
An analysis of Covid-19 expenditure in the 2020-2023 budgets

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Background

The Nigeria, like many other nations, was severely affected by the COVID-19 pandemic, and the country experienced an economic recession with GDP growth rates of -6.10% and -3.62% in the second and third quarters of 2020, respectively. It has long been known how this affects women's enterprises and means of living. The Federal Ministry of Women Affairs, SME.NG, and the Nigerian Association of Chambers of Commerce, Industry, Mines, and Agriculture commissioned the 2020 National Survey on the Impact of COVID-19 on Women-Owned Businesses in Nigeria, which found that women-owned businesses across Nigeria were severely impacted by the COVID-19 pandemic outbreak. Only roughly 1.3% of enterprises are unaffected by the epidemic, which affects about 98.7% of them. The government's lockout revealed how vulnerable women's are impacted to economic shocks, as demonstrated by survey respondents, notably micro- and small firms, and especially the lack of preventative measures to help these businesses recover from such shocks.

Some of the intervention designed to lessen the effects of COVID-19 state support intervention fund (N1 billion per-state)¹, job and food security, rural mass electrification, MSME support fund, road construction and rehabilitation, business resilience health system, among others, the sum of N7445.98 billion has been allocated between 2020 and 2023. The fact that 61% of the women were unaware of government interventions for small enterprises, despite a number of government initiatives, is interesting. Since gender issues are a top focus of Nigeria's 2021–2025 development plan, the significance of women in economic development is now widely acknowledged, creating a rare chance to bring about major change.

Table 1: Covid19 Intervention Budgets 2020-2023

| Year | Total Allocation | Specific Allocation to WEE | Percentage |
|--------------|------------------------|----------------------------|--------------|
| 2020 | 500,000,000,000 | 9,856,640,406 | 1.97% |
| 2021 | 5,674,755,182 | 205,316,400 | 3.62% |
| 2022 | 193,766,273,454 | 528,758,752 | 0.27% |
| 2023 | 546,524,660,157 | 30,000,000 | 0.01% |
| Total | 745,939,161,272 | 764,075,152 | 0.10% |

Source: FGN 2020, 2021, 2022, and 2023 Budget Estimates ²

Covid-19 budgetary allocation targeting women

In 2020, when covid-19 pandemic was discovered in Nigeria, the budget provision for that year was amended and the sum of N500 billion was allocated as Covid-19 intervention fund, out of sum N9.86 billion was set aside for the job creation scheme for the youth and women post covid-19. This was part of the of Economic Sustainability Plan (ESP) implementation strategy. ESP was a-year policy framework developed to mitigating the effects of a deep recession while ensuring social stability and addressing long-standing economic vulnerabilities as envisaged in the Economic Recovery and Growth Plan 2017-2020. As a result, N205 million was set aside in 2021 for the economic empowerment of women as covid-19 intervention. This was a significant cut from

¹ The N1 billion covid-19 support fund for states exclude Lagos state.

² <https://budgetoffice.gov.ng/index.php/resources/internal-resources/budget-documents/>

2020. It's possible that the cause has little to do with the fact that many of the 2020 projects are still in progress. The CBN survival fund served a purpose.

Table 2: Covid-19 Budgetary Allocation for Women in 2021

| MDA | Code | Budget Lines | Amount |
|--|---------------|--|------------|
| Border Communities Development Agency (BCDA) HQTRS | ERGP22151220 | Provision of grant to youth and women for post covid19 palliative at Kusada, Katsina state. | 19,000,000 |
| | ERGP22151334 | Skill acquisition training for women and youth as post covid19 empowerment programme in Bagudo and Suru local government areas, Kebbi state. | 38,000,000 |
| | ERGP22159245 | Supply and empowerment of youth and women with empowerment materials as post covid 19 palliative in Ogbolomabiri, Nembe LGA Bayelsa state | 40,766,400 |
| | ERGP22159268 | Provision of grant to youth and women in north LGAs as post covid19 palliative | 27,550,000 |
| | ERGP554002554 | Supply of empowerment materials for post covid-19 palliatives to youths and women in Abi/Yakurr federal constituency of cross river state. | 50,000,000 |
| National Lottery Trust Fund | ERGP554001044 | Empowerment and grants for small and medium scale enterprises owned by widows and physically challenged persons affected by covid-19 pandemic in Ajeromi/Ifelodun Federal constituency Lagos state | 30,000,000 |

Source: FGN 2021 Budget Estimates

The COVID-19 support fund for women was allotted N528.75 million for the 2022 fiscal year. Additionally, distribution of palliative care, empowerment, and skill acquisition were covered.

Table 3 Covid-19 Budgetary Allocation for Women in 2022

| MDAs | Code | Budget Lines | Amount |
|--|---------------|---|-------------|
| Border Communities Development Agency (BCDA) HQTRS | ERGP22173332 | Provision of rehabilitation materials to youth and women as post covid 19 palliative at Badarawa community | 30,500,000 |
| | ERGP552712491 | Skill acquisition training for women and youth as post covid19 empowerment programme in Gabasawa-Doka-Kawo | 40,000,000 |
| | ERGP552712503 | Empowerment and grants for small and medium scale enterprises own by widows and physically challenged persons affected by covid19 pandemic in Rafin Guza communities. | 40,000,000 |
| | ERGP22173334 | Strategic empowerment programme for small and medium scale enterprises own by widows and physically challenged persons affected by covid19 pandemic in Rafin Guza community | 30,890,000 |
| Centre for Management Development | ERGP30178531 | Strategic training and empowerment to mitigate the effect of covid 19 pandemic on women and elderly in Edo stat | 2,500,000 |
| | ERGP202200319 | Specialization workshop of market women and secondary schools in control of Covid 19 and mobilization of general public to access vaccination in some selected local government of cross river south/ senatorial zone | 100,000,000 |
| Federal Ministry of Women Affairs | ERGP30172609 | Provision of palliatives for vulnerable women, persons with disabilities and indigent women and children in the 36 states of the federation and the FCT on the effect of Covid 19 pandemic | 179,500,002 |
| Federal Ministry of | ERGP18169015 | Sustainability of the girl-child education through the servicing of on-going sdg4 girl-child scholarship and awareness creation of | 42,868,750 |

| | | | |
|--------------------------------------|---------------|--|------------|
| Education HQTRS | | students on the production of hand sanitizers, soap and Dettol for their personal use in line with Covid 19 safety protocols and SDG4 national computer boot camp for girl child | |
| National Film And Video Censor Board | ERGP202301155 | Sensitization and capacity building for rural women on Postcovid business in Shanono/Bagwai federal constituency, Kano state | 62,500,000 |

Source: FGN 2022 Budget Estimates

The allocation to COVID-19 intervention was also decreased to N30 million as the Nigeria Gross Domestic Product climbed from -3.62% in the second quarter of 2020 to 3.54% in the second quarter of 2022, demonstrating a better and more robust recovery from the recession.

Table 4: Covid-19 Budgetary Allocation for Women in 2023

| MDA | Code | Budget Lines | Amount |
|---------------------------------------|-------------|--|------------|
| Federal Ministry of Education - HQTRS | ERGP3193739 | Sustainability of the girl-child education through the servicing of on-going SDG4 girl-child scholarship and awareness creation for students on the production of hand sanitizers, soap and Dettol for their personal use in line with covid 19 safety protocols and sdg4 national computer boot camp for girl child | 30,000,000 |

Source: FGN 2021 Budget Estimates

Debt Servicing: The COVID-19 donor-assisted WEE project

The federal government's budget includes the debt service in a significant way. It refers to the sum of money needed to pay off the principal and interest on a loan or other obligation for a specific amount of time. Nigeria is servicing numerous different types of loans, including multilateral loans, bilateral loans, and loans from the commercial bank, which include Eurobonds, syndicated loans, and promissory notes, according to the Debt Management Office (DMO).³ From N2.95 trillion in 2020 to N3.32 trillion in 2021 and from N3.97 trillion in 2022 to N6.56 trillion in 2023, the budgetary amount for servicing these debts has grown. It is noteworthy that several COVID-19 WEE inclusive projects, particularly the multinational loan, are funded by some of these loans.

The Nigeria COVID-19 Action Recovery and Economic Stimulus (Nigeria CARES)

The Nigeria CARES, project 2020–2023 was created and approved for Nigeria by the World Bank in December 2020 as a result of the COVID-19's effects. The project, which targets current and newly vulnerable and poor households, farmers, and micro- and small enterprises (MSEs) affected by the economic crisis is a state-level intervention intended to support budgeted government interventions to mitigate the local effects of the COVID-19 worldwide pandemic at the state level.⁴ The program, which is supported by a \$750 million loan, is planned to last for three years (2020–2023).⁵ The 36 states and the FCT are where the project is being carried out. Each of the 36 states is anticipated to receive a total of \$20 million over the course of the implementation term, with the exception of the FCT, which will get the same \$15 million.

Table 5: Nigeria Care Implementation States and Allocation

³ <https://www.dmo.gov.ng/debt-profile/external-debts/debt-service/4117-nigeria-s-actual-external-debt-service-payments-in-3rd-quarter-2022/file>

⁴ The World Bank, "NIGERIA: COVID-19 Action Recovery and Economic Stimulus Program (P174114)", 2020, page 6.

⁵ Ibid, page 50.

| Zones | Number of State | States | Amount allocated Per State. | Total Allocation |
|---------------|-----------------|---|---|----------------------|
| North East | 6 | Adamawa, Taraba, Yobe, Bauchi, Borno, Gombe, | \$20 million each | \$120 million |
| North Central | 7 | Nasarawa, Benue, Kwara, FCT, Kogi, Niger, Plateau | \$20 million each, except FCT with \$15 million | \$135 million |
| North West | 7 | Kano, Jigawa, Katsina, Sokoto Kaduna, Kebbi, Zamfara | \$20 million each | \$140 million |
| South East | 5 | Ebonyi, Imo, Enugu, Abia, Anambra | \$20 million each | \$100 million |
| South West | 6 | Osun, Ogun, Ondo, Oyo, Lagos, Ekiti, | \$20 million each | \$120 million |
| South South | 6 | Bayelsa, Cross Rivers, Delta, Edo, Rivers, Akwa Ibom, | \$20 million each | \$120 million |
| Total | 37 | | \$735 million | \$735 million |

Source: The World Bank, "NIGERIA: COVID-19 Action Recovery and Economic Stimulus Program (P174114)", 2020.

The Program has three main components: namely,

1. **Social Protection:** Increasing social transfers, basic services and livelihood support to poor and vulnerable households
2. **Agriculture:** Increasing food security and safe functioning of food supply chains for poor households
3. **Micro Small and Medium scale enterprises (MSMEs):** Facilitating recovery of MSEs⁶

The initiative was created to help both men and women's households and enterprises. The majority of interventions specifically target female beneficiaries. For instance, while operational support grants are to be given to both male and female-owned businesses during the year under review, 3,985 female-owned businesses are specifically targeted for this grant.⁷ In a similar line, it is anticipated that 4,269 female-owned businesses will get MSE matching funds to finance post-COVID-19 loans at the project's conclusion. The Federal Ministry of Finance, Budget, and National Planning is in charge of managing the fund and distributing funds to the state governments. Between November 2021 and October 2022, the World Bank paid the Federal Government a total of \$127.82 million.⁸

Table 6: Nigeria Care Women Support Lines

| Key Components | Subcomponents | Activities | Number of Female Targeted |
|---|--|---|--|
| Increased social transfers, basic services, livelihood support to poor and vulnerable household | Labor-intensive Public Workfare (LIPW) | Enroll unemployed youth and women in social services and infrastructure with payment of stipends | 1,010,954 female beneficiaries of targeted safety nets and with access to basic services |
| | State Social Transfer | NGN 10,000 (US\$26) will be paid bimonthly to men and women using mobile money agents, card-based payments, or e-payment such as e-wallets. | 218,994 female beneficiaries |
| | Livelihood Support | Provision of training and grants for livelihood activities to economically active and self-employed youth and women in Nigeria | 19,567 females to have new income earning opportunities or household enterprises |

⁶ Ibid, page 100-108.

⁷ Ibid, page 72.

⁸ <https://projects.worldbank.org/en/projects-operations/project-detail/P174114>

| | | | |
|---|---|--|--|
| Increasing food security and safe functioning of food supply chains for poor households | Support to increase food production. | Distribution of seeds and fertilizers to farmers (women inclusive). | 404,551 female farmers to be supported |
| | | Provision of extension services and training, mechanization services, farm assets and equipment, etc. | 111,980 female farmers |
| | Livestock Development and Fisheries | Provision of inputs for livestock and aquaculture production | 205,221 female farmers |
| Facilitating recovery and enhancing capabilities of MSEs | MSE Matching Grants | Provision of well targeted grants to-co-finance loans that eligible MSEs receiving during Covid-19 | 4,269 female-owned firms to receive matching grants to support post-COVID-19 loans |
| | Operational Support Grants. | Extending grants to MSEs cover 50% portion of a monthly operational cost | 3,985 female owned firms to receive operational support grant |
| | Provision of equipment for small-scale primary processing | Investing in MSEs' IT infrastructure and enhancing MSEs capability through leveraging digital technology | 1,379 female owned firms to receive grants to support IT enhancement |

Source: The World Bank NIGERIA: COVID-19 Action Recovery and Economic Stimulus Program, page 100-108

The Investment in Digital and Creative Enterprises Program (i-DICE)

The Investment in Digital and Creative Enterprises Program (i-DICE) is a Federal Government of Nigeria initiative promoting investment in digital and creative industries. It is aimed at building back better, greener, and more inclusively during and post COVID-19 pandemic. It is underpinned by FGN's Economic Sustainability Plan of 2020 which identifies ICT and creative sectors as well as Micro, Small and Medium Enterprises as key to spur economic growth, innovation and to create sustainable jobs.⁹ The program, which is co-financed by the Africa Development Bank (AFD) and the Islamic Development Bank (IsDB) targets more than 68 million Nigerians aged 15 to 35 years who are recognized as leaders of innovative, early-stage, technology-enabled start-ups or as leaders of creative sector micro, small, and medium-sized enterprises.^{10,11} The program has an implementation time frame of 5 years, starting in January 2022 and ending in January 2027.¹² It will be implemented in all 36 states and the FCT. Thus, there are four components of the program:

- Enterprise and skills development,
- Expanding access to finance,
- Enabling environment and
- Institutional support, and program management¹³.

a) Enterprise and Skills Development

In order to create high potential start-ups and to create a community of developers, software engineers, designers, thinkers, and other tech skills in general, this component intends to develop the

⁹ African Development Bank, "Investment in Digital and Creative Enterprises (I-DICE) Program", Program Appraisal Report, November 2021, Page V.

¹⁰ Ibid, page 10.

¹¹ African Development Bank, "Investment in Digital and Creative Enterprises (I-DICE) Program", Program Appraisal Report, November 2021, Page III.

¹² Ibid, page IV.

¹³ Ibid, page VIII - X.

talents of young people (15–35 years old) and connect them to jobs.¹⁴ It incorporates exclusive female cohorts for coaching, mentoring, and training. In order to encourage female-led businesses in the technology and creative industries, \$1.14 million has been set aside.¹⁵ Young women will receive training in basic, intermediate, and advanced ICT skills that are in demand in the workplace, as well as connections to market prospects.¹⁶ In addition, 77,110 young men and women will have the skills necessary to find employment or launch their own enterprises, creating a total of 849,970 direct and indirect jobs (77,270 direct and 772,700 indirect, with 70% of the jobs going to youth and 40% to women).

| Activities | Baseline | Targets |
|--|----------|----------------------------------|
| Training/certifying youth in basic, intermediate, and advanced ICT and creative skills- (onsite & virtual). | 0 | 175,000 (at least 87,500 female) |
| Start-ups support to access Business Development Services/mentorship (including female youth cohorts). | 0 | 270 (at least 120 females led) |
| Connect unemployed post-graduate youth (after National Youth Service) to Start-ups to enhance their skills/talents | 0 | 250 (125 female led) |

Source: ADB: I-DICE Program Appraisal Report, November 2021, Page VIII

b) Expanding Access to finance

This component focuses on funding and nurturing tech-enabled and creative sector enterprises. This is expected to be done through (a) the DICE Funds, which seek to strengthen start-ups and early-stage and growth stage enterprises (including women-owned enterprises) through equity and quasi-equity capital injection, and (b) the Capacity Building Window, which capacitates start-ups through training and support grants to ensure their business success¹⁷. This component did not have a stand-alone Women's Economic Empowerment (WEE) subcomponent. Its activities/interventions are aimed at both women and men. It has the following indicators and targets:

| Activities | Baseline | Targets |
|---|----------|-----------------------------|
| Financial support to firms in start-ups and early-stage businesses in both digital technology and creative business sectors | 0 | 226 At least 30% female led |
| Start-ups and early-stage businesses in technology and creative business sectors received tailored support through capacity building and grant support. | 0 | 181 At least 30% female led |

Source: ADB: I-DICE Program Appraisal Report, November 2021, Page XI

c) Enabling Environment and Institutional Support

This component centered on providing an institutional mechanism to ensure the National Start-up Act's operationalization framework; a review of national investment policies to protect tech and digital start-ups and creative industry investors; investment and export promotion for technology and creative businesses; support for the development of an ICT national qualification framework; and a revamp of university curricula and pedagogy for STEM programs. The key indicator for women's specific interest is stated in the table below.

| Activities | Baseline | Targets |
|------------|----------|---------|
|------------|----------|---------|

¹⁴ Ibid page 4.

¹⁵ Ibid page 4.

¹⁶ African Development Bank, "Investment in Digital and Creative Enterprises (I-DICE) Program", Program Appraisal Report, November 2021, Page 13.

¹⁷ Ibid, page 5.

| | | |
|---|---|-------------------------|
| Build the capacity of regulator in Fourth Industrial Revolution (4IR) | 0 | 100 (At least 50 women) |
|---|---|-------------------------|

Source: ADB: I-DICE Program Appraisal Report, November 2021, Page X

Nigeria Innovation Programme

Nigeria’s investment in innovation and entrepreneurship aims to promote innovation and entrepreneurship in the technology and creative industries as part of the government’s efforts to create decent jobs, especially for young people. It is intended to rebuild better and more broadly during and after the COVID-19 pandemic. The programme implementation period is between November 2022- December 2026 and has four main components.

- Skills for employability, entrepreneurship, and innovation.
- Start-up Investment Readiness and Financing
- Enabling infrastructure and Business Environment
- Institutional Support and Programme Management

Box 1: Some Key Interventions

- Creation for young people a direct 40,000, Indirect and induced 120,000 with 40% women.
- Establishment and operationalization of the Nigeria Entrepreneurship and Innovation Investment Fund (NEIIF) (Fund to Funds)
- Hackathons/challenge competitions for innovations that generates high social impact and profits- including quotas for young women led initiatives.

Key Findings

- Women whose businesses were severely affected by the COVID-19 pandemic lockdown hardly had access to funds to build back their businesses.
- Between 2020 and 2023, the Federal Government of Nigeria committed N745 billion as the COVID-19 intervention money, with N764 million, or 0.10%, going to women.
- The COVID-19 intervention assistance fund for youth and women in 2020 was given a budget of N9.8 billion. Although this was reduced to N205 million in 2021, N528 million in 2022, and then N30 million in 2023.
- Government collect loan from the international development partners to finance WEE inclusive post covid-19 projects across states.
- The COVID-19: Action Recovery and Economic Stimulus Program is being implemented by the 36 state governments and the FCT thanks to a Work Bank financing. Women are given precedence here.
- There other donor assisted projects being being implemented by the federal government to cushion the effect of the covid-19 pandemic. These includes The Investment in Digital and Creative Enterprises Program (i-DICE) and Nigeria’s investment in innovation. Women are part of the target in all these projects.

Recommendations

- Improve the involvement of women in the design and implementation of the post-COVID-19 intervention across levels.
- Increase and simplify funding access for women-owned MSMEs.
- Increase awareness of the existing COVID-19 intervention projects and funds.
- Improve transparency and accountability in the selection process for the beneficiaries.
- Create an environment that allows women MSMEs to operate effectively at all levels.

- Public-private partnership to increase business management training for young women and women with disabilities.
- Through timely funding releases, ensure adequate implementation of WEE inclusive policies and projects.
- Inter-agency collaboration for women's economic empowerment with high-impact innovative projects.

PAWED Profile

Partnership for Advancing women Empowerment in Development (PAWED) is two years project with funding from the Bill and Melinda Gates foundation (BMGF). It is aims at building a Nigerian CSO advocacy and communications coalition to advance evidence, policies and programs that further women's economic empowerment vanguard organizations such as Women's Empowerment Collectives. The project is being implemented by development Research and Project Centre (dRPC). The three primary objectives for the PAWED project are: ·

- Increase the salience of women's economic empowerment with national and state government ministries, writ large
- Increase the salience of effective policies and programs to advance women's economic empowerment with donors and national and state government ministries, with a primary focus on women's empowerment collectives
- Increase the salience of women's economic empowerment amongst civil society and influential leaders and their appetite to support change that might be in opposition to cultural and social norms

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