financial Rules;
- v. Duplication and overlapping of MDAs functions which is a fall-out from excessive expansion of bureaucracy;
- vi. Unstable power supply to Ministries, Departments and Agencies of the sector conglomerates
- vii. Lack of effective manpower planning resulting in poor governance and administration;
- viii. Lack of coordination among allied agencies and within the various units of a department resulting in some instances to duplication and wastage of financial resources;
- ix. Use of outdated methods and procedures in the operation of fiscal and monetary policy in the State;
- x. Lack of enabling environment for new investors;

| S/N | SECTOR OBJECTIVES | HIGH-LEVEL STRATEGY |
|-----|---|--|
| | Ensure adequate and judicious utilisation of government resources | <ul style="list-style-type: none"> • Adopt regular monitoring of requests and releases • Ensure transparency in projects funding • Conduct regular round table meeting with stakeholders in the finance and revenue mobilization sector |
| | To increase Internally Generated Revenue | <ul style="list-style-type: none"> • Establishment of door step tax collection point across the state • Embark on massive tax education and public enlightenment • Ensure tax enforcement |

3.2 Resource Constraints

Tables 4 and 5 indicate the historical budget data of the Finance and Revenue Mobilization Sector. The data shows that 58% of the budgeted funds were released and expended under personnel while actual expenditure was 17% of amount released for overhead [during 2018 fiscal year](#). This is considered a modest performance. However, with regards to Capital expenditure, funds released [in year 2018](#) accounted for 3% of approved budget while actual expenditure amounted to 40% of amount released. ~~Not all the budgeted funds were released.~~ In spite of the 3% ~~releases~~[released](#), the agricultural sector made a modicum level of impact. There was a l

ittle increase in employment generation (direct and indirect) and increment in food production

Table 4: Summary of 2018 Budget Data

| Item | Approved Budget (₦'000) in 2018 | Amount Released (₦'000) in 2018 | Actual Expenditure (₦'000) in 2018 | Amount Released as % of Approved | Actual Expenditure as % of Releases |
|------------------|---------------------------------|---------------------------------|------------------------------------|----------------------------------|-------------------------------------|
| Personnel | 421,489 | 244,863 | 244,863 | 58% | 100% |
| Overhead | 21,894,565 | 3,757,738 | 4,077,993 | 17% | 109% |
| Capital | 32,258,554 | 30,758,389 | 30,891,169 | 95% | 100% |
| Total | 54,574,608 | 34,760,990 | 35,214,025 | | |

Table 5: Summary of 2019 Budget Data

| Item | Approved Budget (₹'000) in 2019 | Amount Released (₹'000) in 2019 (Up to March) | Actual Expenditure (₹'000) in 2019 | Amount Released as % of Approved | Actual Expenditure as % of Releases |
|------------------|--|--|---|---|--|
| Personnel | 268,093 | 49,127 | 49,127 | 18% | 100% |
| Overhead | 4,657,447 | 153,831 | 153,831 | 3% | 100% |
| Capital | 5,313,181 | 51,650 | 51,650 | 1% | 100% |
| Total | 10,238,721 | 254,608 | 254,608 | 2.5% | 100% |

3.3 Project Prioritization

Table 6: Summary of Projects Review and Prioritization

| S/N | Project Code | Project Name | GOAL 1 | GOAL 2 | GOAL 3 | GOAL 4 | GOAL 5 | Project Status | Likelihood of completion not later than 2022 | Nature of Project | Total Score | Project Ranking | Physical Location | Project Status (Ongoing/ New) |
|-----|--------------|---|--------|--------|--------|--------|--------|----------------|--|-------------------|-------------|-----------------|-------------------|-------------------------------|
| 1 | | Conduct of Public Awareness on Revenue Mobilization | 2 | 3 | 0 | 0 | 0 | 3 | 3 | 1 | 12 | 1 | State wide | Ongoing |
| 2 | | Expansion of Revenue Collection Points | 2 | 3 | 1 | 0 | 0 | 3 | 1 | 1 | 11 | 2 | State wide | Ongoing |
| 3 | | Renovation of Revenue Collection Centres | 2 | 3 | 1 | 0 | 0 | 3 | 1 | 1 | 11 | 2 | State wide | Ongoing |

| | | | | | | | | | | | | | | |
|---|--|--|---|---|---|---|---|---|---|---|----|---|------------|---------|
| 4 | | Procurement of Operational Vehicles for Existing Revenue Collection Centres | 2 | 3 | 0 | 0 | 0 | 3 | 1 | 1 | 10 | 6 | State wide | Ongoing |
| 5 | | Quarterly Development Partners Coordination Meeting and other related activities | 1 | 2 | 0 | 0 | 0 | 3 | 3 | 1 | 10 | 6 | State wide | Ongoing |
| 6 | | Bilateral meetings of Revenue Collecting Agencies | 1 | 2 | 0 | 0 | 0 | 3 | 3 | 1 | 10 | 6 | State wide | Ongoing |
| 7 | | Conduct of Economic Survey | 1 | 2 | 0 | 0 | 0 | 3 | 3 | 1 | 10 | 6 | State wide | Ongoing |

| | | | | | | | | | | | | | | |
|----|--|---|---|---|---|---|---|---|---|---|---|----|------------|---------|
| 8 | | Implement ation of State Integrated Financial Managem ent Informatio n System (SIFMIS) | 1 | 0 | 1 | 0 | 0 | 3 | 3 | 1 | 9 | 12 | State wide | Ongoing |
| 9 | | Review of Rates and Levies | 2 | 1 | 0 | 0 | 0 | 3 | 3 | 1 | | | State wide | Ongoing |
| 10 | | MoU Coordinati on | 2 | 1 | 0 | 0 | 0 | 3 | 3 | 1 | | | State wide | Ongoing |
| 11 | | Centralized Revenue Collection System | 2 | 2 | 0 | 0 | 0 | 3 | 3 | 1 | | | State wide | Ongoing |
| 12 | | Review of Existing Revenue Laws | 2 | 2 | 0 | 0 | 0 | 3 | 3 | 1 | | | State wide | Ongoing |

3.4 Personnel and Overhead Costs: Existing and Projections

Table 7: Personnel and Overhead Costs: Existing and Projected

| Expenditure Head | 2019 (N'000) | | Projections (N'000) | | |
|-----------------------|------------------|-------------------|---------------------|------------------|------------------|
| | Approved | Actual (By March) | 2020 | 2021 | 2022 |
| Personnel Cost | 268,093 | 49,127 | 352,311 | 401,676 | 452,821 |
| Overhead Cost | 4,657,447 | 153,831 | 5,029,849 | 5,552,834 | 6,105,717 |
| Total Cost (N) | 4,925,540 | 202,958 | 5,382,160 | 5,954,510 | 6,558,538 |

3.5 Contributions from our Partners

Table 8: Grants and Donor Funding

| Source / Description of Grant | Amount Expected (₦'000) | | | Counterpart Funding Requirements (₦'000) | | |
|-------------------------------|-------------------------|-----------|-----------|--|-----------|-----------|
| | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Ministry of Finance (SLOGOR) | 3,500,000 | 3,800,000 | 4,100,000 | 1,750,000 | 1,900,000 | 2,050,000 |

3.6 Cross-Cutting Issues

Finance and Revenue Mobilization sector is a multi-faceted sector having various links to all the thirteen (13) Sectors in the State of Osun. It is ~~Therefore~~ [herefore](#) pertinent to highlight the fact that for any meaningful development to take place in the State, the Finance and Revenue Mobilization Sector along with its constituent Ministries, Departments and Agencies have a greater role to play through effective revenue generation and management while all Revenue Generating Agencies (RGAs) are not left out of the drive to ensure sustainable income to the coffers of the State Government.

It is necessary to address certain disparity in terms of Project Financing and Internally Generated Revenue while various sectors of the Osun State economy must also be involved to form part of the sector's policy strategy and implementation processes in order to make the sector projects and programmes laudable.

Revenue Generation:

The establishment of an effective tax system is an important strategy for sustainable revenue generation and best practices by coordinating activities of all Revenue Generating Agencies, ensure proper management of all inflow from FAAC and also ensure judicious allocation of funds to projects and programmes in line with the strategic direction of the State.

3.7 Outline of Key Strategies

1. Blockage of revenue leakages
2. Widen the tax payers database by capturing new tax payers

3. Encouragement of Public Private Partnership
4. Massive public enlightenment and tax education
5. Periodic meeting of RGAs aimed at coordination of all Revenue Generating Agencies (RGAs)
6. Review of all existing fees and charges
7. Review of all existing MoUs on revenue collection

3.7 Outline of Key Strategies

Table 9: Summary of projects' expenditures and output measures

| Outcome | Project Title | Proposed Expenditure (₦'000) | | | Output | Output KPI | Base Line (e.g. Output Value in 2018) | Output Target | | | MDA Responsible |
|--|--|------------------------------|------------------|------------------|--|---|---------------------------------------|---------------|------|------|----------------------------------|
| | | 2020 | 2021 | 2022 | | | | 2020 | 2021 | 2022 | |
| Improved Accountability and Efficiency in Government Spending | Implementation of State Integrated Financial Management Information System (SIFMIS) (Sustainability) | 600,000 | 650,000 | 750,000 | Robust SIFMIS Infrastructure Acquired and Sustained | Percentage of Completion | - | 50% | 70% | 85% | Office of the Accountant General |
| Expanded Revenue Collections | Expansion of Revenue Collection Points | 700,000 | 800,000 | 1,000,000 | No Revenue house built | No of revenue house built | 0 | 21 | 21 | 1 | OIRS |
| Increased awareness on Tax | Procurement of Operational Vehicles for Revenue mobilization sector | 44,000 | 46,000 | 48,000 | No Motor Vehicles for Planning Budget and Revenue mobilization sector procured | Motor Vehicles for Revenue mobilization sector procured | 0 | 2 | 2 | 2 | OIRS |
| | Revenue drives and Mobilization | 150,000 | 120,000 | 120,000 | Revenue drives and mobilization actualized | No of Revenue Drives | 240 | 240 | 240 | 240 | OIRS |
| Increased PPP and Donors Participation | Quarterly Development Partners Coordination Meeting and other related activities | 3,600 | 3,600 | 3,600 | Quarterly meeting of Dev. Partners held | Number of Meetings held | 0 | 4 | 4 | 4 | Ministry of Finance |
| | Bi-annual Review of Donor Partners' Programmes in the State | 7,000 | 7,000 | 7,000 | Review meeting held | Minutes of the meeting | 0 | 2 | 2 | 2 | Ministry of Finance |
| | Impacts assessment and evaluation of donor partners' programmes in the State | 4,500 | 4,500 | 4,500 | Compendium of Donor Partners' activities in the State of Osun produced | Number Compendium Available | 0 | 1 | 1 | 1 | Ministry of Finance |
| TOTAL | | 2,336,600 | 1,885,800 | 2,087,700 | | | | | | | |

3.8 Justification

ACCOUNTABILITY, PROBITY AND TRANSPARENCY

- i. Standardized Accountability and Reporting System: Rendering of time to time stewardship (Accountability and Reporting) by those in Government to the Citizenry capable of providing enablement to the Citizenry in their evaluation of Government activities.
- ii. Automated-Auditable Revenue Generation: Plugging of all aspects of revenue leakages via institution of electronically-made payments into Government coffers.

3.9 Responsibilities and Operational Plan

| MDA Responsible | Project Title |
|-----------------|---|
| OIRS | Conduct of Public Awareness on Revenue Mobilization |
| OIRS | Renovation of Revenue Collection Centres |
| OIRS | Expansion of Revenue Collection Points |
| OIRS | Procurement of Operational Vehicles for Existing Revenue Collection Centres |
| OIRS | MoU Coordination |
| OIRS | Centralized Revenue Collection System |
| OIRS | Conduct of Economic Survey |
| OIRS | Review of Rates and Levies |
| OIRS | Review of Existing Revenue Laws |

| | |
|----------------------------------|--|
| Office of the Accountant General | Implementation of State Integrated Financial Management Information System (SIFMIS) (Sustainability) |
| Ministry of Finance | Quarterly Development Partners Coordination Meeting and other related activities |
| Ministry of Finance | Bi-annual Review of Donor Partners' Programmes in the State |

CHAPTER FOUR
THREE YEAR EXPENDITURE PROJECTIONS

4.1 The process used to make Expenditure Projections

The existing wage structure, market survey, projections from NBS and Office of Statistician-General informed the proposed expenditure on personnel and projects in this MTSS.

4.2 Outline Expenditure Projections

We envisage that at the end of this plan period, the ratio of the recurrent to capital expenditure would have reached 30% to 70% compared to the current situation of 48% to 52% that will lead to the desired development in the sector.

| S/N | ITEM | 2020 | 2021 | 2022 |
|------------|----------------------------|-------------|-------------|-------------|
| 1 | Total Allocation | | | |
| 2 | Personnel | | | |
| 3 | Overhead | | | |
| 4 | Capital Expenditure | | | |

CHAPTER FIVE

MONITORING AND EVALUATION

5.1 Conducting Annual Sector Review

The annual performance review will take the form of job and performance evaluation (in relation to projects, activities and revenue generation) of all the Agencies in this sector. The information from these exercises will guide our M&E in relation to the goals of the Sector and the necessary strategic actions to be taken.

5.2 Organizational Arrangements

The organograms of the MDAs in this Sector, the role of Public Procurement Agency (PPA) and the application of Public Procurement Law, Financial Regulations, and Public Service Rules etc. are germane to efficient and effective utilization of the resources deployed for the achievement of the goals of the Sector.

ORGANIZATIONAL STRUCTURE FOR FINANCE AND REVENUE MOBILIZATION SECTOR

