



ICAN ACCOUNTABILITY INDEX

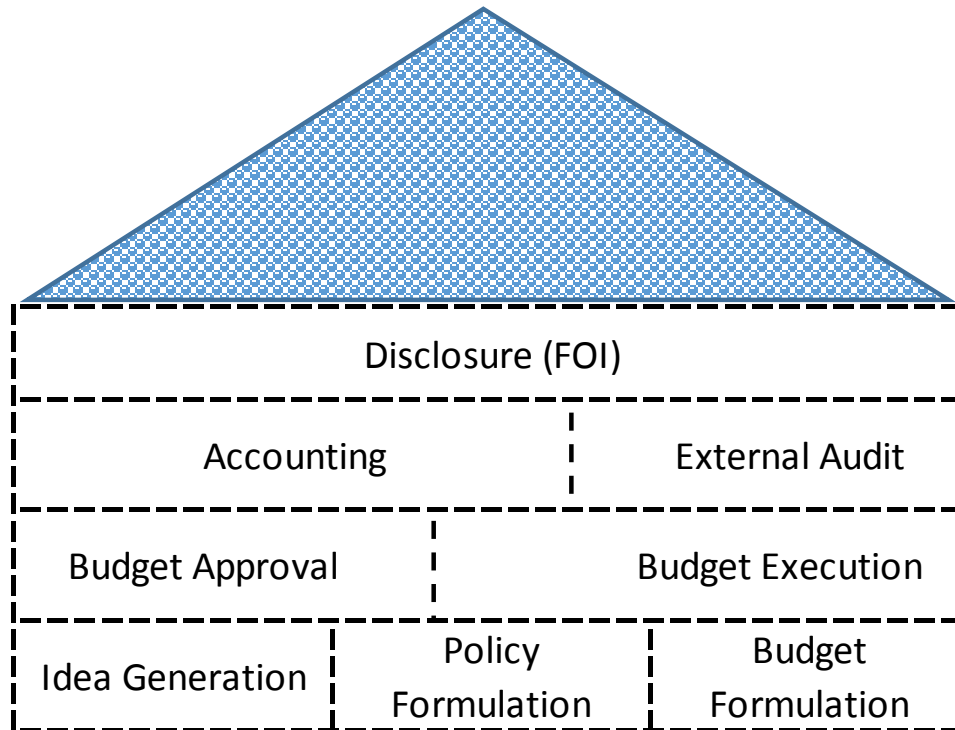
Reforming Public Finance Management for the Future

ICAN Annual Conference, Oct 17, 2017

Segun Banwo



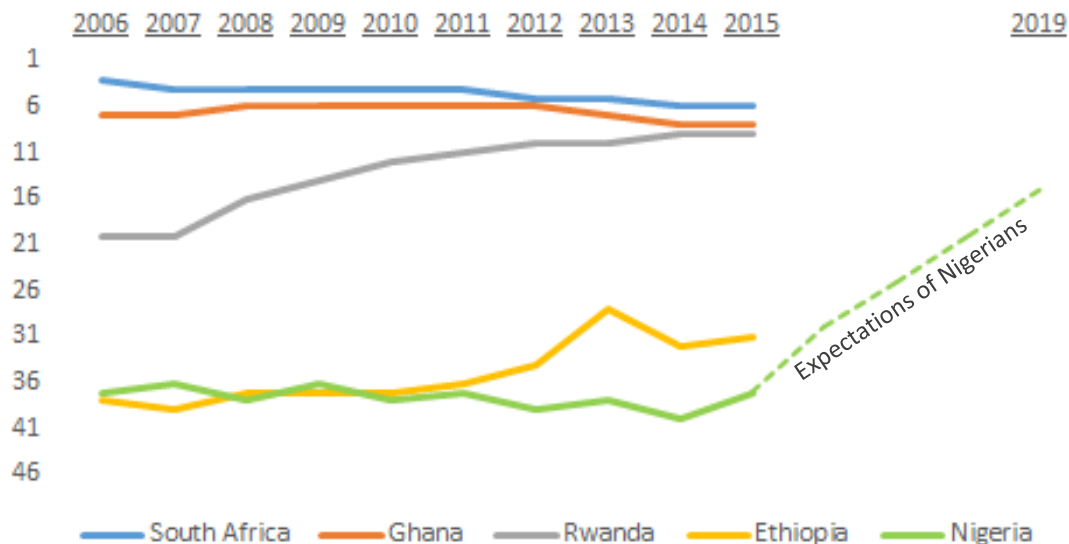
Public Finance Management - The Ideal



- Lintel – Fed., State & Local Govt. Self disclosure to all stakeholders. Adherence to Freedom of Information Act
- 2nd Floor – Accountant General / Auditor General / 3rd Party Auditors
- 1st Floor – Legislature / Procurement Boards/ MDA
- Base – Academia / Research Bodies / Political parties / Civil Society / MoFin

Governance in Africa - Current Status

10 Year Ranking Data





1. Ranking data from the Ibrahim Index of Africa Governance – IAG
2. Accountability & Public Finance Management are significant components of the IAG ranking index
3. Nigeria’s ratings linked to:
 - Transparency issues
 - Waste & corruption
 - Huge Infrastructure deficit
 - Diseases; low Education quality

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mauritius	1	1	1	1	1	1	1	1	1	1
Botswana	2	2	2	2	2	2	2	2	2	2
Cabo Verde	4	3	3	3	3	3	3	3	3	3
South Africa	3	4	4	4	4	4	5	5	6	6
Ghana	7	7	6	6	6	6	6	7	8	8
Rwanda	20	20	16	14	12	11	10	10	9	9
Ethiopia	38	39	37	37	37	36	34	28	32	31
Nigeria	37	36	38	36	38	37	39	38	40	37

The Turning Point?

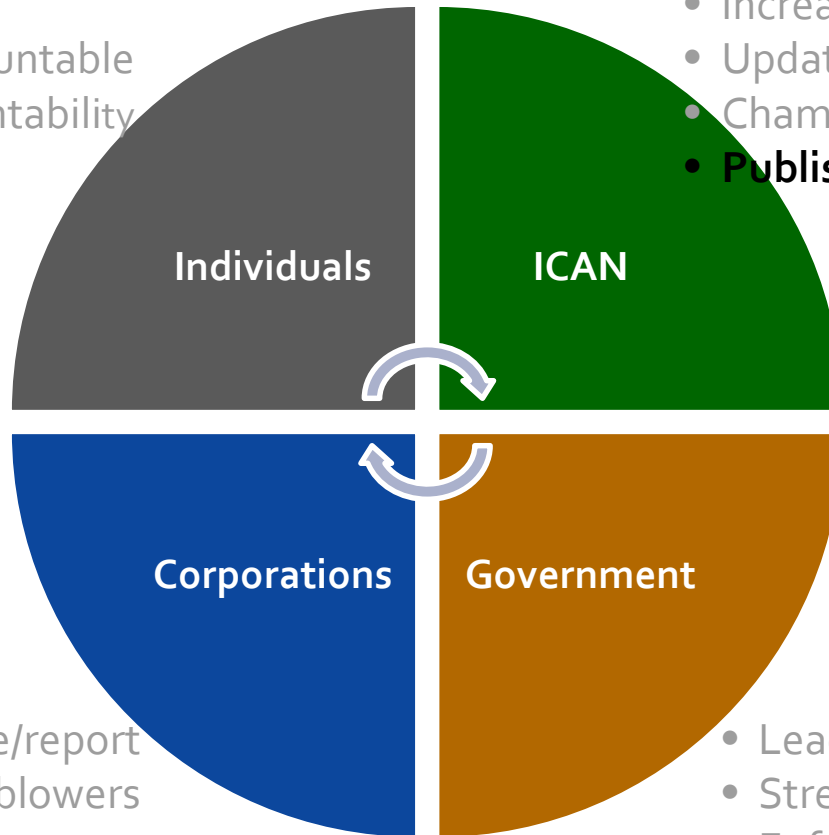
“A crises is a terrible thing to waste” – Paul Romer , Stanford Economist



Major Corporate Accounting Failures (WorldCom, Enron)	Public Accounting Reform (SoX Act)
2008 Global Financial Crises	Enactment of the Dodd-Frank Act
Eurozone Debt Crises	Fin. reforms in affected countries
Economic recession in Nigeria	<i>Opportunity for Public Finance Reforms</i>

Path Forward

- Be accountable
- Demand accountability



- Enforce code of ethics
- Increase participation in national debates
- Update/strengthen accounting standards
- Champion reforms at all levels
- **Publish ICAN Accountability Index**

- Self regulate/report
- Protect whistleblowers
- Resist political pressure
- Enforce contractual rights

- Lead by example
- Strengthen institutional independence
- Enforce the law & timely
- Reward accountability

ICAN Accountability Index - The Business Case

Why This?

- Significant problems plaguing the nation traceable to a lack of accountability.
- The “Index” enables ICAN to serve as conscience of the nation/ generate tangible, measurable scoreboard.

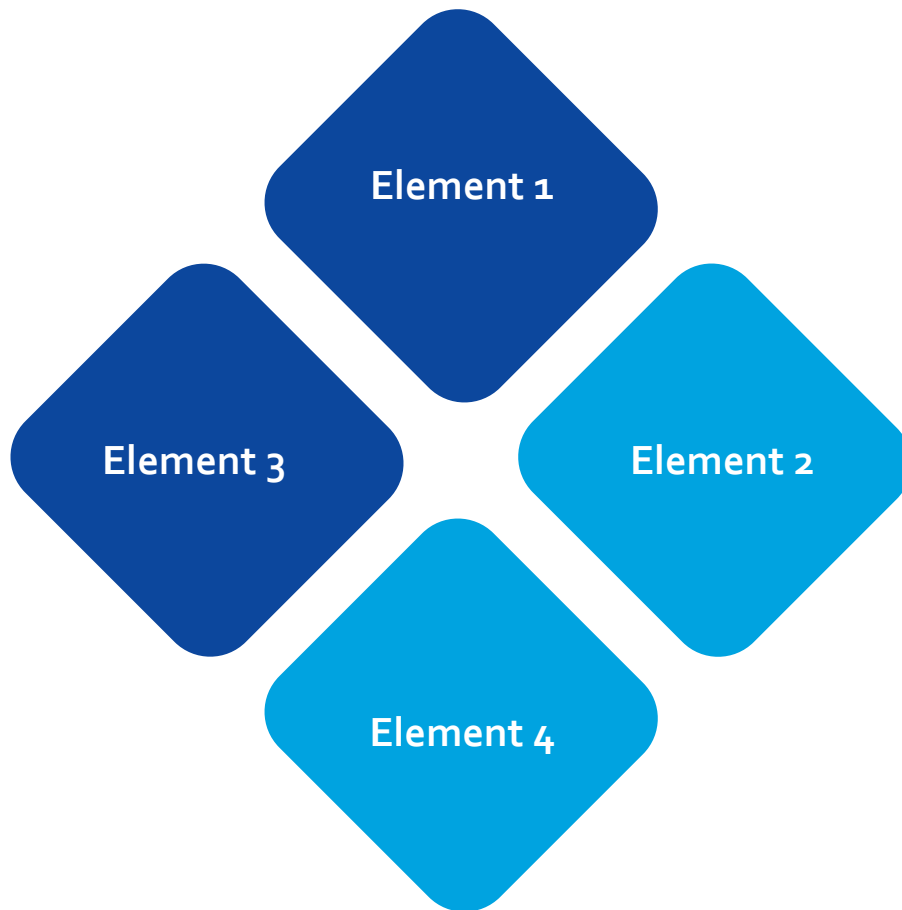
Why Now?

- Nigeria is at a critical juncture in our life as a nation.
- Current state leaves room for significant improvement; several “low hanging fruit” exist.

Why This way?

- Provides ICAN with a unique voice in National discourse and problem solving.
- Provides ICAN with a review system to measure progress.

ICAN Accountability Index



1 – Utilize IIAG Ranking Data

- Aggregation of independent sources
- Non political, verifiable

2 – Benchmark, Compile, Publish

- Top 10 impact areas for Nigeria
- Analysis of position vs. impact areas
- Quick wins and desired results

3 – Enrichment Initiatives

- CBN, MoF, Nigeria Bureau of Statistics
- Engage broader community, SMEs, Analysts

4 - Sustain

- ICAN faculty coordination
- Consultants
- Membership participation

Back-Up

Public Finance Management Circle



Glossary

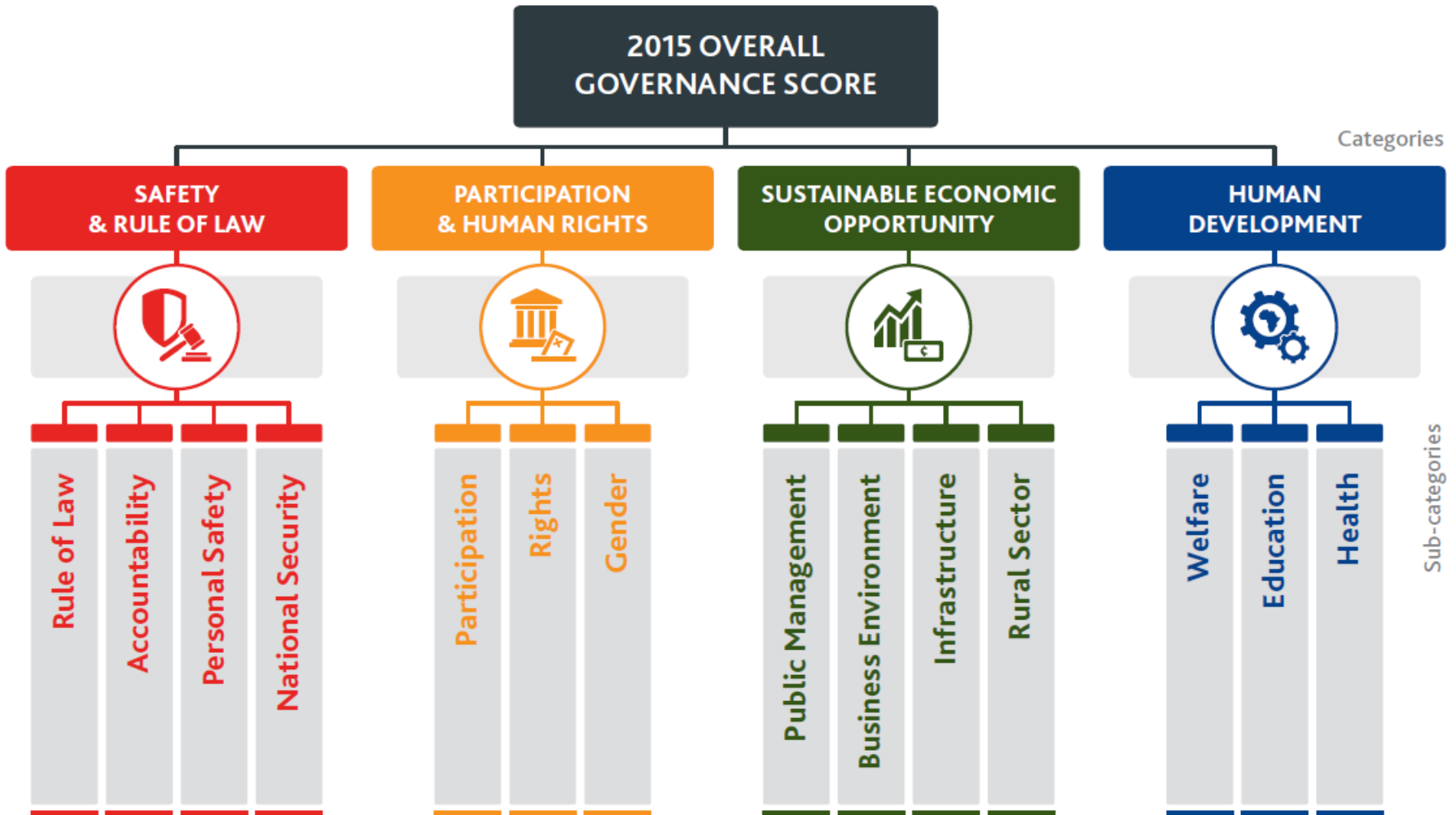
Dodd-Frank Act

The Dodd-Frank Act is a United States Federal law that places regulation of the financial industry in the hands of the government. The legislation was enacted in July 2010 as a result of the global financial recession of 2008 which was triggered in part by the sub-prime mortgage lending practices of US financial institutions. The Dodd-Frank Act created the “Consumer Financial Protection Bureau” (CFPB) to protect consumers from large, unregulated banks.

Eurozone Crises in Southern Europe

The European debt crises (also referred to as the Eurozone crises) is a multi-year crises that has been taking place in the European Union since the end of 2009 with several Eurozone member states (Greece, Portugal, Ireland, Spain and Cyprus) affected. A significant trigger to the crises was when private debts arising from a property bubble were transferred to sovereign debt as a result of banking system bailouts. In addition, insufficient government response to slowing economies post-bubble heightened the crises. Leading European nations (Germany etc) implemented a series of financial support measures such as the European Stability Mechanism (ESM) supported by compulsory reforms in affected member states.

Ibrahim Index of African Governance - IIAG



1. Culled from the 2015 IIAG report
2. The IIAG works by aggregating indices measured by several organizations (AfDB, WB, UN etc.) into similar buckets and assigning a weight to each measure

IIAG measurement details – An excerpt

SAFETY & RULE OF LAW	PARTICIPATION & HUMAN RIGHTS	HUMAN DEVELOPMENT
RULE OF LAW	PARTICIPATION	WELFARE
Property Rights (AfDB/WB/BS/HER/WEF)	Political Rights (FH)	Welfare Regime (BS)
Judicial Process (EIU/GI)	Political Participation (EIU)	Welfare Services (Health & Education) (AfDB/WB)
Judicial Independence (BS/GI/WEF)	Free & Fair Elections (BS)	Social Protection & Labour (AfDB/WB)
Sanctions (CDD)	Free & Fair Executive Elections (IREEP)	Social Exclusion (BS)
Transfers of Power (EIU)	Effective Power to Govern (BS)	Equity of Public Resource Use (AfDB/WB)
ACCOUNTABILITY	RIGHTS	Environmental Policy (BS)
Accountability, Transparency & Corruption In the Public Sector (AfDB/WB)	Freedom of Expression (BS/FH/GI/RSF)	Environmental Sustainability (AfDB/WB)
Access to Information (GI)	Freedom of Association & Assembly (BS/GI)	EDUCATION
Online Services (UNDESA)	Civil Liberties (BS/FH)	Education Provision & Quality (BS)
Corruption & Bureaucracy (WB)	International Human Rights Conventions (OHCHR/UNOLA)	Education System Quality (WEF)
Corruption In Government & Public Officials (EIU)	Human Rights (EIU)	Ratio of Pupils to Teachers In Primary School (UNESCO)
Diversions of Public Funds (WEF)	GENDER	Literacy (UNESCO)
Accountability of Public Officials (EIU)	Gender Equality (AfDB/WB)	Primary School Completion (WB)
Public Sector Corruption Investigation (GI)	Gender Balance In Education (WB)	Secondary School Enrolment (UNESCO)
Prosecution of Abuse of Office (BS)	Women's Participation In the Labour Force (WB)	Tertiary Education Enrolment (UNESCO)
PERSONAL SAFETY	Gender Equality In the Workplace (GI)	HEALTH
Safety of the Person (EIU)	Legislation on Violence against Women (OECD)	Access to Sanitation (WHO/UNICEF)
Police Services (GI/WEF)	Women In Politics (GI/IPU)	Child Mortality (IGME)
Social Unrest (EIU)	Women In the Judiciary (GI)	Maternal Mortality (WHO)
Violent Crime (EIU)	SUSTAINABLE ECONOMIC OPPORTUNITY	Undernourishment (WB)
Political Violence (ACLED/PTS)	PUBLIC MANAGEMENT	Disease (Malaria & TB) (WHO)
Human Trafficking (USDS)	Public Administration (AfDB/WB)	Immunisation (Measles, DPT & Hepatitis B) (WB/WHO)
NATIONAL SECURITY	Statistical Capacity (WB)	Antiretroviral Treatment (ART) Provision (UNAIDS)
Government Involvement In Armed Conflict (UCDP)	BUSINESS ENVIRONMENT	Public Health Campaigns (GI)
Domestic Armed Conflict (EIU)	Competitive Environment (AfDB/WB/BS/GI)	
Cross-border Tensions (EIU)	Customs Procedures (WEF)	
Internally Displaced People (IDMC)		
Political Refugees (UNHCR)		