



**MEDIUM TERM EXPENDITURE FRAMEWORK:  
Economic and Fiscal Update (EFU),  
Fiscal Strategy (FS) and  
Budget Policy Statement (BPS)**

**July, 2025**  
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## Abbreviations

<b>BRINCS</b>	Brazil, Russia, India, Nigeria, China, South Africa
<b>CBN</b>	Central Bank of Nigeria
<b>DMO</b>	Debt Management Office
<b>EFU</b>	Economic and Fiscal Update
<b>ExCo</b>	Executive Council
<b>FAAC</b>	Federal Allocation Accounts Committee
<b>FSP</b>	Fiscal Strategy Paper
<b>GDP</b>	Gross Domestic Product
<b>IGR</b>	Internally Generated Revenue
<b>IMF</b>	International Monetary Fund
<b>MDA</b>	Ministry, Department and Agencies
<b>MTBF</b>	Medium Term Budget Framework
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTFF</b>	Medium Term Fiscal Framework
<b>MTSS</b>	Medium Term Sector Strategy
<b>NBS</b>	National Bureau of Statistics
<b>NNPC</b>	Nigerian National Petroleum Company
<b>NPC</b>	National Planning Commission
<b>OAG</b>	Office of the Accountant General
<b>PFM</b>	Public Financial Management
<b>MINT</b>	Mexico, Indonesian, Nigeria and Turkey
<b>N-11</b>	Next 11 Countries
<b>PITA</b>	Personal Income Tax Act
<b>PMS</b>	Premium Motor Spirit
<b>SHoA</b>	State House of Assembly
<b>VAT</b>	Value Added Tax
<b>WEO</b>	World Economic Outlook
<b>PAC</b>	Public Account Committee



<b>SFRA</b>	State Fiscal Responsibility Act
<b>KSG</b>	Kogi State Government
<b>CSO</b>	Civil Society Organisation
<b>TWG</b>	Technical Working Group
<b>FI</b>	Financial Instruction
<b>PFM</b>	Public Financial Management
<b>MFB&amp;EP</b>	Ministry of Finance, Budget and Economic Planning
<b>DOP</b>	Director of Planning
<b>DOB</b>	Director of Budget
<b>PCNI</b>	Presidential Committee on Northeast Initiative
<b>NIRP</b>	Nigerian Industrial Revolution Plan
<b>OPEC</b>	Organisation of Petroleum Exporting Countries
<b>LGAs</b>	Local Government Areas
<b>POP</b>	Plaster of Paris
<b>FIRS</b>	Federal Inland Revenue Service
<b>NGN</b>	Nigeria Naira
<b>USD</b>	United States Dollars
<b>SDGs</b>	Sustainable Development Goals
<b>UNICEF</b>	United Nations Children Emergency Fund
<b>DFID</b>	Consolidated Revenue Fund
<b>CRF</b>	Department for International Development
<b>CPI</b>	Consumer Price Index
<b>PPP</b>	Public Private Partnership
<b>AF</b>	Alternative Funding (Financing)
<b>JVs</b>	Joint Ventures
<b>NPDC</b>	Nigerian Petroleum Development Company



# Section 1 Introduction and Background

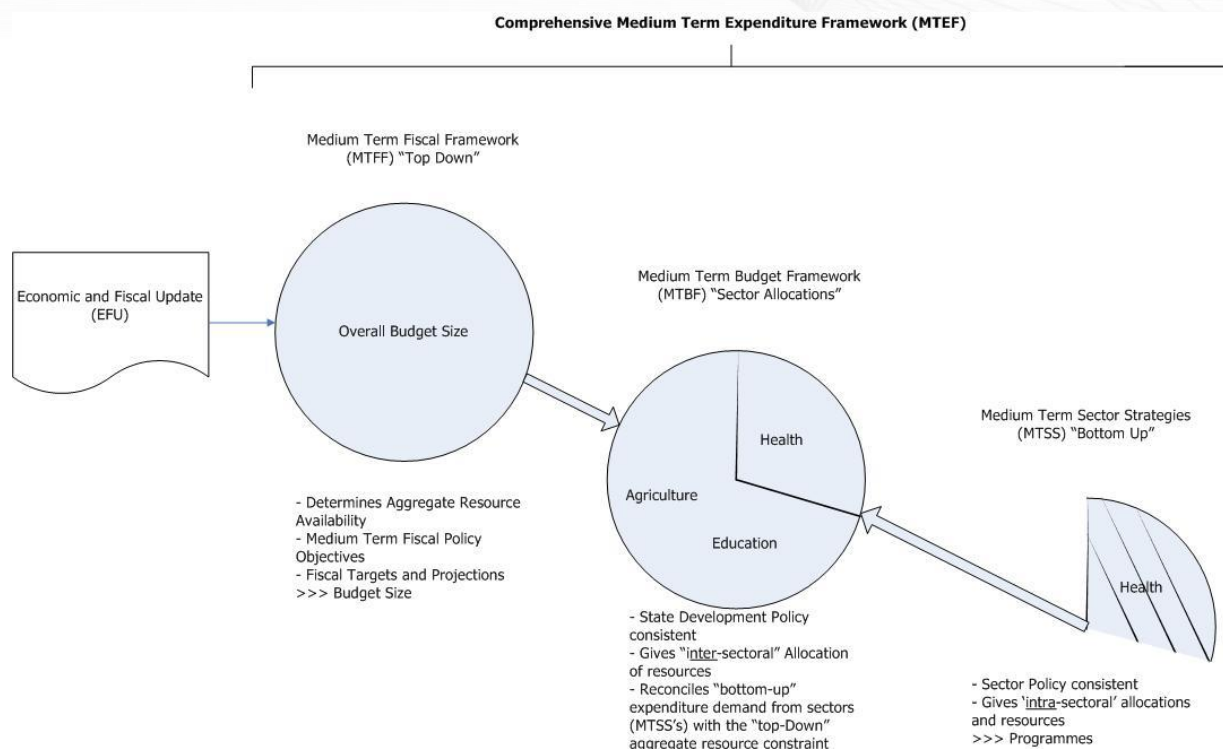
## 1.A Introduction

1. The Medium-Term Expenditure Framework (MTEF) provides Government with a tool to manage the pressure between competing policy priorities and budget realities. This helps to reprioritize expenditure and make policy choices that are affordable in the medium term. This document covers period of 2026 - 2028
2. Government aims to improve on service delivery. The service delivery information that are better contained in budget document which enables the public to understand what government does, what programmes and activities are funded, and what outputs the budget is meant to achieve.
3. The Economic and Fiscal Update (EFU) of this Medium Term Expenditure Framework (MTEF) document provides a detailed statement of the Government's financial position including updated economic and fiscal forecasts, analysis of the fiscal position and a summary of specific fiscal risks which form the basis for budget planning process in Kogi State. The EFU also provides an assessment of budget performance (both historical and current) and identifies significant factors affecting implementations.
4. The Fiscal Strategy Paper (FSP) is the guide to the state budget process. It consists of a macroeconomic framework that indicates fiscal targets and estimates revenues and expenditure, including government financial obligations in the medium term. The document also set out the underlying assumptions for these projections, provides an evaluation and analysis of the previous budget, and present an overview of consolidated debt and potential fiscal risks.
5. The important outcomes of the FSP include the macroeconomic outlook; fiscal balance; and other key indicators.
6. **They fulfil a requirement of Section 11 of the Fiscal Responsibility Act (SFRA) 2012, which stipulates that the Commissioner for Budget and Planning (now Commissioner of Finance, Budget and Economic Planning) shall prepare the MTEF and FSP and get them approved by the State Executive Council (EXCO) and State House of Assembly (SHoA).**

### 1.A.1 Budget Process

7. The budget process describes the budget cycle in a fiscal year. Its conception is informed by the Medium Term Expenditure Framework (MTEF) process which has three components namely:
  - i. Medium Term Fiscal Framework (MTFF)
  - ii. Medium Term Budget Framework (MTBF)
  - iii. Medium Term Sector Strategies (MTSS)
8. It commences with the conception through preparation, execution, control, monitoring and evaluation and goes back again to conception for the following year's budget.
9. The MTEF process is summarised in the diagram below:

**Figure 1: MTEF Process**



### 1.A.2 Summary of Document Content

10. In accordance with international best budgeting practices, the production of a combined EFU, FS and BPS is the first step in the budget preparation cycle for Kogi State Government (KSG) for the period 2026-2028.
11. The purpose of this document is three-fold:
  - i. To provide a historical summary of key economic and fiscal trends that will affect the public expenditure in the future - Economic and Fiscal Update;
  - ii. To set out medium term fiscal objectives and targets, including tax policy; revenue mobilisation; level of public expenditure; deficit financing and public debt - Fiscal Strategy; and
  - iii. Provide indicative sector envelopes for the period 2026-2028.
12. The EFU is presented in Section 2 of this document. The EFU provides economic and fiscal analysis in order to inform the budget planning process. It aims primarily at budget policy and decision makers in Kogi State. The EFU also provides an assessment of budget performance (both historical and current) and identifies significant factors affecting implementation. It includes:
  - Overview of Global, National and State Economic Performance
  - Overview of the Petroleum Sector
  - Trends in budget performance over the last six years
13. The FS is a key element in the KSG Medium Term Expenditure Framework (MTEF) and annual budget process. As such, it determines the resources available to fund the Government's growth and poverty reduction programme from a fiscally sustainable perspective.





### **1.A.3 Preparation and Audience**

14. The purpose of this document is to provide an informed framework for the period 2026-2028 MTEF and 2026 annual Budget preparation cycle for all of the key Stakeholders, specifically:
  - State House of Assembly (SHoA);
  - Executive Council (ExCo);
  - Ministry of Finance, Budget and Economic Planning (MFB&EP);
  - All Government Ministries, Departments and Agencies (MDAs);
  - Organised private sectors;
  - Civil Society Organisations (CSOs)
  - Non-Government Organisations (NGOs)
15. The document is prepared in the month of June for the year 2025 Budget. It is prepared by Kogi State Government MTEF Technical Working Group (TWG), using data collected from International, National and State organisations such as International Monetary Fund (IMF), State Ministry of Finance, Budget and Economic Planning, Accountant General's Office, Debt Management Office, Federal Ministry of Finance, Budget and National Planning and Kogi State Internal Revenue Service (KGIRS).

## **1.B Background**

### **1.B.1 Legislative and Institutional arrangement for Public Financial Management (PFM)<sup>1</sup>**

#### **1.B.1.1 Legislative Framework for PFM in Kogi State–**

16. Federal legislations and regulations provide the legal framework for PFM at the Federal and also state level. The principal ones are the 1999 Constitution, the Finance (Control and Management) Act Cap 144 of the Laws of the Federation 1990, the Revenue Allocation Act of 1992 together with the Executive Order of March 2004, the Personal Income Tax Decree 104 of 1993 (amended in 2004), and Act 21 of 1998 which defines the tax powers of each of the three tiers of government. These legislations and regulations cover several issues at the State level, in particular, fiscal relations between tiers of government, revenue and expenditure management, State government accounts, external audit and legislative scrutiny.
17. State governments cannot enact their own constitution, but they have other legislative and executive powers that complement but not supersede those at the federal level. In Kogi State, however, the state government does not have a legislation of its own; rather, it has been leaning on federal government legislation, which may not be appropriate. The federal regulations that the state government has adopted include the Revised Public Service Rules of January 2000; Guides to Administrative Procedures; and Financial Regulations of January 2000. The state government needs to domesticate these legislations. The state is still largely dependent on guidelines issued by the Auditor General of the Federation. However,

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<sup>1</sup> Based on June, 2009 PEMFAR Assessment for Kogi State



with the support of the **Public Sector Governance Reform and Development Project (now closed)**, the State has the following, either as laws or draft laws: Kogi State Fiscal Responsibility Law, 2012; Kogi State Revenue Administrative Law 2013 (Kogi State Revised Revenue Administrative Law 2017); Kogi State Public Procurement Law 2014 (as amended in 2020), Kogi State Public Finance Management (PFM) Law 2015; Kogi State Financial Instructions (FI) 2015; Kogi State Audit Law 2015 (as amended 2021); Monitoring & Evaluation Policy Guides (draft law, still undergoing legislation)

#### 1.B.1.2 Institutional Framework for PFM in Kogi State –

18. There are three arms of government – the executive, the legislature and the judiciary. It is the responsibility of the executive arm of government to: (i) formulate, implement and monitor the State budget; and (ii) account for its fiscal operations to the legislature. The Legislature, on the other hand, is charged with the responsibility to make laws, including the Appropriation Law, and to control the use of public funds. The focus of the judiciary extends to the determination of any question as to the civil rights and obligations of government, authority and any persons in Nigeria.
19. On the executive arm still, there are essentially two types of MDAs for the PFM system: cross-sectoral MDAs and sector MDAs. The principal cross-sectoral MDAs comprise largely the Office of the Governor, the State Executive Council, the Establishments Office, the Ministry of Finance, Budget and Economic Planning, the Office of Accountant-General, the Office of Auditor-General for the State and the Office of Auditor-General for Local Governments. The Governor of a State exercises executive powers which extend to the execution and maintenance of the Nigerian constitution and all laws made by the House of Assembly of the State and all matters with respect to which the House of Assembly has power to make laws. He may exercise his powers directly or through the Deputy Governor and Commissioners. Kogi State has a 24-member Statutory Executive Council but has, at present, been increased to 31 to achieve a more inclusive and robust decisions,<sup>2</sup> The EXCO is primarily concerned with strategic issues affecting the State. The Establishments Office has the mandate for staff recruitment, training, promotions and discipline. The Ministry of Finance, Budget and Economic Planning is the anchor for development planning, budget preparation, coordination of development partners' interventions etc. The Office of Accountant-General is responsible for the collection, disbursement and control of State funds and also the preparation of the financial statements of the government. The State Auditor-General conducts post-mortem analysis of State accounts to ensure value for money in the utilization of public funds. The Office of Auditor-General for Local Governments performs similar responsibilities at the local government level and reports to the legislature at the State level. There are twenty-one (21) sector ministries, consisting of Agriculture, Health. Women Affairs & Social Development, Education, Justice and Finance Budget & Economic Planning. The others are Commerce & Industry, Culture & Tourism, Environment, Water Resources, Works, Housing & Urban Devt., Transport, Rural & Energy Development, Youth & Sports, Information & Communication, Local Government & Chieftaincy Affairs, Special Duties & Inter-Governmental Affairs, Innovation, Science & Technology, Humanitarian & Poverty Alleviation and Solid Mineral & Natural Resources. The State

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<sup>2</sup> The Executive Council comprises the Governor, the Deputy Governor, Secretary to the State Government and Commissioners



- government has 26 extra-ministerial departments including a Bureau that was, hitherto, a Ministry but now Bureau for Land and Urban Development and 48 parastatals, with each one attached to a supervising ministry.
20. The principal institution of the legislative arm is the State House of Assembly (SHoA). The House carries out its oversight functions through various standing committees, two of which are directly involved in the budgeting process. The two committees are:
- (i) Finance, Appropriation and Budget Monitoring Committee, whose responsibility it is to examine budget proposals and make appropriate recommendations to the entire House for consideration and approval; and
- (ii) Public Accounts Committee (PAC) - Section 125, Sub-Section 5 of the 1999 Constitution empowers the PAC to carry out investigations on the reports of the State Auditor-General and the Auditor-General for Local Governments.
21. The judicial powers of a State are vested in the courts. The courts comprise the Supreme Court of Nigeria, the Appeal Court, the Federal Court of Appeal, the Federal High Court, the High Court of Kogi State, the Sharia Court of Appeal of Kogi state, and a Customary Court of Appeal of Kogi state.<sup>3</sup> The Ministry of Justice, Public Defender and Citizens' Rights Commission and the Judicial Service Commission on the executive arm of government complement these courts.
22. Indicative Budget Calendar for Kogi State Government is presented below:

**Table 1: Budget Calendar**

S/N	SUBJECT	ACTIVITIES	DATE YEAR 2026/27	RESPONSIBILITY	
				Agency	Officer
1	Commencement of Year 2026 Budget Preparation	(a) Review of Macroeconomic Framework and input of latest data to Medium Term Fiscal Strategy (MTFS) model	April 2025	Technical Working Group (TWG)	Director Budget
		(b) Meeting with Major Revenue Generating Agencies on Revenue Strategy period 2026-2028 MTFS	June 2025	MFB&EP/Revenue Stakeholders	Director Budget
		(c) Public Consultation on the Framework, FSP, Revenue and Expenditure Framework.	June 2025	MFB&EP/Revenue Stakeholders/CSO	Director Budget
		(d) Presentation of Year 2026-2028 MTEF to EXCO	June 2025	MFB&EP, MDAs & EXCO	HC MFB&EP
		(e) Forwarding of draft MTEF to the SHoA for consideration and approval.	June 2025	MFB&EP/ShoA	HC MFB&EP
		(f) Budget Retreat for MDAs	June 2025	MFB&EP/MDAs	Director Budget.

<sup>3</sup>Each state determines whether it wants the Sharia Court of Appeal and the Customary Court of Appeal





2	Y2025 (Current Year) Budget Monitoring & Appraisal.	(a) 1st Quarter Year 2025 Budget Performance Appraisal	28th April 2025	MFB&EP(DOB, DOP(M), DOP(SS))/MDAs	Hon. Commissioners/ other Heads of MDAs
		(b) 2nd Quarter/Mid-Year Review of 2024 Budget Performance	28th July, 2025	MFB&EP(DOB, DOP(M), DOP(SS))/MDAs	Hon. Commissioners/ other Heads of MDAs
		(c) 3rd Quarter Year 2024 Budget Performance Appraisal	28th Oct. 2025	MFB&EP(DOB, DOP(M), DOP(SS))/MDAs	Hon. Commissioners/ other Heads of MDAs
3	Preparation of Y 2026 Budget Estimates	(a) Issuance of Year 2026 Call Circular	Aug 2025	MFB&EP	Director Budget
		(b) Budget Consultative /Stakeholders Forum /Citizens Engagement	August 2025	MFB&EP (Budget Dept.), MDAs & other Stakeholders eg. CSOs/NGOs	Director Budget
		(d) Submission of Budget Proposals	Sept/Oct. 2025	MFB&EP/MDAs	Director Budget
		(c) MDAs Budget Proposals Technical Defence	October 2025	MFB&EP/MDAs	Director Budget
		(e) Collation of Draft Estimate	October 2025	MFB&EP	Director Budget
4	2026 Draft Budget	Submission of Year 2026 draft Budget to EXCO	Nov. 2025	MFB&EP	HC MFB&EP
5	Legislative Processes	(a) Presentation of Draft Year 2026 Budget Estimates to House of Assembly	November 2025	Governor's Office	His Excellency
		(b) Consideration of Budget Draft Estimates by SHoA including interaction with MDAs/scrutiny of estimates.	December 2025	ShoA	Members SHoA/MDAs
		(c) Passing of the Year 2026 Appropriation Bill	December 2025	ShoA	Members
6	Appropriation Law	(a) Production of the Appropriation Law	December 2025	ShoA	Members
		(b) Governor's Assent to Year 2026 Budget	December 2025	Governor's Office	His Excellency
		(c) Uploading Approved Budget onto the Budget Portal	December, 2025	MFB&EP	Permanent Secretary
		(d) Printing of Approved Budget	January, 2026	MFB&EP	Permanent Secretary





## Section 2 Economic and Fiscal Update

### 2.A Economic Overview

#### 2.A.1 Global Economy<sup>4</sup>

23. The global outlook is becoming increasingly challenging. Substantial increases in barriers to trade, tighter financial conditions, weaker business and consumer confidence and heightened policy uncertainty will all have marked adverse effects on growth prospects if they persist.
24. In this challenging and uncertain environment, we have downgraded our growth projections. We are now forecasting that global growth will decline from 3.3% in 2024 to a modest 2.9% in 2025 and in 2026. Weakened economic prospects will be felt around the world, with almost no exception. Lower growth and less trade will hit incomes and slow job growth.
25. Although inflation has recently declined in most countries, service price inflation remains stubbornly sticky and goods price inflation has increased slightly in many countries due to rising food prices. Protectionism is adding to these inflationary pressures, and inflation expectations have risen substantially in several countries. And even though we are still forecasting that inflation will come down to central bank targets by 2026 in most countries, it will now take longer to reach those targets. In the countries more affected by tariffs, inflation might even rise first before coming down.
26. Risks have risen significantly too. There is the risk that protectionism and trade policy uncertainty will increase even further and that additional trade barriers might be introduced. According to our simulations, additional tariffs would further reduce global growth prospects and fuel inflation, dampening global growth even more.
27. The outlook for global inflation has become more uncertain this year. Persistent underlying inflationary pressures, coupled with rising tariffs and trade-protectionist measures, are set to delay the normalization of global inflation to levels broadly consistent with inflation targets. On a GDP weighted basis, global inflation is projected to average 2.9 percent in both 2025 and 2026, before easing to 2.5 percent in 2027—about in line with the average inflation target. However, there is significant heterogeneity across countries, with inflation projections revised slightly lower in EMDEs in 2025 due to the impact of weaker demand for traded goods, while being revised significantly higher in advanced economies, most notably in the United States.
28. The flurry of policymaking in the first half of 2025 has formed conditions for the second half of the year. Businesses are left looking at a complex global operating environment shaped by fragmenting trade relationships and supply chains, unsynchronized monetary policy, and inflationary pressures.
29. They face making decisions with incomplete and rapidly changing information. The key is agility: navigating regulatory divergence and identifying growth opportunities. Global macroeconomics is entering a more complex phase, one that rewards businesses able to adapt quickly and pivot in response to unexpected developments.
- 30.

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<sup>4</sup>April 2023, World Economic Outlook (WEO)



31. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge despite its severity and the associated cost of living crisis did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down.
32. On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing.
33. Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access.
34. Even more encouraging, we now estimate that there will be less economic scarring from the pandemic the projected drop in output relative to pre-pandemic projections for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its pre-pandemic trend.
35. Resilient growth and faster disinflation point toward favorable supply developments, including the fading of earlier energy price shocks, the striking rebound in labor supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. However, the transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate demand up to now.
36. Despite these welcome developments, numerous challenges remain, and decisive actions are needed.
37. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high sometimes stubbornly so and could derail the disinflation path. Bringing inflation down to target remains the priority.
38. Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as well, including a fiscal stance that is out of line with long-term fiscal sustainability. This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs. Something will have to give.
39. In the euro area, growth will pick up this year, but from very low levels, as the trailing effects of tight xiii International Monetary Fund, monetary policy and past energy costs, as well as planned fiscal consolidation, weigh on activity. Continued high wage growth and persistent services inflation could delay the return of inflation to target.



However, unlike in the United States, there is scant evidence of overheating, and the European Central Bank will also need to carefully calibrate the pivot toward monetary easing to avoid an excessive growth slowdown and inflation undershoot. While labor markets appear strong, that strength could prove illusory if European firms have been hoarding labor in anticipation of a pickup in activity that does not materialize.

40. China's economy is affected by the enduring down turn in its property sector. Credit booms and busts never resolve themselves quickly, and this one is no exception. Domestic demand will remain lackluster for some time unless strong measures and reforms address the root cause. Public debt dynamics are also of concern, especially if the property crisis morphs into a local public finance crisis. With depressed domestic demand, external surpluses could rise. The risk is that this will further exacerbate trade tensions in an already fraught geopolitical environment.
41. At the same time, many other large emerging market economies are performing strongly, sometimes even benefiting from a reconfiguration of global supply chains and rising trade tensions between China and the United States. These countries' footprint on the global economy is increasing, and they will play an ever larger role in supporting global growth in years to come.
42. A troubling development is the widening divergence between many low-income developing countries and the rest of the world. For these economies, growth is revised downward, whereas inflation is revised up. Worse, in contrast with most other regions, scarring estimates for low-income developing countries, including some large ones, have been revised up, suggesting that the poorest countries are still unable to turn the page from the pandemic and cost-of-living crises. In addition, conflicts continue to result in loss of human lives and raise uncertainty. For these countries, investing in structural reforms to promote growth-enhancing domestic and foreign direct investment, and strengthening domestic resource mobilization, can help manage borrowing costs and reduce funding needs while achieving development goals. Efforts must also be made to improve the human capital of their large young populations.
43. Third, even as inflation recedes, real interest rates have increased, and sovereign debt dynamics have become less favorable in particular for highly indebted emerging markets. Countries should turn their sights toward rebuilding fiscal buffers. Credible fiscal consolidations help lower funding costs and improve financial stability. In a world with more frequent adverse supply shocks and growing fiscal needs for safety nets, climate adaptation, digital transformation, energy security, and defense, this should be a policy priority. Yet this is never easy, fiscal consolidations are more likely to succeed when credible and when implemented while the economy is growing, rather than when markets dictate their conditions. In countries where inflation is under control, and that engage in a credible multiyear effort to rebuild fiscal buffers, monetary policy can help support activity. The successful 1993 US fiscal consolidation and monetary accommodation episode comes to mind as an example to emulate.
44. Fourth, medium-term growth prospects remain historically weak. Chapter 3 of this report takes an in-depth dive into the different drivers of the slow down. The main culprit is lower total factor productivity growth. A significant part of the decline comes from increased misallocation of capital and labor within sectors and countries. Facilitating faster and more efficient resource allocation can help boost growth. Much hope rests on artificial intelligence (AI) delivering strong productivity gains in the medium term. It may do so, but the potential for serious disruptions in labor and financial markets is high. Harnessing the potential of AI for all will require that countries improve their digital infrastructure, invest in human capital, and coordinate



on global rules of the road. Medium-term growth prospects are also harmed by rising geoeconomic fragmentation and the surge in trade restrictive and industrial policy measures since 2019. Global trade linkages are already changing as a result, with potential losses in efficiency. But the broader damage is to global cooperation and multilateralism.

45. Finally, huge global investments are needed for a green and climate resilient future. Cutting emissions is compatible with growth, as is seen in recent decades during which growth has become much less emissions intensive. Nevertheless, emissions are still rising. A lot more needs to be done and done quickly. Green investment has expanded at a healthy pace in advanced International Monetary Fund economies and China. Cutting harmful fossil fuel subsidies can help create the necessary fiscal room for further green investments. The greatest effort must be made by other emerging market and developing economies, which need to massively increase their green investment growth and reduce their fossil fuel investment. This will require technology transfer by other advanced economies and China, as well as substantial financing, much of it from the private sector, there is little hope for progress outside multilateral frameworks and cooperation.

## **2.A.2 Africa<sup>5</sup>**

46. The growth outlook in 2024–25 is heterogenous across Africa's regions and economic groupings, reflecting differences in the structure of economies, commodity dependence, and the domestic policy responses to mitigate impact of these shocks.
47. The projected rebound in Africa's average growth will be led mainly by East Africa (up 3.4 percentage points)
48. East Africa is expected to bounce back as Africa's fastest growing region, with real GDP growth rising from an estimated 1.5 percent in 2023 to 4.9 percent in 2024 and 5.7 percent in 2025. The downward revision of 0.2 per centage points for 2024 compared with the forecast in the January 2024 MEO is due to larger-than-expected contractions in Sudan and South Sudan due to the ongoing conflict in the former.
49. Growth in Central Africa is expected to moderate from 4.3 percent in 2023 to 4.1 percent in 2024 before improving strongly to 4.7 percent in 2025. The upgraded forecast of 0.6 per centage point for 2024 over the January 2024 projections is attributable to expectations of stronger growth in Chad and the Democratic Republic of Congo due to expectations of favourable metal prices.
50. Growth is projected to pick up in West Africa, rising from an estimated 3.6 percent in 2023 to 4.2 percent in 2024 and consolidating at 4.4 percent the following year. This is an upgrade of 0.3 percentage points for 2024 over the January MEO 2024 projections, reflecting stronger growth upgrades in the region's large economies — Côte d'Ivoire, Ghana, Nigeria, and Senegal.
51. In North Africa, growth is projected to decline from an estimated 4.1 percent in 2023 to 3.6 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.3 percentage point for 2024 from the January 2024 MEO. Except for Libya and Mauritania, growth has been revised downward for all other countries in the region.
52. Growth in Southern Africa is projected to pick up slightly from an estimated 1.6 percent in 2023 to 2.2 percent in 2024 and firm up to 2.7 percent in 2025. The growth rates for 2024 and 2025 show an upgrade of 0.1 percentage point over the January

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<sup>5</sup>Source: AFRICAN ECONOMIC OUTLOOK, MAY 2024



2024 projections, mainly reflecting a 0.7 percentage point increase in South Africa's projected growth. Due to South Africa's larger weight in the region, the upgraded growth forecast offset the combined effect of downward revisions in Angola, Botswana, Lesotho, Zambia, and Zimbabwe.

53. Average growth in non-resource-intensive economies is projected to improve from an estimated 4.8 percent in 2023 to 5.3 percent in 2024 and 5.6 percent in 2025. This growth is underpinned by increased public investments in major growth sectors and substantial capital outlays on critical public infrastructure including electricity, transport, and logistics.
54. Growth for tourism-dependent economies is projected to decelerate from 5.8 percent in 2023 to 4.7 percent in 2024 and further to 3.9 percent in 2025. This deceleration reflects the stabilization of tourism numbers to trend levels, with projected slower economic growth in Mauritius and Seychelles as the key driver for the group.
55. Average growth in oil-exporting countries is expected to decline from an estimated 3.7 percent in 2023 to 3.5 percent in 2024 but could pick up the pace to 4 percent in 2025. The projected slowdown in 2024 reflects lower oil production targets set by the Organization of the Petroleum Exporting Countries (OPEC), lower growth projections in South Sudan following the vandalizing of an oil pipeline due to the ongoing conflict, and uncertainty over new mechanisms for Angola's oil exports following its exit from OPEC.
56. Growth in other (non-oil) resource-intensive economies on the continent is estimated to improve strongly from 0.3 percent in 2023 to 2.7 percent in 2024 and consolidate at 3.3 percent projected for 2025. The sharp increase in growth will be driven largely by rebound in China's demand for metals and minerals linked to expansions in smart grids and construction. The dynamics of Africa's macroeconomic fundamentals have remained mixed amid considerable challenges. Figure 2 presents the detailed outlook for countries' key macroeconomic indicators for 2024–25 on average.

### **2.A.3 Nigerian Economy<sup>6</sup>**

#### **57. Analyst Views on Growth and Inflation**

58. Inflation rose marginally to 23% in June from 22.4% in the previous month fueled by both food (25%) and core inflation rates (20%). The rise was primarily due to the increases in food and transport costs by 2.4% respectively. Though the removal of PMS subsidies in May drove petroleum prices upward by 120% (from ₦238/litre to ₦617 in June), the pass-through effect on inflation was partial. We expect that the full effect of the deregulation will impact inflation in subsequent months, as the price of PMS will likely continue its upward spiral in the short to medium term. But more importantly as more upward wage adjustments sustains spending
59. Prolonged fuel scarcity and high fuel prices will impact economic growth in the last quarter of the year. These challenges are expected to significantly impact the real sector's performance as many businesses continue to grapple with high operating costs and a tough business environment. These factors, along with a pressured exchange rate, would suppress the growth outcomes of many sectors and the overall economy in the last quarter of 2024.
60. On inflation, the surge in fuel prices to over N800 per litre is expected to elevate the prices of goods and services in Q4 2024. Without adequate intervention from the

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<sup>6</sup> Source: Nigeria Economic Outlook (Online publishing)



fiscal authorities to address doing business constraints, provide concessions to the Dangote refinery and negotiate for a fair price of fuel, the economy is likely to experience another round of heightened inflation in the short term.

61. **Analyst Views on Foreign Exchange**

62. Forex inflows improved, but FX pressures persist. There has been an observable improvement in the sources of Forex inflows over the past quarters, yet FX pressures remain. The economy recorded a trade surplus of US\$8.9 billion, a 45.2% increase compared to US\$6.1 billion. Additionally, the high-interest-rate environment has boosted portfolio investment inflows into Nigeria. As a result, Nigeria's external reserves have been rising, although this has come at the expense of a depreciating Naira. The CBN's current focus on reserve accretion is aimed at boosting confidence in the FX market, but this posture is likely to shift in Q4 2024.

63. Exchange Rate Outlook for Q4 2024: Looking ahead to Q4 2024, we expect the exchange rate to close the year around N1,560/US\$. With the festive season approaching and added pressure in the FX market, we anticipate an increase in Forex inflows, driven by hikes in policy rates and increased FX interventions by the CBN, aimed at maintaining a stable exchange rate.

64. Dangote Refinery set to ease Forex pressures. The commencement of operations at the Dangote Refinery will significantly reduce pressure on the Forex market. Petroleum products account for 30-40% of Nigeria's import bills, and at full capacity, the Dangote Refinery will substantially lower these bills, thereby easing pressure on the Naira and stabilising the exchange rate in the near term. Additionally, the Naira for Crude Initiative, which kicks off on October 1st, 2024, is expected to further mitigate Forex risks. Thus, we maintain a positive outlook for the Naira in Q4 2024.

65. **Fiscal dynamics**

66. Policy reversal of some taxes e.g. green tax on single-use plastics, 5% telecom service excise, car import and local goods and services excise, could potentially curb inflationary pressures especially in consumer & industrial products and telecommunication sectors.

67. Tax reform committee set up with terms of reference that include enhancing revenue collection, fiscal responsibility and tax reforms, as well as improving compliance. Already, discussions or conversations are underway to streamline the number of tax obligations from 52 to 10, to achieve payment efficiency and enhance the ease of doing business. Furthermore, it is being considered conceptually whether the Federal Inland Revenue Service (FIRS) to change to the Nigeria Revenue Service (NRS) in a bid to harmonise all tax collection activities of the Federal government.

68. \$800 million World Bank Loan approved by the Senate to provide safety net and mitigation support to the poor and vulnerable segments of the population. The loan will increase national debt portfolio and deepen debt burden, on account of further currency devaluation.

69. FG to save about 30 to 50% of monthly FAAC allocations\*, as part of an Infrastructure Support Fund (ISF) aimed at improving and enhancing the infrastructure growth and development of the States. However, a debate exists regarding the presence of an appropriate legal framework guiding this action.

70. **Monetary dynamics**

71. Merchant Banks' CRR revised to 10% from 33% to strengthen the banks' capacity to provide increased financing for infrastructure, real estate, and other extended financing crucial for the growth of the Nigerian economy.



72. Journey toward FX unification included streamlining the markets for accessing FX to the singular I&E window. Though this aims to reduce arbitrage and encourage foreign investments in the medium to long-term, the policy has led to the devaluation of the Naira by over 70% since its launch. The divergence between the official window and the parallel markets is expected to continue in the short term, in the absence of further supporting reforms and policies.
73. Monetary Policy Rate (MPR) increased to 18.75%. This may likely have negative impact on economic growth, as it impedes headroom for banks to lend to the real and business sector. Despite the persistent increase in interest rates, inflation rates continue to rise, primarily driven by factors such as an expansion in money supply, currency devaluation, insecurity, lingering effect of the naira redesign policy, among others







## Petroleum Sector

74. Oil was discovered in Nigeria in 1956 at Oloibiri in the Niger Delta after half a century of exploration. The discovery was made by Shell-BP, at the time the sole concessionaire. Nigeria joined the ranks of oil producers in 1958 when its first oil field came on stream producing 5,100 bpd. After 1960, exploration rights in onshore and offshore areas adjoining the Niger Delta were extended to other foreign companies. In 1965 the EA field was discovered by Shell in shallow water southeast of Warri. By the late sixties and early seventies, Nigeria had attained a production level of over 2 million barrels of crude oil a day. Although production figures dropped in the eighties due to economic slump, 2004 saw a total rejuvenation of oil production to a record level of 2.5 million barrels per day. Current development strategies are aimed at increasing production to 4million barrels per day by the year 2010
75. The Nigerian Petroleum Development Company (NPDC) Ltd is a fully-owned subsidiary of the Nigerian National Petroleum Corporation (NNPC) established in 1988. The company is engaged in Oil & Gas Exploration and Production activities in the hydrocarbon-rich Niger Delta regions.
76. Apart from technical and operational management of the parent corporation's equity interests in numerous joint-venture partnerships under Nigeria's marginal fields programme, NPDC is also an independent operator of its own assigned oil blocks both onshore and offshore.
77. NPDC has its Head office in Benin City and base offices/warehouses in Port Harcourt and Warri for logistics support. The analysis of the operation state below
78. The report of cumulative petrol subsidy bill from August 2023 will hit N6.884 trillion by December 2024 — leaving NNPC unable to remit N3.987 trillion in taxes and royalties to the federation account.
79. It said NNPC was expected to pause the payment of interim dividends for eight months this year — from May to December.
80. Interim dividends — based on inflow projections — are usually remitted monthly into the federation account and shared by the three tiers of government, while the final dividends are paid at the end of the year after reconciliation.
81. Under the Petroleum Industry Act (PIA), NNPC is obligated to pay taxes and royalties as well as dividends to the federation, its sole shareholder.
82. In June 2024, NNPC, the report said, cried out to Tinubu that the subsidy payments were negatively impacting its cash flow and it was struggling to remain a "going concern".
83. The company said it might not be able to sustain petrol imports because of the ballooning subsidy bill, which it blamed on "forex pressure".
84. Group Chief Executive Officer of NNPC, Mele Kyari, was said to have informed the president that when subsidy was removed in June 2023, it led to monthly savings of N400 billion to the federation.
85. Kyari said that enabled the company to remit its taxes and royalties totalling N2.032 trillion into a sequestered account at the Central Bank of Nigeria (CBN) as at January 2024.
86. He said the development was short-lived with the devaluation of the naira, which led to month-on-month escalation in the NAFEX exchange rate.





87. In August 2023, NNPC moved from surplus to negative in fuel importation costs, incurring a subsidy bill of N52.73 billion, the report revealed.
88. That increased to N57.59 billion in September and N122.28 billion in October, before ballooning to N665.60 billion in November, when exchange rate had more than doubled from the time subsidy was removed, TheCable report added.
89. The bill fell slightly to N537.66 billion in December before hitting a new high of N693.67 billion in January 2024.
90. According to the report, "The bill dropped to N592.09 billion the following month and N497.39 billion in March before rising again to N833.68 billion in April, forcing Kyari to send an SOS to the president.
91. "He said the situation had continued to exert 'undue pressure' on the NNPC, leading to its inability to remit royalties and taxes into the federation account.
92. "Kyari further said national energy security was being threatened as the NNPC might not be able to sustain petrol imports beyond July 2024."
93. In making his case to the president, Kyari was reported to have said NNPC had implemented a number of strategies between August 2023 and April 2024 but the situation was getting out of hand.
94. The strategies included improving oil production by fighting theft and vandalism, debt rescheduling/forward sales, payment deferrals to suppliers and contractors, deferrals of non-critical projects, and debt recovery.
95. However, the situation was still not looking good, as projections showed a consistent increase in cash flow deficit, mainly because of the exchange rate.
96. Whereas an estimated N3.987 trillion in taxes and royalties will be due the federation account by December 2024, NNPC said it will still be owed N2.897 trillion after reconciliation of its obligations and subsidy shortfall.
97. Kyari was said to have requested that Tinubu should approve the utilisation of the final dividends due the federation for 2023 and deferment of the remaining interim dividends for 2024 to defray the subsidy costs.
98. "The president approved Kyari's request on June 6, 2024," the report said.
99. The situation was made worse because when petrol subsidy was removed in June 2023, the exchange rate was N463/\$, but now about N1,500/\$, while crude oil prices had also been high, making it a "double whammy" for NNPC.

#### **2.A.4 Kogi State Economy**

100. Fitch Rates Kogi State 'B-'; Outlook Positive
101. Fitch Ratings - Milan - 12 Jul 2024: Fitch Ratings has assigned Kogi State a 'B-' Long-Term Issuer Default Rating (IDR) with a Positive Outlook and a 'AA-(nga)' National Long-Term Rating. Fitch assesses Kogi's Standalone Credit Profile (SCP) at 'b'. A full list of ratings is below.
102. The ratings reflect Kogi's revenue dependency on volatile transfers from the federal government of Nigeria. The 'b' SCP reflects Kogi's stable operating balance but also vulnerability to oil prices changes and rising adjusted debt. The IDRs are capped by Nigeria's 'B-' ratings. The Positive Outlook on the IDRs mirrors that on the sovereign as Kogi's SCP is currently above the sovereign.
103. KEY RATING DRIVERS



104. Risk Profile: 'Vulnerable'
105. Kogi's 'Vulnerable' risk profile reflects a very high risk that the state's ability to cover debt service with its operating balance may weaken unexpectedly over our forecast horizon (2024-2028). This may be due to lower-than-expected revenue, higher-than-expected expenditure, or an unexpected rise in liabilities or debt-service requirements.
106. Revenue Robustness: 'Weaker'
107. Kogi's revenue robustness is influenced by the state's overall weak socio-economic profile by international standards and reliance on volatile transfers from the federal government. About 80% of Kogi's revenue is made of federal allocated revenue, i.e. VAT and statutory transfers (over half of operating revenue) that are highly dependent on the sale of hydrocarbons. The proportion of internally generated revenue (IGR) of total operating revenue is less than 20%, below the Nigerian states' average.
108. Revenue Adjustability: 'Weaker'
109. Kogi's revenue potential depends on its ability to broaden its tax base and enforce tax compliance. The main fiscal revenue is pay-as-you-earn taxes, on which Kogi cannot set the tax rate. Other IGR sources, including fees, are marginal for Kogi and could offer some potential room for increase. However, Fitch views the ability to expand the tax base as limited by the presence of a wide informal economy and the population's low-income level.
110. Expenditure Sustainability: 'Weaker'
111. Kogi has a broad set of responsibilities and high spending needs to support its population and the local economy. Spending responsibilities range from social sector (about a third, including education and healthcare) and economic development (about 24%). Kogi is exposed to a deteriorating operating environment, which weakens its control over total expenditure growth, influenced by high inflation, rising commodity prices, and supply constraint amid naira depreciation.
112. Fitch expects spending growth to outpace revenue growth in the medium term, in its rating case of a prolonged economic downturn, driven by increasing workforce costs and high inflation on purchases.
113. Expenditure Adjustability: 'Weaker'
114. The Nigerian central government has no mandatory balanced budget rules for states, which are required to keep their deficits below 3% of national GDP. Fitch considers Kogi's cost structure as rigid, with salaries representing about 40% of total costs and opex overall amounting to over 65% of expenditure. In our view, capex flexibility is hampered by the limited share of capex in total expenditure (30% in 2023) and the territory's high need for investment in energy, infrastructures, information technology to support a more favourable environment to attract business.
115. Liabilities & Liquidity Robustness: 'Weaker'
116. The national framework for debt is evolving so borrowing limits are quite wide. Nigerian states have no restrictions on debt maturities, interest rates or foreign currency exposure. Kogi's NGN165 billion direct debt at end-2023 is made up of domestic debt with local counterparties, a bond issuance, and several facilities sponsored by the federal government making up over 50% of its direct debt. External debt represents about 25% of direct debt at end-2023, encompassing the effect of steep depreciation of the naira. Kogi's debt is largely served through deductions from



the statutory allocation. The state's reported arrears are minimal at less than NGN4 billion and we report them under adjusted debt.

117. Liabilities & Liquidity Flexibility: 'Weaker'
118. Fitch deems Kogi's liquidity as weak as the state has no committed liquidity lines, and domestic banks rated in the 'B' category tend to extend credit lines either with short maturities or with back-up from the federal government through direct deductions from federal allocations for longer maturities. Kogi's liquidity sources include cash and the sinking fund set aside for bond repayments. We generally do not consider financial assets in our calculation as they usually represent non-sellable or illiquid stakes in local entities.
119. Emergency liquidity may also come directly from the federal government with dedicated facilities helping states meet liquidity shortfalls and covering payments of salaries and pensions.
120. Debt Sustainability: 'bb category'
121. Under Fitch's rating case of a prolonged economic downturn, Kogi's debt payback ratio (net debt/operating balance) - the primary metric of debt sustainability assessment - could deteriorate to over 18 years by 2028, corresponding to a 'bb' assessment. Kogi's fiscal debt burden (net adjusted debt/operating revenue) could increase to above 200%, equivalent to a 'bb' assessment, while its actual debt servicing coverage will be less than 1x, consistent with a 'b' assessment.
122. Kogi's fiscal performance improved in 2023, backed by increasing FAAC allocation. We expect federal transfers to further increase in 2024 under all scenarios. Kogi's operating margin are quite low in the range of 10% to 15%, with a negative operating balance in 2019 due to a peak in personnel costs arrears.
123. We expect Kogi's net Fitch-adjusted debt to increase around NGN500 billion in the medium term, close to 240% of the state's revenue. The debt stock encompasses the effect of the naira's devaluation on external debt that will support Kogi's extensive capex plan of over NGN400 billion in 2024-2028 to fund infrastructure construction and upgrade.
124. Derivation Summary
125. Fitch assesses Kogi's SCP at 'b', reflecting a combination of a 'Vulnerable' risk profile and 'a' debt sustainability. The SCP also factors in comparison with other Nigerian states and with international peers, in particular, South American local and regional governments. Fitch does not apply any asymmetric risk or ad-hoc support from the central government and views inter-governmental financing as neutral to Kogi's ratings.
126. Short-Term Ratings
127. Kogi's Short-Term IDR of 'B' is mapped to its 'B-' Long-Term IDR.
128. National Ratings
129. Kogi's National Ratings are driven by its 'B-' Long-Term Local-Currency IDR. Kogi's 'AA-(nga)' reflects its low level of IGR in operating revenue compared with most Nigerian states, improving payback ratio in the short term thanks to high federal transfers, and modest capex with below-budget implementation. It also considers the protective debt service mechanism through deductions from statutory allocation and Kogi's debt repayment predictability owing to a high share of fixed-rate debt.
130. Key Assumptions





131. Qualitative Assumptions
132. Risk Profile: 'Vulnerable'
133. Revenue Robustness: 'Weaker'
134. Revenue Adjustability: 'Weaker'
135. Expenditure Sustainability: 'Weaker'
136. Expenditure Adjustability: 'Weaker'
137. Liabilities and Liquidity Robustness: 'Weaker'
138. Liabilities and Liquidity Flexibility: 'Weaker'
139. Debt sustainability: 'bb'
140. Support (Budget Loans): 'N/A'
141. Support (Ad Hoc): 'N/A'
142. Asymmetric Risk: 'N/A'
143. Rating Cap (LT IDR): 'B-'
144. Rating Cap (LT LC IDR) 'B-'
145. Rating Floor: 'N/A'
146. Quantitative assumptions - Issuer Specific
147. Fitch's rating case is a "through-the-cycle" scenario, which incorporates a combination of revenue, cost and financial risk stresses. It is based on 2019-2022 figures, 2023 preliminary data, and 2024-2028 projected ratios. The key assumptions for the scenario include:
148. - Operating revenue growing at around 9.4% on average, below nominal GDP growth rate; the revenue dynamic considers that transfers growth is driven by oil-price adjustments and naira/US dollar exchange rate;
149. - Opex growth at about 9.4% on average, driven by high inflation;
150. - Average cost of debt expected at around 8% on average;
151. - Debt stock hovering towards NGN500 billion considers new borrowing and stresses the conversion of foreign debt with the FX rate at NGN1,000-NGN1,500/USD across the rating horizon;
152. - Annual net capital averaging about NGN56 billion considers an increase in both capex and grants, the uncovered part would be financed with new debt.
153. Issuer Profile
154. Kogi's economy relies on a large agricultural sector and some large industrial conglomerates. Kogi's ambitious 2024-2056 development plan focuses on fostering efficient governance, improving social conditions, boosting infrastructures, and tapping into its rich mineral resources.
155. Rating Sensitivities
156. Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade
157. Negative rating action on the sovereign could lead to corresponding rating action on Kogi.





158. Weakening debt sustainability due to social unrest damaging economic prospects or undermining transfers from the central government could also trigger negative rating action.
159. Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade
160. Positive rating action on Nigeria could be reflected in Kogi's ratings, provided it continues to perform in line with our expectations.
161. ESG Considerations
162. Kogi State has an ESG Relevance Score of '4' for Biodiversity and Natural Resource Management due to the state's dependency on oil-related transfers from the sovereign that impact financial operations, which has a negative impact on the credit profile, and is relevant to the rating[s] in conjunction with other factors.
163. The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores.
164. There was an appropriate quorum at the committee and the members confirmed that they were free from recusal. It was agreed that the data was sufficiently robust relative to its materiality. During the committee no material issues were raised that were not in the original committee package. The main rating factors under the relevant criteria were discussed by the committee members. The rating decision as discussed in this rating action commentary reflects the committee discussion.
165. RESOURCES IN TO BE TAPPED IN KOGI STATE
166. Agriculture, Forestry and other Bush Activities: Kogi State has extensive arable land for cultivation, with good grazing grounds for livestock breeding and large water bodies for fishing. Agriculture is the mainstay of the state economy. There are many Farm produce from the state notably coffee, cocoa, palm oil, cashews, groundnuts, maize, cassava, yam, rice and melon. Rice production is encouraged in the flood plains of the rivers, while coffee, cocoa, orange, and cashew nuts are produced in Ijumu and Kabba/Bunu LGAs. Farmers are engaged in share cropping schemes at Iyagu, Alade and Adikena. Palm plantations are being rehabilitated and a standard agricultural mechanical workshop is being constructed for the maintenance of machinery.
167. The Kogi State Agricultural Development Project was established with an initial investment capital of N144 million to be drawn from a World Bank loan. This was done to improve 300 kilometres of rural roads, provide fifty points of potable water and distribute 50 tonnes of various farm inputs. Much emphasis has been placed on agriculture with substantial lumbering and saw milling carried out in the forest areas of the state (e.g Ijumu and Kabba/Bunu LGAs).
168. Exotic plants such as teak (*tectona grandis*) and pulp wood are being planted in different parts of the State. Other basic economic activities include the unincorporated private sector with farmers, fishermen, artisans and people in other activities such as mechanics, vulcanizers, electricians, carpenters bricklayers, plumbers and traders.



169. Mineral Resources: Kogi State is rich in mineral resources. These Mineral resources include coal, limestone, iron, petroleum and tin. The state is home to the largest iron and steel industry in Nigeria known as Ajaokuta Steel Company Limited and one of the largest cement factories in Africa, the Obajana Cement Factory. Most of these minerals are available in commercial quantities. Coal at KotonKarfe, Okaba and Ogboyaga; limestone and marble at Jakura, Ajaokuta, Osara, Ekinrin Adde and Itope; kaolin at Agbaja and iron ore at Agbaja plateau and Itakpe hills. It is worthy of note here to highlight that out of the seven (7) mineral resources of focus by Nigeria in the effort towards diversification, three (3) of them are available in Kogi State in commercial quantities. These are Iron Ore, Limestone and Coal.
170. Coal was mined in Kogi State during the Nigerian civil war; limestone and marble are exploited at Jakura. Other minerals include feldspar at Okene and Osara; clay, cassiterite, columbite and tantalite at Egbe; gold at Isanlu, gems, quartz, mica and crude oil at Idah. At the present time however, attention is being given for the commencement of exploitation of Coal in Kogi East by Dangote group. The Federal Government has started giving the exploitation of Itakpe Iron Ore attention. For years now the limestone had continued to be exploited by Dangote group into cement manufacturing.
171. Industrial Development: The available resources are land, water, minerals, agriculture and forestry, hydro power and electricity. Ajaokuta iron and steel and the tertiary institutions in the State are potential sources of input for industrialisation, if properly developed and maintained. There were sixteen industrial establishments operating in the State in 1992. Development of the Ajaokuta Steel Company will lead to springing up of upstream and downstream industries in Kogi State.
172. The Itakpe Iron Ore Mining Company and the Ajaokuta Steel Company, both of which could generate subsidiary industries such as iron and steel, foundries, cement plant, tar installation plant, carbon black and carbon graphic electrodes industry light forging, metal fabrication and agricultural tools and implements industries.
173. Development Potentials: Kogi State's endowment of natural resources include land, water, mineral and forest resources. The vast land area of the State provides adequate opportunity for the location of various types of industrial and other economic activities.
174. The water resources of Rivers Niger and Benue and their several tributaries could provide ample water supply for people, animals and various industries when fully harnessed. The confluence of Rivers Niger and Benue could be an important source of tourist attraction. Fishery could be developed on a large scale with allied fishery industries.
175. The waterfalls at Osomi, Ogugu and Ofejiji are potential sources of hydro-electricity. The water from the rivers could support large irrigation schemes for raising various crops. The forests provide wood for timber and fuel.
176. Local Sourcing of Raw Materials: Agricultural products such as grains (maize, guinea corn, rice and others), root crops (yam, cassava and groundnut etc), Other crops include beans, soya beans, cocoa and coffee provide the needed raw materials for cereals, flour beverages and other food processing industries. Livestock and fisheries could provide raw materials for meat and fish canning industries.
177. The forest has the potential to provide wood for plywood and other wood related industries to produce such items as toothpicks, matches and other household utensils while foliage and minerals are sources of raw materials for chemical and

pharmaceutical industries. Mineral resources in the State can provide immense local sources of raw materials for the manufacture of various products.

178. Coal and iron ore provide raw materials for the iron and steel industry and for the manufacture of machinery, alloys, oxides, tools, rails, linoleum and fillers. Coal also provides raw material for making ammonia, tar, cyanide, explosives and organic compounds. Limestone and marble at Jakura, Oshokoshoko, Ajaokuta, Osara, Ekinrin Adde and Itoke have raw materials for making cement, glass, lime, ceramics, carbon dioxide, ethylene, caustic soda, carbide, paint, floor slabs, terrazzo chips and building stones amongst others. Feldspar from Osara, Okene, Okoloke and Egbe and clay obtained in many parts of the LGAs of the State could supply the needed raw materials for glass, ceramics and pottery. Kaolin from Agbaja is an important raw material for chalk making, paint, kaolin poultice and Plaster of Paris (POP).
179. Cassiterite, columbite and tantalite from Okoloke, Egbe are used for tin coating and alloys while talc and mica from Isanlu, Ogborun and Mopa could supply the raw materials for ceramics, paints and electrical equipment. Gold from Isanlu in Yagba East LGA, gems and ornamental stones from Lokoja, quartz from Okene, Okehi, Okoloke and Egbe and crude petroleum from Ibaji are other important minerals in the state.

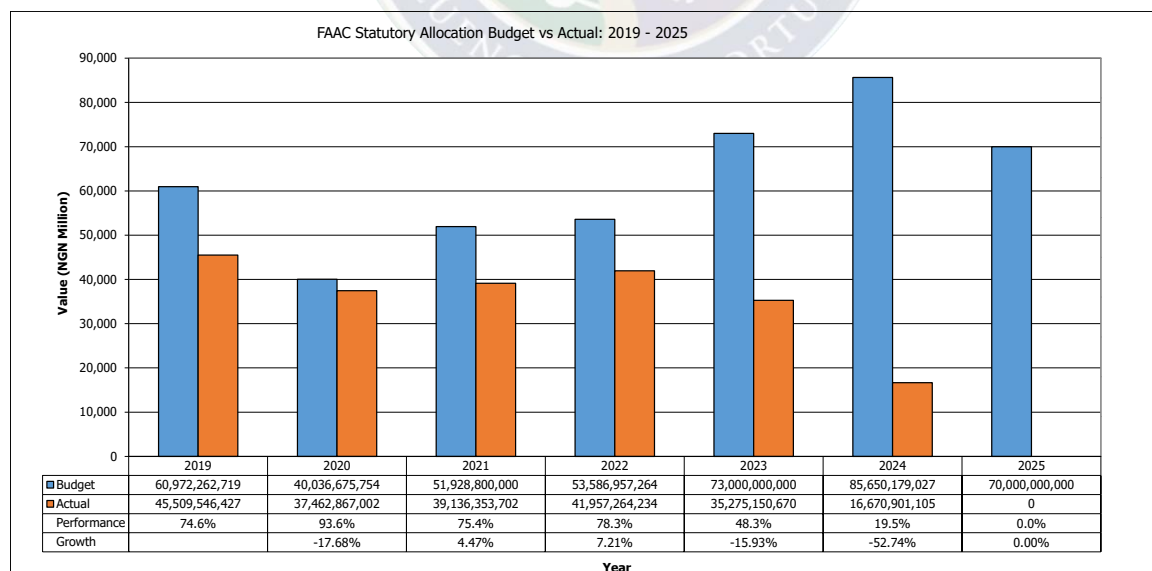
## 2.B Fiscal Update

### 2. B.1 Historic Trends

#### Revenue Side

180. On the revenue side, the document looks at Statutory Allocation, VAT, IGR, Excess Crude/Capital Receipts – budget versus actual for the period 2019-2025.

**Figure 2: Statutory Allocation**

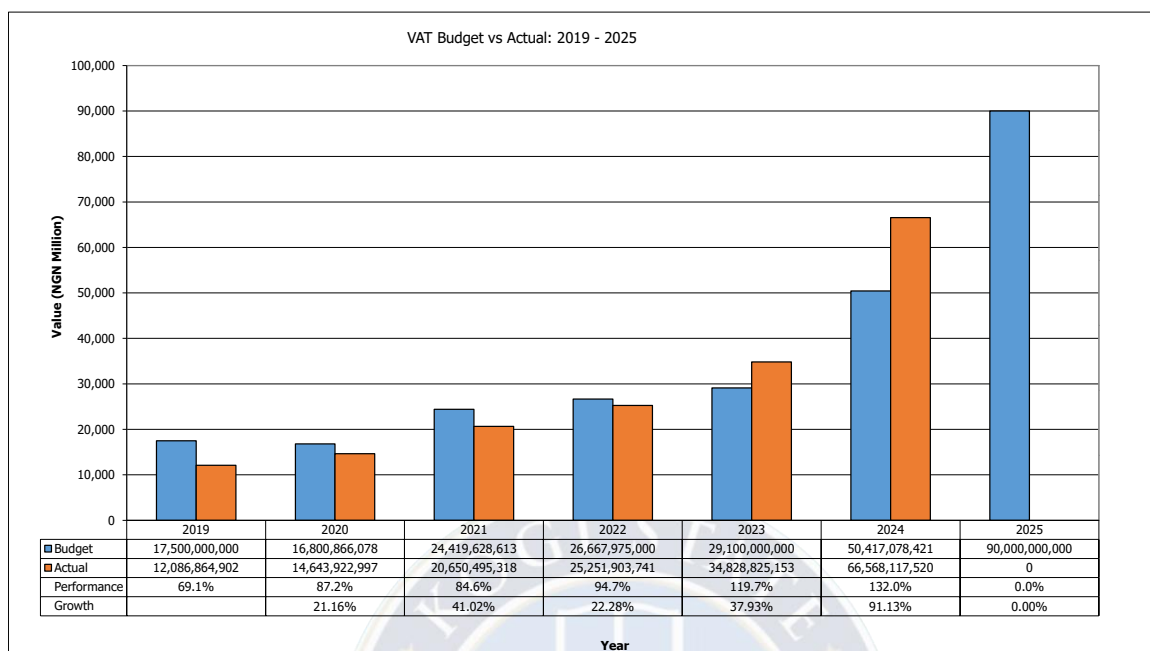


181. Statutory Allocation is a transfer from Federation Account that is distributed to all three tiers of government based on vertical (percentage to each of the three tiers) and horizontal (example equality, land mass, population) sharing formula.



182. Performance against budget for the six years under review was not stable. It started by decreasing from 2019 to 2020, then started increasing to 2022 and decreased in 2023 and 2024.

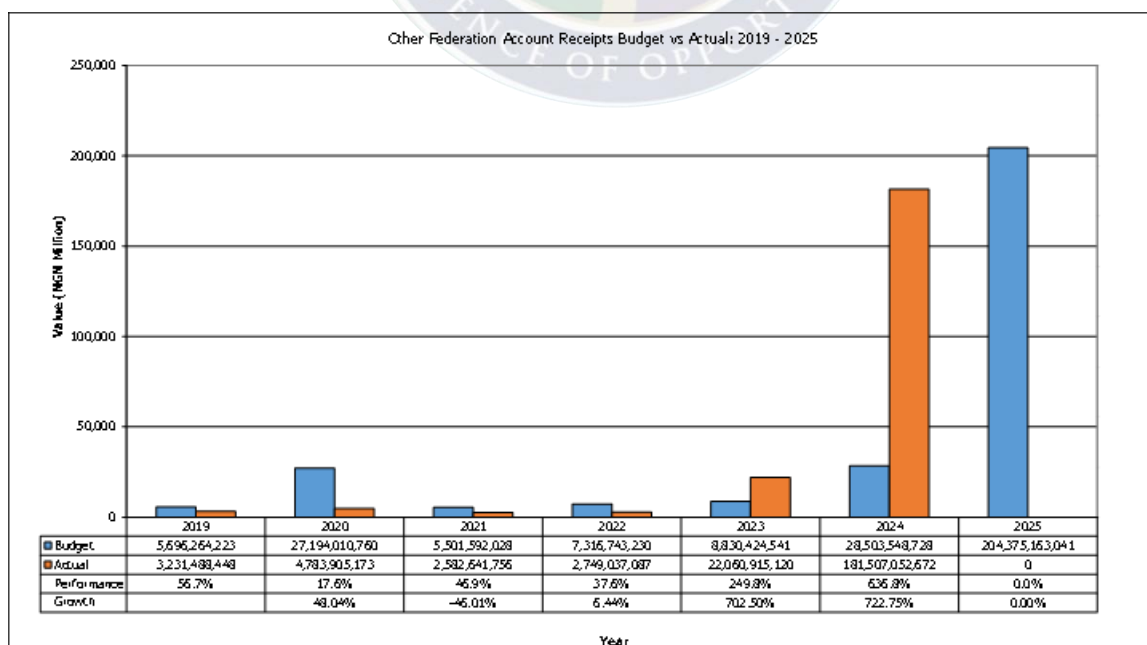
**Figure 3: VAT**



183. VAT (Value Added Tax) is an ad-valorem tax applied to sales of almost all goods and services within the Nigerian economy. The distribution to each State is based on a set of criteria slightly different from those used for Statutory Allocation.

184. The performance kept on increase throughout the years under review to the extent that 2023, 2024 over performed.

**Figure 4: Excess Crude/Other FA Receipts.**

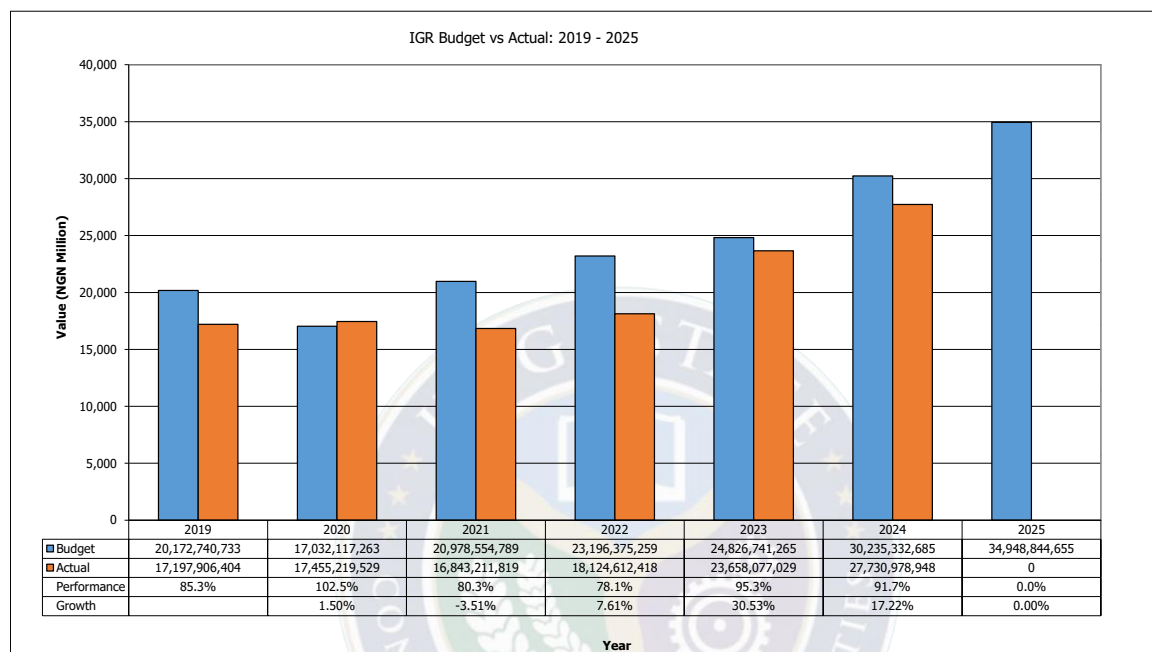


185. Excess crude receipt is distributed from the Federation Account based on Mineral Revenue receipts above the oil benchmark price, production and exchange rate, it includes exchange gains, refunds from NNPC and FIRS, and augmentation. It is

generated when actual crude oil price, production and NGN: USD exchange rates exceed the benchmarks and hence excess revenue is generated. It is shared among the three tiers of government using the same formulas as Statutory Allocation. The timing and level of Excess Crude distribution is very difficult to predict.

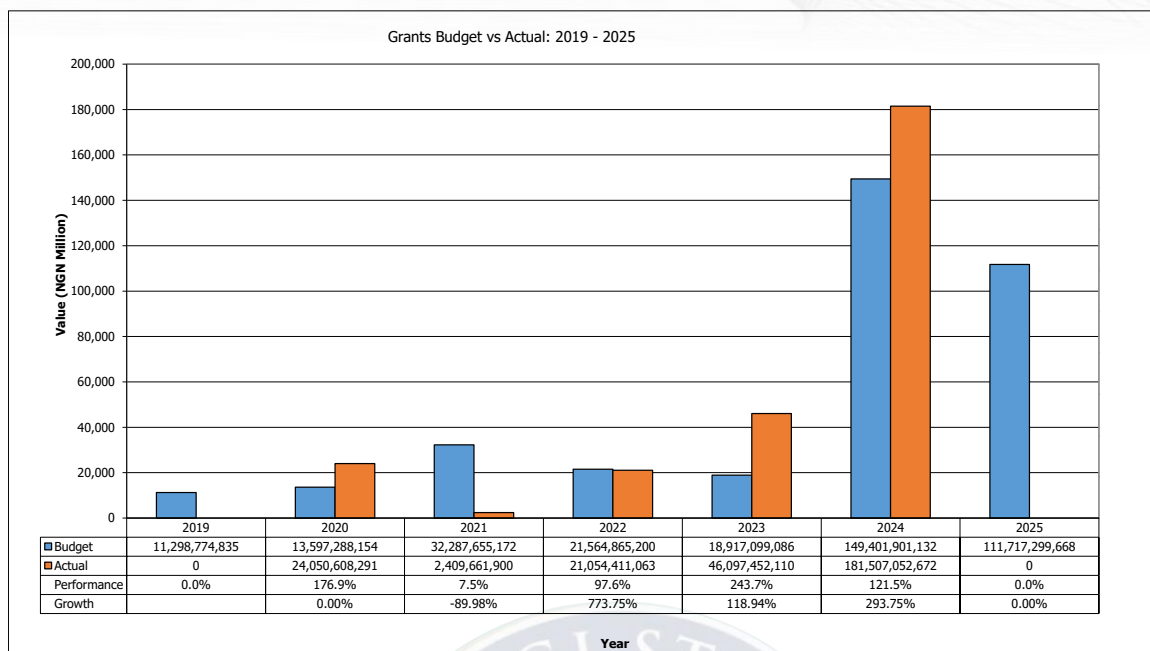
186. Due to unpredictable nature of the excess crude oil revenue and other FA Receipts. Performance against budget for the six years under review was not stable. It increased from 2019 to 2020, then started decreasing to 2022 and increased in 2023 and 2024 both years performance were above 100%.

**Figure 5: IGR**



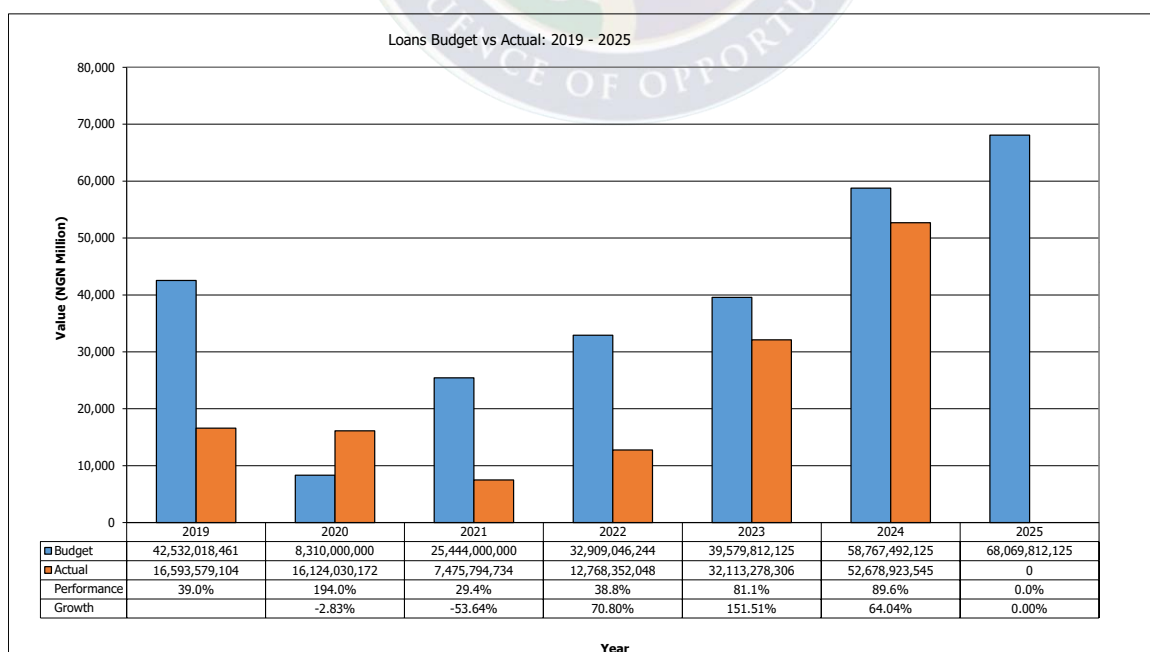
187. IGR (Internally Generated Revenue) is revenue collected within Kogi State relating to income tax (company and individuals including Pay As You Earn (PAYE), fines, levies, fees and other sources of revenue within the State. Pay as You Earn represents the highest contributor to IGR.
188. IGR performance kept on increasing throughout the years under review except 2021 that experience slight decreased.

**Figure 6: Grants**



189. Grants are receipts from Federal Government and Local Governments such as Federal Government Sustainable Development Goals (SDGs) Conditional Grants Scheme, as well as grants from the international development partners (including UK - Department for International Development (DFID), European Union (EU), United Nations Children's Fund (UNICEF), and the World Bank. The receipt or performance has been irregular to the extent that 2019 experienced zero collection.
190. Grant estimates going forward should be consistent with signed agreements; any "blue-sky" should be specifically linked to the implementation of specific projects.

**Figure 7: Loans / Financing**



191. Loans in this context are referred to as internal loans (commercial bank loans, loans from local capital markets, loans from individuals, etc) and external loans are loans





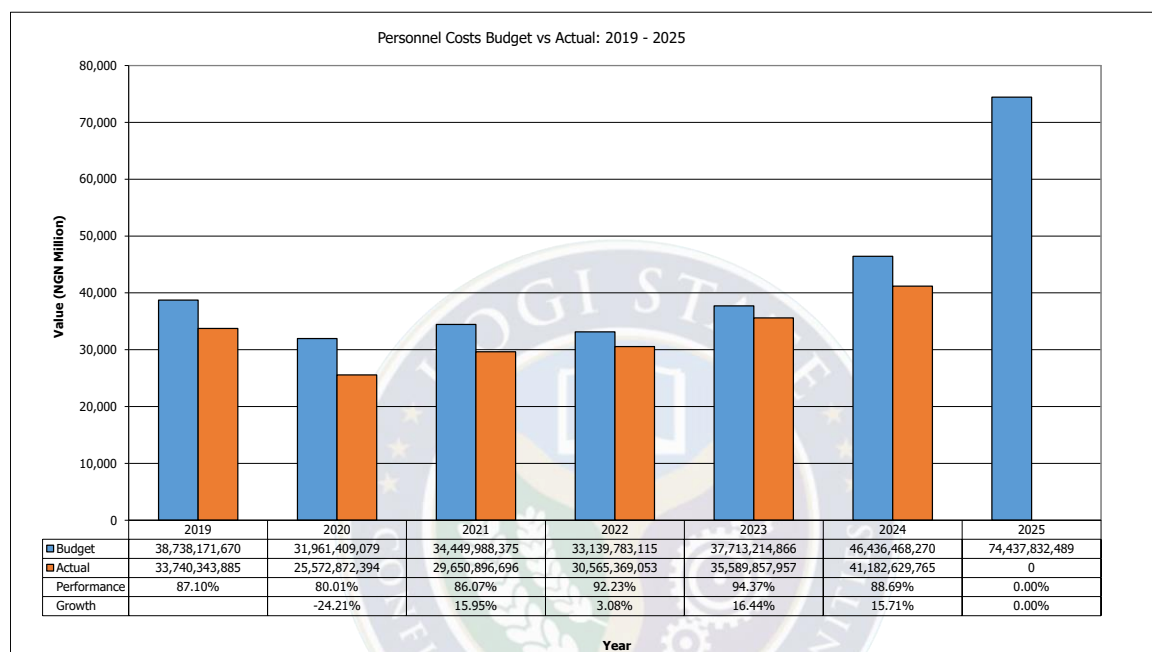
that are largely drawn from the development partners such as the World Bank, IFAD, AfDB, etc.

192. Performance against budget for the six years under review was not stable. It Started decreasing from 2019 till 2021, then started increasing to 2024.

### Expenditure Side

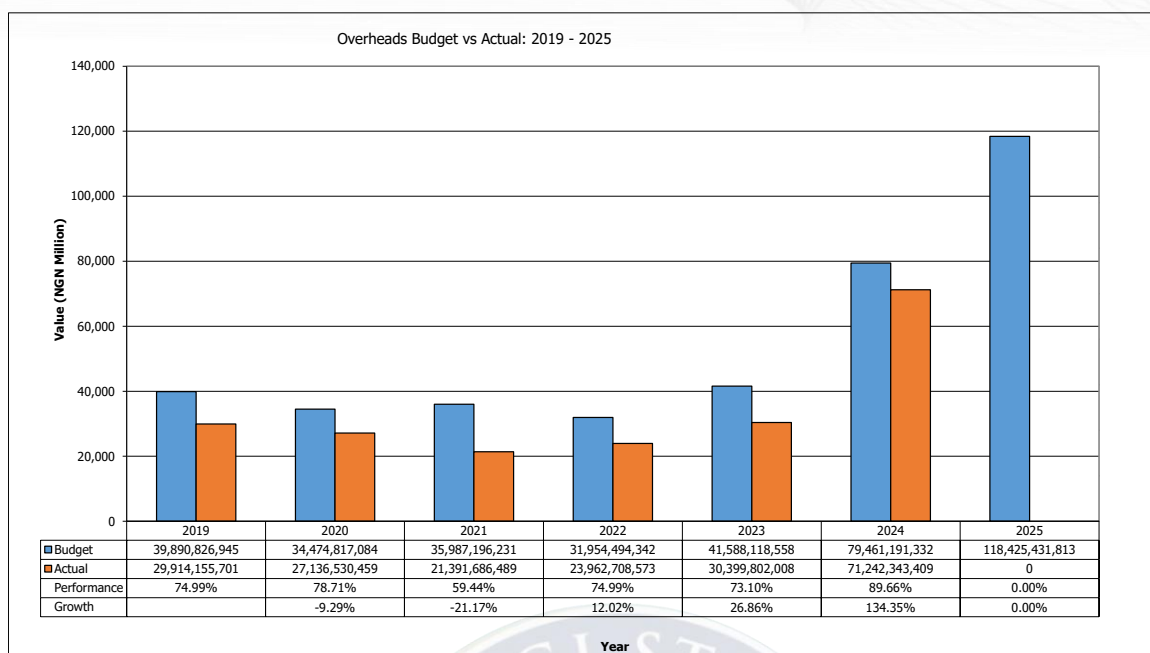
193. On the expenditure side, the document looks at Consolidated Revenue Fund (CRF) charges, Personnel, Overheads and Capital Expenditure – budget versus actual for the period 2019-2025.

**Figure 8: Personnel**



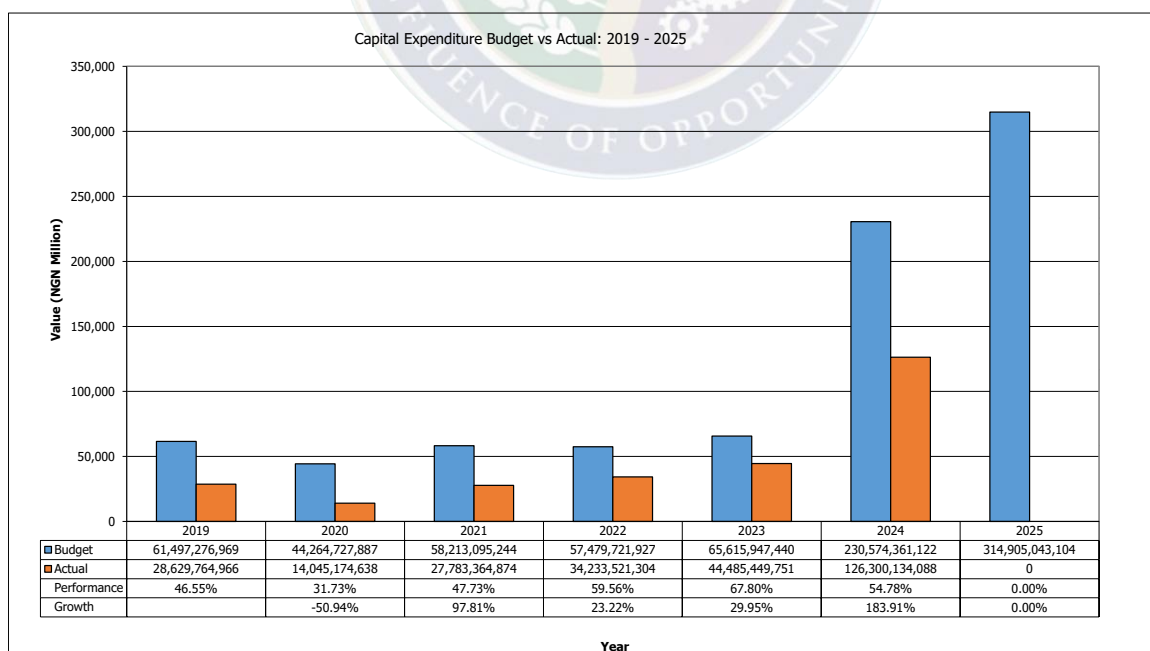
194. Personnel costs comprise of salaries and allowances of civil servants.
195. The expenditure performance was on decrease from 2019 to 2020 and started rising till 2024. This is due to many Staff recruitment in Kogi State Confluence University of Science and Technology, Osara, Kogi State University, Kabba and increased in pension and gratuity payments to retirees.

**Figure 9: Overhead Expenditure**



196. Overheads comprise mainly operational, debt servicing and maintenance costs for running the government.
197. Overhead costs on the graph above shows a decrease from 2019 to 2021. However, there was steady increased in 2022 and 2024 this is due to high inflation occasioned by Subsidy fuel removal.

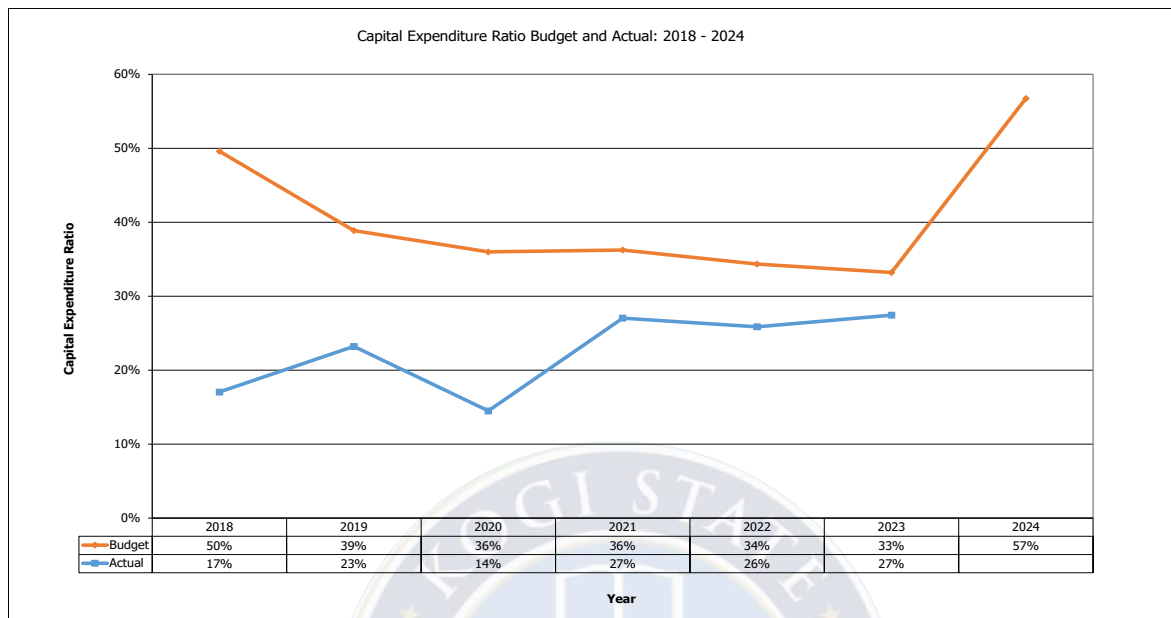
**Figure 10: Capital Expenditure**



198. Capital expenditure refers to costs of projects that generate State assets (e.g. roads, schools, hospitals, etc). Capital expenditure includes the main investments and programmes of government.

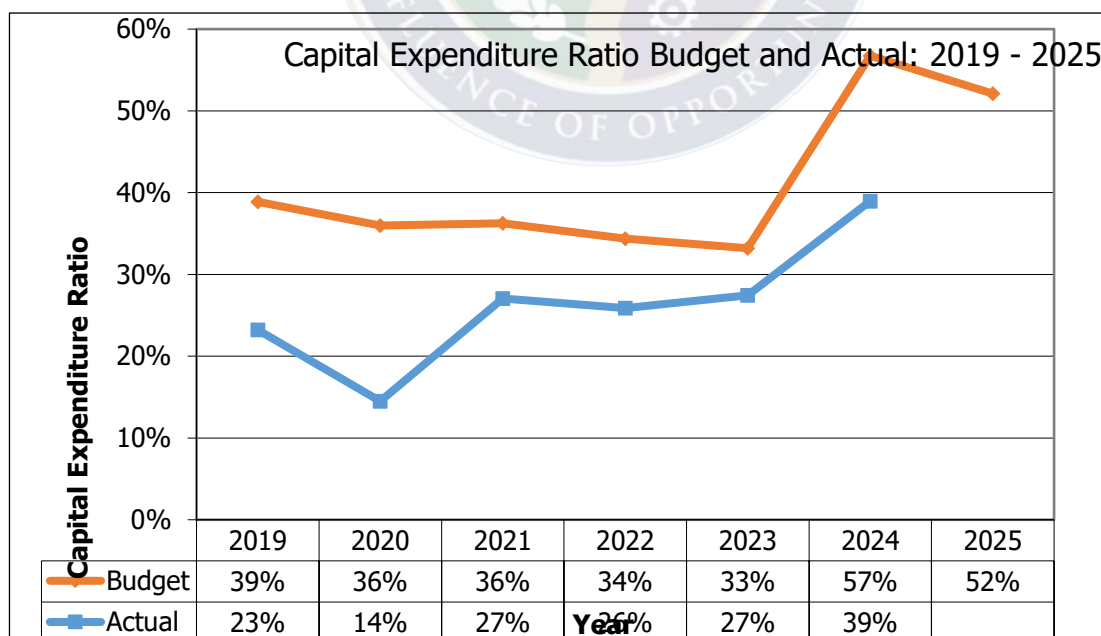
199. The performance has been below expectation when compared to budgetary provisions. This is due to high costs of running government in terms of overheads and personnel cost. The performance decreased from 2019 to 2020. However, the performance picked up in the year 2021 to 2024 despite high increase in 2024.

**Figure 11: Capital Expenditure Ratio**



200. The capital expenditure ratio was significantly low under the years captured. The actual percentage ranged from 14% to 27% which is far below expectation.

**Figure 12: Expenditure Trend**



201. The Figure 12 above comprises of the trend of personnel, social contribution & social benefit, Overhead, grants, contributions & subsidies, public debt and Capital both historical from year 2019-2024 and forecast for the year 2025 with average anticipation.



**By Sector**

**Table 2: Sector Expenditure – Budget Vs Actual**  
**Sector Personnel Expenditure – Budget Vs Actual**

Personnel Expenditure by Sector											
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance	Average Budget
1	Administrative	23,091,370,245	18,771,637,533	23,297,058,770	22,721,426,395	28,725,443,139	27,916,248,441	25,306,422,764	30,045,503,279	99.04%	44.69%
2	Economic	3,798,248,863	2,942,170,219	3,776,912,592	3,176,713,725	4,262,604,159	3,492,843,731	5,863,704,935	4,041,151,711	77.13%	6.46%
3	Law & Justice	3,287,888,186	2,936,357,758	2,811,997,379	2,605,501,362	3,296,224,552	3,201,504,894	4,547,144,176	3,880,444,600	90.54%	5.98%
4	Social	19,391,064,118	17,003,697,836	20,778,493,697	19,375,434,419	22,757,831,816	22,253,101,260	29,698,664,104	26,831,267,591	92.27%	40.47%
	<b>Total</b>	<b>49,568,571,412</b>	<b>41,653,863,346</b>	<b>50,664,462,438</b>	<b>47,879,075,901</b>	<b>59,042,103,666</b>	<b>56,863,698,326</b>	<b>65,415,935,979</b>	<b>64,798,367,181</b>	<b>93.99%</b>	<b>100.00%</b>

202. Performance of Personnel expenditure by sector over the period 2021-2024 is as shown in Table 5 above, Administrative Sector, Economic Sector, Law & Justice Sector and Social Sector all performed at more than 90%. Personnel Costs by sector performed in the range 77.13%-99.04% in the years. The highest performing sector was Administrative Sector with 99.04% while the least performing sector is economic Sector with 77.13%.

**Sector Overhead Expenditure – Budget Vs Actual**

Overhead Expenditure by Sector											
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance	Average Budget
1	Administrative	23,728,771,152	17,880,285,571	20,286,923,424	16,961,216,606	29,219,755,695	23,961,825,479	31,375,042,353	31,953,225,720	86.76%	35.44%
2	Economic	22,681,772,294	13,300,923,352	31,906,346,367	29,342,886,114	27,519,499,370	24,629,545,329	30,713,958,073	38,653,895,995	93.89%	38.21%
3	Law & Justice	1,157,021,879	477,239,939	1,752,212,113	863,389,018	4,637,460,978	3,824,761,075	5,347,715,133	6,138,195,225	87.66%	4.37%
4	Social	5,210,998,621	1,644,010,973	5,212,295,928	3,060,160,692	11,564,907,763	8,315,257,008	42,894,117,353	56,208,417,949	106.70%	24.97%
	<b>Total</b>	<b>52,778,563,946</b>	<b>33,302,459,834</b>	<b>59,157,777,832</b>	<b>50,227,652,429</b>	<b>72,941,623,806</b>	<b>60,731,388,892</b>	<b>110,330,832,912</b>	<b>132,953,734,889</b>	<b>93.90%</b>	<b>100.00%</b>

203. Performance of Overhead expenditure by sector over the period 2021-2024 is depicted above. Administrative Sector, Economic Sector, Law & Justice Sector and Social Sector all performed more than 86.76%. Overhead expenditure by sector, performance range from 86.76%-106.70% in the years. The highest performing sector is Economic Sector with 106.70% while the least performing sector is Social Sector with 86.76%.

**Sector Capital Expenditure – Budget Vs Actual**

Capital Expenditure by Sector											
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance	Average Budget
1	Administrative	3,954,883,200	1,050,582,482	2,457,889,609	534,340,343	6,061,730,891	2,880,919,647	25,403,980,228	18,454,749,726	60.51%	9.20%
2	Economic	25,340,181,793	11,861,041,870	26,827,009,734	14,439,795,474	38,031,956,187	27,554,988,237	141,100,838,506	67,353,967,492	52.40%	52.07%
3	Law & Justice	1,521,133,188	32,793,500	825,466,938	104,247,070	1,129,555,287	203,424,775	7,847,500,500	96,432,600	3.86%	0.19%
4	Social	27,396,897,063	14,838,947,022	27,369,355,646	19,155,138,417	20,392,705,075	13,846,117,093	56,222,041,888	40,394,984,269	67.16%	37.90%
	<b>Total</b>	<b>58,213,095,244</b>	<b>27,783,364,874</b>	<b>57,479,721,927</b>	<b>34,233,521,304</b>	<b>65,615,947,440</b>	<b>44,485,449,751</b>	<b>230,574,361,122</b>	<b>126,300,134,088</b>	<b>56.52%</b>	<b>100.00%</b>

204. Performance of Capital expenditure by sector was not encouraging over the period 2021-2024. Administrative Sector, Economic Sector, Law & Justice Sector and Social Sector all performed less than 3.86%. Capital expenditure by sector performed in the range of 3.86-67.16%.



The highest performing sector is Social Sector with 67.16% while the least performing sector was Law and Justice Sector with 3.86%. Generally, the performance of capital expenditure was very low when compared to personnel and overhead expenditures.



## 2.B.2 Debt Position

205. A summary of the consolidated debt position for Kogi State Government is provided in the table below.

**Table 3: Debt Position as at 31<sup>st</sup> December 2024**

Debt Sustainability Analysis			
A DSA RATIO SCENARIOS:		Sustainability Thresholds	As at 31st December 2024
Solvency Ratios			Percentage
1	Total Domestic Debt/Total Recurrent Revenue	50%	12.42%
2	Total Domestic Debt/IGR	150%	130.96%
3	Total External Debt/Total Revenue	50%	27.51%
4	Total Public Debt/Total Revenue	100%	39.93%
5	Total Public Debt/State GDP Ratio	40%	No GDP Figure Available
Liquidity Ratios			
6	External Debt Service/Total Revenue	10%	1.59%
7	Total Debt Service/Total Revenue	15%	33.97%
8	Domestic Debt Service/IGR	10%	341.46%
			2024 Actual
B PUBLIC DEBT DATA AS AT 31st DECEMBER 2024			Naira
1	Total Domestic Debt		36,315,730,082
2	Total External Debt		80,469,972,210
3	<b>Total Public Debt</b>		<b>116,785,702,292</b>
4	Total Domestic Debt Service 2024		94,689,246,163
5	Total External Debt Service in 2024		4,664,500,444
6	<b>Total Public Debt Service</b>		<b>99,353,746,607</b>
C STATE GDP FOR 2024			
1	<b>State GDP</b>		0

206. Given the above table, the state performance is impressive in total external debt to total revenue and external debt service to total revenue while Total Domestic Debt/Total Recurrent Revenue; Total Domestic Debt/IGR; Total Public Debt/Total Revenue; Total Debt Service to total revenue and Domestic Debt Service/IGR are not impressive.

207. In the interim, despite the risk pose by foreign exchange, foreign loans present brighter window

## 2.C Macroeconomic Framework

208. The Macroeconomic framework is based on the latest Nigerian National real GDP growth, the Oil benchmarks and NGN: USD exchange rates and inflation represented by Consumer Price Index (CPI) as estimated in the period 2026-2028 MTEF key considerations for 2026 – 2028 document (NGF).



**Figure13: Kogi State Macroeconomic Framework**

**Macro-Economic Framework**

Item	2025	2026	2027	2028
National Inflation	24.00%	23.00%	17.00%	15.00%
National Real GDP Growth	3.40%	3.20%	3.30%	3.30%
State Inflation				
State Real GDP Growth				
State GDP Actual				
Oil Production Benchmark (MBPD)	1.6500	1.7000	1.7500	1.8000
Oil Price Benchmark	\$70.00	\$60.00	\$60.00	\$60.00
NGN:USD Exchange Rate	1,500.00	1,500.00	1,500.00	1,500.00
<b>Other Assumptions</b>				
Mineral Ratio	18%	20%	22%	24%

## 2.D Fiscal Strategy and Assumptions

### Policy Statement

209. The fiscal strategy of Government is anchored on the on-going Public Financial Management Reform (PFM). Over the period 2026 -2028 the State Government fiscal policy is directed at:

- Creation of a broad-based foundation in agriculture mechanized farming, access to production inputs, financing, enhanced role of women and youth farmers leading to enhanced agricultural productivity
- Investments in infrastructure to ensure consistent supply of agricultural commodities, attract financial capital to agri-based value chains
- Modernise agriculture to put an end to human drudgery in agriculture by replacing the use of traditional agricultural implements with modern farming tools and equipment to make it profitable and attractive
- To create an enabling environment for businesses to thrive.
- Eliminate structural bureaucracies in the business sector.
- Develop business hubs across the State.
- Attract strategic investments into the State.
- Restore and operationalize moribund State-Owned Enterprises
- Improve the framework for e-governance and develop a robust masterplan reflective of the current digital age.
- Increase internal revenue contribution of tourism.
- Transform the State into a hub for official and leisure tourism
- Improve the qualified teacher-to-student ratio in the State.
- Improve the literacy rate
- Improving the efficiency and effectiveness of spending;
- Achieving a better balance between capital and recurrent expenditure;
- Including greater control of the wage bill;
- Directing capital expenditure on critical infrastructure such as Agriculture, Health Road, Education, Security, Water, Youth engagement etc



- Boosting revenue receipts by identifying and blocking revenue leakages; and gradual fiscal consolidation in order to achieve a level of public spending consistent with macroeconomic stability and sustainable debt.

## Objectives and Targets

210. The specific fiscal objective of Kogi State is effective allocation of scarce resources to identified critical programmes and projects, with the following major targets (non-quantifiable and time bound targets):

- ❖ To improve the quality of education to citizens at all levels in order to produce articulate and skilled manpower necessary for economic transformation of the State;
- ❖ To improve access to healthcare leading to improvement in efficiency of the healthcare delivery system;
- ❖ To ensure food security and generate a high proportion of the GDP from agriculture;
- ❖ To exploit the full potentials and expand trade and commerce in the State to ensure that products from agricultural and industrial activities have access to markets locally and internationally;
- ❖ To ensure gainful employment of youths and create opportunities for the development of their talents;
- ❖ To achieve sustainable development and promoting social and economic development through culture and tourism;
- ❖ To establish the necessary framework for a robust mining and Solid minerals sector, branding Kogi State as the foremost mining and minerals exploitation destination;
- ❖ To improve the road network in the State through continued construction of new roads and bridges and rehabilitation of existing ones in urban and rural areas;
- ❖ To improve the quantity, quality and access to safe water for domestic, commercial and industrial uses as well as improve sanitation and hygiene practices among the citizens;
- ❖ To ensure sustainable use of the environment and continuous management of environmental challenges such as pollution, degradation and gully erosion;
- ❖ To ensure easy access to lands for agricultural, residential, commercial and industrial uses to all citizens and investors to facilitate the social and economic development of the State;
- ❖ To improve the quantity of decent housing and facilitate the creation of viable urban communities in the state;
- ❖ To improve and expand affordable housing options through the use of public private partnership arrangements;
- ❖ To reduce average power outage through the generation and distribution of adequate electricity in the urban and rural areas in Kogi State;
- ❖ To rejuvenating the transportation sector and all its players to facilitates Internally Generated Revenue;
- ❖ To provide an enabling environment to facilitate economic and social development in the State as well as introduce and implement reform measures to strengthen governance institutions, i.e. the Civil Service, the pension etc.;
- ❖ To increased security of lives and property in the state;



- ❖ To continue to expand the State's revenue base in the area of Internally Generated Revenue (IGR) and
- ❖ To reduce the level of Domestic Debt Profile of Kogi State.

## 2.E Indicative Three Year Fiscal Framework

211. The indicative three-year fiscal framework for the period 2026-2028 is presented in the table below.

**Table 4: Kogi State Medium Term Fiscal Framework**

<b>Recurrent Revenue</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Statutory Allocation	70,000,685,125	70,000,071,841	70,060,265,058	71,620,890,959
Net Derivation	0	6,000,000,000	6,500,000,000	7,000,000,000
VAT	90,000,071,613	90,000,241,774	90,105,593,339	90,996,722,933
IGR	34,948,132,606	42,951,254,972	43,380,767,522	43,814,575,197
Excess Crude / Other FAAC Revenue	204,375,126,238	260,026,473,113	261,066,579,005	261,588,712,163
<b>Total Recurrent Revenue</b>	<b>399,324,015,582</b>	<b>468,978,041,699</b>	<b>471,113,204,924</b>	<b>475,020,901,253</b>
<b>Recurrent Expenditure</b>				
Personnel Costs	69,932,635,430	80,563,794,668	81,369,432,615	82,183,126,941
Social Contribution and Social Benefit	34,123,559,778	35,680,959,046	36,037,768,636	36,758,524,009
Overheads	131,920,159,714	198,566,224,401	199,559,055,523	199,958,173,634
Grants, Contributions and Subsidies	19,050,418,658	31,662,748,331	31,979,375,815	32,299,169,573
Public Debt Service	60,898,380,646	16,000,000,041	16,320,000,042	16,483,200,042
<b>Total</b>	<b>315,925,154,225</b>	<b>362,473,726,487</b>	<b>365,265,632,630</b>	<b>367,682,194,199</b>
<b>Transfer to Capital Account</b>	<b>83,398,861,356</b>	<b>106,504,315,213</b>	<b>105,847,572,294</b>	<b>107,338,707,054</b>
<b>Capital Receipts</b>				
Grants	111,717,299,668	133,157,355,987	133,157,355,987	133,157,355,987
Other Capital Receipts	25,417,873,229	3,293,000,000	3,293,000,000	3,293,000,000
<b>Total</b>	<b>137,135,172,897</b>	<b>136,450,355,987</b>	<b>136,450,355,987</b>	<b>136,450,355,987</b>
<b>Reserves</b>				
Contingency Reserve	3,993,240,156	4,689,780,417	4,711,132,049	4,750,209,013
Planning Reserve	2,886,038,385	4,580,168,590	4,563,296,750	4,578,208,098
<b>Total Reserves</b>	<b>6,879,278,541</b>	<b>9,269,949,007</b>	<b>9,274,428,800</b>	<b>9,328,417,111</b>
<b>Capital Expenditure</b>				
Discretionary Funds	281,724,559,952	448,746,909,950	447,055,246,244	448,492,392,694
Non-Discretionary Funds	0	0	0	0
<b>Financing</b>	<b>68,069,804,239</b>	<b>215,062,187,757</b>	<b>214,031,746,763</b>	<b>214,031,746,763</b>
<b>Total Budget Size</b>	<b>604,528,992,718</b>	<b>820,490,585,443</b>	<b>821,595,307,674</b>	<b>825,503,004,003</b>

### 2.E.1 Assumptions

212. **Statutory Allocation** - is premised on elasticity based forecast consistent with the macroeconomic framework and the numerous assumptions in the period 2026-2028 Fiscal Strategy Paper displayed above.
213. **VAT** - is also based on elasticity forecasting using National Real GDP Growth and Inflation data as the explanatory variables for VAT growth.
214. **Net Derivation**– Net derivation forecast was based on own value of the determination.
215. **Excess Crude/Other Revenue** - the previous year excess crude/other revenue, which includes forex equalisation, non-oil revenue, exchange difference, recovered excess bank charges, solid minerals, ecological fund, electronic money transfer (EMT), were used in the forecast using own percentage.





216. **Internally Generated Revenue (IGR)**–IGR forecast was based on own percentage of the actual collections.
217. **Grants** - grants are very hard to predict and the recording of actual grant receipts is not accurate as a lot of expenditure is off budget. The forecasts are based on current commitments from Federal Government/and the development partners (including UNICEF, NEPAD and the World Bank group). These funds are non-discretionary and are therefore tied to the implementation of specific programmes/projects. If the funds are not forthcoming, the programmes/projects will not be implemented. The estimates for period 2026-2028 are thus conservatively based on the current 2025 budget.
218. **Financing (Net Loans)** –It is difficult to use forecasting method to predict net loans due to irregular loans expectation.
219. **Personnel** –forecast is based on own percentage using actual historical personnel figures. This assumes gradual growth rate of employment.
220. **Overheads**–the forecasting method used to estimate overhead figures for the period 2026 - 2028 is own percentage with the hope that cost of running government will maintain the trend.
221. **Contingency and Planning Reserves** -1% of recurrent revenue has been allocated to the Contingency Reserve which will be used in accordance with Finance Act, during budget implementation. Also 1% deduction of the capital expenditure is for Planning Reserve which will be allocated during MDA budget defence to MDAs that are able to justify the need for more resources over and above the given ceiling.
222. **Capital Expenditure** - is based on the recurrent account surplus plus capital receipts.

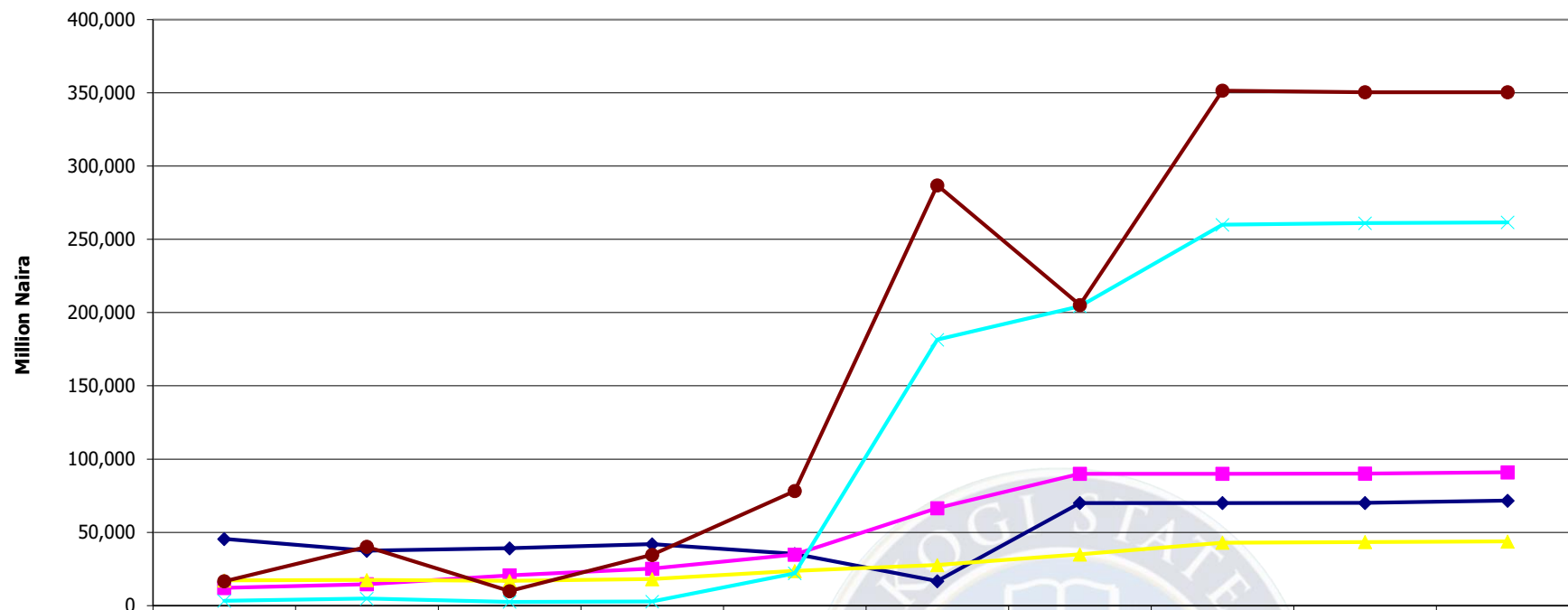
## 2.E.2 Fiscal Trends

223. The fiscal trend is depicted in the Figures 14 and 15 below with actual historical revenue and expenditure figures for the period 2019-2024 and 2026-2028 projected figures using the forecasting methods as noted in 3.C.



**Figure14: Kogi State Revenue Trend**

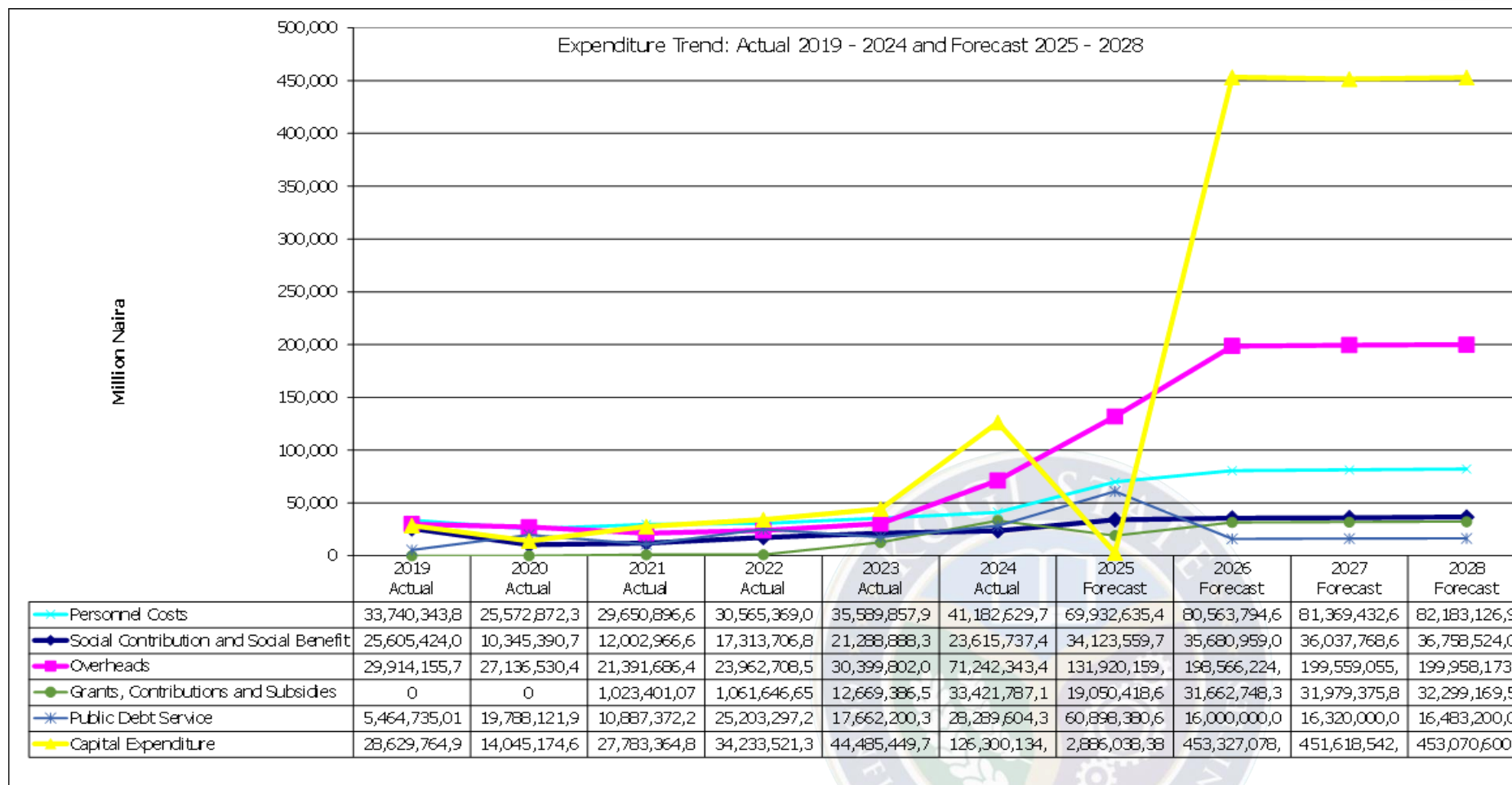
Revenue Trend: Actual 2019 - 2024 and Forecast 2025 - 2028



	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
Stat.Allocation	45,509,546,42	37,462,867,00	39,136,353,70	41,957,264,23	35,275,150,67	16,670,901,10	70,000,685,12	70,000,071,84	70,060,265,05	71,620,890,95
VAT	12,086,864,90	14,643,922,99	20,650,495,31	25,251,903,74	34,828,825,15	66,568,117,52	90,000,071,61	90,000,241,77	90,105,593,33	90,996,722,93
Total IGR	17,197,906,40	17,455,219,52	16,843,211,81	18,124,612,41	23,658,077,02	27,730,978,94	34,948,132,60	42,951,254,97	43,380,767,52	43,814,575,19
Other Federation Account Receipts	3,231,488,448	4,783,905,173	2,582,641,756	2,749,037,087	22,060,915,12	181,507,052,6	204,375,126,2	260,026,473,1	261,066,579,0	261,588,712,1
Capital Receipts	16,593,579,10	40,174,638,46	9,898,610,304	34,689,622,54	78,258,444,12	286,893,765,7	205,204,977,1	351,512,543,7	350,482,102,7	350,482,102,7



**Figure15: Kogi State Expenditure Trend**





## 2.F Fiscal Risks

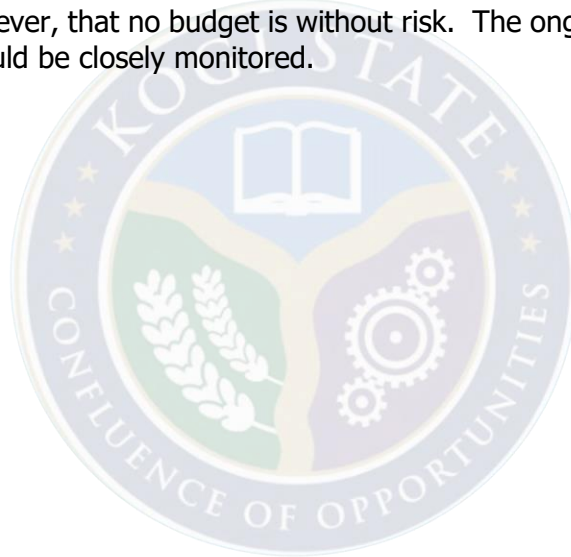
224. It is pertinent to note that the ability of the State to achieve the estimated fiscal figures for the period 2026-2028 medium term horizon is subject to some fiscal risks. Table 8 below shows, as much as possible, our understanding of inherent fiscal risks, the likelihood of occurrence of such risks and the expected reaction to mitigate the effect of the risks.

**Table 5: Fiscal Risks**

Risk	Likelihood	Reaction
Security challenges nationwide such as Indigenous People of Biafra (IPOB), Boko Haram, Kidnapping, Herdsmen Attack, Gunmen, ramped inter-tribal crises etc causing reductions in VAT, other federal transfers and some State IGR.	High	In longer term, Kogi State must become less dependent on Statutory Allocation, VAT and Excess Crude to funds its expenditure – this would be achieved through higher IGR collection. In the short term, capital projects must be prioritised and Overhead expenditure must be flexible to reduction if short-falls are experienced.
Risks to Statutory Allocation and Excess Crude based on Oil Price or Production shock	High	The budget for excess crude should be prudent. However, clear prioritisation of projects in the capital budget is required. Increased IGR effort to decrease reliance on federal transfers and seeking alternative means of funding such as grants, PPP etc.
Floods and other natural disasters e.g. 2012, 2015, 2018, 2019 and 2023 flooding, impact on economic activity and hence IGR tax base, and causing increased overhead expenditure	Medium	Increased investment to increase climate resilience (flood control and irrigation) adaptation, and awareness
Security situations has impact on social welfare, employment and policies thus impacting expenditure in related sectors	Medium	Expenditure is prioritised in appropriate sectors, and focus on employment creation in partnership with private sector. Greater emphasis on community mobilisation.
Mismanagement and inefficient use of financial resources	High	Adherence to existing and new institutional and legal/regulatory framework that will require more transparent and efficient use of financial resources.

Risk	Likelihood	Reaction
Risks based on high inflation due to increased taxes which could result to high prices leading to unconducive people welfare.	High	Increase domestic investments to reduce high level of dependence on imported goods.
Challenges to strengthening the fiscal framework will continue to put pressure on spending, thus, potentially crowding out progressive growth expenditure.	Medium	This will jeopardize macroeconomic stability as inflation increases and fiscal buffers decline, thereby, undermining Government's fiscal consolidation plans, thus government is expected to intensify effort in IGR drive and reduce expenditures that are not prioritised to overall objectives of the State.

225. It should be noted, however, that no budget is without risk. The ongoing implementation of the 2025 budget should be closely monitored.





## Section 3 Budget Policy Statement

### 3.A Budget Policy Thrust

226. The Medium Term Expenditure Framework (2026 – 2028) which was delivered under these assumptions
- a) Guarantee the well-being and productivity of the people;
  - b) Optimise the key sources of economic growth;
  - c) Foster social and economic development;
  - d) Build a productive, competitive and functional human resource;
  - e) Broaden the infrastructural gap for economic growth and wealth creation;
  - f) Delivering better public services within tight financial constraints;
  - g) Improve governance, security, law and order, engaging in more efficient and effective use of resources, and providing social harmony.

### 3.B Sector Allocations (3 Year)

**Figure16: Capital Expenditure by Sector (proposed period 2026-2028)**

227. Presented in the charts and tables below are the indicative three envelopes for sectors and sub-sectors.





**Indicative Sector Expenditure Ceilings 2026 -2028**

<b>Personnel Expenditure by Sector</b>							
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	% 2028	2028 Allocation
1	Administrative	14.89%	11,996,514,906	14.89%	12,116,480,055	14.89%	12,237,644,856
2	Economic	12.44%	10,025,625,588	12.44%	10,125,881,844	12.44%	10,227,140,662
3	Law & Justice	9.65%	7,774,600,787	9.65%	7,852,346,795	9.65%	7,930,870,263
4	Social	63.01%	50,767,053,387	63.01%	51,274,723,921	63.01%	51,787,471,160
	<b>Total</b>	<b>100.00%</b>	<b>80,563,794,668</b>	<b>100.00%</b>	<b>81,369,432,615</b>	<b>100.00%</b>	<b>82,183,126,941</b>

**Indicative Sector Expenditure Ceilings 2026 -2028**

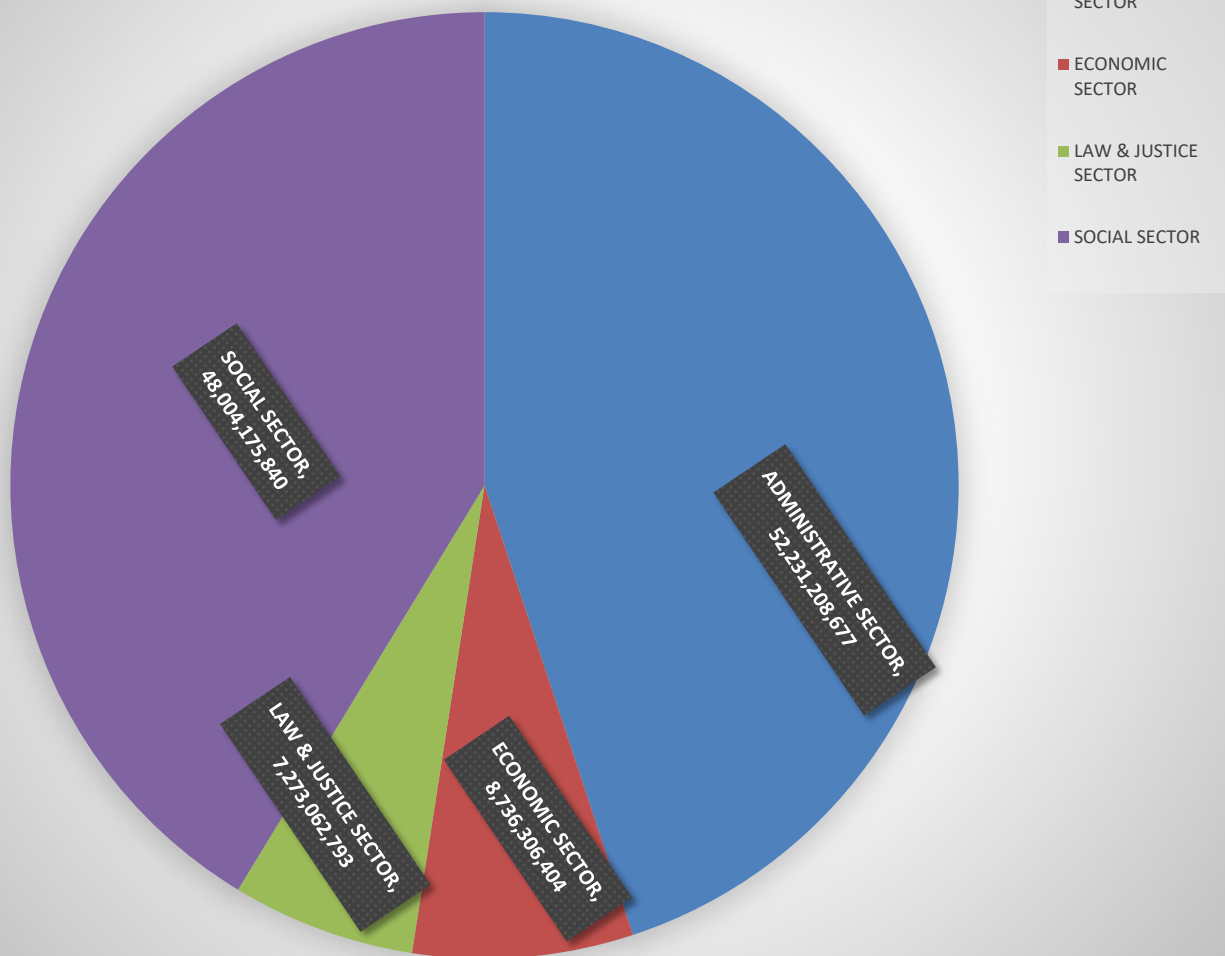
<b>Overhead Expenditure by Sector</b>							
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	% 2028	2028 Allocation
1	Administrative	37%	72,787,743,945	37%	73,151,682,665	37%	73,297,986,030
2	Economic	16%	31,630,335,426	16%	31,788,487,103	16%	31,852,064,077
3	Law & Justice	7%	13,144,239,122	7%	13,209,960,318	7%	13,236,380,238
4	Social	41%	81,003,905,908	41%	81,408,925,438	41%	81,571,743,289
	<b>Total</b>	<b>100.00%</b>	<b>198,566,224,401</b>	<b>100.00%</b>	<b>199,559,055,523</b>	<b>100.00%</b>	<b>199,958,173,634</b>

**Indicative Sector Expenditure Ceilings 2026 -2028**

<b>Capital Expenditure by Sector</b>				<b>Discretionary Funds</b>			
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	% 2028	2028 Allocation
1	Administrative	11%	49,406,927,868	11%	49,220,676,097	11%	49,378,905,578
2	Economic	61%	274,636,163,735	61%	273,600,854,031	61%	274,480,397,442
3	Law & Justice	3%	15,274,235,469	3%	15,216,655,419	3%	15,265,572,331
4	Social	24%	109,429,582,878	24%	109,017,060,698	24%	109,367,517,343
	<b>Total</b>	<b>100.00%</b>	<b>448,746,909,950</b>	<b>100.00%</b>	<b>447,055,246,244</b>	<b>100.00%</b>	<b>448,492,392,694</b>



## PERSONNEL COSTs 2026





## PROJECTIONS FOR THE PROPOSED YEARS

### PERSONNEL COST

#### ADMINISTRATIVE SECTOR

Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
GOVERNMENT HOUSE	1.77	2,060,648,134	1.77	2,081,254,615	1.77	2,108,455,507
DEPUTY GOVERNORS OFFICE	0.08	88,001,642	0.08	88,881,658	0.08	90,043,294
EMERGENCY MANAGEMENT AGENCY	0.04	43,772,454	0.04	44,210,178	0.04	44,787,982
BUREAU OF PUBLIC PROCUREMENT (BPP)	0.06	74,141,880	0.06	74,883,299	0.06	75,861,984
KOGI STATE PENSION COMMISSION	32.12	37,335,854,682	32.12	37,709,213,229	32.12	38,202,052,597
OFFICE OF THE SECRETARY TO THE STATE GOVERNMENT	7.87	9,148,877,250	7.87	9,240,366,022	7.87	9,361,132,694
CHRISTIAN PILGRIMS COMMISSION	0.02	28,680,975	0.02	28,967,785	0.02	29,346,379
KOGI STATE HAJJ COMMISSION	0.07	78,323,537	0.07	79,106,772	0.07	80,140,656
STATE SECURITY TRUST FUND	0.00	5,585,688	0.00	5,641,545	0.00	5,715,277
MINISTRY OF SPECIAL DUTY & INTER-GOVERNMENTAL AFFAIRS	0.02	26,498,833	0.02	26,763,821	0.02	27,113,610
KOGI STATE HOUSE OF ASSEMBLY	0.79	913,195,947	0.79	922,327,907	0.79	934,382,242
KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION	0.22	256,274,639	0.22	258,837,386	0.22	262,220,253
MINISTRY OF INFORMATION AND COMMUNICATION	0.16	181,424,600	0.16	183,238,846	0.16	185,633,680
KOGI STATE BROADCASTING CORPORATION	0.21	244,054,914	0.21	246,495,463	0.21	249,717,028
KOGI STATE NEWSPAPER CORPORATION	0.25	294,331,145	0.25	297,274,456	0.25	301,159,675
KOGI STATE SIGNAGE AND ADVERTISEMENT AGENCY	0.00	0	0.00	0	0.00	0
OFFICE OF THE HEAD OF CIVIL SERVICE	0.57	665,309,260	0.57	671,962,353	0.57	680,744,544
OFFICE OF THE STATE AUDITOR-GENERAL	0.29	336,668,366	0.29	340,035,050	0.29	344,479,127
OFFICE OF THE LOCAL GOVT. AUDITOR-GENERAL	0.15	170,358,860	0.15	172,062,448	0.15	174,311,213
CIVIL SERVICE COMMISSION	0.07	79,136,517	0.07	79,927,882	0.07	80,972,497
STATE INDEPENDENT ELECTORAL COMMISSION (SIEC)	0.12	138,069,825	0.12	139,450,523	0.12	141,273,067
LOCAL GOVERNMENT SERVICE COMMISSION	0.05	61,999,528	0.05	62,619,523	0.05	63,437,927
<b>Sub-Total Admin</b>	<b>44.93</b>	<b>52,231,208,677</b>	<b>44.93</b>	<b>52,753,520,763</b>	<b>44.93</b>	<b>53,442,981,232</b>
	<b>44.93</b>	<b>52,231,208,677</b>	<b>44.93</b>	<b>52,753,520,763</b>	<b>44.93</b>	<b>53,442,981,232</b>

#### ECONOMIC SECTOR

MINISTRY OF AGRICULTURE AND FOOD SECURITY	0.67	780,030,644	0.67	787,830,951	0.67	798,127,482
KOGI AGRICULTURAL DEVELOPMENT PROJECT (ADP)	0.46	539,225,105	0.46	544,617,356	0.46	551,735,215
KOGI AGRO-ALLIED COMPANY	0.08	92,227,741	0.08	93,150,018	0.08	94,367,439
KOGI LAND DEV. BOARD	0.03	33,751,779	0.03	34,089,297	0.03	34,534,826
MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	0.28	326,424,213	0.28	329,688,455	0.28	333,997,308
BUDGET AND ECONOMIC PLANNING	0.20	234,874,335	0.20	237,223,079	0.20	240,323,458
STATE BUREAU OF STATISTICS	0.04	48,670,672	0.04	49,157,379	0.04	49,799,840
OFFICE OF THE ACCOUNTANT GENERAL	1.45	1,686,063,046	1.45	1,702,923,677	1.45	1,725,179,984
KOGI STATE INTERNAL REVENUE SERVICE (KGIRS)	1.92	2,233,804,408	1.92	2,256,142,452	1.92	2,285,629,034
KOGI INVESTMENT AND PROPERTIES LIMITED	0.00	0	0.00	0	0.00	0
MIN. OF COMMERCE & INDUSTRY	0.19	220,424,034	0.19	222,628,274	0.19	225,537,907
KOGI STATE ENTERPRISES DEVELOPMENT AGENCY	0.06	73,731,080	0.06	74,468,390	0.06	75,441,653
KOGI STATE COMMODITY EXCHANGE, EXPORT PROMOTION AND MARKET DEVELOPMENT BOARD	0.00	1,675,706	0.00	1,692,463	0.00	1,714,583
MINISTRY OF INNOVATION, SCIENCE AND TECHNOLOGY	0.12	141,232,687	0.12	142,645,014	0.12	144,509,309





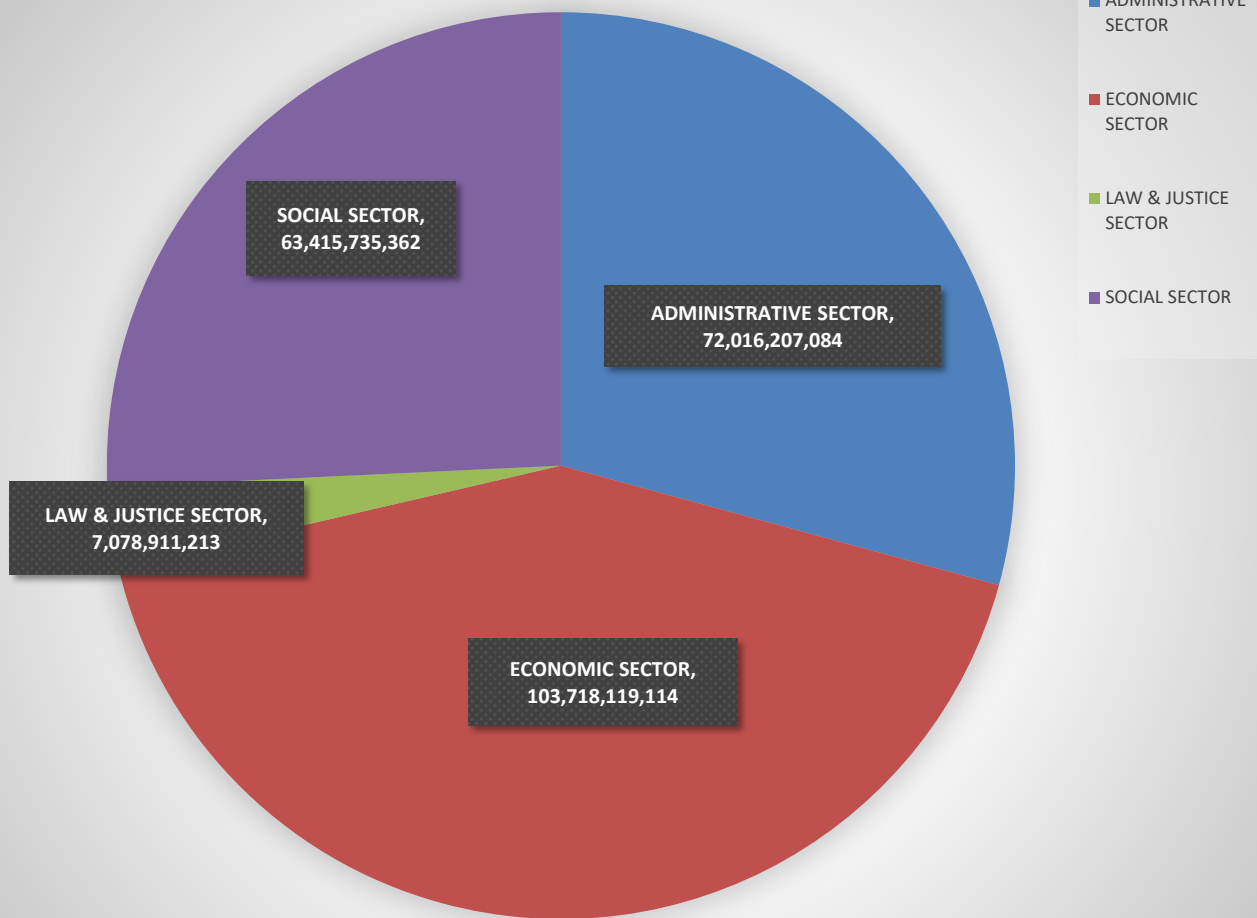
Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
MINISTRY OF TRANSPORT	0.13	146,624,306	0.13	148,090,549	0.13	150,026,014
MINISTRY OF WORKS	0.36	422,708,080	0.36	426,935,161	0.36	432,514,976
ROAD MAINTENANCE AGENCY	0.06	70,068,906	0.06	70,769,595	0.06	71,694,516
KOGI STATE FIRE AGENCY	0.09	108,705,665	0.09	109,792,722	0.09	111,227,654
MIN. OF CULTURE & TOURISM	0.10	110,706,838	0.10	111,813,907	0.10	113,275,255
COUNCIL FOR ARTS AND CULTURE	0.13	148,392,217	0.13	149,876,140	0.13	151,834,941
HOTEL AND TOURISM BOARD	0.01	17,280,523	0.01	17,453,328	0.01	17,681,434
MINISTRY OF WATER RESOURCES	0.12	138,278,029	0.12	139,660,810	0.12	141,486,102
KOGI STATE WATER BOARD	0.11	132,976,080	0.11	134,305,841	0.11	136,061,147
RURAL WATER AND SANITATION AGENCY (RUWASSA)	0.00	1,636,607	0.00	1,652,973	0.00	1,674,576
MINISTRY OF HOUSING AND URBAN DEVELOPMENT	0.08	90,731,507	0.08	91,638,822	0.08	92,836,493
BUREAU FOR LANDS	0.40	464,729,229	0.40	469,376,521	0.40	475,511,022
KOGI STATE UTILITY INFRASTRUCTURE MANAGEMENT AND COMPLIANCE AGENCY	0.06	72,613,942	0.06	73,340,081	0.06	74,298,597
KOGI STATE TOWN PLANNING AND DEVELOPMENT BOARD	0.19	222,964,178	0.19	225,193,819	0.19	228,136,983
MINISTRY OF RURAL AND ENERGY DEVELOPMENT	0.15	175,754,848	0.15	177,512,396	0.15	179,832,389
MINISTRY OF LIVESTOCK DEVELOPMENT	0.00	0	0.00	0	0.00	0
<b>Sub-Total Econ</b>	<b>7.52</b>	<b>8,736,306,404</b>	<b>7.52</b>	<b>8,823,669,468</b>	<b>7.52</b>	<b>8,938,990,136</b>
	<b>7.52</b>	<b>8,736,306,404</b>	<b>7.52</b>	<b>8,823,669,468</b>	<b>7.52</b>	<b>8,938,990,136</b>
<b>LAW &amp; JUSTICE SECTOR</b>						
KOGI STATE JUDICIAL SERVICE COMMISSION	0.19	223,329,045	0.19	225,562,335	0.19	228,510,315
HIGH COURT OF JUSTICE	3.11	3,610,417,555	3.11	3,646,521,730	3.11	3,694,179,830
CUSTOMARY COURT OF APPEAL	0.87	1,008,847,670	0.87	1,018,936,146	0.87	1,032,253,100
SHARIA COURT OF APPEAL	1.37	1,592,693,310	1.37	1,608,620,243	1.37	1,629,644,055
MINISTRY OF JUSTICE	0.67	781,381,079	0.67	789,194,890	0.67	799,509,248
KOGI STATE OFFICE OF THE PUBLIC DEFENDER AND CITIZENS' RIGHTS COMMISSION	0.05	56,394,134	0.05	56,958,076	0.05	57,702,488
<b>Sub-Total Law</b>	<b>6.26</b>	<b>7,273,062,793</b>	<b>6.26</b>	<b>7,345,793,421</b>	<b>6.26</b>	<b>7,441,799,036</b>
	<b>6.26</b>	<b>7,273,062,793</b>	<b>6.26</b>	<b>7,345,793,421</b>	<b>6.26</b>	<b>7,441,799,036</b>
<b>SOCIAL SECTOR</b>						
KOGI STATE OIL PRODUCING AREA DEVELOPMENT COMMISSION	0.00	0	0.00	0	0.00	0
MINISTRY OF YOUTH & SPORTS	0.11	122,097,036	0.11	123,318,006	0.11	124,929,707
KOGI STATE SPORTS COUNCIL	0.12	142,458,769	0.12	143,883,357	0.12	145,763,836
MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT	0.20	226,919,252	0.20	229,188,445	0.20	232,183,816
KOGI STATE OFFICE FOR DISABILITY AFFAIRS	0.01	6,817,063	0.01	6,885,233	0.01	6,975,220
MINISTRY OF EDUCATION	0.37	434,461,103	0.37	438,805,714	0.37	444,540,672
STATE UNIVERSAL BASIC EDUCATION BOARD	0.36	414,190,809	0.36	418,332,717	0.36	423,800,103
KOGI STATE LIBRARY BOARD	0.03	39,379,099	0.03	39,772,890	0.03	40,292,701
ADULT & NON-FORMAL EDUCATION BOARD	0.08	98,144,862	0.08	99,126,311	0.08	100,421,839
KOGI STATE POLYTECHNIC, LOKOJA	4.87	5,657,437,714	4.87	5,714,012,091	4.87	5,788,691,191
COLLEGE OF EDUCATION, ANKPA	2.43	2,820,274,855	2.43	2,848,477,603	2.43	2,885,705,691
COLLEGE OF EDUCATION TECHNICAL, MOPA	1.16	1,347,525,202	1.16	1,361,000,454	1.16	1,378,788,007
PRINCE ABUBAKAR AUDU UNIVERSITY, ANYIGBA	3.30	3,840,829,859	3.30	3,879,238,158	3.30	3,929,937,738
KOGI STATE UNIVERSITY, KABBA	1.14	1,326,643,078	1.14	1,339,909,509	1.14	1,357,421,414
CONFLUENCE UNIVERSITY OF SCIENCE AND TECHNOLOGY (CUSTECH), OSARA	2.11	2,447,713,561	2.11	2,472,190,697	2.11	2,504,500,915
KOGI STATE SENIOR SECONDARY EDUCATION BOARD	8.21	9,544,145,576	8.21	9,639,587,032	8.21	9,765,571,309
STATE SCHOLARSHIP BOARD	0.01	15,852,412	0.01	16,010,936	0.01	16,220,191



Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
NIGERIA-KOREA FRIENDSHIP INSTITUTE	0.25	293,650,128	0.25	296,586,629	0.25	300,462,859
MINISTRY OF HEALTH	1.03	1,195,623,619	1.03	1,207,579,855	1.03	1,223,362,282
KOGI STATE HEALTH INSURANCE AGENCY	0.10	114,239,806	0.10	115,382,204	0.10	116,890,188
PRIMARY HEALTHCARE DEVELOPMENT AGENCY	0.29	334,363,111	0.29	337,706,742	0.29	342,120,389
PRINCE ABUBAKAR AUDU UNIVERSITY TEACHING HOSPITAL, ANYIGBA	1.46	1,700,767,310	1.46	1,717,774,983	1.46	1,740,225,389
KOGI STATE SPECIALIST HOSPITAL, LOKOJA	2.07	2,404,520,735	2.07	2,428,565,942	2.07	2,460,306,008
CONFLUENCE UNIVERSITY OF SCIENCE AND TECHNOLOGY TEACHING HOSPITAL, OKENE	2.45	2,853,169,350	2.45	2,881,701,044	2.45	2,919,363,344
KOGI STATE HOSPITAL MANAGEMENT BOARD	5.00	5,813,992,164	5.00	5,872,132,086	5.00	5,948,877,730
COLLEGE OF NURSING AND MIDWIFERY, OBANGEDE	0.69	805,829,604	0.69	813,887,900	0.69	824,524,982
COLLEGE OF HEALTH SCIENCE & TECHNOLOGY, IDAH	0.69	804,042,551	0.69	812,082,977	0.69	822,696,469
MINISTRY OF ENVIRONMENT AND ECOLOGICAL MANAGEMENT	0.29	335,548,198	0.29	338,903,680	0.29	343,332,971
STATE ENVIRONMENTAL PROTECTION AGENCY	0.07	79,201,053	0.07	79,993,064	0.07	81,038,530
SANITATION & WASTE MANAGEMENT BOARD	0.64	743,415,633	0.64	750,849,789	0.64	760,662,996
MINISTRY OF HUMANITARIAN AFFAIRS AND POVERTY ALLEVIATION	0.00	5,585,688	0.00	5,641,545	0.00	5,715,277
KOGI STATE SOCIAL INVESTMENT PROGRAMME AGENCY (SIP)	0.14	167,570,635	0.14	169,246,342	0.14	171,458,301
MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS	1.61	1,867,766,004	1.61	1,886,443,665	1.61	1,911,098,480
<b>Sub-Total Soc</b>	<b>41.30</b>	<b>48,004,175,840</b>	<b>41.30</b>	<b>48,484,217,599</b>	<b>41.30</b>	<b>49,117,880,545</b>
<b>Total Personnel Costs</b>	<b>100</b>	<b>116,244,753,714</b>	<b>100</b>	<b>117,407,201,251</b>	<b>100</b>	<b>118,941,650,950</b>



## OVERHEAD COSTS 2026







OVERHEAD COSTS						
ADMINISTRATIVE SECTOR						
Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
GOVERNMENT HOUSE	20.80	51,208,718,712	20.80	51,547,600,389	20.80	51,731,054,912
DEPUTY GOVERNORS OFFICE	0.73	1,800,829,379	0.73	1,812,746,648	0.73	1,819,198,094
EMERGENCY MANAGEMENT AGENCY	0.01	31,149,019	0.01	31,355,153	0.01	31,466,744
BUREAU OF PUBLIC PROCUREMENT (BPP)	0.51	1,245,118,299	0.51	1,253,358,063	0.51	1,257,818,682
KOGI STATE PENSION COMMISSION	0.12	288,060,642	0.12	289,966,928	0.12	290,998,901
KOGI STATE INVESTMENT PROMOTION & PUBLIC PRIVATE PARTNERSHIP AGENCY	0.30	741,576,041	0.30	746,483,536	0.30	749,140,222
OFFICE OF THE SECRETARY TO THE STATE GOVERNMENT	0.91	2,231,110,156	0.91	2,245,874,876	0.91	2,253,867,797
CHRISTIAN PILGRIMS COMMISSION	0.06	136,579,305	0.06	137,483,140	0.06	137,972,433
KOGI STATE HAJJ COMMISSION	0.19	462,406,309	0.19	465,466,355	0.19	467,122,919
STATE SECURITY TRUST FUND	0.29	716,112,828	0.29	720,851,817	0.29	723,417,281
MINISTRY OF SPECIAL DUTY & INTER-GOVERNMENTAL AFFAIRS	0.41	1,003,929,497	0.41	1,010,573,157	0.41	1,014,169,720
KOGI STATE HOUSE OF ASSEMBLY	0.84	2,073,590,653	0.84	2,087,312,963	0.84	2,094,741,573
KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION	0.12	301,454,805	0.12	303,449,729	0.12	304,529,687
MINISTRY OF INFORMATION AND COMMUNICATION	1.00	2,452,423,119	1.00	2,468,652,411	1.00	2,477,438,183
KOGI STATE BROADCASTING CORPORATION	0.10	251,309,146	0.10	252,972,223	0.10	253,872,535
KOGI STATE NEWSPAPER CORPORATION	0.01	21,825,232	0.01	21,969,663	0.01	22,047,852
KOGI STATE SIGNAGE AND ADVERTISEMENT AGENCY	0.00	0	0.00	0	0.00	0
OFFICE OF THE HEAD OF CIVIL SERVICE	0.68	1,678,450,635	0.68	1,689,558,044	0.68	1,695,571,070
OFFICE OF THE STATE AUDITOR-GENERAL	0.45	1,096,225,029	0.45	1,103,479,469	0.45	1,107,406,680
OFFICE OF THE LOCAL GOVT. AUDITOR-GENERAL	0.54	1,328,107,018	0.54	1,336,895,973	0.54	1,341,653,898
STATE AUDIT SERVICE BOARD	0.02	42,377,987	0.02	42,658,430	0.02	42,810,248
LOCAL GOVERNMENT AUDIT BOARD	0.03	65,413,650	0.03	65,846,535	0.03	66,080,878
CIVIL SERVICE COMMISSION	0.06	137,725,181	0.06	138,636,599	0.06	139,129,997
STATE INDEPENDENT ELECTORAL COMMISSION (SIEC)	0.27	655,577,339	0.27	659,915,725	0.27	662,264,321
LOCAL GOVERNMENT SERVICE COMMISSION	0.83	2,046,137,103	0.83	2,059,677,734	0.83	2,067,007,992
<b>Sub-Total Admin</b>	<b>29.25</b>	<b>72,016,207,084</b>	<b>29.25</b>	<b>72,492,785,559</b>	<b>29.25</b>	<b>72,750,782,619</b>
	<b>29.25</b>	<b>72,016,207,084</b>	<b>29.25</b>	<b>72,492,785,559</b>	<b>29.25</b>	<b>72,750,782,619</b>
ECONOMIC SECTOR						
MINISTRY OF AGRICULTURE AND FOOD SECURITY	0.21	506,661,271	0.21	510,014,181	0.21	511,829,287
KOGI AGRICULTURAL DEVELOPMENT PROJECT (ADP)	0.19	464,459,286	0.19	467,532,918	0.19	469,196,837
KOGI AGRO-ALLIED COMPANY	0.02	45,052,987	0.02	45,351,132	0.02	45,512,533
KOGI LAND DEV. BOARD	0.00	1,037,798	0.00	1,044,666	0.00	1,048,384
MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	0.79	1,956,305,582	0.79	1,969,251,739	0.79	1,976,260,176
BUDGET AND ECONOMIC PLANNING	1.80	4,421,119,267	1.80	4,450,376,713	1.80	4,466,215,311
STATE BUREAU OF STATISTICS	0.13	315,315,119	0.13	317,401,766	0.13	318,531,378
DEBT MANAGEMENT OFFICE	28.79	70,879,523,520	28.79	71,348,579,814	28.79	71,602,504,721
OFFICE OF THE ACCOUNTANT GENERAL	4.11	10,131,902,158	4.11	10,198,951,599	4.11	10,235,248,998
KOGI STATE INTERNAL REVENUE SERVICE (KGIRS)	1.83	4,511,158,385	1.83	4,541,011,679	1.83	4,557,172,841
KOGI INVESTMENT AND PROPERTIES LIMITED	0.03	73,569,654	0.03	74,056,512	0.03	74,320,074

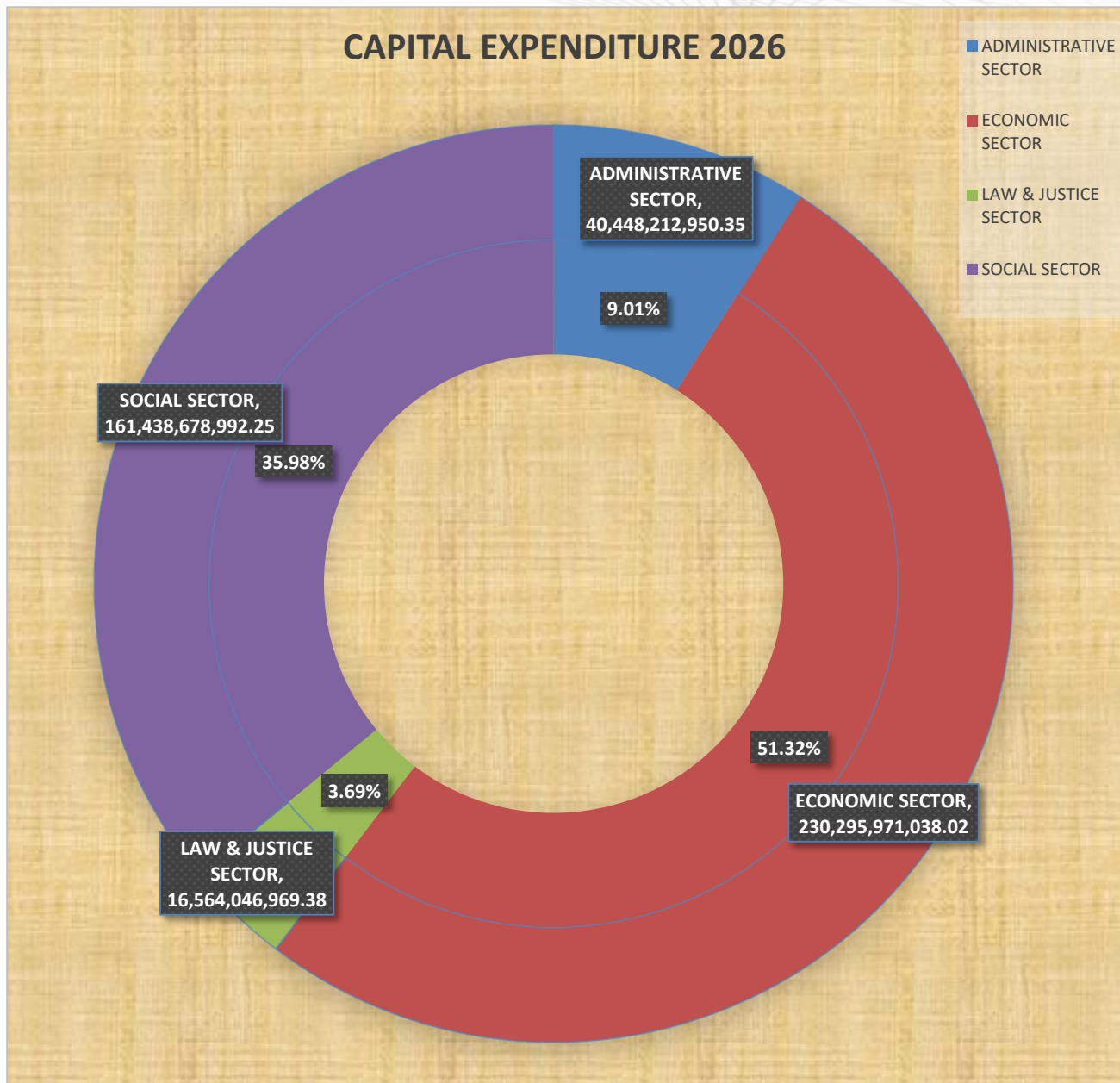


Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
KOGI STATE GOVERNANCE DELIVERY UNIT	0.02	56,056,471	0.02	56,427,433	0.02	56,628,255
KOGI STATE ECONOMIC COUNCIL	0.61	1,513,582,304	0.61	1,523,598,670	0.61	1,529,021,058
HUMAN CAPITAL OPPORTUNITY FOR PROSPERITY AND EQUITY HOPE-GOV	0.51	1,262,771,384	0.51	1,271,127,970	0.51	1,275,651,831
MIN. OF COMMERCE & INDUSTRY	0.02	45,176,184	0.02	45,475,144	0.02	45,636,987
KOGI STATE ENTERPRISES DEVELOPMENT AGENCY	0.34	843,784,652	0.34	849,368,528	0.34	852,391,375
KOGI STATE COMMODITY EXCHANGE, EXPORT PROMOTION AND MARKET DEVELOPMENT BOARD	0.02	52,143,790	0.02	52,488,860	0.02	52,675,664
MINISTRY OF INNOVATION, SCIENCE AND TECHNOLOGY	0.52	1,274,393,762	0.52	1,282,827,261	0.52	1,287,392,759
KOGI STATE INFORMATION COMMUNICATION TECHNOLOGY DEVELOPMENT AGENCY (KICTDA)	0.24	581,118,906	0.24	584,964,551	0.24	587,046,402
MINISTRY OF TRANSPORT	0.01	26,034,127	0.01	26,206,412	0.01	26,299,679
MINISTRY OF SOLID MINERAL AND NATURAL RESOURCES	0.04	105,182,853	0.04	105,878,917	0.04	106,255,733
KOGI STATE SOLID MINERALS PROCESSING COMPANY LTD	0.02	46,838,184	0.02	47,148,143	0.02	47,315,940
MINISTRY OF WORKS	0.09	231,837,620	0.09	233,371,842	0.09	234,202,397
ROAD MAINTENANCE AGENCY	0.00	11,106,712	0.00	11,180,212	0.00	11,220,002
KOGI STATE FIRE AGENCY	0.01	24,200,431	0.01	24,360,581	0.01	24,447,279
MIN. OF CULTURE & TOURISM	0.05	125,684,397	0.05	126,516,133	0.05	126,966,396
COUNCIL FOR ARTS AND CULTURE	0.10	241,761,062	0.10	243,360,954	0.10	244,227,059
HOTEL AND TOURISM BOARD	0.01	18,006,550	0.01	18,125,712	0.01	18,190,220
KOGI STATE FISCAL RESPONSIBILITY COMMISSION	0.01	20,549,025	0.01	20,685,011	0.01	20,758,628
MINISTRY OF WATER RESOURCES	0.00	6,274,225	0.00	6,315,745	0.00	6,338,223
KOGI STATE WATER BOARD	0.00	12,204,365	0.00	12,285,130	0.00	12,328,851
RURAL WATER AND SANITATION AGENCY (RUWASSA)	0.02	39,147,656	0.02	39,406,722	0.02	39,546,968
MINISTRY OF HOUSING AND URBAN DEVELOPMENT	0.39	956,277,746	0.39	962,606,063	0.39	966,031,915
BUREAU FOR LANDS	0.11	265,338,893	0.11	267,094,814	0.11	268,045,387
KOGI STATE UTILITY INFRASTRUCTURE MANAGEMENT AND COMPLIANCE AGENCY	0.09	224,253,786	0.09	225,737,820	0.09	226,541,206
KOGI STATE TOWN PLANNING AND DEVELOPMENT BOARD	0.03	79,171,640	0.03	79,695,570	0.03	79,979,202
MINISTRY OF RURAL AND ENERGY DEVELOPMENT	0.79	1,946,027,749	0.79	1,958,905,891	0.79	1,965,877,508
RURAL ACCESS ROAD AGENCY (RARA)	0.00	4,442,047	0.00	4,471,443	0.00	4,487,357
STATE ROAD FUND MANAGEMENT AND ADMINISTRATION BOARD (KOSRFMAB)	0.00	0	0.00	0	0.00	0
MINISTRY OF LIVESTOCK DEVELOPMENT	0.16	398,647,570	0.16	401,285,682	0.16	402,713,832
<b>Sub-Total Econ</b>	<b>42.12</b>	<b>103,718,119,114</b>	<b>42.12</b>	<b>104,404,489,934</b>	<b>42.12</b>	<b>104,776,058,653</b>
	<b>42.12</b>	<b>103,718,119,114</b>	<b>42.12</b>	<b>104,404,489,934</b>	<b>42.12</b>	<b>104,776,058,653</b>
<b>LAW &amp; JUSTIC SECTOR</b>						
KOGI STATE JUDICIAL SERVICE COMMISSION	0.04	103,282,587	0.04	103,966,076	0.04	104,336,085
HIGH COURT OF JUSTICE	0.88	2,159,977,982	0.88	2,174,271,973	0.88	2,182,010,064
CUSTOMARY COURT OF APPEAL	0.34	832,148,493	0.34	837,655,366	0.34	840,636,526
SHARIA COURT OF APPEAL	0.28	683,715,449	0.28	688,240,043	0.28	690,689,444
MINISTRY OF JUSTICE	1.20	2,962,753,387	1.20	2,982,359,870	1.20	2,992,973,893
KOGI STATE OFFICE OF THE PUBLIC DEFENDER AND CITIZENS' RIGHTS COMMISSION	0.14	337,033,314	0.14	339,263,684	0.14	340,471,101
<b>Sub-Total Law</b>	<b>2.87</b>	<b>7,078,911,213</b>	<b>2.87</b>	<b>7,125,757,011</b>	<b>2.87</b>	<b>7,151,117,112</b>



Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
<b>SOCIAL SECTOR</b>						
KOGI STATE OIL PRODUCING AREA DEVELOPMENT COMMISSION	0.00	0	0.00	0	0.00	0
MINISTRY OF YOUTH & SPORTS	1.38	3,396,255,539	1.38	3,418,730,790	1.38	3,430,897,828
KOGI STATE SPORTS COUNCIL	0.05	120,311,142	0.05	121,107,319	0.05	121,538,332
MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT	0.74	1,811,258,139	0.74	1,823,244,422	0.74	1,829,733,229
KOGI STATE OFFICE FOR DISABILITY AFFAIRS	0.10	250,773,728	0.10	252,433,263	0.10	253,331,656
MINISTRY OF EDUCATION	0.22	552,760,304	0.22	556,418,281	0.22	558,398,537
STATE UNIVERSAL BASIC EDUCATION BOARD	0.02	52,156,584	0.02	52,501,738	0.02	52,688,589
KOGI STATE LIBRARY BOARD	0.00	6,104,715	0.00	6,145,113	0.00	6,166,984
ADULT & NON-FORMAL EDUCATION BOARD	0.01	29,232,605	0.01	29,426,057	0.01	29,530,782
KOGI STATE POLYTECHNIC, LOKOJA	0.56	1,368,395,556	0.56	1,377,451,127	0.56	1,382,353,385
COLLEGE OF EDUCATION, ANKPA	0.10	253,659,565	0.10	255,338,197	0.10	256,246,928
COLLEGE OF EDUCATION TECHNICAL, MOPA	0.44	1,095,426,572	0.44	1,102,675,728	0.44	1,106,600,079
PRINCE ABUBAKAR AUDU UNIVERSITY, ANYIGBA	0.46	1,124,465,084	0.46	1,131,906,407	0.46	1,135,934,787
KOGI STATE UNIVERSITY, KABBA	1.42	3,493,454,418	1.42	3,516,572,897	1.42	3,529,088,148
CONFLUENCE UNIVERSITY OF SCIENCE AND TECHNOLOGY (CUSTECH), OSARA	1.04	2,558,085,426	1.04	2,575,013,955	1.04	2,584,178,260
KOGI STATE SENIOR SECONDARY EDUCATION BOARD	0.14	340,774,626	0.14	343,029,755	0.14	344,250,575
STATE SCHOLARSHIP BOARD	0.67	1,656,854,462	0.67	1,667,818,955	0.67	1,673,754,613
NIGERIA-KOREA FRIENDSHIP INSTITUTE	0.10	255,049,342	0.10	256,737,171	0.10	257,650,882
MINISTRY OF HEALTH	2.75	6,774,083,259	2.75	6,818,911,811	2.75	6,843,179,870
KOGI STATE HEALTH INSURANCE AGENCY	0.86	2,105,974,917	0.86	2,119,911,534	0.86	2,127,456,160
PRIMARY HEALTHCARE DEVELOPMENT AGENCY	5.32	13,103,777,255	5.32	13,190,493,543	5.32	13,237,437,643
PRINCE ABUBAKAR AUDU UNIVERSITY TEACHING HOSPITAL, ANYIGBA	0.04	96,372,759	0.04	97,010,521	0.04	97,355,775
KOGI STATE SPECIALIST HOSPITAL, LOKOJA	0.12	299,890,796	0.12	301,875,370	0.12	302,949,724
CONFLUENCE UNIVERSITY OF SCIENCE AND TECHNOLOGY TEACHING HOSPITAL, OKENE	0.50	1,230,809,844	0.50	1,238,954,920	0.50	1,243,364,279
KOGI STATE HOSPITAL MANAGEMENT BOARD	0.06	148,220,886	0.06	149,201,760	0.06	149,732,760
COLLEGE OF NURSING AND MIDWIFERY, OBANGEDE	0.10	249,648,682	0.10	251,300,771	0.10	252,195,134
COLLEGE OF HEALTH SCIENCE & TECHNOLOGY, IDAH	0.04	97,396,284	0.04	98,040,819	0.04	98,389,740
KOGI STATE HIV/AIDS CONTROL AGENCY	0.01	31,845,316	0.01	32,056,057	0.01	32,170,143
DRUGS AND MEDICAL SUPPLY MANAGEMENT AGENCY	0.47	1,147,593,616	0.47	1,155,187,996	0.47	1,159,299,234
MINISTRY OF ENVIRONMENT AND ECOLOGICAL MANAGEMENT	1.30	3,209,287,272	1.30	3,230,525,231	1.30	3,242,022,458
STATE ENVIRONMENTAL PROTECTION AGENCY	0.00	5,787,944	0.00	5,826,247	0.00	5,846,982
KOGI STATE CLIMATE CHANGE AGENCY	0.00	0	0.00	0	0.00	0
SANITATION & WASTE MANAGEMENT BOARD	0.39	956,748,887	0.39	963,080,322	0.39	966,507,862
MINISTRY OF HUMANITARIAN AFFAIRS AND POVERTY ALLEVIATION	4.93	12,150,034,094	4.93	12,230,438,839	4.93	12,273,966,167
KOGI STATE SOCIAL INVESTMENT PROGRAMME AGENCY (SIP)	0.64	1,565,534,334	0.64	1,575,894,501	0.64	1,581,503,006
MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS	0.76	1,877,711,410	0.76	1,890,137,458	0.76	1,896,864,333
<b>Sub-Total Soc</b>	<b>25.75</b>	<b>63,415,735,362</b>	<b>25.75</b>	<b>63,835,398,875</b>	<b>25.75</b>	<b>64,062,584,864</b>
<b>Total Overhead Costs</b>	<b>100</b>	<b>246,228,972,773</b>	<b>100</b>	<b>247,858,431,379</b>	<b>100</b>	<b>248,740,543,249</b>







<b>CAPITAL EXPENDITURE ANALYSIS</b>						
<b>ADMINISTRATIVE SECTOR</b>						
<b>Description</b>	<b>Percent age %</b>	<b>Estimates 2026</b>	<b>Percent age %</b>	<b>Estimates 2027</b>	<b>Percent age %</b>	<b>Estimates 2028</b>
GOVERNMENT HOUSE	4.94	22,187,372,706	4.94	22,103,731,856	4.94	22,174,788,622
DEPUTY GOVERNORS OFFICE	0.41	1,826,921,018	0.41	1,820,033,983	0.41	1,825,884,837
EMERGENCY MANAGEMENT AGENCY	0.00	0	0.00	0	0.00	0
BUREAU OF PUBLIC PROCUREMENT (BPP)	0.17	777,413,199	0.17	774,482,546	0.17	776,972,271
KOGI STATE PENSION COMMISSION	0.03	157,037,466	0.03	156,445,474	0.03	156,948,399
OFFICE OF THE SECRETARY TO THE STATE GOVERNMENT	0.05	202,120,650	0.05	201,358,705	0.05	202,006,012
CHRISTIAN PILGRIMS COMMISSION	0.00	15,548,264	0.00	15,489,651	0.00	15,539,445
KOGI STATE HAJJ COMMISSION	0.00	15,548,264	0.00	15,489,651	0.00	15,539,445
STATE SECURITY TRUST FUND	0.21	948,444,103	0.21	944,868,706	0.21	947,906,171
MINISTRY OF SPECIAL DUTY & INTER-GOVERNMENTAL AFFAIRS	0.24	1,091,488,132	0.24	1,087,373,494	0.24	1,090,869,069
KOGI STATE HOUSE OF ASSEMBLY	1.21	5,420,515,398	1.21	5,400,081,409	1.21	5,417,441,026
KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION	0.06	280,405,280	0.06	279,348,223	0.06	280,246,242
MINISTRY OF INFORMATION AND COMMUNICATION	0.25	1,106,305,627	0.25	1,102,135,132	0.25	1,105,678,160
OFFICE OF THE HEAD OF CIVIL SERVICE	1.33	5,951,080,146	1.33	5,928,646,061	1.33	5,947,704,852
OFFICE OF THE LOCAL GOVT. AUDITOR-GENERAL	0.01	31,096,528	0.01	30,979,302	0.01	31,078,891
CIVIL SERVICE COMMISSION	0.01	24,887,173	0.01	24,793,355	0.01	24,873,058
STATE INDEPENDENT ELECTORAL COMMISSION (SIEC)	0.00	0	0.00	0	0.00	0
LOCAL GOVERNMENT SERVICE COMMISSION	0.09	412,028,996	0.09	410,475,749	0.09	411,795,304
<b>Sub-Total Admin</b>	<b>9.01</b>	<b>40,448,212,950</b>	<b>9.01</b>	<b>40,295,733,296</b>	<b>9.01</b>	<b>40,425,271,805</b>
	<b>9.01</b>	<b>40,448,212,950</b>	<b>9.01</b>	<b>40,295,733,296</b>	<b>9.01</b>	<b>40,425,271,805</b>
<b>ECONOMIC SECTOR</b>						
MINISTRY OF AGRICULTURE AND FOOD SECURITY	3.46	15,511,313,901	3.46	15,452,840,124	3.46	15,502,516,298
KOGI AGRO-ALLIED COMPANY	0.35	1,554,826,398	0.35	1,548,965,092	0.35	1,553,944,543
MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	0.65	2,923,446,787	0.65	2,912,426,124	0.65	2,921,788,687
BUDGET AND ECONOMIC PLANNING	3.64	16,315,396,672	3.64	16,253,891,704	3.64	16,306,143,015
STATE BUREAU OF STATISTICS	0.01	46,644,792	0.01	46,468,953	0.01	46,618,336
OFFICE OF THE ACCOUNTANT GENERAL	1.18	5,313,329,086	1.18	5,293,299,163	1.18	5,310,315,508
KOGI STATE INTERNAL REVENUE SERVICE (KGIRS)	0.48	2,153,434,562	0.48	2,145,316,652	0.48	2,152,213,191
KOGI INVESTMENT AND PROPERTIES LIMITED	0.00	0	0.00	0	0.00	0
MIN. OF COMMERCE & INDUSTRY	2.54	11,415,535,418	2.54	11,372,501,702	2.54	11,409,060,831
KOGI STATE ENTERPRISES DEVELOPMENT AGENCY	0.33	1,477,085,079	0.33	1,471,516,837	0.33	1,476,247,315
MINISTRY OF INNOVATION, SCIENCE AND TECHNOLOGY	0.16	733,878,060	0.16	731,111,523	0.16	733,461,824
KOGI STATE INFORMATION COMMUNICATION TECHNOLOGY DEVELOPMENT AGENCY (KICTDA)	0.00	0	0.00	0	0.00	0
MINISTRY OF TRANSPORT	1.59	7,144,021,480	1.59	7,117,090,305	1.59	7,139,969,582
MINISTRY OF SOLID MINERAL AND NATURAL RESOURCES	3.78	16,972,810,575	3.78	16,908,827,320	3.78	16,963,184,050
MINISTRY OF WORKS	18.02	80,881,854,343	18.02	80,576,949,965	18.02	80,835,980,316
ROAD MAINTENANCE AGENCY	1.25	5,597,375,035	1.25	5,576,274,330	1.25	5,594,200,353
MIN. OF CULTURE & TOURISM	0.09	394,241,782	0.09	392,755,589	0.09	394,018,178
MINISTRY OF WATER RESOURCES	1.91	8,560,342,399	1.91	8,528,072,048	1.91	8,555,487,202
KOGI STATE WATER BOARD	0.16	715,220,143	0.16	712,523,942	0.16	714,814,490
RURAL WATER AND SANITATION AGENCY (RUWASSA)	1.34	6,031,793,530	1.34	6,009,055,176	1.34	6,028,372,458



Description	Percent age %	Estimates 2026	Percent age %	Estimates 2027	Percent age %	Estimates 2028
MINISTRY OF HOUSING AND URBAN DEVELOPMENT	5.15	23,110,333,222	5.15	23,023,213,041	5.15	23,097,225,659
BUREAU FOR LANDS	0.42	1,905,963,417	0.42	1,898,778,411	0.42	1,904,882,405
KOGI STATE UTILITY INFRASTRUCTURE MANAGEMENT AND COMPLIANCE AGENCY	0.07	317,184,585	0.07	315,988,879	0.07	317,004,687
MINISTRY OF RURAL AND ENERGY DEVELOPMENT	4.52	20,287,043,932	4.52	20,210,566,846	4.52	20,275,537,663
MINISTRY OF LIVESTOCK DEVELOPMENT	0.21	932,895,839	0.21	929,379,055	0.21	932,366,726
<b>Sub-Total Econ</b>	<b>51.32</b>	<b>230,295,971,038</b>	<b>51.32</b>	<b>229,427,812,780</b>	<b>51.32</b>	<b>230,165,353,317</b>
	<b>51.32</b>	<b>230,295,971,038</b>	<b>51.32</b>	<b>229,427,812,780</b>	<b>51.32</b>	<b>230,165,353,317</b>
<b>LAW &amp; JUSTICE SECTOR</b>						
KOGI STATE JUDICIAL SERVICE COMMISSION	0.10	462,871,819	0.10	461,126,908	0.10	462,609,290
HIGH COURT OF JUSTICE	0.71	3,177,095,852	0.71	3,165,118,994	0.71	3,175,293,888
CUSTOMARY COURT OF APPEAL	1.53	6,880,106,813	1.53	6,854,170,530	1.53	6,876,204,601
SHARIA COURT OF APPEAL	0.86	3,840,405,656	0.86	3,825,928,286	0.86	3,838,227,481
MINISTRY OF JUSTICE	0.45	2,001,439,398	0.45	1,993,894,471	0.45	2,000,304,235
KOGI STATE OFFICE OF THE PUBLIC DEFENDER AND CITIZENS' RIGHTS COMMISSION	0.05	202,127,432	0.05	201,365,462	0.05	202,012,791
<b>Sub-Total Law</b>	<b>3.69</b>	<b>16,564,046,969</b>	<b>3.69</b>	<b>16,501,604,652</b>	<b>3.69</b>	<b>16,554,652,285</b>
	<b>3.69</b>	<b>16,564,046,969</b>	<b>3.69</b>	<b>16,501,604,652</b>	<b>3.69</b>	<b>16,554,652,285</b>
<b>SOCIAL SECTOR</b>						
KOGI STATE OIL PRODUCING AREA DEVELOPMENT COMMISSION	0.00	0	0.00	0	0.00	0
MINISTRY OF YOUTH & SPORTS	0.62	2,801,455,108	0.62	2,790,894,323	0.62	2,799,866,198
MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT	0.50	2,239,633,749	0.50	2,231,190,889	0.50	2,238,363,488
KOGI STATE OFFICE FOR DISABILITY AFFAIRS	0.04	196,530,057	0.04	195,789,188	0.04	196,418,590
MINISTRY OF EDUCATION	2.13	9,571,473,976	2.13	9,535,391,911	2.13	9,566,045,292
STATE UNIVERSAL BASIC EDUCATION BOARD	0.42	1,865,791,678	0.42	1,858,758,110	0.42	1,864,733,451
KOGI STATE POLYTECHNIC, LOKOJA	0.83	3,721,943,433	0.83	3,707,912,636	0.83	3,719,832,446
COLLEGE OF EDUCATION, ANKPA	0.02	95,503,602	0.02	95,143,578	0.02	95,449,435
COLLEGE OF EDUCATION TECHNICAL, MOPA	0.43	1,943,532,998	0.43	1,936,206,364	0.43	1,942,430,678
PRINCE ABUBAKAR AUDU UNIVERSITY, ANYIGBA	0.64	2,853,106,441	0.64	2,842,350,943	0.64	2,851,488,235
KOGI STATE UNIVERSITY, KABBA	7.80	34,991,368,098	7.80	34,859,459,385	7.80	34,971,521,929
CONFLUENCE UNIVERSITY OF SCIENCE AND TECHNOLOGY (CUSTECH), OSARA	5.35	23,999,522,874	5.35	23,909,050,670	5.35	23,985,910,986
KOGI STATE SENIOR SECONDARY EDUCATION BOARD	0.00	0	0.00	0	0.00	0
NIGERIA-KOREA FRIENDSHIP INSTITUTE	0.37	1,671,302,658	0.37	1,665,002,264	0.37	1,670,354,739
MINISTRY OF HEALTH	1.93	8,655,038,790	1.93	8,622,411,457	1.93	8,650,129,884
KOGI STATE HEALTH INSURANCE AGENCY	0.00	0	0.00	0	0.00	0
PRIMARY HEALTHCARE DEVELOPMENT AGENCY	0.22	970,415,198	0.22	966,756,975	0.22	969,864,804
PRINCE ABUBAKAR AUDU UNIVERSITY TEACHING HOSPITAL, ANYIGBA	0.06	264,320,488	0.06	263,324,066	0.06	264,170,572
KOGI STATE SPECIALIST HOSPITAL, LOKOJA	0.05	211,456,390	0.05	210,659,252	0.05	211,336,458
CONFLUENCE UNIVERSITY OF SCIENCE AND TECHNOLOGY TEACHING HOSPITAL, OKENE	3.41	15,322,814,157	3.41	15,265,050,977	3.41	15,314,123,466
KOGI STATE HOSPITAL MANAGEMENT BOARD	0.00	0	0.00	0	0.00	0
COLLEGE OF NURSING AND MIDWIFERY, OBANGEDE	0.03	148,485,921	0.03	147,926,166	0.03	148,401,704
COLLEGE OF HEALTH SCIENCE & TECHNOLOGY, IDAH	0.08	362,666,056	0.08	361,298,896	0.08	362,460,362
MINISTRY OF ENVIRONMENT AND ECOLOGICAL MANAGEMENT	9.46	42,446,760,679	9.46	42,286,746,999	9.46	42,422,686,010
MINISTRY OF HUMANITARIAN AFFAIRS AND POVERTY ALLEVIATION	0.07	310,965,280	0.07	309,793,018	0.07	310,788,909
MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS	1.51	6,794,591,361	1.51	6,768,977,450	1.51	6,790,737,651
<b>Sub-Total Soc</b>	<b>35.98</b>	<b>161,438,678,992</b>	<b>35.98</b>	<b>160,830,095,517</b>	<b>35.98</b>	<b>161,347,115,287</b>
<b>Total Cap. Exp.</b>	<b>100</b>	<b>448,746,909,950</b>	<b>100</b>	<b>447,055,246,244</b>	<b>100</b>	<b>448,492,392,694</b>
<b>Total Personnel, Overheads &amp; Cap. Exp.</b>	<b>300</b>	<b>811,220,636,437</b>	<b>300</b>	<b>812,320,878,874</b>	<b>300</b>	<b>816,174,586,893</b>
Contingency Reserve		4,689,780,417	0	4,711,132,049	0	4,750,209,013
Planning Reserve		4,580,168,590	0	4,563,296,750	0	4,578,208,098
<b>Grand Total</b>	<b>300</b>	<b>820,490,585,443</b>	<b>300</b>	<b>821,595,307,674</b>	<b>300</b>	<b>825,503,004,003</b>





## 4.C Considerations for the Planning and Annual Budget Process

228. The planning and budget call circular will be issued to include the following instructions to MDAs for the annual budget submissions:

- With a relatively small Capital Development Fund, priority must be given to completing ongoing projects;
- Budget submissions for capital projects must include full life-time capital investment requirements (costs) and also sources of funding (particularly if grants and/or loans are being used to partially / fully fund the project);
- It is recommended that any savings in Overheads can be carried forward to the following year;
- There should be gaps on MDA increments to individual personnel and overhead items of 5% and any increases above this need written justification.
- The policies, targets and strategies set out in the KOSEEDS, the National Vision 20:2020, the Revised New Direction Blue Print of Let's do MORE and Kogi State Development Plan 2024 – 2056 documents should be inculcated.
- Projects/programmes that will generate employment, create wealth and reduce poverty level in the state should be given priority;
- Make adequate provision for projects/programmes that require Government Cash Counterpart Contribution (GCCC);
- Projects needing rehabilitation should also be given attention;
- Other projects that are critical to the responsibility of your organisation and COVID 19 solution/other related diseases.



## Section 4 Summary of Key Points and Recommendations

229. We summarise below, a list of the key points arising in this document:

- Risks centre around the insecurity both nationally and in the state due to the activities of the Movement for the Indigenous People of Biafra (IPOB), Boko Haram, Kidnapping, Herdsmen Attack, banditry, rampant inter-tribal crises, Gun Men and also the still heavy dependence on fiscal transfers (Statutory Allocation, VAT and Excess Crude) to fund the budget;
- Recurrent expenditure is high particularly administrative sector and needs to be rationalised;
- IGR needs to be grown to a level commensurate with the level of economic activity in the state;
- The State needs to work on macroeconomic variables such as State inflation rate and State GDP growth & State GDP Actual;
- Based on the fiscal trend, the average capital expenditure ratio over the period 2019 - 2025 is about 39% which is considered not too good enough but fair. It is therefore advisable to take necessary steps to raise the ratio to at least 50% by limiting the increase in recurrent expenditure and exploring ways and means for generating recurrent revenue over the medium term.
- Policy of Government places emphasis on Agriculture and Food Security, Business, Innovation and Skills, Communication and Digital Economy, Mining and Mineral Resources, Culture and Tourism, Education and Human Capital Development, Health and Human Services, Infrastructure, Natural and Built Environment, Water and Sanitation, Finance and Revenue Mobilisation, Governance and Administration, Security, Law and Justice and Social & Youth Development