Introduction

Since its inception in 2008, the UK Department for International Development’s (DFID) State Partnership for Accountability, Responsiveness and Capability (SPARC) has been providing advice to Nigerian state governments on the development of strategies in key sectors. The qualifying title given to these sector strategies is ‘medium-term’, which essentially means that they are meant to cover three years.

This leaflet explains the reasons why sector strategies need to be medium-term and then describes a set of 10 content standards with which a good medium-term sector strategy (MTSS) should be expected to comply. It also describes some of the successes states have had in the development of MTSSs, and, finally, it highlights some of the major challenges that still lie ahead.

Placing a MTSS in overall policy and medium-term budgeting

The combined work efforts of Public Financial Management and Policy and Strategy support help state governments to improve the connections between stated high-level policy goals and actual results – as represented in key performance indicators (KPIs). To achieve this, a number of key steps need to be followed:

- The government needs to make realistic fiscal projections
- General policy direction needs to be decided upon by accountable political leaders
- Guidelines must be provided by policy makers to sector strategy makers, requiring them to work out how best to use the available financial and human resources to deliver policy outcomes
- Strategy recommendations need to be worked out, including the definition of realisable KPIs (this is the MTSS development process)
- The strategies need to be made operational in implementation plans and realised through released cash in actual programme management
- Information from performance reviews needs to be fed back into the policy and strategy refinement exercises.

It is important that this whole process is conducted on a medium-term basis. This allows for the recurrent implications of one year’s capital investments to be reflected in following years. It also allows for effective planning for the realisation of medium- to long-term policy goals, and fluctuations in actual revenue to be managed within an already multi-year prioritisation plan.

Establishing content standards

In 2009, in consultation with other DFID sector programmes, SPARC developed a generic guide, which provides advice on how to prepare MTSSs. The guide includes advice on the process to be used in developing these plans, and it describes 10 content standards towards which sector planners should strive. These standards are:

- Objectives are output and outcome based, and the sector strategy includes KPIs
- Sector strategies cover three years and rolling versions demonstrate the changes made on the basis of performance reviews
- A sector strategy demonstrates the specific means of achieving or contributing to the achievement of relevant policy statements in the State Development Plan
- It is possible to see consistency with national and regional policy guidelines in the sector strategy
- Sector strategies incorporate reference to cross government and cross-stakeholder working
- Sector strategies are financially feasible
- Evidence, including research findings, are used in the development of strategies
- Sector strategies demonstrate that there are the human resources and organisational capacity to implement them
- Sector strategies demonstrate that public views have been taken into account
- Sector strategies demonstrate their contributions to the achievement of the Millennium Development Goals and to gender and social inclusion targets.

The guide has been shared with all the states with which SPARC works and, through various learning
and refinement exercises, has been rephrased and modified to suit local circumstances and capacities. Through the process of implementation, lessons have been learned and refinements made to the guidance provided.

Progress towards improved standards

At the outset, the expectation was not that any sector might produce a perfect MTSS in the first year. As other parts of the government systems improved, and planners learned and improved their skills, successive MTSSs might also be expected to get better each year.

Recent reviews conducted by SPARC reveal that indeed this improvement is being achieved in most of the states where support has been provided. In Enugu State, scores on content standards have improved from around 15 to 45% between 2010 and 2012.

Specifically, the first three standards in the list above have strengthened. KPIs in many MTSSs now provide a good means of supporting evaluation. In most cases the lesson of ensuring financial realism has been taken on board, and allows for MTSSs to plug effectively into the medium-term budget frameworks in line with realistic fiscal projections. For the first time, state strategies begin to set out feasible programmes, replacing the shopping lists of the past.

Next steps will focus on further improvements, especially in better fitting strategies to the organisational capacities to implement them, and on the inclusion of attention to poverty, and gender and social inclusion concerns.

Remaining challenges

The overwhelming purpose for improving sector strategies is that the application of resources towards the provision of public goods can be improved. This requires, among other things, that MTSSs are guided by improved policy direction, that budgets themselves are realistic (financeable), that cash is released predictably to Ministries, Departments and Agencies, and that these organisations have the capacity and human capability to implement the programmes as planned.

These various aspects of the government system are, as with MTSSs, undergoing progressive improvements – but in many states more is needed to improve the standards of the strategies. Particular concerns for achieving a better reflection of MTSSs in state budgets and their implementation include:

- Some states remain without adequate policy direction, or else the state plans they have developed are, as yet, not adequately used to direct resource allocations
- Budgets which are not financeable are still being agreed in many states
- Cash is not being released with sufficient predictability.

However, efforts on both technical and political engagement fronts over the coming two years are expected to help improve MTSSs resulting in better public goods results.

Contact details

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