

CONCEPT PAPER ON REVENUE MOBILIZATION BY STATES AND LOCAL GOVERNMENTS IN NIGERIA.

THEME:

GLOBAL OIL DOWN TURN AND DEVELOPMENT CHALLENGES FOR STATES AND LOCAL GOVERNMENT ADMINISTRATION IN NIGERIA: THE INTERNALLY GENERATED REVENUES OPTION.

ABSTRACT;

The long years of Military administration distorted the Administrative and Fiscal concept of Federalism in Nigeria. Natural as this may be, it requires a considerable and sustained conscious effort to move away from the near Total Dependence on the center/Federal Government and Attitude Change for the States and Local Governments to appreciate and function truly as Semi-autonomous and Development units in the system.

The situation is more precarious at the Local Government levels being the Administrative unit nearest to or with the people but without commensurate Financial Access to tackle the challenges of Responsive Governance in a rural economy proactively. The states and Local Governments of course have constitutional roles as set out in their respective schedules of the Federal Republic.

The Federation Account Allocation accruable to the states and Local Governments have never been adequate for sustainable development and growth in the two lower tiers of Government. The Global Economic melt down makes the situation even more precarious because of the dwindling revenue and declining projections of the Federation Account. Other factors such as reduced crude oil export have not helped the situation. The Local Governments must as of necessity continue with her statutory functions if we must meet the Millennium Development Goals [MDGs] and Sustainable Development Goals [SDGs] for the country in line with the president's agenda on Food Security, Poverty Eradication, Education,

Industrial Production and of course fight Boko Haram and Kidnapping in the country.

Sustainable Economic growth, Human Capital Development and Poverty-Eradication must be tackled at the grass roots and with those who feel the pain and bear the burden of underdevelopment and planlessness. There is no better time than today so that we can secure our future.

The Revenue Base available to States and Local Governments are very limited but remain largely untapped. The Internally Generated Revenue sources of Local Governments consists of Taxes, Rates, Fines, Fees and Licenses. The study shows that taxes constitute the bulk of internal revenue, followed by fines and fees. A salutary attempt at maximal harnessing of total revenue option is often limited to the urban centers with less 35% coverage. No doubt, the apparent lopsidedness in Revenue Bases have not helped the states and Local Governments, the Fiscal Demands of Government and Administration keep mounting and must be sustained so that we can secure our Children's future. The viability of the Local Governments have grave implications for the attainment of the MDGs and long term National Development objectives. These tiers of government must therefore be able to shoulder her statutory responsibilities through their ability to harness the revenue bases available to them. The State Governments only fair better but no doubt can not meet her Fiscal demands when they depend on Revenue Allocations from the Center. This is amplified by the ever present demand for the utilization of Excess Crude account and other such dedicated accounts.

The question is "How can this be achieved to break the almost total dependence of all tiers of government on the Federation Account"? Fiscal Federalism remains the only option. This can be achieved through conscious planning coupled with consistent and sustained efforts aimed at increased revenue mobilization.

One of the options available to the Government is to bring the populace into governance via Mass Mobilization. Each and every individual must see him/her self as part of the government and must be seen to count. They [the masses] must also understand the mind, processes and direction of the administrative arm to the government to submit him/her self to the goals and aspirations of the government. Compliance and cooperation are most willingly given when they believe in the objectives and methods of the administrator.

The seminar will therefore analyse the following concepts/issues with the participants with a view to bringing to the fore the often neglected approach to leadership and achieve an attitude change with new perspectives for participants.

ISSUES:

1. Fiscal Responsibility, Transparency and Compliance as a major drive in Community Development .
2. Mass Mobilization, Participation and Goal Setting as a key component to Revenue Generation/Compliance.
3. Access to Information, Information Flow and Education as key strategies in Community Administration.
4. Participatory Planning, Project Delivery and Community Development.
5. Beyond the Big Cake, Internally Generated Revenue and Expanding the Frontiers in a Diminishing Economy.
6. Local Government Autonomy and Fiscal Responsibility: The Role of Local Government Authority in Revenue Mobilization and Generation.

OBJECTIVES:

- i. The primary objective of the training is to increase the Internally Generated Revenues of the States and Local Governments and encourage Fiscal Federalism and Autonomy
- ii. To Equip the relevant staff of the States and Local Governments with Newer Concepts and Leadership Techniques and Mobilization to Improve Performance and Cost of Administration.
- iii. Highlight sources of IGR that are presently neglected because of High Cost of Administration, low Compliance and Resistance.
- iv. To Equip the States and Local Governments to effectively play a key role in the Poverty Reduction Vision of the President and attainment of the SGDs and SGDs.

OUTCOMES:

- A. At the end of the training participants will be able among others to Maximally harness the Revenue Options available to the Two Tiers of Government.

- B. Increase the population of willing and tax compliant individuals and corporate organizations within their administrative areas by extending the hand of partnership and operation to them.
- C. Exhibit a considerable level of Fiscal Federalism and Independence from the Center in planning their Development Goals.
- D. Sustain and improve on the Economic Growth and Poverty Reduction objectives on the Lower Tiers of Government.
- E. Reduce the Cost of Administration and Enforcement in the drive for Taxes, rates and related payments.
- F. Practice and Exhibit Financial Prudence in Government.

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