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For Immediate Release

SAE Index 2021: Poor Implementation of Audit Laws Hinders Transparency and Accountability in 34 States

Paradigm Leadership Support Initiative (PLSI) - a civic-tech organization fostering accountability in Nigeria has released its Subnational Audit Efficacy (SAE) Index for 2021 which assessed the level of transparency and accountability operational in the management and utilization of public funds in all 36 states of the federation of Nigeria through the lens of public audit and key stakeholders in the public audit action cycle.

PLSI which presented the SAE Index 2021 in Abuja on Thursday 31st March 2022 ranked Bauchi and Osun States 1st having scored 88% while Akwa Ibom and Ekiti States occupied 3rd and 4th places scoring 86% respectively. Adamawa, Delta, Ebonyi and Gombe scored 70% and graded 12th as Lagos and Benue States were rated 35th and 36th having got 41% and 39% in that order.

The Executive Director, PLSI, Olusegun Elemo explained that “we expanded the methodology for the 2021 SAE Index, and it involved assessment along six scoring criteria including audit legal framework, audit mandate, type of audit document produced & published, type of audit conducted, citizens' participation in the audit process and role of PublicAccounts Committees”.

“While there is visible improvement in enacting audit legal framework in virtually all 36 states of the federation except Anambra and Benue States, implementation of these laws has been disappointingly slow in most states despite issuance of letters by many state governments instructing relevant agencies to commence implementation. Citizens' participation in the audit process is very poor across 17 states of the federation and Public Accounts Committees in 31 Houses of Assembly are either less effective or not effective at all thereby “short circuiting” the potency of the public audit action cycle as legislators at subnational level either lack required capacity to perform their statutory oversight functions on public accounts or are unwilling to do so”.

Olusegun further outlined few cross-cutting recommendations to improve public finance management practices at subnational level in Nigeria including the need for Governors to enhance implementation of new audit laws especially the financial autonomy clause, provision of independent technology infrastructure to support the work of Supreme Audit Institutions at Subnational level as well as the need to specify timeline for review of audit reports by Public Accounts Committees and adhere to such timeline among others.

PLSI said its aim is not to embarrass states for poor performance but to identify areas government institutions at subnational level require support to optimize their public finance management practices, improve existing accountability structures and accelerate development.