



KOGI STATE GOVERNMENT OF NIGERIA

PUBLIC PRESENTATION OF 2021 KOGI STATE APPROVED

BUDGET BREAK-DOWN & HIGHLIGHTS

PRESENTED BY

**THE HON. COMMISSIONER OF FINANCE
BUDGET AND ECONOMIC PLANNING
MUKADAM ASIWAJU ASIRU IDRIS (FCA)
LOKOJA, KOGI STATE**



PROTOCOLS



You will recall that, His Excellency, Alh. Yahaya Bello, the Executive Governor of Kogi State, signed the 2021 Appropriation Bill into Law on 30th December, 2020, immediately after obtaining legislative approval on 29th December, 2020. The Draft Budget had earlier been presented to the House of Assembly by His Excellency, the State Governor, on 1st December, 2020, which was carefully considered by the Hon. members of the State House of Assembly through series of engagements with MDAs and other stakeholders.

You will also recall that, the State Government tagged the 2021 Budget: "Budget of Accelerated Recovery". Increasingly, COVID is causing disruptions of monumental proportion around the world and Kogi State is no exception. With a significantly plummeted revenues over the collapse of prices of crude oil and all the attendants' negative effects such as inflation at over 12%, unemployment at 32.5%, over 40% Nigerians living below the poverty line etc., there is no doubt that, we have real issues on our hands to deal with. Mindful of this disturbing indices informed the preparation of budget of economic recovery. This budget is sensitive to the prevailing issues.

We have on record that, between March and June, 2020, the State IGR fell significantly and, in particularly, IGR fell by over 200%. The survey conducted by NBS and World Bank on the effects of locked down, showed that, in April/May 2020, only 43% of Nigerians were working, which later rebounded to 71% in June 2020. As a result of this, many businesses short down while some others operated at less than optimal capacity, causing escalation in unemployment/underemployment, inflation, poverty etc. The cumulative effects of this was the contraction of GDP by 6%, setting a stage for a 2nd recession in about 4 years. You will also recall that, we revised downward, the 2020 approved Budget from N176 Billion to N122 Billion, to reflect the economic reality at the time. The price of crude oil fell drastically by about 300% from a projected price of \$56.50 Dollars per barrel to \$17 per barrel.

Consequently, there is no doubt that, this is an unusual time requiring unusual interventions. In addressing this issues in the Budget, we sustained our public consultations and inputs into the Budget, to ensure that, the Budget is used to help our people recover from COVID induced pains.

The Approved 2021 is premised on the following fiscal objectives:

1. To improve quality and affordability of education available to citizens at all levels in order to produce the articulate and skilled manpower required for economic transformation of the State;
2. To improve quality and access to healthcare leading to improvement in efficiency of the

healthcare delivery system;

3. To ensure food security and generate a high proportion of the GDP from agriculture;
4. To ensure gainful employments for our youths, create entrepreneurship opportunities, especially in Agriculture and Infotech, and develop their talents for livelihood;
5. To improve the road network in the State through continued construction of new roads and bridges and rehabilitation of existing ones in both urban and rural areas;
6. 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;
7. To ensure sustainable use of the environment and continuous management of environmental challenges such as degradation and gully erosion;
8. To increase security of lives and property in the state;
9. To continue to expand the State's revenue base in the area of Internally Generated Revenue (IGR) and
10. To reduce the level of Domestic Debt Profile of Kogi State.

Despite the challenges of the effects of COVID in the year 2020, which adversely affected Budget implementation, the State Government was still able to passionately carry out the following projects and programmes that have direct impact on our people. Some of the projects and programme are as follows:

1. Prompt payment of Salaries, Pension and Gratuity;
2. Project Light up Kogi East;
3. Establishment of Confluence University of Science and Technology, Osara, which has secured the much needed approval by NUC;
4. Construction of Okene Township Roads;
5. Establishment of Garri Processing Plants at Osara, Ageva, Achonze, Ogbadu and Aiye-toro-Gbede;
6. Establishment of Fish Feed Mills at Geregu, Idah and Ejiba;
7. Rehabilitation of fishponds at Idah, Geregu, Ejiba and Adavi-Eba with perimeter fencing.
8. Land clearing with tractorization of 300 hectares of land at Ojapata, Osara with cassava inputs such as NPK fertilizers, cassava stems and chemical distribution to farmers;
9. Procurement of assorted consignments of GEO PLUS NPK 24:10:10 and GEO GREEN

- UREA for distribution to dry season farmers in the State to boost food security;
10. Sustained Training and Extension activities to farmers in the State in collaboration with the World Bank's APPEALS project;
 11. On-going Erosion control projects at Agasa, Adum road and Ozuri;
 12. Control of Erosion and construction of Embankment at Greater Lokoja Water Pump Station to forestall flood menace;
 13. Provision of rural water schemes, including motorised boreholes at Okofi Ette and Adangere;
 14. Provision of step-down transformers at Odu-Atte, Odu-gegeli, Odu-Ofomu in Dekina LGA and installation of 30 differential time meters at Isanlu in Yagba East LGA of the State;
 15. Signing of a CMA on Renewable Energy (Waste to Wealth);
 16. Reclamation of 40 hectares degraded Forest reserves in Okura Oinyin and Osara;
 17. Provision of solar powered Boreholes and streetlights to selected Rural Communities across the three senatorial districts under the NEWMAP initiative;
 18. Procurement of HYDROMET, Installation, training and automated flood early warning System through NEWMAP;
 19. Payment of year 2019/2020 SUBEB intervention counterpart fund;
 20. Construction of blocks of classrooms and renovation of school buildings.

Others include:

1. Drilling of 54 motorized boreholes in schools across the State and construction of VIP toilet facilities in response to SDGs target 6.2, which seeks to achieve access to "adequate and equitable sanitation and hygiene for all" and to end open defecation by 2030.
2. Supply of infra-red thermometers to all schools in the State as part of our Covid-19 Response programme;
3. Health related Financial assistance to indigent Kogi citizens;
4. Construction and Remodeling of Presidential Lodge in Government House, Lokoja;
5. Renovation and furnishing of Deputy Governor's Lodge;
6. Maintenance of greater Lokoja Water Scheme;
7. Construction of Administrative Building for Graphics News Paper and procurement of modern printing and publishing equipment, making it the leading state-owned firm of

its kind - at least in Northern Nigeria;

8. Renovation and facelift of Kogi State Council Hall;
9. Construction of a Chapel and a Mosque at Government House for Christian and Muslim devotions respectively;
10. Renovation of Various Office Accommodation within Government House and creation of Sport Complex for the Government House community and environs;
11. Purchase of operational and security vehicles and assorted equipment for security agencies;
12. Procurement of specialized SD Biosensor Antigen Rapid Testing Kits as part our Covid-19 responses;
13. On-going Construction of additional facilities at Kogi State Specialist Hospital;
14. On-going Construction of the Reference Hospital, Okene;
15. On-going Construction of Ultra-Modern Hospital Eganyi in Ajaokuta LGA;
16. Ongoing construction of ultra-modern Hospital at Gegu-beki in Kogi LGA;
17. Ongoing construction of Psychiatric Ward at the State Specialist Hospital, Lokoja;
18. Replacement of Transformer and connection of Government House, State Secretariat and State Specialist Hospital, Lokoja, to 33KVA power line.

OVERVIEW OF 2020 FISCAL OUTCOMES

UPDATE ON YEAR 2020 & 2021 VARIATION ON BUDGET PARAMETERS

The State Approved Budget for the year 2021 tagged

“Budget of Accelerated Recovery”

which is predicated on the following key assumptions:

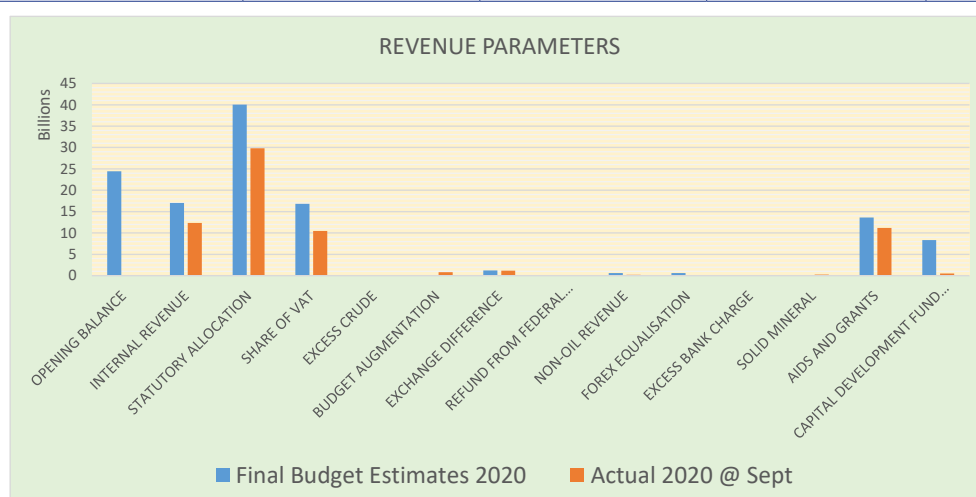
Budget Assumptions/ fiscal parameters	2020 Revised Budget	2021 Approved Budget	VARIATION	Percentage change (%)
Benchmark oil price	\$20 per barrel	\$40 per barrel	\$20 per barrel	100
Inflation Rate (%)	14.13	11.95	-2.18	-15.43
Oil Production (mbpd)	1.7	1.86	0.16	9.41
Average exchange rate	N360/\$1	N379/\$1	19	5.28
GDP growth	-4.42	3.00	7.42	-167.87
Opening Balance	24,422,418,732	0.00	-24,422,418,732	-100
Internal Revenue	17,032,117,263	20,978,554,789	3,946,437,526	23.17
Statutory transfer	59,609,133,860	61,485,858,065	1,876,724,205	3.15
Capital Receipts	21,907,288,154	48,081,655,172	26,174,367,018	119.48
Capital Exp.	44,264,727,887	56,498,907,544	12,234,179,657	27.64
Recurrent Exp. (Excluding Debt Service)	76,834,630,122	72,247,160,482	-4,587,469,640	-5.97
Debt service	1,871,600,000	1,800,000,000	-71,600,000	-3.83
Total revenue	122,970,958,009	130,546,068,026	7,575,110,017	6.16
Total expenditure	122,970,958,009	130,546,068,026	7,575,110,017	6.16
Fiscal balance	122,970,958,009	130,546,068,026	7,575,110,017	6.16

OVERVIEW OF 2020 FISCAL OUTCOMES

UPDATE ON 2020 BUDGET IMPLEMENTATION (JAN – SEPT.)

Revenue Performance

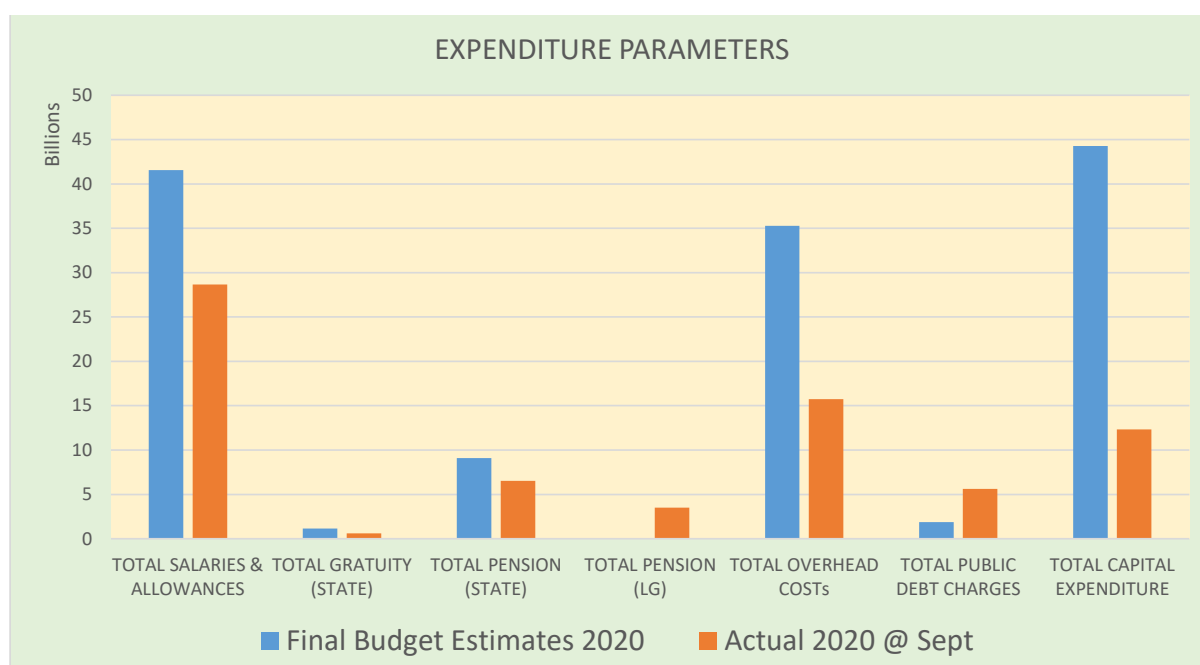
REVENUE PARAMETERS	Final Budget Estimates 2020	Actual 2020 @ Sept	VARIATIOIN	Percentage change (%)
OPENING BALANCE	24,422,418,732	0	24,422,418,732	0.00
INTERNAL REVENUE	17,032,117,263	12,330,146,379	4,701,970,884	72.39
STATUTORY ALLOCATION	40,036,675,754	29,813,308,986	10,223,366,768	74.46
SHARE OF VAT	16,800,866,078	10,443,908,178	6,356,957,900	62.16
EXCESS CRUDE	120,000,000	0	120,000,000	0.00
BUDGET AUGMENTATION	0	809,660,874	-809,660,874	0.00
EXCHANGE DIFFERENCE	1,200,000,000	1,146,721,913	53,278,087	95.56
REFUND FROM FEDERAL GOVERNMENT	130,893,199	0	130,893,199	0.00
NON-OIL REVENUE	600,000,000	228,556,989	371,443,011	38.09
FOREX EQUALISATION	600,000,000	102,977,900	497,022,100	17.16
EXCESS BANK CHARGE	120,698,829	13,871,521	106,827,308	11.49
SOLID MINERAL	0	239,549,769	-239,549,769	0.00
AIDS AND GRANTS	13,597,288,154	11,167,268,798	2,430,019,356	82.13
CAPITAL DEVELOPMENT FUND (CDF) RECEIPTS	8,310,000,000	534,018,682	7,775,981,318	6.43
TOTAL	122,970,958,009	66,829,989,989	56,140,968,020	54.35



UPDATE ON 2020 BUDGET IMPLEMENTATION (JAN – SEPT.)

Expenditure Performance

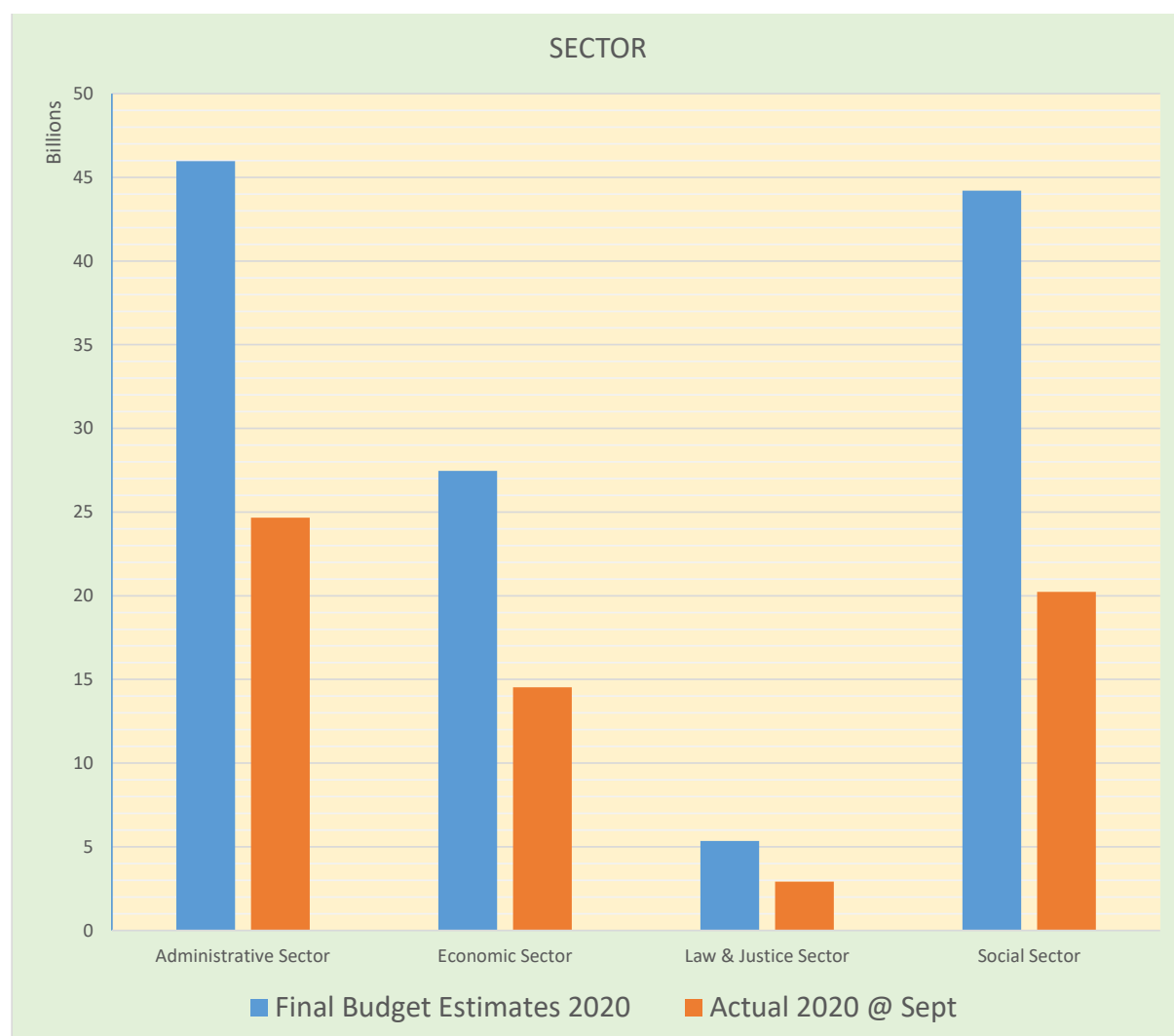
EXPENDITURE PARAMETERS	Final Budget Estimates 2020	Actual 2020 @ Sept	VARIATION	Percentage change (%)
TOTAL SALARIES & ALLOWANCES	41,559,813,038	28,667,530,494	13,297,623,041	57.53
TOTAL GRATUITY (STATE)	1,151,640,559	600,000,000	551,640,559	52.10
TOTAL PENSION (STATE)	9,095,630,000	6,539,743,725	2,555,886,275	71.90
TOTAL PENSION (LG)	0	3,512,867,331	-3,512,867,331W	0.00
TOTAL OVERHEAD COSTs	35,274,817,084	15,737,778,840	19,537,038,244	44.61
TOTAL PUBLIC DEBT CHARGES	1,871,600,000	5,606,626,819	-3,735,026,819	299.56
TOTAL CAPITAL EXPENDITURE	44,264,727,887	12,317,160,848	31,947,567,039	27.83
TOTAL	122,970,958,009	62,329,097,001	60,641,861,008	50.69



UPDATE ON 2020 BUDGET IMPLEMENTATION (JAN – SEPT.)

Expenditure by Sector Performance

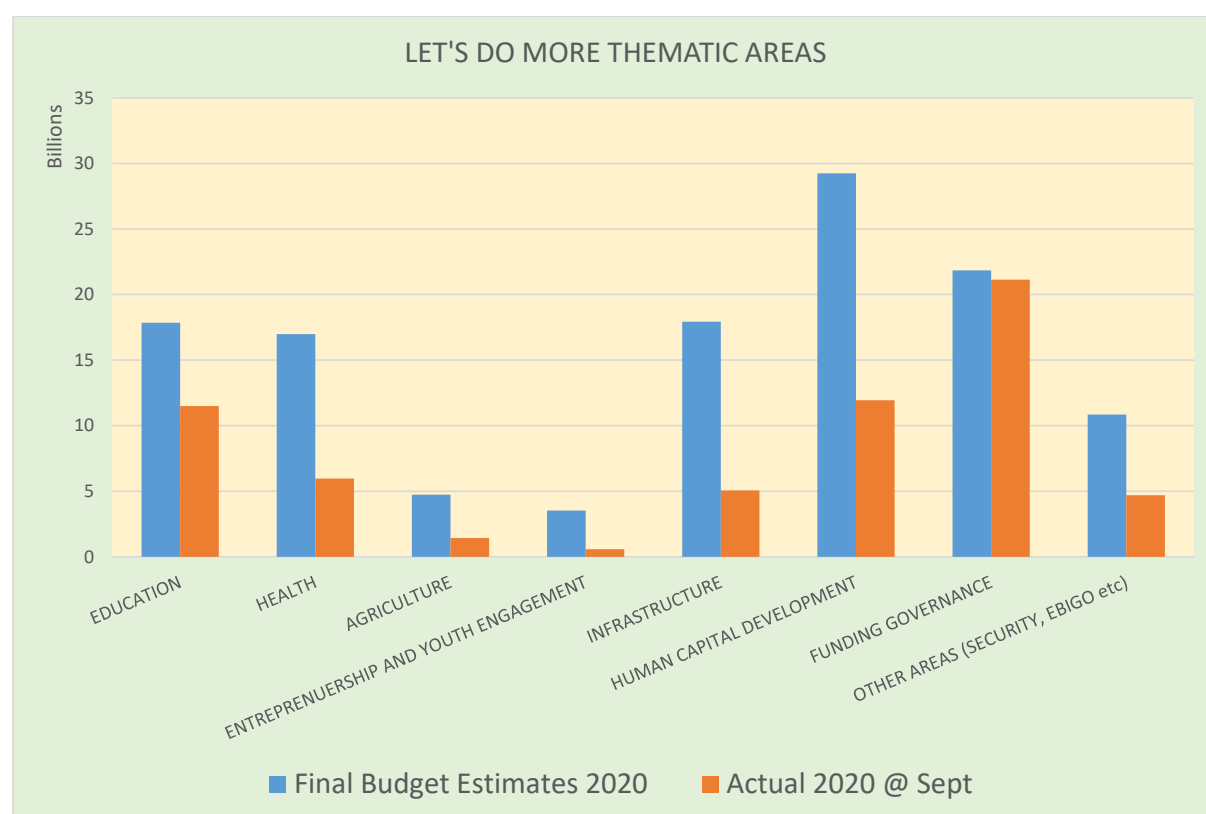
SECTOR	Final Budget Estimates 2020	Actual 2020 @ Sept	VARIATION	Percentage change (%)
Administrative Sector	45,968,572,326	24,657,268,094	21,311,304,232	53.64
Economic Sector	27,459,872,807	14,526,014,795	12,933,858,012	52.90
Law & Justice Sector	5,340,195,957	2,911,806,380	2,428,389,577	54.53
Social Sector	44,202,316,919	20,234,007,731	23,968,309,188	45.78
TOTAL	122,970,958,009	62,329,097,001	60,641,861,008	50.69



UPDATE ON 2020 BUDGET IMPLEMENTATION (JAN – SEPT.)

Expenditure by Thematic Area Performance

LET'S DO MORE THEMATIC AREAS	Final Budget Estimates 2020	Actual 2020 @ Sept	VARIATION	Percentage change (%)
EDUCATION	17,854,794,696	11,495,696,688	6,359,098,008	64.38
HEALTH	16,974,756,893	5,976,302,224	10,998,454,669	35.21
AGRICULTURE	4,742,075,832	1,429,981,611	3,312,094,221	30.16
ENTREPRENEURSHIP AND YOUTH ENGAGEMENT	3,527,326,810	590,472,804	2,936,854,006	16.74
INFRASTRUCTURE	17,930,890,811	5,065,292,513	12,865,598,298	28.25
HUMAN CAPITAL DEVELOPMENT	29,249,849,723	11,940,623,223	17,309,226,500	40.82
FUNDING GOVERNANCE	21,836,512,363	21,129,779,217	706,733,146	96.76
OTHER AREAS (SECURITY, EBIGO etc)	10,854,750,881	4,700,948,720	6,153,802,161	43.31
GRAND TOTAL	122,970,958,009	62,329,097,001	60,641,861,008	50.69

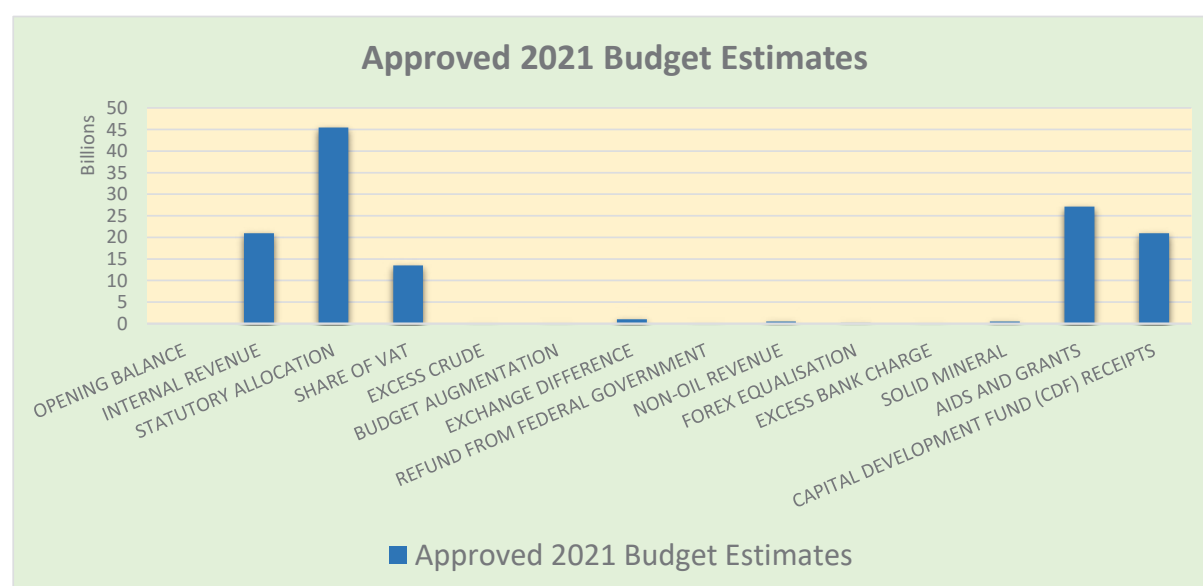


2021 BUDGET: REVENUE

WHERE THE MONEY IS COMING FROM?

An Overview of the Revenue Framework

REVENUE PARAMETERS	Approved 2021 Budget Estimates	Percentage (%) Estimates
OPENING BALANCE	0	0.00
INTERNAL REVENUE	20,978,554,789	16.07
STATUTORY ALLOCATION	45,428,800,000	34.80
SHARE OF VAT	13,500,000,000	10.34
EXCESS CRUDE	120,000,000	0.09
BUDGET AUGMENTATION	35,466,037	0.03
EXCHANGE DIFFERENCE	1,000,000,000	0.77
REFUND FROM FEDERAL GOVERNMENT	130,893,199	0.10
NON-OIL REVENUE	500,000W,000	0.38
FOREX EQUALISATION	150,000,000	0.11
EXCESS BANK CHARGE	120,698,829	0.09
SOLID MINERAL	500,000,000	0.38
AIDS AND GRANTS	27,137,655,172	20.79
CAPITAL DEVELOPMENT FUND (CDF) RECEIPTS	20,944,000,000	16.04
TOTAL	130,546,068,026	100.00

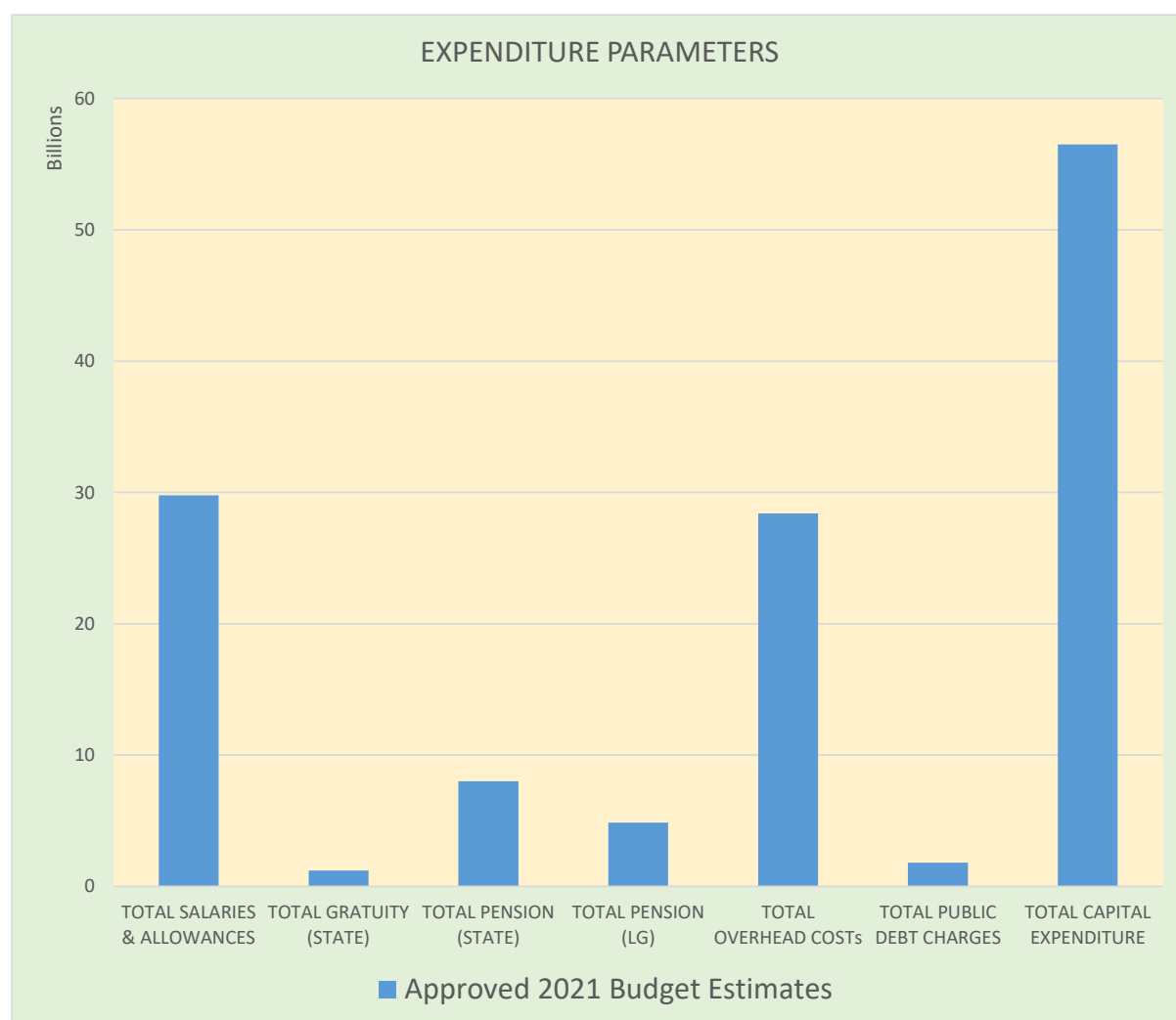


2021 BUDGET: EXPENDITURE

WHERE THE MONEY IS GOING?

An Overview of the Expenditure Framework

EXPENDITURE PARAMETERS	Approved 2021 Budget Estimates	Percentage (%) Estimates
TOTAL SALARIES & ALLOWANCES	29,785,983,435	22.82
TOTAL GRATUITY (STATE)	1,204,250,000	0.92
TOTAL PENSION (STATE)	8,000,000,000	6.13
TOTAL PENSION (LG)	4,858,333,037	3.72
TOTAL OVERHEAD COSTs	28,398,594,010	21.75
TOTAL PUBLIC DEBT CHARGES	1,800,000,000	1.38
TOTAL CAPITAL EXPENDITURE	56,498,907,544	43.28
TOTAL	130,546,068,026	100.00

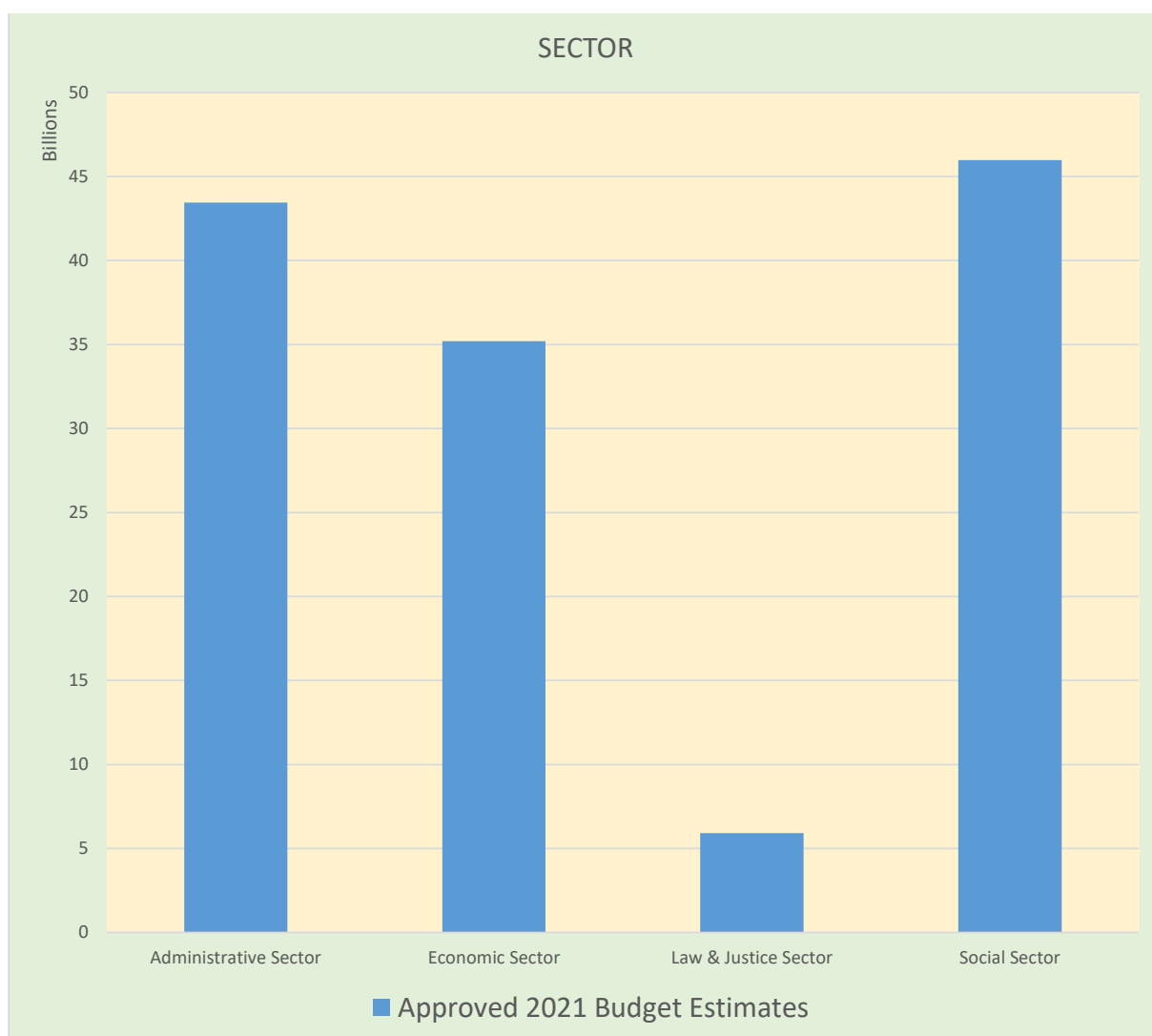


2021 BUDGET: EXPENDITURE

WHERE THE MONEY IS GOING?

An Overview of the Expenditure by Sector Framework

SECTOR	Approved 2021 Budget Estimates	Percentage (%) Estimates
Administrative Sector	43,453,592,566	33.29
Economic Sector	35,203,688,981	26.97
Law & Justice Sector	5,917,291,902	4.53
Social Sector	45,971,494,577	35.21
TOTAL	130,546,068,026	100.00

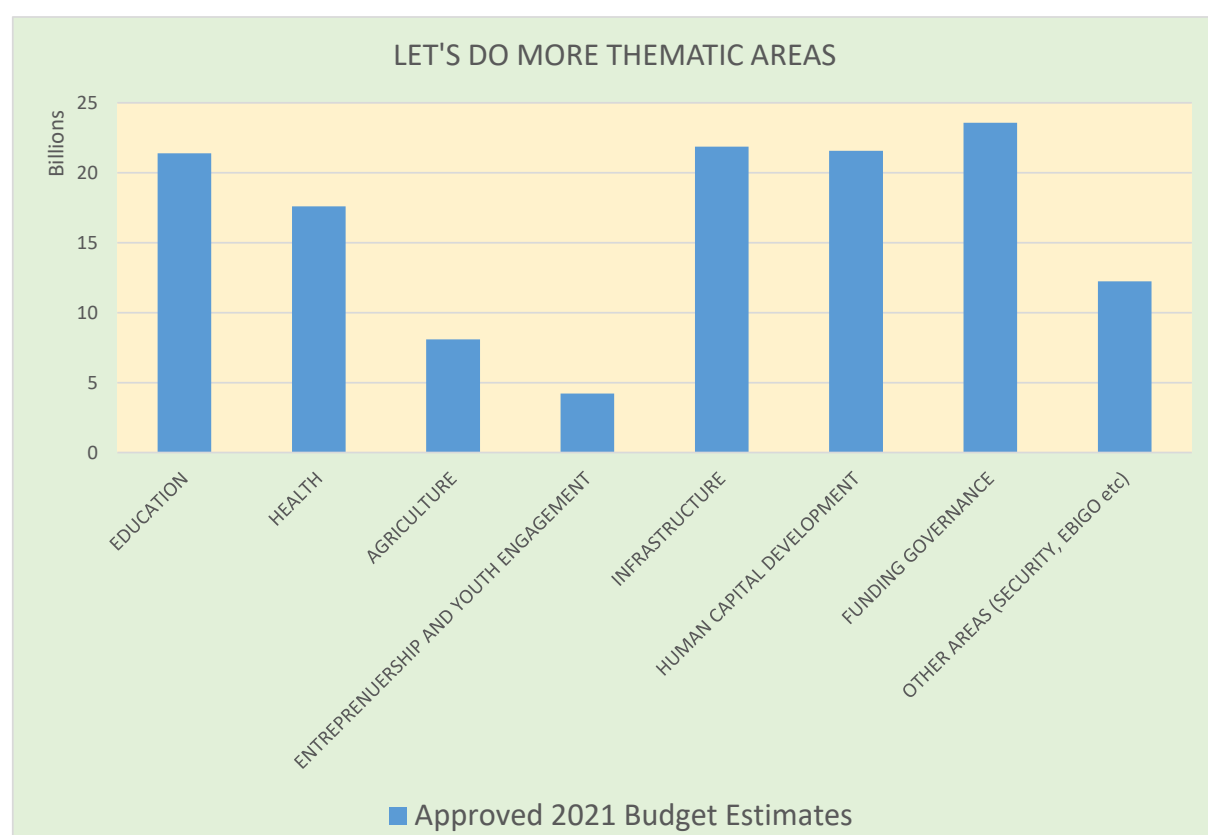


2021 BUDGET: EXPENDITURE

WHERE THE MONEY IS GOING?

An Overview of the Expenditure by Thematic Areas Framework

LET'S DO MORE THEMATIC AREAS	Approved 2021 Budget Estimates	Percentage (%) Estimates
EDUCATION	21,389,539,371	16.38
HEALTH	17,593,704,944	13.48
AGRICULTURE	8,097,499,029	6.20
ENTREPRENUERSHIP AND YOUTH ENGAGEMENT	4,226,114,708	3.24
INFRASTRUCTURE	21,870,592,545	16.75
HUMAN CAPITAL DEVELOPMENT	21,563,442,761	16.52
FUNDING GOVERNANCE	23,574,166,392	18.06
OTHER AREAS (SECURITY, EBIGO etc)	12,231,008,276	9.37
GRAND TOTAL	130,546,068,026	100.00



EDUCATION

The policy thrust on Education is to continually improve the quality of education and enhance ICT skills at all levels, in order to maximize our Human Capital Resources. On Education, Kogi State Government will spend N21,389,539,371.

HEALTH

The policy thrust on Health is to provide access to affordable healthcare services and expanding the existing healthcare delivery systems, which will ensure good health and wellbeing for all. On Health, Kogi State Government will spend N17,593,704,944

AGRICULTURE

The policy thrust on Agriculture is to ensure food security by providing an enabling environment for agriculture in the State. On Agriculture, Kogi State Government will spend N8,097,499,029

ENTREPRENEURSHIP AND YOUTH ENGAGEMENT

The policy thrust on Entrepreneurship and Youth Engagement is making Kogi State the first-choice destination for entrepreneurship and youth engagement. On Entrepreneurship and Youth Engagement, Kogi State Government will spend N4,226,114,708

INFRASTRUCTURE

The policy thrust on Infrastructure is to deploy emerging technologies and innovative ways to pursue far reaching infrastructural renewal and maintenance with due consideration to the environment. On Infrastructure, Kogi State Government will spend N21,870,592,545

HUMAN CAPITAL DEVELOPMENT

The policy thrust on Human Capital Development is to focus on increasing the number of skilled and productive manpower both in the public and private sector, whilst enhancing an enabling environment that will critically contribute to the State's sustainable economic growth. On Human Capital Development, Kogi State Government will spend N21,563,442,761

FUNDING GOVERNANCE

The policy thrust on Funding Governance is to deploy radical strategies and mutual partnership for revenue generation (Federal allocation and IGR), Public Private Partnership, Multilateral cooperation that will lead to sustainable economic growth of Kogi State. On Funding Governance, Kogi State Government will spend N23,574,166,392

OTHER AREAS (SECURITY, EBIGO etc)

The policy thrust on Security and EBIGO is to maintain and enhance sufficient measures that will guarantee safety of lives and properties in the State. Also focus on inclusion, a unifying ideology where there are no minority groups in dispensing governance. On Security and EBIGO, Kogi State Government will spend N12,231,008,276

In view of the above policy thrusts, below are mentioned but few project lines that will drive the policies

Budget Lines	Approved 2021 Budget Estimates
Erosion Control	3,000,000,000
Construction Of Central Reference Hospital, Okene COVID-19 RESPONSE	2,500,000,000
Construction of Okene Township Road (10.7km)	2,000,000,000
Purchase of Vehicles for Ministries/Depts.	1,000,000,000
Accelerated Agricultural Development Scheme	1,000,000,000
Commercial Agricultural Scheme	1,000,000,000
Construction/Rehabilitation of Other State Roads	1,000,000,000
Establishment of University of Science and Technology, Osara	1,000,000,000
Renovation And Remodeling Of Specialist Hospital And Establishment Of Psychiatric Department COVID-19 RESPONSE	1,000,000,000

Government Connect on Humanitarian and Emerging Epidemic (COVID-19)	1,000,000,000
Construction and Equipping of Ultral Modern General Hospitals (Egayin, Ajaokuta LGA, Gegu-Beki, Kogi LGA)	1,000,000,000
Establishment of Staple Crops Processing Zone Project	900,000,000
Livestock Development Project	900,000,000
Constituency Project	800,000,000
Rehabilitation of 10KM Kabba Township Roads	800,000,000
Construction/ Rehabilitation of Lokoja Township Roads	800,000,000
Kogi State Accelerated Food Production Programme/ RUDEM (Rice and Cassava)	700,000,000
Rehabilitation of some General and Cottage Hospitals in the State COVID-19 RESPONSE	600,000,000
Agricultural Mechanization (Ministry of Agriculture, Headquarters)	500,000,000
Construction of Otokiti Ganaja By pass mutlti-Lane carriage way	500,000,000
Construction of Agassa Upogoro – Okene Road (10.71km)	500,000,000
Construction of ozuri/Ogaminana/Obangede/Okaito/ Kabba Junction Road (9.4km)	500,000,000
Construction of Obehira Okengwe/Ihima Township Road (21km)	500,000,000
Kogi State Road Maintenance Agency's Projects	500,000,000
Construction of 4 New Cottage Hospital (Obajena, Geregu and Crusher)	500,000,000
Renovation/Remodeling of Secondary Schools Across the State	400,000,000

