

This budget tracking, examines the flow of public funds and ascertained the extent at which resources were allocated, released and used for FP in 2014 and to the extent it benefitted the target group.

Report of the Budget Tracking of the 2014 National Family Planning Budget

April 2015

AAFP

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Under the Partnership for Advocacy in Child and Family Health (PACFaH)

Acknowledgements

The Consultant is grateful to the following for their assistance in the production of this report:

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EXECUTIVE SUMMARY

Nigeria as the most populated country in Africa and the seventh in the world has a population of about 175million people (*National Family Planning scale – up plan, 2013*). As at 2006 census, the country had 140million people. Disaggregated by sex and age, the 2006 census revealed that about 44.1million (31.5%) were women of child bearing age (WCBA). The country is highly populated and is partly due to the fact that most of the births in the country are unplanned and result from factors ranging from limited access to accurate and comprehensive information and services on sexual and reproductive Health; Unprotected sex or ineffective use of contraception by sexually active persons; Societal, parental or partners. pressure on young women to bear children to unwanted sexual relations, sexual exploitation and abuse¹. The path to tread in order to mitigate recurrence is taking up Reproductive Health and Family Planning (RH/FP) advocacy and programme implementation. These benefits are less expensive than the cost of managing a socioeconomic crisis caused by an over bloated population.

The 2014 Nigerian Family Planning Conference which gathered key stakeholders in the health sector especially family planning revealed that the knowledge of FP techniques in the country was respectively 85% and 97% for women and men while only 10% used them. The survey further revealed that Bridging the Gap between Knowledge and Practice of Family Planning in Nigeria will prevent about 1.6million unintended births and reduce maternal deaths by 40%. Findings from research also reveal that Reproductive Health and Family Planning contribute about 25% reduction in child mortality.²

It is therefore pertinent that all stakeholders, including the private sector and development partners (both local and international) make commitment of funds to bridge this gap/unmet needs towards RH/FP related matters. Necessary to note also is that of the five components of family planning, financing is key to effective and efficient family planning. The Government has also done this to some extent through budgetary provisions for Family Planning in the Federal Ministry of Health. If we are to achieve 75% of the MDGs especially goals 4, 5 and 6, we will depend on the health budget.

¹ http://www.actionhealthinc.org/publications/docs/srh_guide.pdf

² <http://leadership.ng/news/401228/unplanned-births-maternal-mortality-role-family-planning>

The FGN budgeted Two Hundred and Sixteen Billion Naira (N216.40 Billion) in 2014 and Two Hundred and Seventy three Billion Naira (N273 Billion) in 2013 for the Health sector. This reveals a decrease of 20.73%.

Interestingly, the health budgets for 2013 and 2014 which represents 5.5% and 4.4% respectively of the total national budget, falls far below the 15% as stated in the Abuja Declaration.³

However, the Federal Government has intentions to increase the current annual budget commitment of \$3 million with an additional \$8.35 million annually over the next four years thereby, increasing total commitment for the next four years from \$12 million to \$45.4 million, which would represent an increase of almost 300 percent; the \$3million has since been released between December 2013 and end of first quarter 2014 for the procurement of the FP commodities for 2014). There is still work to be done in the area of timely release of such funds to prevent negative effects of such action. All levels of the Government have roles to play in the implementation of the RH/FP strategy; and that is ensuring that these commodities and consumables get to the end users at the service delivery points across all the 774 LGAs in the country.

Budget tracking, which is the process of examining the flow of public funds and ascertaining the extent at which resources truly benefitted the target group, is essential. To achieve this, it is critical to carry out appropriate analysis using globally standardised methodologies of arriving at analysis of the budget.

A further analysis of the family planning budget in the health budget shows that the Family Planning budget is less than 1% of the total health budget both in 2013 and 2014. The nominal growth rate for family planning in 2014 is - **18.73%** implying that the allocation to family planning budget from the total health budget decreased by almost 19% in 2014 when compared to the allocation in 2013 budget.

The per capita budget from the amount budgeted for family planning in 2014 is **N11.843**. This means that the amount budgeted by the federal government for

³ <http://www.who.int/healthsystems/publications/Abuja10.pdf>

a woman of reproductive age that uses family planning is **less than N12.00** annually. This falls far below even the average monthly per capita budget of **(N65.525)**. Comparatively, the average annual cost per user for family planning is about **\$4.10 (N750.30)**

In comparing budget to cost from the amount budgeted for family planning, the FGN provided only **1.578%** of the amount required for FP services in 2014. This was calculated with the assumption that there are 35million women of reproductive age who require family planning services in the country (*Nigerian family planning blueprint, 2014*).

Conclusively, the family planning budget has been less than 1% of the national health budget in the past two (2) years. The case with health budget when expressed as a proportion of the national budget over the same period had the highest value of 5.5% which is about three times less than the commitment made by nations in the Abuja declaration (15%). Notably, the 2014 National Budget christened **Budget for jobs and inclusive growth** had a total share of about 76% of the expenditure as recurrent expenditure.

It is therefore recommended that:

- ✚ The proportion of funds allocated to family planning in the national budget needs to be increased to reflect the priority of the federal government in strengthening primary health care and bringing down the maternal mortality rate.
- ✚ There is need to increase the nominal growth rate of the family planning budget to cover all aspects especially the unmet needs.
- ✚ The information concerning actual release of funds for family planning should be made accessible for the purposes of accountability and transparency. This will as a ripple effect sure-up the open budget index of the country.
- ✚ Appropriate budgetary provisions for the implementation of family planning initiatives will ultimately support the achievement of improved socio-economic indices across in country.

- ✚ Family planning is a key driver of sustainable maternal health and supports healthy infant growth with an opportunity for states to achieve productivity across various sectors of the economy.

INTRODUCTION

Nigeria currently occupies the top position of the most populated countries in Africa and is seventh in the world with about 175million people. (*The above figure is according to estimates in 2013 – National Family Planning scale –up plan*). Figures from the last census conducted in 2006 show that the country had 140million people, this is a great asset if put into proper use. The 2006 census also revealed that about 44.1million people in the country were women of child bearing age. However, the rising birth rates in the country currently at 41 percent⁴, if left unchecked will lead to a demographic crisis with effects on the socioeconomic situation of the country.

The way to go to avoid such crisis is taking up Reproductive Health and Family Planning (RH/FP) advocacy and programme implementation. This is because over the years, evidence gathered from research findings has shown that investment in Reproductive Health/Family Planning has enormous benefits on individual families and the country as a whole. These benefits which are far cheaper than the cost of managing a socioeconomic crisis caused by an over bloated population necessitated the Federal Government of Nigeria (FGN) in collaboration with development partners to swing into action in this regard through the procurement of RH/FP commodities.

Issues of RH/FP in Nigeria fall under the purview of the Federal Ministry of Health. It is the MDA with the mandate of developing and implementing policies as well as programmes aimed at delivering effective, efficient, quality and affordable health services. At the helms of affairs in the Ministry is a Minister (*and in recent times; a minister of state*) who are appointed by the President and assisted by a Permanent Secretary who is usually a career civil servant. For effective and efficient functionality, there are departments that specialize in different health aspects within the Ministry. These departments include; Family Health (*responsible for creating awareness on reproductive, maternal neonatal and child health, care for the elderly and adolescents - this is where issues of RH/FP are handled*), Public Health, Planning Research and Statistics, Hospital Services, Food and Drugs Services. All these departments

⁴ data.worldbank.org/indicator/SP.DYN.CBRT.IN

work in collaboration with other health related agencies such as the National Primary Health Care Development Agency (NPHCDA), National Agency for Food and Drug Administration and Control (NAFDAC), , National agency for the Control of AIDS (NACA), etc. ensuring that the ministry achieves her mandate. In 2014, the total health budget was N264, 461, 210, 950 with N208, 543, 188, 775 for personnel; N6, 400, 641, 451 for overheads putting the total recurrent expenditure at N214, 943, 830, 225. The capital budget was N49, 517, 380, 725.

OVERVIEW

In line with various international and national protocols/targets aimed at effective and efficient healthcare service delivery including the Abuja Declaration, Nigerian National Health Policy and the Nigeria Family Planning Blueprint, National Health Strategy Framework, there is need for concerted effort from all stakeholders in RH/FP sub-sector to address the population crisis issue brewing silently before us. The FP2020 goals, which highlight the important role of the private sector, legislators, the Ministries of Health (especially in policy formulation and implementation) will be pivotal if we are to make any progress.

In November, 2014, the 3rd Nigerian Family Planning Conference with the theme; **Bridging the Gap Between Knowledge and Practice of Family Planning in Nigeria** held in Abuja; an initiative of the Federal Ministry of Health with the support of donors and implementing partners, consultants from Health Policy Project (HPP) implemented by Futures Group and funded by USAID and other consultants supported by Bill and Melinda Gates Foundation as well as United Nations Population Fund amongst others was a gathering of stakeholders in the health sector especially family planning including representatives of state and federal MDAs, donors, development partners, religious/traditional leaders, CSOs, the academia, trade unions, etc. The conference was to brainstorm on the way forward for RH/FP in the areas of policy/regulation, funding, service delivery, etc. During the conference, some of the findings from the NDHS conducted by the NPC were revealed especially as it concerns knowledge and actual use of FP techniques in the country. The NDHS showed that the knowledge of FP techniques in the country was 85% and 97% for women and men respectively while actual usage was 10%. Amongst other things, the survey revealed that addressing the unmet FP needs will prevent about 1.6million unintended births and reduce maternal deaths by 40%⁵. Some of the recommendations of the conference included the urgent passage of the National Health Bill that will release resources for reproductive health and other health services so as to reduce dependence on external donors. Commitment by government of Nigeria to the judicious implementation of the

⁵ <http://leadership.ng/news/401228/unplanned-births-maternal-mortality-role-family-planning>

National Family planning Blueprint and the strategies expressed there-in. Other recommendations were that there is need for renewed commitments to the population benefits of family planning through the review of the National Population policy, investing in quality education and health including reproductive health services for youths.

It therefore behoves on all stakeholders' commitments to make funds available to bridge this gap/unmet needs. This has been done to some extent as budgetary provisions have been made for Family Planning in the Federal Ministry of Health. The private sector and development partners (both local and international) have also been committing funds to RH/FP related matters. In 2014, the FGN budgeted two hundred and sixteen billion naira (N216.40billion) as the total health budget. In 2013, it was N273billion. This shows a decrease of 20.73%.

Out of the N216.4billion budgeted in 2014, 80% of this is for recurrent expenditure of the ministry. It is also interesting to note that this represents only about 6% of the total national budget which falls far below the 15% as stated in the Abuja Declaration. This only leaves what RH/FP will get out of the meagre 5.6% to our imagination. The situation is made worse by the fact that issues of RH/FP are often times misunderstood by both leaders and the led. If we are to achieve 75% of the MDGs especially goals 4, 5 and 6, we will depend on the health budget. Reproductive Health and Family Planning contribute about 30% reduction in maternal mortality and about 25% reduction in child mortality as revealed by research findings.

It is worthy of note to state at this juncture that in the five components of Family Planning – (Service Delivery, Supplies and Commodities, Demand Generation and Behavioural Change Communication, Regulation and Policy, and Financing), financing is key to effective and efficient family planning. It drives the family planning wheels.

Currently, FP commodities in the country are solely procured through UNFPA with funding from the Federal Government and development partners including USAID, DFID and CIDA. However, the Federal Government has intentions to increase the current annual budget commitment of \$3 million

with an additional \$8.35 million annually over the next four years thereby, increasing total commitment for the next four years from \$12 million to \$45.4 million, which would represent an increase of almost 300 percent; the \$3million has since been released between December 2013 and end of first quarter 2014. There is still work to be done in the area of timely release of such funds to prevent negative effects of such action. The States and Local Government Areas have roles to play in the implementation of the RH/FP strategy; it is that of ensuring that these commodities and consumables get to the end users at the service delivery points across all the 774 LGAs in the country.

As captured in the FP blueprint, FP financing will involve setting up standard budget lines in the Federal, State and Local Government Area to cover for FP services, commodities, consumables and distribution to all service delivery points. The Costed Implementation Plans (CIPs) produced under the guidance of the Federal Ministry of Health in collaboration with donors and implementing partners with support from Bill and Melinda Gates Foundation amongst others⁶Project highlights strategy, roadmap and budget for achieving family planning targets that will inform decision making. A critical look at the funds allocation, release and use for RH/FP related matters in the 2014 national budget will help to see how the country is faring on the subject matter. It will also help to identify and fill gaps that are militating against the achievement of the overall objective of the FP2020 goals as well as forging a way forward especially if we seek to achieve the contraceptive prevalence rate target of 36% by 2018.

In conclusion, it will be necessary to mention that the National Health Policy stipulates the following;

- a. In the light of the importance of health in socio-economic development, all Governments of the Federation shall review their financial allocation to health in relation to the requirements of other sectors of the economy. High priority programmes for primary health care shall have the first consideration on any additional resources that may be available.

⁶ Nigeria Family Planning Blueprint (Scale up plan), October 2014, Federal Ministry of Health

- b. Within the health care system, efforts shall be made to redistribute financial allocation among promotive, preventive and curative health care services to ensure that adequate emphasis and awareness shall be placed on promotive and preventive services without compromising curative health services.

OBJECTIVES

1. To track the 2014 family planning budget at national level. Within this we look at how the budget is created as well as how it is then distributed/differences between budget allocations and actual expenditures, growth rates and the challenges within the process.
2. To make recommendations that will enhance increase and release of budgeted funds for family planning.

It is important to note the limitations of this report. The study was carried out on a small scale with the main objective of tracking the family planning budget at the national level in 2014. It is not intended to be an exhaustive analysis of the family planning budget bearing in mind the exclusion of some overhead costs and the challenges associated with accessing public information in Nigeria with particular reference to budget releases.

The report tracks the family planning budget for 2014, allowing 2013 as base year. By adjusting figures according to inflation rates over the time period, it allows us to get an overview of expenditure in real terms for the past year so we can highlight trends in both the budget and the actual expenditure and monitor the growth rate.

The data collected during this study was mainly through desk review, interviews and consultations with key health, finance and budget stakeholders and it was quantitative and qualitative. The quantitative data was gotten from the Budget Office of the Federation.

BUDGET TRACKING

Budget tracking is the process of examining the flow of public funds and ascertaining the extent at which resources truly benefitted the target groups. The process looks at the manner, quantity, and timing of releases of resources to different levels of government especially to those agencies tasked to deliver social services. The process is assumed to be continuous as it focuses on every stage of the budget process. To achieve this, it is critical to carry out appropriate analysis using globally standardised methodologies of arriving at analysis of the budget.

WHY BUDGET ANALYSIS?

Budget analysis is a set of ways/systematic steps, with which we examine and understand different aspects of the budget process (preparation, approval, implementation and evaluation) in comparison to the norms of good budget and its implications on their lives and environment. It helps stakeholders with the required knowledge and skills to examine the budget so as to make constructive, factual and valid submissions when engaging the authority. Budget analysis involves the use of tools to generate data that is used to engage policy makers. Some of the tools include;

- ✚ Percentage (%) share of total budget
- ✚ Nominal growth rate
- ✚ Real growth rate
- ✚ Per capita budget
- ✚ Comparing budgets to costs

For the purpose of this study, we shall limit ourselves to four of the tools mentioned above. These will include Percentage (%) share of the budget, Nominal growth rate, per capita budget and Comparing Budgets Costs.

PERCENTAGE (%) SHARE OF BUDGET

This determines the level of priority government places on aspect/item in the budget and shows the different spending priorities. The table below shows the percentage share of the 2014 health budget and the family planning to the total national budget. See the appendix for the formula.

YEAR	NATIONAL	TOTAL HEALTH	% OF NATIONAL	FAMILY	% OF HEALTH
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	BUDGET	BUDGET	BUDGET	PLANNING BUDGET	BUDGET
2013	4.98Trillion	273Billion	5.5	510Million	0.187
2014	4.962Trillion	216.40Billion	4.4	414.5Million	0.192
TOTAL	9.942	489.4Billion		924.5Million	

Source: 2014 budget from the Federal Budget Office. The line item in the Ministry of Health is: procurement and distribution of contraceptive commodities; capacity building for service providers and information management.

This shows that the health budget in 2013 was 5.5% of the National Budget while 2014 health budget represented 4.4% of the national budget.

A further analysis of the percentage of the family planning budget to the health budget shows that the Family Planning budget in 2013 and 2014 is less than 1% of the total health budget.

NOMINAL GROWTH RATE

The nominal value is the face value of the money, i.e. what is written on the currency note. Nominal growth rate is always presented as a percentage; determines increase or decrease of the amount from one year to another at face value; and inflation is not factored into the calculation.

The nominal growth rate for family planning in 2014 is **-18.73%**.

This implies that the allocation to family planning budget from the total health budget decreased by almost 19% in 2014 from the 2013 budget and indicates a huge deficit in this regard.

A critical look at the funds allocated to RH/FP will help to guide policy decision and avert an impending crisis.

PER CAPITA BUDGET

This determines how much is allocated per person in the budget as a whole or in a particular sector, department, unit and programme/project. The per capita budget from the amount budgeted for family planning in 2014 is **N11.843**.

This means that the amount budgeted for a woman of reproductive age that use family planning by the federal government is **less than N12.00** annually. The per capita budget falls far below even the average monthly per capita budget of **(N65.525)**. The average annual cost per user of family planning is **\$4.10 (N750.30)**

COMPARING BUDGETS TO COST

The comparing budgets to costs determines to what extent the amount provided is sufficient to meet the expected output. In other words, it talks about the adequacy of the budget in relation to costs and performance targets – efficiency and effectiveness. Cost per unit is like asking how much it will cost to deliver comprehensive service to a user in a year; it can also mean unit cost of an item from place to place – added over a period of years or a number of places and divided by the total number to get the average cost per unit/service.

The comparing budgets to costs from the amount budgeted for family planning in 2014 are thus;

Amount needed for WRA family planning needs is **N26, 260,500,000.00 per year**






% of the required amount provided for is **1.578**

The shortfall in the required amount is **N25, 846,000,000.00**

% in shortfall is **98.421**

This means that the federal government provided only **1.578%** of the amount required for FP services required for the 2014. This figure was gotten from the assumption that there are 35million women of reproductive age who require family planning services in the country (*Nigerian family planning blueprint, 2014*).

However, the cost per year for 2014 as projected in the FP blueprint scale –up plan is N20,203,200,000.00 (\$110.4million). The cost by category is thus;

 Demand	N5,215,500,000.00 (\$28.5million)
 Service Delivery	N5,435,100,000.00 (\$29.7million)
 Commodities and Consumables	N3,843,000,000.00 (\$21million)
 Supply Chain	N805,200,000.00 (\$4.4million)
 Supervision, Monitoring and Coordination	N4,904,400,000.00 (\$26.8million)

Note that the exchange rate as of December 31, 2014 was N183 to US\$1 and our calculations are based on the above rate as published by the Central Bank of Nigeria (CBN).

CONCLUSION

Over the past two years, the family planning budget has been less than 1% of the national health budget. The case with health budget when expressed as a proportion of the national budget over the same period had the highest value of 5.5% which is about three times less than the commitment made by nations in the Abuja declaration (15%). It should be noted that the 2014 National Budget christened **Budget for jobs and inclusive growth** had a total share of 76% of the expenditure as recurrent expenditure.

There is also a dearth of data as it concerns funds release for family planning; this is an issue of great concern and goes further to underscore the findings of the International Budget Project in 2013 that indicated that Nigeria is poor in providing budget related information to the public.

RECOMMENDATIONS

- ✚ The proportion of funds allocated to family planning in the national budget needs to be increased to reflect the priority of the federal government in strengthening primary health care and bringing down the maternal mortality rate.
- ✚ There is need to increase the nominal growth rate of the family planning budget to cover all aspects especially the unmet needs.
- ✚ The information concerning actual release of funds for family planning should be published/made accessible for the purposes of accountability and transparency. This will as a ripple effect sure-up the open budget index of the country.
- ✚ Appropriate budgetary provisions for the implementation of family planning initiatives will ultimately support the achievement of improved socio-economic indices and achievement of the MDGs in country.
- ✚ Family planning is a key driver of sustainable maternal health and supports healthy infant growth with an opportunity for states to achieve productivity across various sectors of the economy.

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Appendices

Formula:

1. Calculating the share of the total budget:

$$\frac{\text{Amount allocated}}{\text{Total Budget Amount}} \times 100$$

The computation will be as follows: $\frac{\text{Total National Budget for Year 1}}{\text{Total Allocation to the Health Sector}}$

Usually expressed in percentage

2. Nominal Growth Rate:

$$\frac{\text{Amount allocated in year 2} \text{ minus } \text{Amount allocated year 1}}{\text{Amount allocated in year 1}} \times 100$$

Usually expressed in percentage

3. Comparing Budgets to Costs:

a) **Amount needed annually for WRA FP needs: Number of WRA**
multiplied by annual cost per user of FP

b) **% of required amount provided for:** $\frac{\text{Amount allocated}}{\text{Amount required}} \times 100$

c) **Short fall:** Amount required **minus** Amount allocated

d) **Short fall in %:** $\frac{\text{Short fall}}{\text{Amount required}} \times 100$

4. **Per Capita Budget:** $\frac{\text{Amount allocated}}{\text{Population}}$