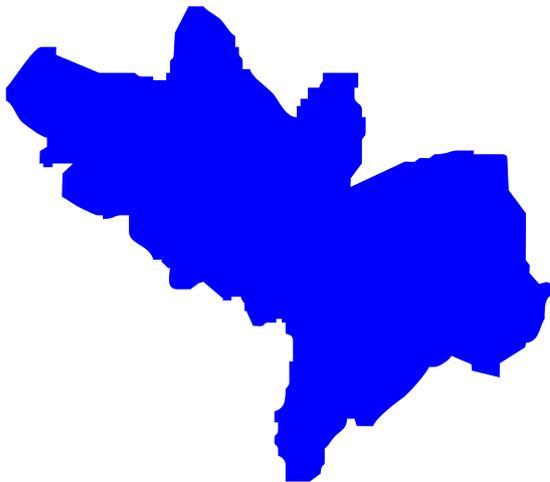




KOGI STATE GOVERNMENT OF NIGERIA

MULTI YEAR BUDGET FRAMEWORK

ECONOMIC AND FISCAL UPDATE (EFU),
FISCAL STRATEGY (FS) AND
BUDGET POLICY STATEMENT (BPS)



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TABLE OF CONTENTS

Section 1	Introduction and Background	7
1.A	Introduction	7
1.A.1	Budget Process	...	...	...	...	...	...	8
1.A.2	Summary of Document Content	...	...	...	...	...	...	9
1.A.3	Preparation and Audience	...	...	...	...	...	...	9
1.B	Background							
1.B.1	Legislative and Institutional arrangement for Public Financial Management (PFM)	...	...	...	...	...	...	10
1.B.1.1	Legislative Framework for PFM in Kogi State -	...	...	...	...	...	...	10
1.B.1.2	Institution Framework for PFM in Kogi State...	...	...	...	...	...	...	11
Section 2	Economic and Fiscal Update	...	...	...	...	...	...	15
2.A.1	Global Economy	...	...	...	...	...	...	15
2.A.2	Africa	...	...	...	...	...	...	19
2.A.3	Nigerian Economy	...	...	...	...	...	...	21
2.A.4	Kogi State Economy	...	...	...	...	...	...	26
2.B	Fiscal Update	...	...	...	...	...	...	29
2. B.1	Historic Trends	...	...	...	...	...	...	29
2.B.2	Debt Position	...	...	...	...	...	...	39
2.C	Macroeconomic Framework...	...	...	...	...	...	...	40
2.D	Fiscal Strategy and Assumptions	...	...	...	...	...	...	40
2.E	Indicative three year Fiscal Framework	...	...	...	...	...	...	42
2.E.1	Assumptions	...	...	...	...	...	...	43
2.E.2	Fiscal Trends	...	...	...	...	...	...	44
2.F	Fiscal Risks...	...	...	...	...	...	...	45
Section 3	Budget Policy Statement	...	...	...	...	...	...	48
3.A	Budget Policy Thrust	...	...	...	...	...	...	48
3.B	Sector Allocations (3 Year)	...	...	...	...	...	...	48
3. C	Considerations for the Planning and Annual Budget Process	...	...	...	...	...	...	66
Section 4	Summary of Key Points and Recommendations	...	...	...	...	...	...	68



List of Tables

Table 1: Budget Calendar	13
Table 2: Real GDP Growth - Selected Countries.....	18
Table 3: Inflation (CPI) - Selected Countries	19
Table 4: Nigeria Key Macroeconomic Indicators	24
Table 5: Sector Expenditure - Budget Vs Actual	38
Table 6: Debt Position as at 31 st December 2019	39
Table 7: Kogi State Medium Term Fiscal Framework	42
Table 8: Fiscal Risks	46

List of Figures

Figure 1: MTEF Process	8
Figure 2: Statutory Allocation.....	29
Figure 3: VAT.....	30
Figure4: Excess Crude/Other FA Receipts.....	30
Figure5: IGR	31
Figure6: Grants.....	32
Figure7: Loans / Financing	33
Figure8: CRF Charges	34
Figure9: Personnel	35
Figure10: Overheads	35
Figure11: Capital Expenditure	36
Figure12: Recurrent: Capital Expenditure Ratio	37
Figure13: Sector Expenditure Trend	37
Figure14: Kogi State Macroeconomic Framework	40
Figure15: Kogi State Revenue Trend	44
Figure16: Kogi State Expenditure Trend	45
Figure17: Capital Expenditure by Sector (proposed 2018-2020)	



ABBREVIATIONS

BRINCS	Brazil, Russia, India, Nigeria, China, South Africa
CBN	Central Bank of Nigeria
DMD	Debt Management Department
EFU	Economic and Fiscal Update
ExCo	Executive Council
FAAC	Federal Allocation Accounts Committee
FSP	Fiscal Strategy Paper
GDP	Gross Domestic Product
IGR	Internally Generated Revenue
IMF	International Monetary Fund
MDA	Ministry, Department and Agencies
MTBF	Medium Term Budget Framework
MTEF	Medium Term Expenditure Framework
MTFF	Medium Term Fiscal Framework
MTSS	Medium Term Sector Strategy
NBS	National Bureau of Statistics
NNPC	Nigerian National Petroleum Company
NPC	National Planning Commission
OAG	Office of the Accountant General
PFM	Public Financial Management
MINT	Mexico, Indonesian, Nigeria and Turkey
N-11	Next 11 Countries
PIB	Petroleum Industry Bill
PITA	Personal Income Tax Act
PMS	Premium Motor Spirit
SHoA	State House of Assembly
VAT	Value Added Tax
WEO	World Economic Outlook
PAC	Public Account Committee
SFRA	State Fiscal Responsibility Act
KSG	Kogi State Government
CSO	Civil Society Organisation
TWG	Technical Working Group
FI	Financial Instruction
PFM	Public Financial Management
MFB&EP	Ministry of Finance, Budget and Economic Planning



DOP	Director of Planning
DOB	Director of Budget
SG	Statistician General
PCNI	Presidential Committee on North East Initiative
NIRP	Nigerian Industrial Revolution Plan
OPEC	Organisation of Petroleum Exporting Countries
TNP	Trans Niger Pipeline
NCTL	Nembe Creek Trunk Line
LGAs	Local Government Areas
POP	Plaster of Paris
FIRS	Federal Inland Revenue Service
NGN	Nigeria Naira
USD	United States Dollars
SDGs	Sustainable Development Goals
UNICEF	United Nations International Children Emergency Fund
CRF	Consolidated Revenue Fund
DFID	Department for International Development
CPI	Consumer Price Index
PPP	Public Private Partnership
AF	Alternative Funding (Financing)
JVs	Joint Ventures
NPDC	Nigerian Petroleum Development Company
PSC	Production Sharing Contract
WTI	West Texas Intermediate
OECD	Organisation for Economic Co-operation and Development



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 2021 - 2023
2. Government aims to improve information on service delivery. These information 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 Multi Year Budget Framework (MYBF) 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. 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).
6. This executive summary provides Economic and Fiscal Update, Fiscal Strategy Paper and Budget Policy Statement document. The complete paper includes considerable analysis of prior fiscal and economic performance and a more substantive justification for the forward aggregate envelope and sector allocations.

1. A. 1 Budget Process

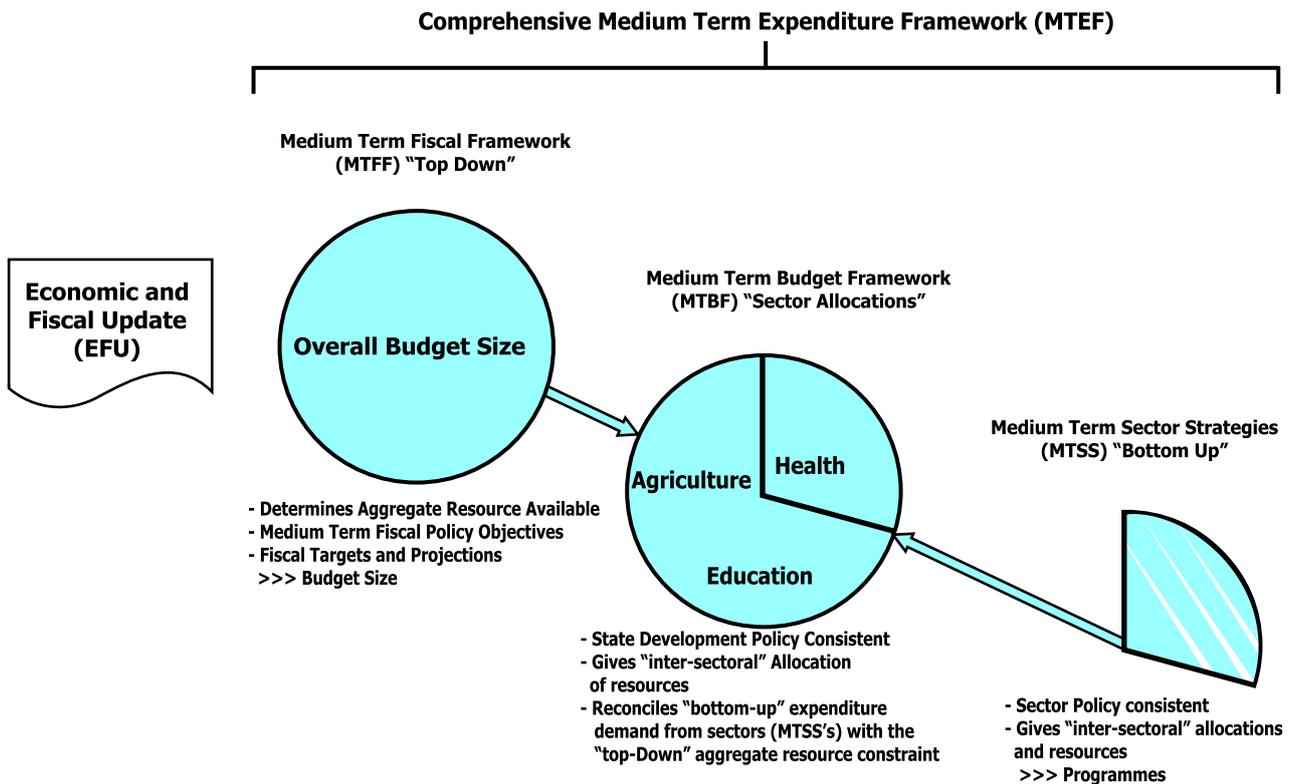
7. The budget process describes the budget cycle in a fiscal year. Its conception is informed by the Medium Term Expenditure Framework (MTEF) process which has three components namely:

- 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 2021-2023.
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 2021-2023.
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 is aimed primarily at budget policy makers and decision makers in the Kogi State Government. 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 2021-2023 MTEF and 2021 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 by Kogi State Government MYBF 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 and 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)¹

1.B.1.1 Legislative Framework for PFM in Kogi State-

16. Federal legislations and regulations provide the legal framework for PFM at the state level only to some extent. 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

¹ Based on June, 2009 PEMFAR Assessment for Kogi State



dependent on guidelines issued by the Auditor General of the Federation. However, with the support of the Public Sector Governance Reform and Development Project, 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, Kogi State Public Finance Management (PFM) Law 2015; Kogi State Financial Instructions (FI) 2015; Kogi State Audit Law 2015; Monitoring & Evaluation Policy Guides (in draft) while the bill is 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, 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 19-member Statutory Executive Council but has, at present, been increased to 27 to achieve a more inclusive and robust decisions,² 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 and budget preparation. The Office of Accountant-General is responsible for the collection,

² The Executive Council comprises the Governor, the Deputy Governor, Secretary to the State Government and Commissioners



disbursement and control of State funds and for 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 Seventeen(17) sector ministries, consisting Agriculture, Health, Women Affairs & Social Development, Education Science & Technology, Justice and Finance Budget & Economic Planning. The others are Commerce & Industry, Culture & Tourism, Environment, Water Resources, Works & Housing, Transport, Rural Development, Youth & Sports, Information & Communication, Local Government & Chieftaincy Affairs and Solid Mineral & Natural Resources. The State government has 17 extra-ministerial departments including a Bureau that was, hitherto, a ministry but now Bureau for Land and Housing and 45 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 committees are the:
 - (i) Finance, Appropriation and Budget Monitoring Committee whose responsibility 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 of Court, the Federal Court of Appeal, the Federal High Court, a High Court of Kogi State, the Sharia Court of Appeal of Kogi state, and a Customary Court of Appeal of Kogi state.³ The Ministry of Justice, Kogi State Citizen right Defender 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:

³ Each state determines whether it wants the Sharia Court of Appeal and the Customary Court of Appeal



Table 1: Budget Calendar

S/N	SUBJECT	ACTIVITIES	DATE YEAR 2020/21	RESPONSIBILITY	
				Agency	Officer
1	Commencement of Year 2021 Budget Preparation	(a) Review of Macroeconomic Framework and input of latest data to Medium Term Fiscal Strategy (MTFS) model	April 2020	Technical Working Group (TWG)	Director Budget
		(b) Preparation and Adoption of Economic Update and Fiscal Strategy Paper (EFU-FSP) for 2021 - 2023	April 2020	TWG	Director Budget
		(c) Preparation and Adoption of Budget Policy Statement (BPS) 2020	April 2020	TWG	Director Budget
		(d) Meeting with Major Revenue Generating Agencies on Strategy 2021-2023 MTFS	June 2020	MFB&EP/Revenue Stakeholders	Director Budget
		(e) Public Consultation on the Framework, FSP, Revenue and Expenditure Framework.	June 2020	MFB&EP/Revenue Stakeholders	Director Budget
		(g) Presentation of Year 2021-2023 MYBF to EXCO	July 2020	MFB&EP, MDAs & EXCO	HC MFB&EP
		(h) Forwarding of MYBF draft to the SHoA for modifications (if any) and approval.	July 2020	MFB&EP/SHoA	HC MFB&EP
		(i) Budget Retreat for MDAs	July 2020	MFB&EP/MDAs	Director Budget.
		2	Y2020 (Current Year) Budget Monitoring & Appraisal.	(a) 1st Quarter Year 2020 Budget Performance Appraisal	28th April 2020	MFB&EP(DOB, DOP(M), DOP(SS))/MDAs	Hon. Commissioners/Other Heads of MDAs
(b) 2nd Quarter/Mid-Year Review of 2020 Budget Performance	28th July, 2020			MFB&EP(DOB, DOP(M), DOP(SS))/MDAs	Hon. Commissioners/Other Heads of MDAs
(c) 3rd Quarter Year 2020 Budget Performance Appraisal	28th Oct. 2020			MFB&EP(DOB, DOP(M), DOP(SS))/MDAs	Hon. Commissioners/Other Heads of MDAs



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

3	Preparation of Y 2021 Budget Estimates	(a) Issuance of Year 2021 Call Circular	July 2020	MFB&EP	Permanent Secretary
		(b) Budget Consultative/Stakeholders Forum	July 2020	MFB&EP(Budget Dept.), MDAs & Other Stakeholders eg. CSOs	Permanent Secretary
		(d) Submission of Budget Proposals	Aug./Sept. 2020	MFB&EP/MDAs	Permanent Secretary
		(c) MDAs Budget Defence	September 2020	MFB&EP/MDAs	Permanent Secretary
		(e) Collation of Estimate	October 2020	MFB&EP/MDAs	Director Budget
4	2021 Draft Budget	(a) Submission of Year 2020 draft Budget to His Excellency	Oct./Nov. 2020	MFB&EP	HC MFB&EP
		(b) EXCO/Legislative Parley	November 2020	MFB&EP, EXCO/Legislative	HC MFB&EP
5	Legislative Processes	(a) Presentation of Draft Year 2021 Budget Estimates to House of Assembly	November 2020	Governor's Office	His Excellency
		(b) Consideration of Budget Draft Estimates by SHoA including interaction with MDAs/scrutiny of estimates.	December 2020	SHoA	Members SHoA/MDAs
		(c) Passing of the Year 2021 Appropriation Bill	December 2020	SHoA	Members
6	Appropriation Law	(a) Production of the Appropriation Law	December 2020	SHoA	Members
		(b) Assent of Year 2020 Budget by the Governor	December 2020	Governor's Office	His Excellency
		(c) Uploading Approved Budget onto the Budget Portal	December, 2020	MFB&EP	Permanent Secretary
		(d) Printing and Publishing of Approved Budget	January, 2021	MFB&EP	Permanent Secretary
7	Execution of Year 2021 Budget.	(a) Year 2021 Budget Analysis	January, 2021	MFB&EP(Budget Dept.)	HC MFB&EP
		(b) Budget Profiling and Cash Management Plan	January, 2021	MFB&EP/MoF/MDAs	Permanent Secretaries
8	Conclusion of Year 2020 Budget	(a) Year 2020 Budget Performance Appraisal for the 4th Quarter/Full Year	28th January, 2020	MFB&EP(Director Budget)	HC MFB&EP
9	Year 2021 Budget Execution Approvals	Request for approval of implementation of budgeted projects.	On-going in line with cash plan	MDAs	HC MFB&EP
10	Disbursement/Fund Release Warrants	Request for release of funds for approved projects.	On-going in line with cash plan	MDAs/MoF/AG	Permanent Secretaries/Directors of Finance and Administration



SECTION 2

Economic and Fiscal Update

2.A *Economic Overview*

2.A.1 Global Economy⁴

23. Global growth is projected at - 4.4 percent in 2020, a less severe contraction than forecast in the June 2020 World Economic Outlook (WEO) Update. The revision reflects better-than anticipated second quarter GDP outturns, mostly in advanced economies, where activity began to improve sooner than expected after lockdowns were scaled back in May and June, as well as indicators of a stronger recovery in the third quarter. Global growth is projected at 5.2 percent in 2021, a little lower than in the June 2020 WEO Update, reflecting the more moderate downturn projected for 2020 and consistent with expectations of persistent social distancing. Following the contraction in 2020 and recovery in 2021, the level of global GDP in 2021 is expected to be a modest 0.6 percent above that of 2019. The growth projections imply wide negative output gaps and elevated unemployment rates this year and in 2021 across both advanced and emerging market economies.

The immediate priority is to contain the fallout from the COVID-19 outbreak, especially by increasing health care expenditures to strengthen the capacity and resources of the health care sector while adopting measures that reduce contagion. Economic policies will also need to cushion the impact of the decline in activity on people, firms, and the financial system; reduce persistent scarring effects from the unavoidable severe slowdown; and ensure that the economic recovery can begin quickly once the pandemic fades. Because the economic fallout reflects particularly acute shocks in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses. Such actions will help maintain economic relationships throughout the shutdown and are essential to enable activity to gradually normalize once the pandemic abates and containment measures are lifted. The fiscal response in affected countries has been swift and sizable in many advanced economies (such as Australia, France, Germany, Italy, Japan, Spain, the United Kingdom, and the United States). Many emerging market and developing economies (such as China, Indonesia, and South Africa) have also begun providing or announcing significant fiscal support to

⁴ April 2020, World Economic Outlook (WEO)



heavily impacted sectors and workers. Fiscal measures will need to be scaled up if the stoppages to economic activity are persistent, or the pickup in activity as restrictions are lifted is too weak. Economies facing financing constraints to combat the pandemic and its effects may require external support. Broad-based fiscal stimulus can pre-empt a steeper decline in confidence, lift aggregate demand, and avert an even deeper downturn. But it would most likely be more effective once the outbreak fades and people are able to move about freely. The significant actions of large central banks in recent weeks include monetary stimulus and liquidity facilities to reduce systemic stress. These actions have supported confidence and contribute to limiting the amplification of the shock, thus ensuring that the economy is better placed to recover. The synchronized actions can magnify their impact on individual economies and will also help generate the space for emerging market and developing economies to use monetary policy to respond to domestic cyclical conditions. Supervisors should also encourage banks to renegotiate loans to distressed households and firms while maintaining a transparent assessment of credit risk. Strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channelling aid to countries with weak health care systems. Countries urgently need to work together to slow the spread of the virus and to develop a vaccine and therapies to counter the disease. Until such medical interventions become available, no country is safe from the pandemic (including a recurrence after the initial wave subsides) as long as transmission occurs elsewhere

24. As mentioned earlier, Global growth is projected at -4.4 percent in 2020, an outcome far worse than during the 2009 global financial crisis. The growth forecast is marked down by more than 7 percentage points relative to the October 2019 WEO and January 2020 WEO Update.
25. The loss of working days is smaller than the number of days' severe containment measures are in place given that essential businesses continue to operate during the shutdown. The duration of containment efforts will vary across countries based on the intensity of the measures (for example, cancellation of public gatherings and school closures versus stay-at-home orders and lockdowns enforced with penalties).
26. projections—an extraordinary revision over such a short period of time. Growth in the advanced economy group—where several economies are experiencing widespread outbreaks and deploying containment measures—is projected at -5.8 percent in 2020.



Most economies in the group are forecasted to contract this year, include the United States (-4.3 percent), Japan (-5.3 percent), the United Kingdom (-9.8 percent), Germany (-6.0 percent), France (-9.8 percent), Italy (-10.6 percent), and Spain (-12.8 percent). In parts of Europe, the outbreak has been as severe as in China's Hubei province. Although essential to contain the virus, lockdowns and restrictions on mobility are extracting a sizable toll on economic activity. Adverse confidence effects are likely to further weigh on economic prospects. Among emerging market and developing economies, all countries face a health crisis, severe external demand shock, dramatic tightening in global financial conditions, and a plunge in commodity prices, which will have a severe impact on economic activity in commodity exports. Overall, the group of emerging market and developing economies is projected to contract by -1.0 percent in 2020; excluding China, the growth rate for the group is expected to be -3.3 percent. Even in countries not experiencing widespread detected outbreaks as of the end of March (and therefore not yet deploying containment measures of the kind seen in places with outbreaks) the significant downward revision to the 2020 growth projection reflects large anticipated domestic disruptions to economic activity from COVID-19. The 2020 growth rate for the group excluding China is marked down 5.8 percentage points relative to the January WEO projection. As discussed below, growth would be even lower if more stringent containment measures are necessitated by a wider spread of the virus among these countries. Emerging Asia is projected to be the only region with a lowest negative growth rate in 2020 (-1.7 percent), In China, indicators such as industrial production, retail sales, and fixed asset investment suggest that the contraction in economic activity in the first quarter could have been about 8 percent year over year. Even with a sharp rebound in the remainder of the year and sizable fiscal support, the economy is projected to grow at a subdued 1.9 percent in 2020. Several economies in the region are forecast to grow at modest rates, including India (1.9 percent) and Indonesia (0.5 percent), and others are forecast to experience large contractions (Thailand, -6.7 percent, India, -10.3). Other regions are projected to experience severe slowdowns or outright contractions in economic activity, including Latin America (-8.1 percent)—with Brazil's growth forecast at -5.8 percent and Mexico's at -9.0 percent; emerging and developing Europe (-4.6 percent)—with Russia's economy projected to contract by -4.1 percent; the Middle East and Central Asia (-4.1 percent)—with Saudi Arabia's growth forecast at -5.4 percent, with non-oil GDP contracting by 4 percent, and most economies, including Iran, expected to contract; and sub-Saharan Africa (-3.0 percent)—with



growth in Nigeria and South Africa expected at -4.3 percent and -8.0 percent, respectively. Following the dramatic decline in oil prices since the beginning of the year, near-term prospects for oil-exporting countries have deteriorated significantly: the growth rate for the group is projected to drop to -4.4 percent in 2020. Figure 1.5 shows that a much larger fraction of countries is expected to experience negative per capita.

- 27. Countries selected are chosen to represent BRICS, MINT, N-11, Petro-economies and other large African countries.

Table 2: Real GDP Growth - Selected Countries

Country	Actual			Forecast	
	2017	2018	2019	2020	2021
Mexico	2.1	2.0	-0.1	-6.6	3.0
Indonesia	5.1	5.2	5.0	0.5	8.2
Turkey	7.4	2.6	0.9	-5.0	5.0
United States	2.5	2.6	2.3	-5.9	4.7
Germany	2.0	0.9	0.6	-7.0	5.2
United Kingdom	2.1	1.7	1.4	-6.5	4.0
China	6.8	6.6	6.1	1.2	9.2
Ghana	8.1	5.6	6.1	1.5	5.9
South Africa	1.4	0.8	0.2	-5.8	4.0
Brazil	1.1	1.1	1.1	-5.3	2.9
Angola	-0.2	-1.7	-1.5	-1.4	2.4

Source: World Economic Outlook, April 2020.



Table 3: Inflation (CPI) - Selected Countries

Country	Actual			Forecast	
	2017	2018	2019	2020	2021
Mexico	6.0	4.9	3.6	2.7	2.8
Indonesia	3.8	3.2	2.8	2.9	2.9
Turkey	11.1	16.3	15.2	12.0	12.0
United States	2.1	2.4	1.8	0.6	2.2
Germany	1.7	1.9	1.3	0.3	1.2
United Kingdom	2.7	2.5	1.8	1.2	1.5
China	1.6	2.1	2.9	3.0	2.6
Ghana	12.4	9.8	7.2	9.7	8.5
South Africa	5.3	4.6	4.1	2.4	3.2
Brazil	3.4	3.7	3.7	3.6	3.3
Angola	29.8	19.6	17.1	20.7	22.3

Source: World Economic Outlook, April, 2020

28. Turkey, Ghana and Angola experienced high inflation rates. Globally inflation rates are set to decrease over the next five years as mineral and agriculture prices stabilise.

2.A.2 Africa⁷

29. Growth in 2020. The regional economy is projected to contract by 3.2 percent in 2020, which is 1.6 percentage points deeper than projected in April. Compared to April 2020 projections, growth was revised down for 37 countries out of 45.

30. In nominal terms, the regional GDP in 2020 will be by \$243 billion smaller than projected in October 2019. The largest downward revisions are for tourism-dependent economies such as Comoros and Mauritius (on average, nearly 5 percentage points).

31. Oil exporting countries saw their growth revised down by 2 percentage points, on average, and other commodity exporters' by 1½ percentage points. For more diversified economies (for example, Côte d'Ivoire, Rwanda, Senegal, Uganda) growth was marked down by about 1½ percentage points but is still expected to remain positive in 2020

⁷ Source: (REGIONAL ECONOMIC OUTLOOK APRIL 2020 UPDATE)



32. In the face of the face of the Covid19 health crisis, most country authorities have allocated greater resources to healthcare and virus containment measures and provided support to vulnerable households through a range of measures. Even as domestic revenue mobilization falters, the size of announced fiscal packages has averaged 3 percent of GDP, of which nearly $\frac{3}{4}$ percent of GDP was linked to increases in health spending.
33. Growth in SSA is projected to recover only gradually assuming that the pandemic abates, and lockdowns ease further in the second half of 2020. Regional growth is projected at 3.4 percent in 2021, which is 0.6 percentage points below the April 2020 projection. The recovery projected for 2021 is shallower than the expected world growth rate because the policy packages deployed by sub-Saharan African countries to facilitate the recovery are considerably smaller than those implemented in advanced and many emerging market economies.
34. In the region's largest economies (Angola, Nigeria, South Africa), real GDP is projected to return to pre-crisis levels only by 2023 or 2024.
35. Among the larger economies; South Africa, activity is projected to contract by 8.0 percent in 2020 (by 2.2 percentage points deeper compared to the April 2020 Regional Economic Outlook: Sub-Saharan Africa) as the strictest Stage 5 lockdown was extended until end-April and relaxed gradually in May and June, while policy measures lent support. The economy is projected to rebound by 3.5 percent in 2021 on the back of improving business activity and confidence as the authorities make progress in implementing policies to boost growth and stabilize public debt.
36. In Nigeria, the economic contraction is projected to deepen to 5.4 percent in 2020 (down by 2.0 percentage points from the April 2020 Regional Economic Outlook: Sub-Saharan Africa) as the country was hit hard by plummeting oil prices, lower oil production quota and declining activity. Growth is projected to recover to 2.6 percent in 2021 with rising oil prices and increasing production.
37. In Angola, activity is projected to continue to fall for a fifth year, with GDP reduction of 4.0 percent in 2020 (2.6 percentage points worse compared to the April 2020 Regional Economic Outlook: Sub-Saharan Africa), reflecting declines in oil production and prices, tightening credit conditions, and declining domestic business activity. Firmer oil prices and policy support measures help reinvigorate economic growth to 3.2 percent in 2021.



38. In Ethiopia, growth is projected at 1.9 percent in the 2020 fiscal year (FY2020), which is 1.3 percentage points lower compared to the April 2020 Regional Economic Outlook: Sub-Saharan Africa and then to stall completely in FY2021, as the negative effect of lockdowns has been larger than anticipated (REGIONAL ECONOMIC OUTLOOK APRIL 2020 UPDATE).
39. What these countries have in common are growth models based on domestic consumption; healthy local private sectors; and relatively robust agricultural sectors. The first two factors enable economies to keep going despite the disruption to global supply chains caused by COVID-19. Meanwhile, the agriculture sector is typically regarded as an essential service and is less affected by social distancing measures or other government restrictions.

2.A.3 Nigerian Economy⁸

40. Nigeria's revenue is 80 percent oil receipts. The 2020 budget was benchmarked on the crude oil price of \$57 per barrel. The on-going disruption caused by the Covid-19 pandemic has plunged crude oil prices to below \$29 per barrel. The Oil market plunge is further exacerbated by the oil production rift between Saudi Arabia and Russia, two countries who have for some years led efforts to balance World Oil Prices, through the OPEC+ arrangements between OPEC members and non-OPEC oil producers. The production rift stemmed from Russia's non-alignment with OPEC's (Saudi Arabia-led) proposal to cut down on oil production (reduce supply) to cushion the plunging of oil prices below International benchmark of about \$66 per barrel. This production rift may lead to Russia's renegeing on the OPEC+ arrangement, which has the effect of removing the cap on production, allowing OPEC and non-OPEC oil producing states increase production to volumes as can be commercially viable.
41. By market forces, where there is surplus oil production, crude oil price per barrel crashes. Presently, the price per barrel fluctuates between \$20 and \$29. Noting that Nigeria's 2020 budget was pegged on the presumption of oil selling at \$57 per barrel, this plunge drags the 2020 budget into a large deficit.
42. The National Bureau of Statistics (NBS) reported that the Nigerian economy advanced by 2.55 percent in the last quarter of 2019. If the Covid-19 pandemic is not contained, and oil price continues to plunge, the Nigerian economy may contract into a negative. Given overwhelming dependency on oil receipts, negative economic growths of more than two months will plunge the economy into a recession, even though the standard is two quarters of negative growth.

⁸ Source: Covid-19: Impact on Nigeria's Economy by Temple Ezebuike (Online publishing)



43. Notionally, in times as these, budget deficit is covered by savings in the Excess Crude Oil Account. However, the limited fund in that account has necessitated calls by the government to slash the 2020 budget, which when implemented, will run negatively on the country's projected economic growth.
44. Possible solutions to curb an economic downturn
45. Cut-Down on cost of governance - For many years, Federal recurrent expenditures have accounted for 70 to 80 percent of the annual budgets, leaving the remainder for capital projects, notwithstanding the country's growing debt profile. Slashing this cost by at least, 40 percent, will free up revenue to cushion the effect of the Oil price plunge on the 2020 budget and broader Nigerian economy.
46. Removal of fuel subsidy - Nigeria spent \$1.8 billion on fuel subsidy in 2018, four times more than it spent on Health, Education and Science and Technology. The Nigerian 2020 budget sits at \$35 billion. Fuel subsidy is primarily paid to absorb high prices of PMS (Premium Motor Spirit- petrol) if sold at market value; to keep the price pegged at, at least N145 per litre. Thus, fuel subsidy is the money paid to stakeholders in the downstream oil sector to keep the price of PMS as it is currently, which essentially is the difference between Government-controlled prices and market prices. The reason given by successive governments to justify non-removal of fuel subsidy has been the poor purchasing power of majority of Nigeria's population. Presently, the plunge in oil prices may likely mean that the market cost of supplying a litre of fuel will be less than the retail price, such that a removal of subsidy will not lead to an increase in the retail price.
47. Additionally, the Dangote Refinery, projected to come on-stream in early 2021 (with 650,000 barrels per day refining capacity), will substantially reduce the system of exporting and importing refined crude products, bringing down retail prices to considerable rates. The plunge in oil prices and Dangote Refinery's potential elimination of associated need for foreign refining capacity, provide short and long-term buffers against the income stress that will be caused by a withdrawal of subsidy.
48. If fuel subsidy is withdrawn, more funds will be released to cover the budgetary short fall occasioned by the global oil price plunge.
49. Opening of land borders (strictly for trade) - Premised on the plan to curb rice smuggling and to support profitability of local production, the Nigerian land borders have been closed since October 2019, preventing imports from neighbouring countries (such as Niger Republic, Benin Republic, Chad and Cameroon). While the



borders remain closed, ironically, the neighbouring countries are arguably substantial recipients of Nigeria's non-oil exports. The border closure particularly lays to ridicule the African Continental Free Trade Agreement (AfCFTA) the Country recently signed (even though un-ratified by the National Assembly). The border closure continues to increase inflation in Nigeria. Last month's (February's) food inflation was 14.9 percent, up by 0.05 percent from 14.85 percent recorded in January 2020. This has also affected cross-borders businesses, with many turning losses and closing shops, lengthening unemployment rate. With the fall in oil prices and impending budget cut, the resultant outpour is inflation; which will cause a rapid loss of purchasing strength of Nigerians, and accelerate the economy towards another recession.

50. It is recommended that the borders be re-opened strictly for trade (essentially-processed agricultural produce, with attendant incorporation of social distancing guidelines given the pandemic) whilst the Nigeria's Customs tightens its enforcements mechanism to curb smuggling, and whilst the Federal government creates enabling infrastructure for local producers. A border re-opening will revive legitimate cross-border businesses, which will by its shed reduce the unemployment spike. Food inflation will flutter down as more agriculture goods flood the Nigerian market. This reduces the strain on expendable income of Nigerians who already spend almost 60 percent of income on food. A competitive agriculture market and higher expendable income of Nigerians are mild fodders to withstanding any impending economic downturn.
51. Floating of the Naira - The Nigerian Exchange rate is currently a Fixed Exchange Rate. The CBN extends dollars (from its foreign reserve) to commercial banks to fund imports at subsidised exchange rates. This means that for importations, the Naira is not traded based on its real market value. Thus, as has been reported, the CBN spent about \$16.56 billion in 2019 to maintain the current Inter-bank exchange rate of the Naira.
52. Although CBN's governor has reiterated the government's resolve against floating the Naira, the money spent appears to be non-prudent expenditure, as it only seeks to maintain an artificial (non-real market) value of Naira, which chunks away the economic legitimacy of Nigeria's GDP. If the government allows the Naira to Exchange at market value, that is an estimated north of \$10 billion in government's coffers (noting that the Country's 2020 budget is \$35 billion).



- 53. The Naira ordinarily gains against the Dollars when receipts from exports (largely crude oil) are high, and falls against the Dollars when receipts from exports are low. The subsidisation of exchange rates for imports (defending of Naira) by CBN has been to maintain an artificially low exchange rate for Naira against the Dollars, but that was possible due to high foreign receipts from crude oil sales. Presently, due to the fall in oil price per barrel, there seems to not be enough foreign reserve to defend the Naira. Although floating (or devaluation) of the Naira may be useless if there is no revenue diversification (to increase foreign receipts through exports) since Nigeria is an oil-dominant, import-reliant economy, however, such released fund (from discontinuing the Naira defence) can optimally be utilised to cover any impending budgetary short-fall, resulting from fall in oil prices.
- 54. As the World continues its search and development of a vaccine to combat Covid-19, it is projected that if the pandemic continues to spread beyond April and May, the suggested solutions may be proactive tools to absorbing the effects of an economic downturn in Nigeria, while the government looks towards pursuing capital projects and creating policies to stimulate trade and investment for long-term sustainability.

Macroeconomic Indicators

Table 4: Nigeria Key Macroeconomic Indicators

Indicator	2016	2017	2018	2019
GDP Growth (%)	-1.6	0.8	2.1	2.3
GDP (N'bn)	67,931.24	68,490.98	69,799.94	144,210.5
Inflation (%)	15.7	16.5	11.08	11,98
Exchange Rate (NGN:USD FX Rate)	305	305	305	305
Unemployment (%)	7.1	18.1	23.1	23.1
Balance of Payments (% of GDP)	-2.2	0	0	0

Source: National Bureau of Statistics,



Petroleum Sector

55. 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.
56. Nigeria joined the Organisation of Petroleum Exporting Countries (OPEC) in 1971 and established the Nigerian National Petroleum Company (NNPC) in 1977; a state owned and controlled company which is a major player in both the upstream and downstream sectors.
57. Oil slump: Nigeria economy to contract 5.4 percent in 2020
58. Nigeria's economy is projected to contract by 5.4 percent this year, and grow by 2.6% in 2021 as projected by IMF. NBS however projects -4.2% for 2020 and 3.0% for 2021.
59. The key parameters, as well as other macroeconomic projections, driving the medium-term revenue and expenditure framework have been revised in line with the emergent realities.
60. Oil GDP growth rate has a strong positive correlation with real GDP growth in Nigeria, reflecting the sector's dominance as a major contributor to government revenues and export earnings in a highly import dependent economy.
61. Although Nigeria's total production capacity is 2.5 mbpd, current crude production is about 1.7mbpd; This includes about 300,000bpd of condensates, which means there is still compliance with the OPEC quota.
62. World Bank forecasts that crude oil prices will rise gradually from an average of US\$42 pb in 2021 to \$44.5 pb in 2022, and US\$47 pb in 2023.
63. EIA expects Brent crude oil prices to average \$41 pb during the second half of 2020 and \$50 pb during 2021, reaching \$53 pb by the end of 2021.



64. With oil price projected to remain low and volatile in 2020, and Nigeria's compliance with the OPEC+ cuts by reducing base production to between 1.412 mbpd and 1.579 mbpd from June to end of the year, growth in Oil GDP is expected to decline in 2020.
65. Oil GDP is expected to contract by 12.96% in 2020, year on year, causing an economy wide drag resulting in slower growth in non-oil GDP by -3.6%, year on year. Based on this, real GDP is expected to decline by 4.2% in 2020.
66. The nominal GDP is expected to increase from N139,517.5 billion in 2020 to N142,694.4 billion in 2021 and then up to N151,464.4 billion in 2023. Similarly, consumption expenditure is projected to stay flat at N117,913.7 billion in 2020 and N118,887.3 billion in 2021 and grow to N125,157.3 billion by 2023, reflecting a gradual steadiness in the recovery.
67. Inflation, however, is expected to remain above single digit over the medium term, given the structural issues impacting on cost of doing business, including high cost of food distribution.

2.A.4 Kogi State Economy

68. 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.
69. 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).



70. 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.
71. Mineral Resources: Kogi State is rich in mineral resources. These Mineralresources 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 Itobe; 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.
72. 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.
73. 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.
74. 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.

75. 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.
76. 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.
77. 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.
78. 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.
79. 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.

80. 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 Itobe 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).

- 81. Cassiterite, columbite and tantalite from 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.

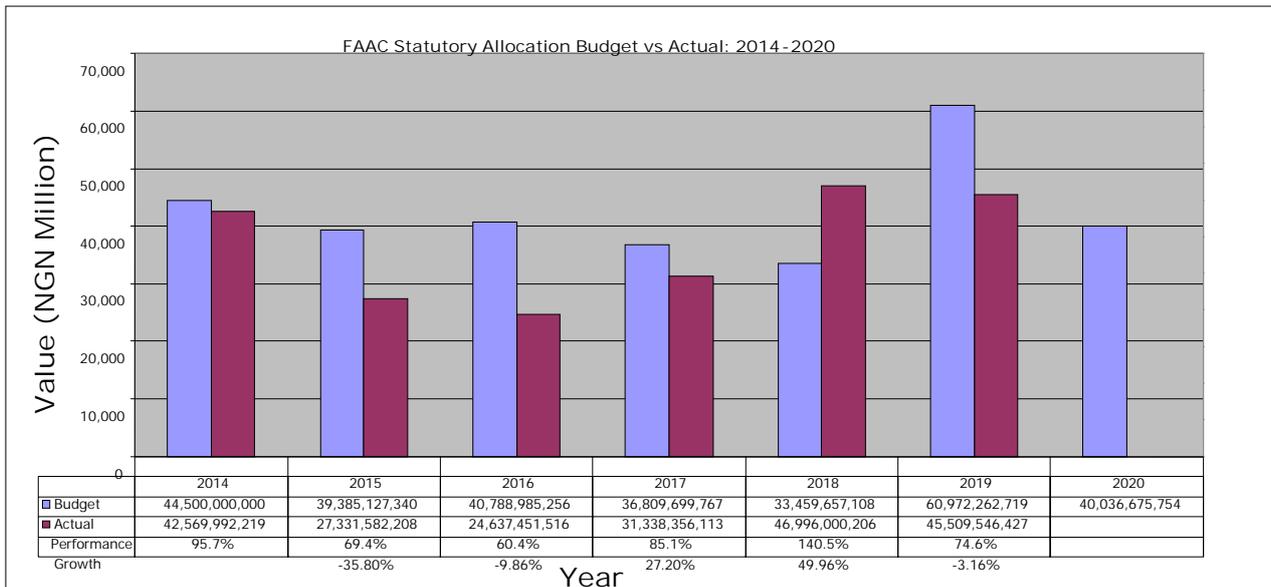
2.B Fiscal Update

2. B.1 Historic Trends

Revenue Side

- 82. On the revenue side, the document looks at Statutory Allocation, VAT, IGR, Excess Crude/Capital Receipts - budget versus actual for the period 2014-2020.

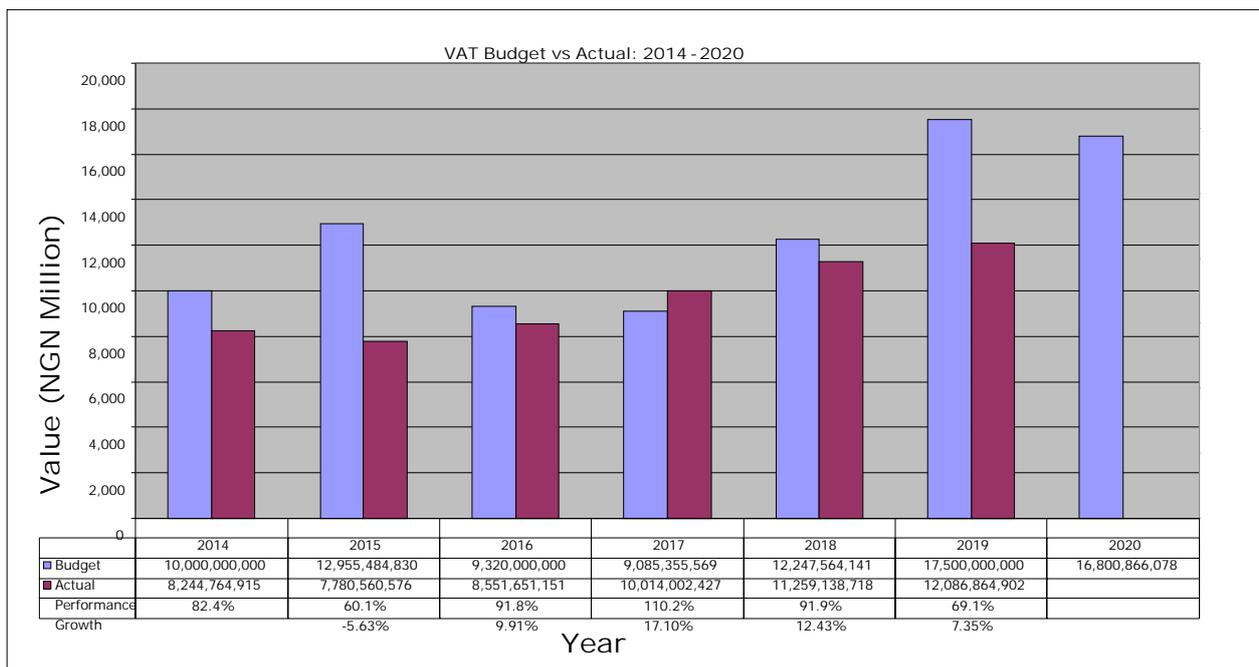
Figure 2 : Statutory Allocation



- 83. 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.
- 84. Performance against budget for the six years under review was generally positive except for 2015 and 2016 where it drastically fell at a decreasing rate and experience positive increased in 2017, 2018 and 2019.

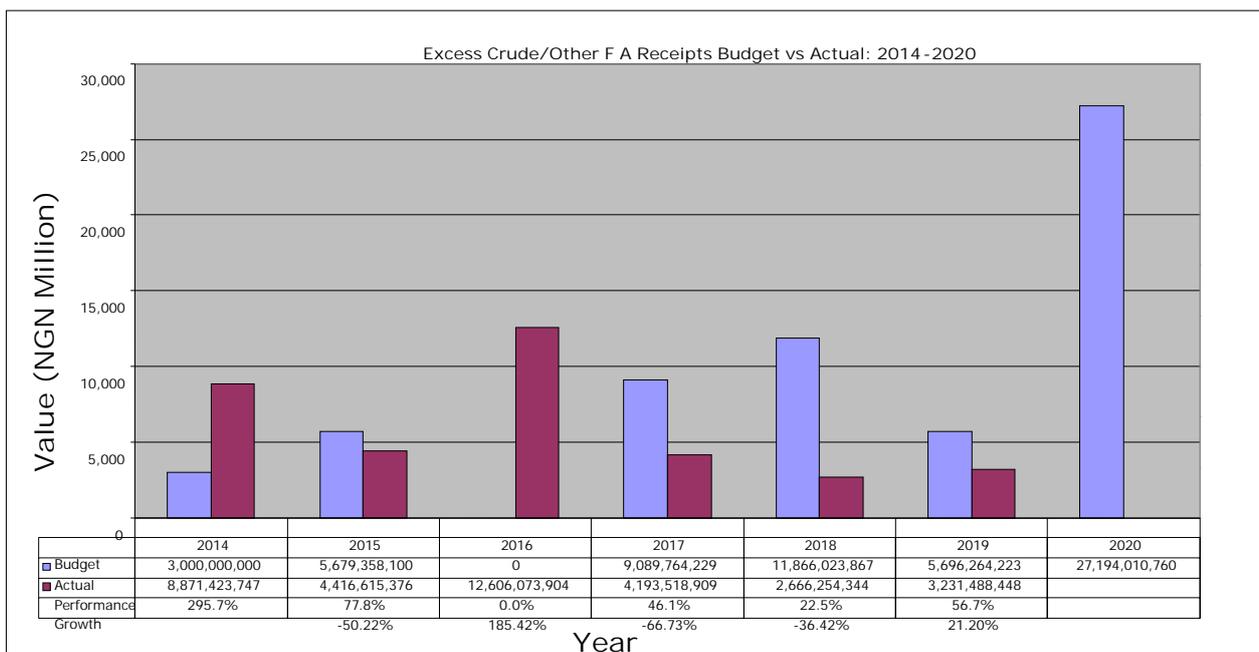


Figure 3: VAT



- 85. 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.
- 86. The performance was positive throughout the years under review except year 2015.

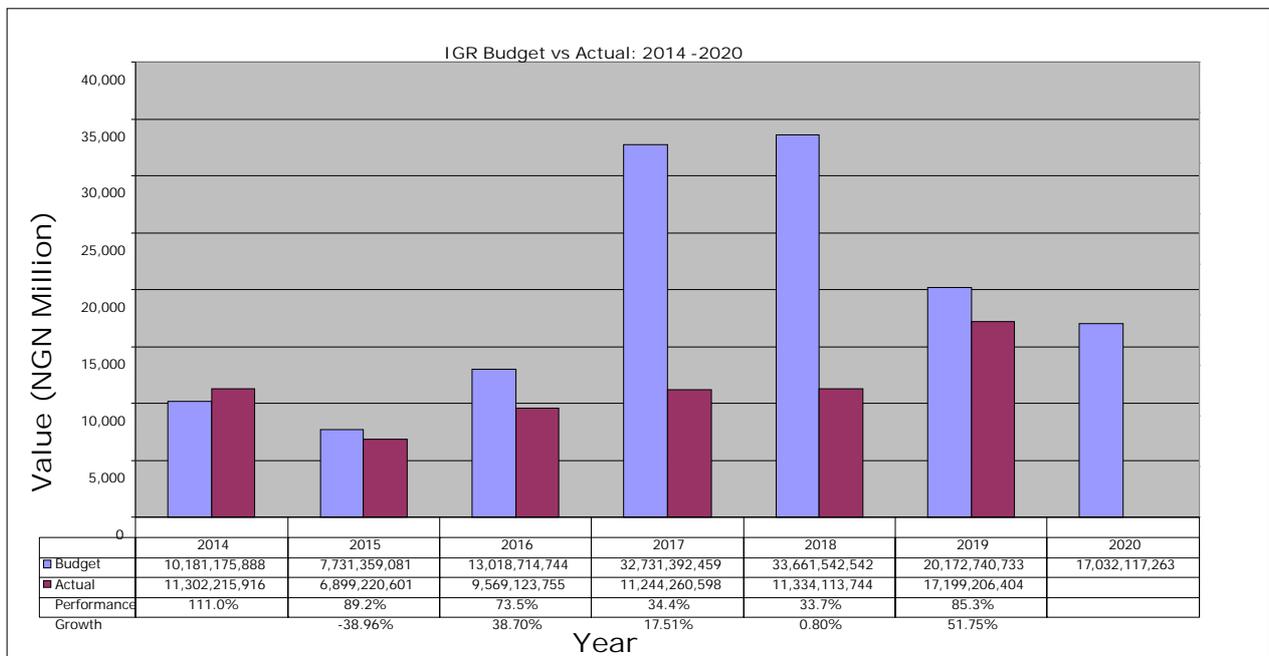
Figure 4: Excess Crude/Other FA Receipts.





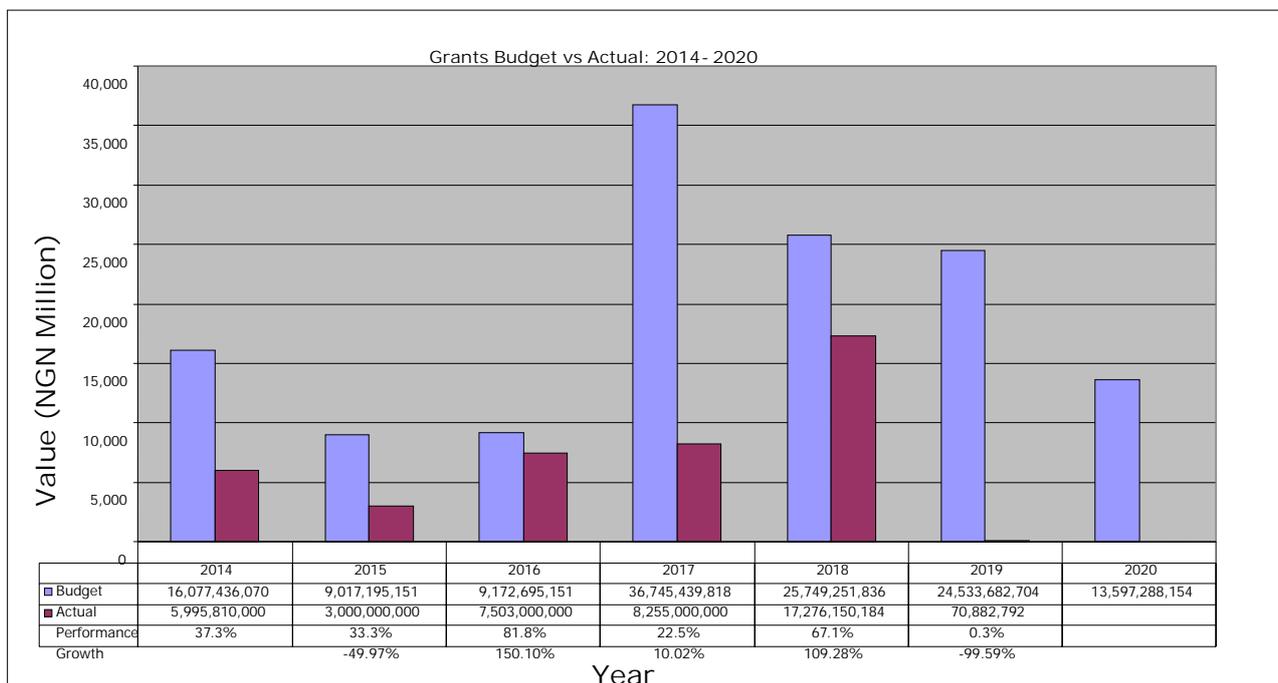
- 87. Excess crude receipt is distributed from the Federation Account based on Mineral Revenue receipts above the oil benchmark price, production and exchange rate, it includes exchange gains, refunds from NNPC and FIRS, and augmentation. It is generated when actual crude oil price, production and NGN: 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.
- 88. Due to unpredictable nature of the excess crude oil revenue, the actual performance has been irregular.

Figure 5: IGR



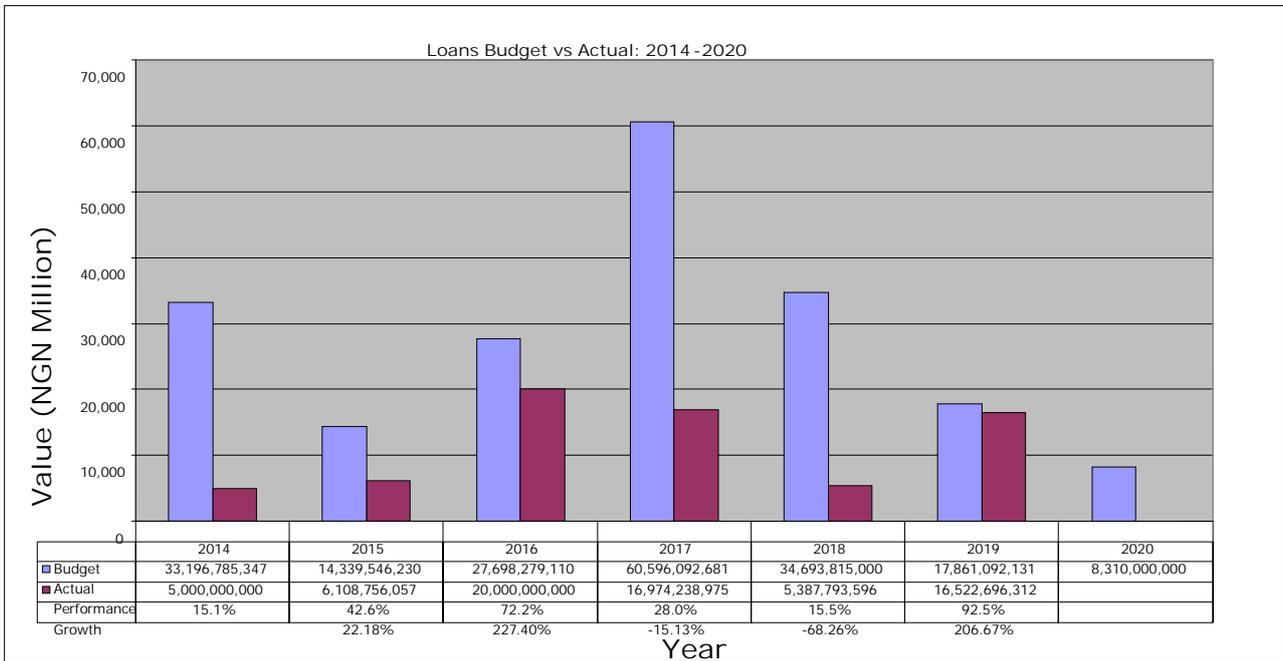
- 89. IGR (Internally Generated Revenue) is revenue collected within Kogi State relating to income tax (company and individuals including Pay As You Earn (PAYE), fines, levies, fees and other sources of revenue within the State. Pay As You Earn represents the highest contributor to IGR.
- 90. IGR increased in the year 2014 and dropped seriously in the year 2015. The drastic fall in 2015 can be explained by irregular payment of workers' salaries thereby making economic activities to be slow. It picked up as from the year 2016. This is due to the granting of autonomy to Internal Revenue Service and the relatively stable economic activities in the country and Kogi State in particular.

Figure 6: Grants



91. 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 receipts or performance were very low throughout the years under discussion except year 2018.
92. 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

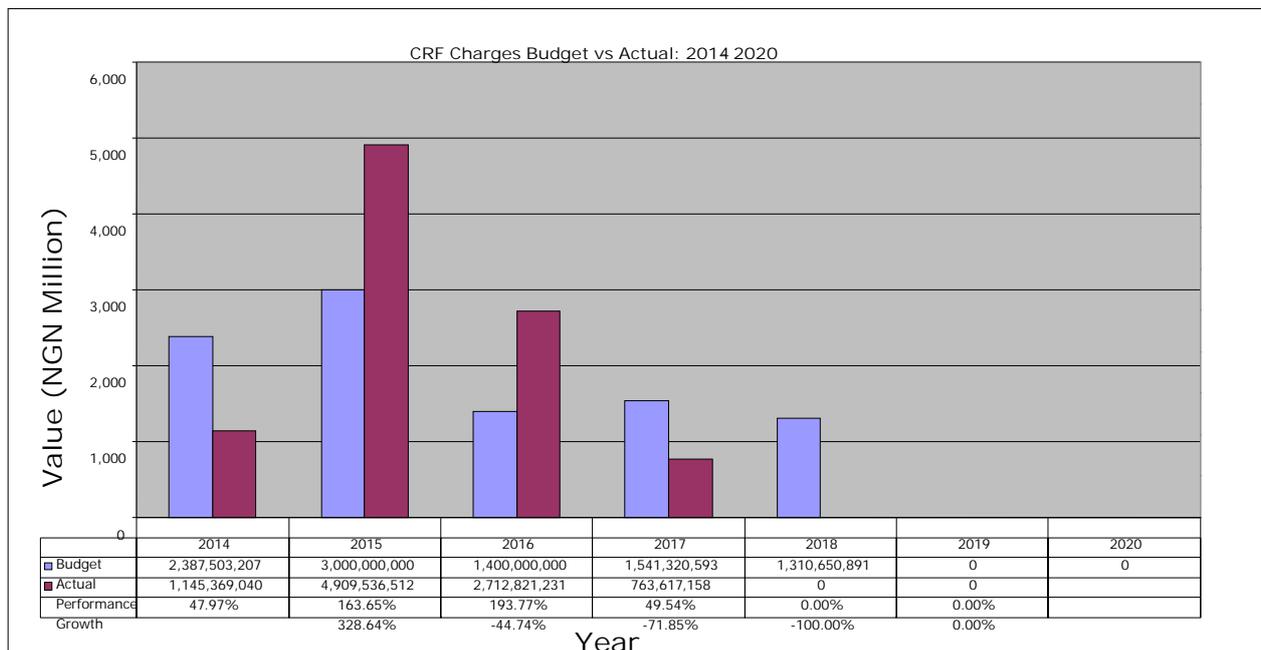


- 93. Loans in this context are referred to as internal loans (commercial bank loans, loans from local capital markets, loans from individuals, etc) and external loans are loans that are largely drawn from the development partners such as the World Bank, IFAD, AfDB, etc.
- 94. The performance of 2014-2018 was unsatisfactory except 2016 and 2019 where the actual was closed to budgetary.
- 95. The poor performance in 2014-2018 was based on anticipated internal loans that we never eventually floated.

Expenditure Side

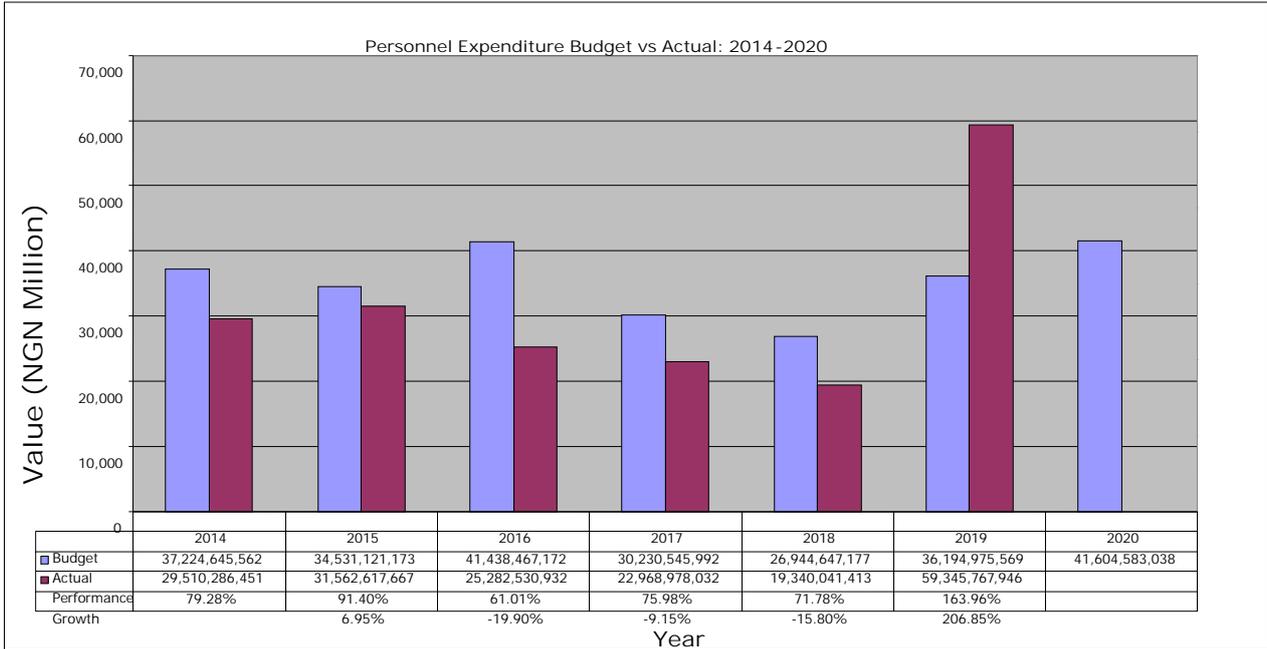
- 96. On the expenditure side, the document looks at Consolidated Revenue Fund (CRF) charges, Personnel, Overheads and Capital Expenditure - budget versus actual for the period 2014-2020

Figure 8: CRF Charges



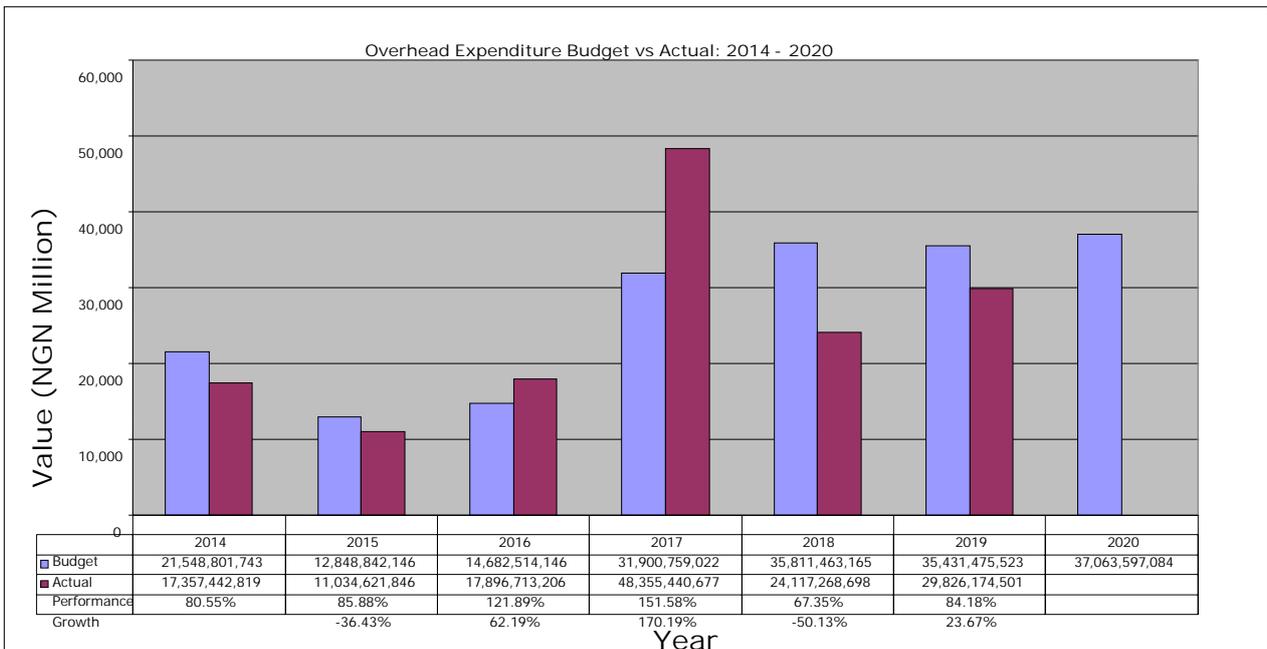
97. CRF (Consolidated Revenue Fund) charges relate to salaries for statutory positions (e.g. the Auditor General, Political Office Holders, Judiciary and Sharia Court officials). The salary for statutory positions has been relatively not easy to forecast, and has increased steadily year by year.
98. The actual performance of 2014 and 2017 were very low while the actual for 2015 and 2016 almost double budgetary provision. This is due to political appointment not being steady. Performance in 2017 was low because a lot of the payments were not separated from normal civil servant salary and, as such, much of the salary got mixed up. Even though, in 2018, budgetary provisions were made separately for civil and public servants but the payments were not separated. Based on this, in 2019 and 2020, the provisions for both were fused together under civil servants' salaries.

Figure 9: Personnel



99. Personnel costs comprise of salaries and allowances of civil servants. Personnel costs had risen year by year.
100. The expenditures were irregular from 2014 and 2016 and thereafter a steady drop were experienced till 2018. The steady drop from 2016 to 2018 were due to screening exercise which retired many people from the service. There was a serious increase in 2019 as a result of huge gratuity payment.

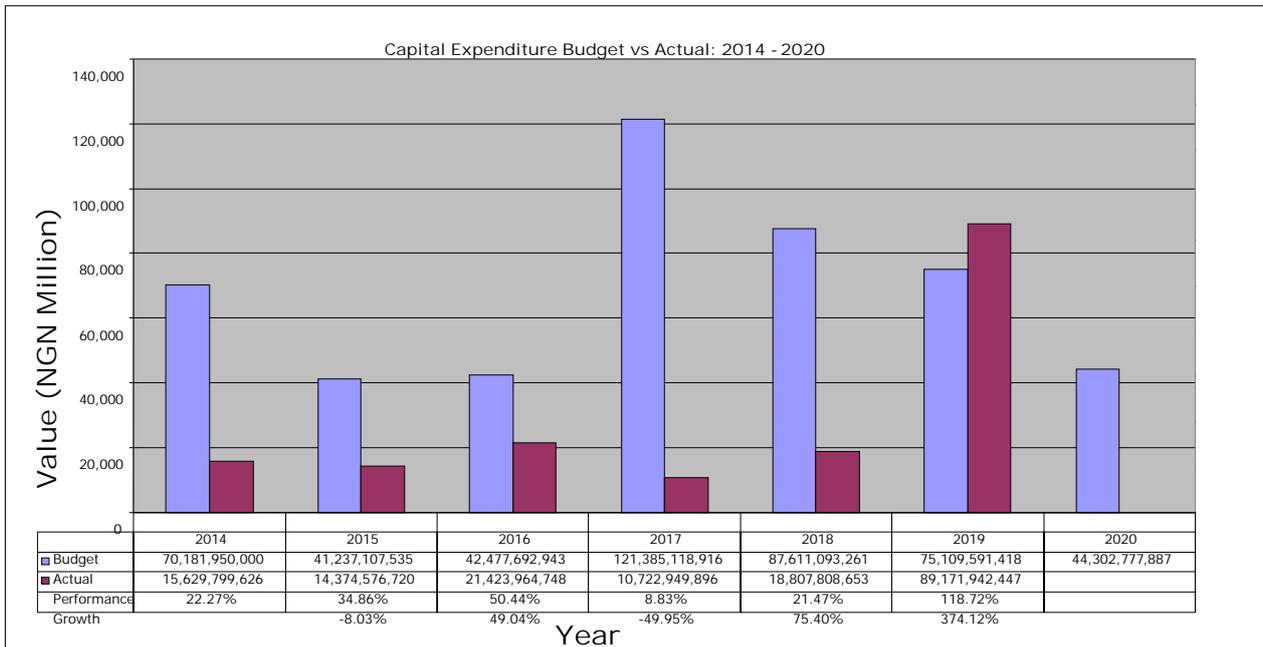
Figure 10: Overheads





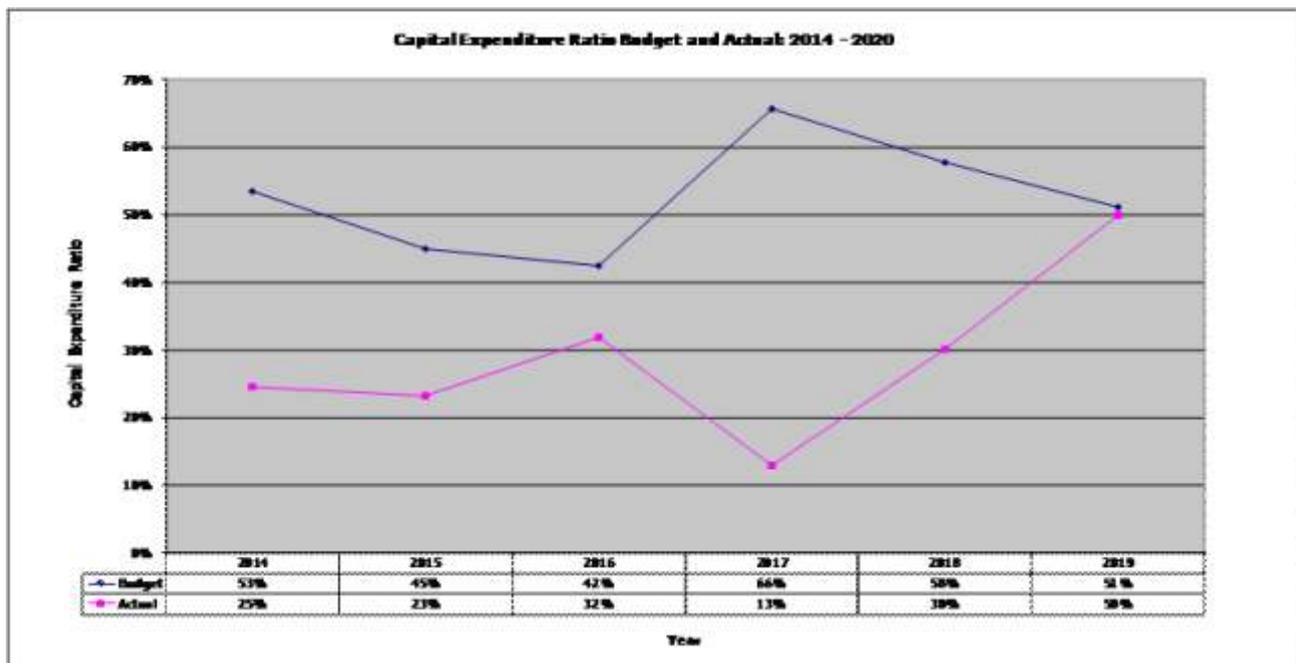
- 101. Overheads comprise mainly operational and maintenance costs for running the government.
- 102. Overhead costs on the graph above show irregular spending year by year. This was largely due to increased cost of running government, especially with respect to maintenance of many government offices. 2016 and 2017 expenditures were far ahead of budgetary provision due to high cost of conducting the screening exercise.

103. Figure 11: Capital Expenditure



- 104. 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.
- 105. 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 except in 2019.

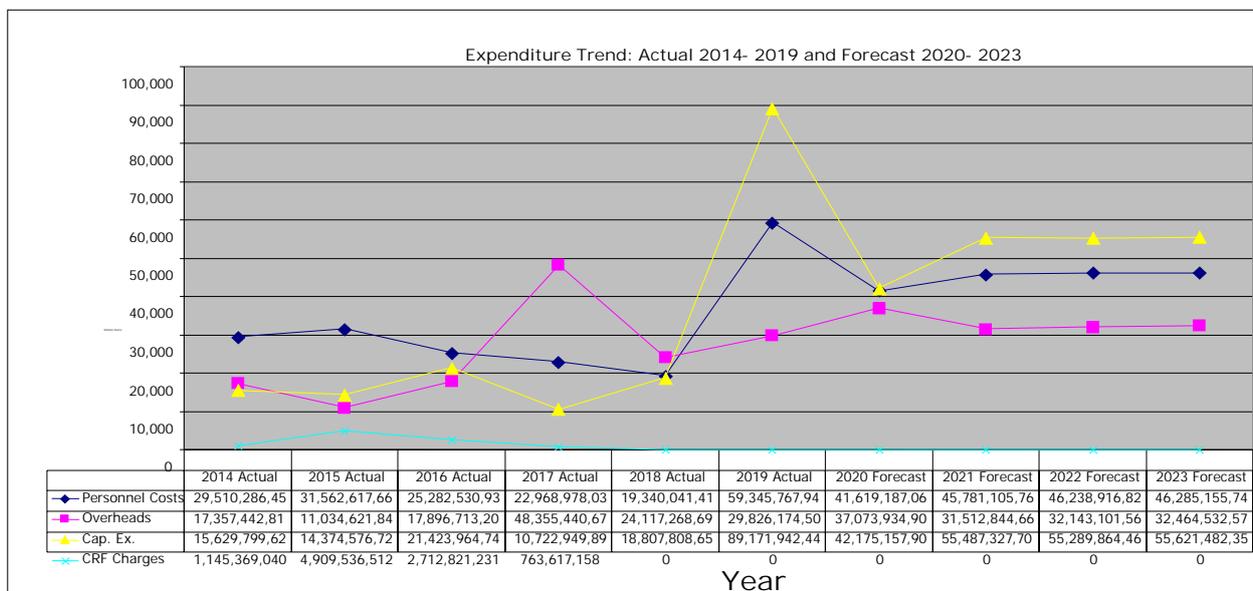
Figure 12: Recurrent: Capital Expenditure Ratio



106. The capital expenditure ratio was significantly low under the years captured. The actual percentage ranged from 13% to 50% which is below expectation.

By Sector

Figure 13: Sector Expenditure Trend



107. The Figure 13 above comprises of the trend of personnel, Overhead, Capital and CRF Charges both historical from year 2014-2018 and forecast from year 2020-2023 with high anticipation.



Table 5: Sector Expenditure - Budget Vs Actual
Sector Personnel Expenditure - Budget Vs Actual

Personnel Expenditure by Sector	2016 Budget	2016 Actual	2017 Budget	2017 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	Performance	Average Budget	Average Actual
1 Administrative	6,817,056,937	7,820,293,080	6,790,253,420	6,681,324,322	7,885,594,186	2,661,369,736	14,523,884,084	30,523,911,292	132.40%	24.70%	36.57%
2 Economic	3,557,687,356	2,936,316,888	3,661,792,265	2,840,335,138	3,994,218,657	2,531,432,083	10,620,878,933	8,925,865,815	78.93%	14.97%	13.21%
3 Law & Justice	2,416,803,498	1,951,619,270	2,460,242,683	1,607,031,970	2,597,323,297	1,545,228,674	3,737,029,254	2,703,329,497	69.64%	7.69%	5.99%
4 Social	20,557,029,401	15,287,122,925	18,859,578,217	12,603,903,759	17,552,551,130	12,602,010,920	19,791,936,869	17,192,661,343	75.15%	52.64%	44.23%
Total	33,348,577,192	27,995,352,163	31,717,866,585	23,732,595,190	32,029,687,270	19,340,041,413	48,673,729,140	59,345,767,946	89.43%	100.00%	100.00%

108. Performance of Personnel expenditure by sector over the period 2016-2019 is as shown in Table 6 above. Administrative Sector, Economic Sector, Law & Justice Sector and Social Sector all performed at more than 130%. Personnel Cost by sector performed in the range 69.64%-132.40% in the years. The highest performing sector was Administrative Sector with 132.40% while the least performing sector was Law and Justice Sector with 69.64%.

Sector Overhead Expenditure - Budget Vs Actual

Overhead Costs by Sector	2016 Budget	2016 Actual	2017 Budget	2017 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	Performance	Average Budget	Average Actual
1 Administrative	15,577,803,539	14,172,848,629	21,881,834,920	35,010,415,250	24,548,889,539	19,291,187,604	26,794,916,714	24,277,376,759	104.45%	70.47%	77.17%
2 Economic	1,316,752,550	1,197,995,245	4,459,936,278	8,640,041,769	5,047,314,707	2,644,127,834	7,032,575,612	2,035,028,470	81.30%	14.17%	12.08%
3 Law & Justice	1,121,520,000	1,020,370,629	2,433,993,051	2,149,809,374	1,984,668,367	575,788,571	1,844,311,497	649,001,626	59.52%	5.86%	3.66%
4 Social	1,654,738,834	1,505,498,702	3,124,994,773	2,555,174,282	3,083,966,350	1,606,164,689	4,099,023,122	2,863,767,646	71.31%	9.49%	7.10%
Total	19,670,814,923	17,896,713,206	31,900,759,022	48,355,440,676	34,664,838,963	24,117,268,698	39,770,826,945	29,826,174,501	95.39%	100.00%	100.00%

109. Performance of Overhead expenditure by sector over the period 2016-2019 is depicted above. Administrative Sector, Economic Sector, Law & Justice Sector and Social Sector all performed at more than 104%. Overhead expenditure by sector, performance range from 59.52%-104.45% in the years. The highest performing sector was Administrative Sector with 104.45% while the least performing sector was Law and Justice Sector with 59.52%.

Sector Capital Expenditure - Budget Vs Actual

Capital Expenditure by Sector	2016 Budget	2016 Actual	2017 Budget	2017 Actual	2018 Budget	2018 Actual	2019 Budget	2019 Actual	Performance	Average Budget	Average Actual
1 Administrative	10,102,500,000	4,607,043,658	24,559,956,749	1,139,428,799	13,194,263,929	1,429,508,232	10,092,762,329	3,288,347,530	18.06%	17.94%	12.31%
2 Economic	27,535,407,146	12,556,973,310	73,143,046,207	8,303,664,649	53,516,871,627	15,390,530,402	42,955,543,091	25,693,379,892	31.42%	61.02%	72.87%
3 Law & Justice	1,372,250,000	625,787,247	2,024,321,180	15,602,951	1,121,187,498	449,329,275	1,748,000,000	0	17.41%	1.94%	1.28%
4 Social	7,969,125,000	3,634,160,534	21,657,794,780	1,264,253,497	17,151,005,207	1,538,440,744	14,931,199,466	5,072,772,562	18.65%	19.10%	13.54%
Total	46,979,282,146	21,423,964,748	121,385,118,916	10,722,949,896	84,983,328,261	18,807,808,653	69,727,504,886	34,054,499,984	26.31%	100.00%	100.00%



110. Performance of Capital expenditure by sector was not encouraging over the period 2016-2019. Administrative Sector, Economic Sector, Law & Justice Sector and Social Sector all performed at less than 31%. Capital expenditure by sector performed in the range of 17.41-31.42%. The highest performing sector was Economic Sector with 31.42% while the least performing sector was Administrative Sector with 18.06%. Generally, the performance of capital expenditure was very low when compared to personnel and overhead expenditures.

2.B.2 Debt Position

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

Table 6: Debt Position as at 31st December 2019

Debt Sustainability Analysis			
	DSA RATIO SCENARIOS:	Sustainability Thresholds	As at 31st December 2019
	Solvency Ratios		Percentage
1	Total Domestic Debt/Total Recurrent Revenue	50%	104.34%
2	Total Domestic Debt/IGR	150%	473.36%
3	Total External Debt/Total Revenue	50%	11.08%
4	Total Public Debt/Total Revenue	100%	115.42%
5	Total Public Debt/State GDP Ratio	40%	No GDP Figure Available
Liquidity Ratios			
6	External Debt Service/Total Revenue	10%	0.23%
7	Total Debt Service/Total Revenue	15%	9.79%
8	Domestic Debt Service/IGR	10%	43.37%
			2019 Actual
B PUBLIC DEBT DATA AS AT 31st DECEMBER 2019			Naira
1	Total Domestic Debt		81,414,138,519
2	Total External Debt		8,642,924,552
3	Total Public Debt		90,057,063,070
4	Total Domestic Debt Service 2019		7,460,044,997
5	Total External Debt Service in 2019		180,778,068
6	Total Public Debt Service		7,640,823,065
C STATE GDP FOR 2019			
1	State GDP		0

112. Given the above table, the state performance is impressive in these areas: Total external debt to total revenue; external debt service to total revenue, total debt service to total revenue while others were not impressive.



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

2.C *Macroeconomic Framework*

114. The Macroeconomic framework is based on the latest Nigerian National real GDP growth and inflation represented by Consumer Price Index (CPI) as estimated in the April, 2020 IMF World Economic Outlook document. The Oil benchmarks and NGN: USD exchange rates are based on the figures in the 2020-2023 Federal Fiscal Strategy Paper document.

Figure 13:Kogi State Macroeconomic Framework

Item	2020	2021	2022	2023
National Inflation	14.13%	11.95%	10.94%	11.02%
National Real GDP Growth	-4.20%	3.00%	4.68%	3.86%
State Inflation				
State Real GDP Growth				
State GDP Actual				
Oil Production Benchmark (MBPD)	1.8000	1.8600	2.0900	2.3800
Oil Price Benchmark	\$28.00	\$40.00	\$40.00	\$40.00
NGN:USD Exchange Rate	360	379	379	379

2.D *Fiscal Strategy and Assumptions*

Policy Statement

115. The fiscal strategy of Government is anchored on the on-going Public Financial Management Reform (PFM). Over the period 2021 -2023 the State Government fiscal policy is directed at:

- 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

116. 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

117. The indicative three-year fiscal framework for the period 2021-2023 is presented in the table below.

Table 7: Kogi State Medium Term Fiscal Framework

Fiscal Framework				
	2020	2021	2022	2023
Recurrent Revenue				
Statutory Allocation	40,035,146,820	45,464,821,474	45,028,142,932	45,371,824,659
VAT	16,808,456,057	13,500,699,687	13,510,458,936	14,545,814,342
IGR	17,044,413,546	20,964,628,662	22,432,152,669	24,002,403,355
Excess Crude / Other Revenue	27,192,975,293	2,556,139,678	2,556,139,678	2,556,139,678
Total Recurrent Revenue	101,080,991,717	82,486,289,501	83,526,894,214	86,476,182,034
Recurrent Expenditure				
CRF Charges	0	0	0	0
Personnel	41,619,187,061	43,848,310,720	44,286,793,827	44,331,080,621
Overheads	37,073,934,905	30,195,793,132	30,799,708,994	31,107,706,084
Total	78,693,121,966	74,044,103,851	75,086,502,821	75,438,786,705
Transfer to Capital Account	22,387,869,751	8,442,185,649	8,440,391,393	11,037,395,329
Capital Receipts				
Grants	11,477,288,154	27,137,655,172	27,137,655,172	27,137,655,172
Other Capital Receipts	0	0	0	0
Total	11,477,288,154	27,137,655,172	27,137,655,172	27,137,655,172



Reserves

Contingency Reserve	1,054,378,948	1,343,096,021	1,343,051,164	1,407,976,263
Planning Reserve	1,054,378,948	1,343,096,021	1,343,051,164	1,407,976,263
Total Reserves	2,108,757,895	2,686,192,041	2,686,102,328	2,815,952,525

Capital Expenditure	42,175,157,905	53,723,840,821	53,722,046,565	56,319,050,501
Discretionary Funds	42,175,157,905	53,723,840,821	53,722,046,565	56,319,050,501
Non-Discretionary Funds	0	0	0	0

Net Financing	8,310,000,000	18,144,000,000	18,144,000,000	18,144,000,000
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Total Budget Size	122,977,037,766	130,454,136,714	131,494,651,714	134,573,789,731
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2.E.1 Assumptions

- 118. Statutory Allocation - is premised on elasticity based forecast consistent with the macroeconomic framework and the numerous assumptions in the 2020-2023 Fiscal Strategy Paper displayed above.
- 119. VAT - is also based on elasticity forecasting using National Real GDP Growth and Inflation data as the explanatory variables for VAT growth.
- 120. Excess Crude/Other Revenue - the previous year excess crude/other revenue (2019), which includes Nigerian National Petroleum Corporation (NNPC) refunds, exchange gains, budget support facilities and all other excess distributions, were used in the forecast using own percentage.
- 121. Internally Generated Revenue (IGR)-IGR forecast was based on own percentage of the actual collections.
- 123. 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 2021-2023 are thus conservatively based on the current 2020 budget.
- 124. Financing (Net Loans) -It is difficult to use forecasting method to predict net loans due to irregular loans expectation.
- 125. Personnel -forecast is based on own percentage using actual historical personnel figures. This assumes gradual growth rate of employment.



- 126. Overheads-the forecasting method used to estimate overhead figures for the period 2021 is own percentage with the hope that cost of running government will maintain the trend.
- 127. Contingency and Planning Reserves - 2% of total revenue has been allocated to the Contingency Reserve which will be used in accordance with Finance Act, during budget implementation. Also 2% deduction of the same total revenue 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.
- 128. Capital Expenditure - is based on the recurrent account surplus plus capital receipts.

2.E.2 Fiscal Trends

- 129. The fiscal trend is depicted in the Figures 15 and 16 below with actual historical revenue and expenditure figures for the period 2014-2019 and 2020-2023 projected figures using the forecasting methods as noted in 3.C.

Figure 15:Kogi State Revenue Trend

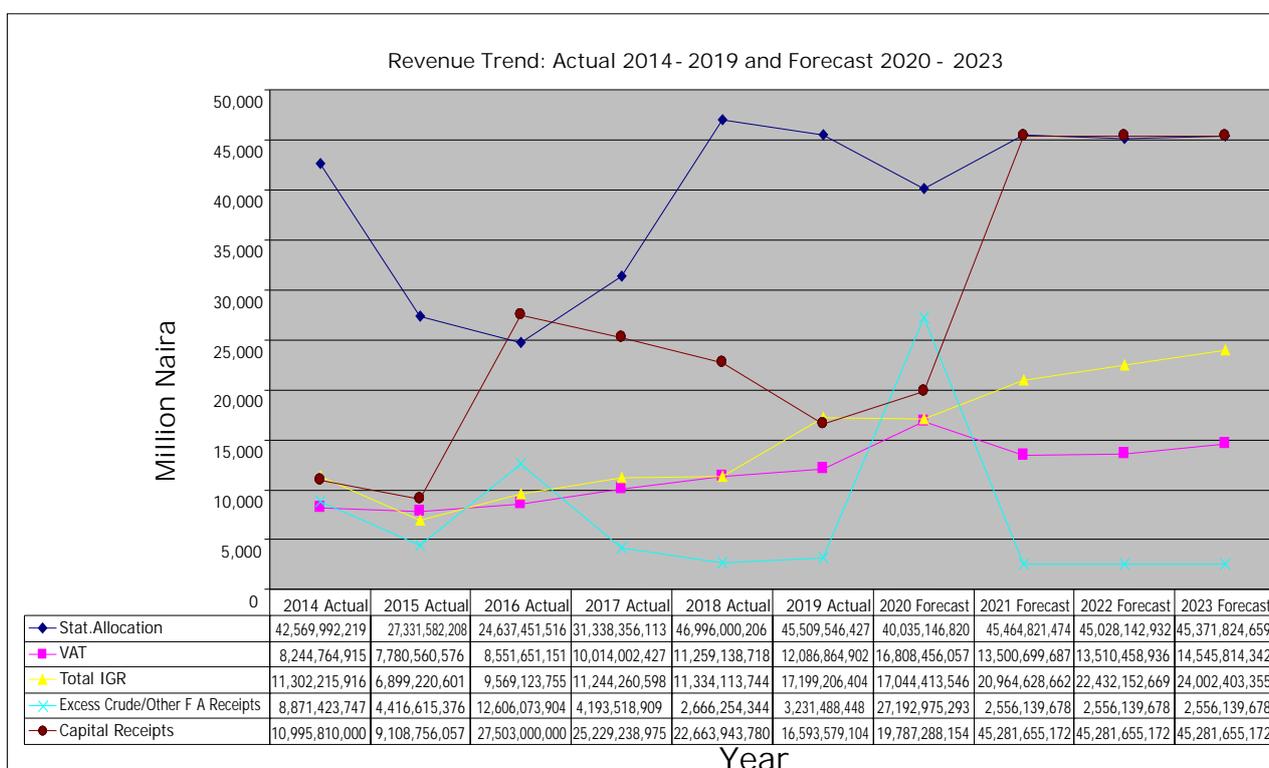
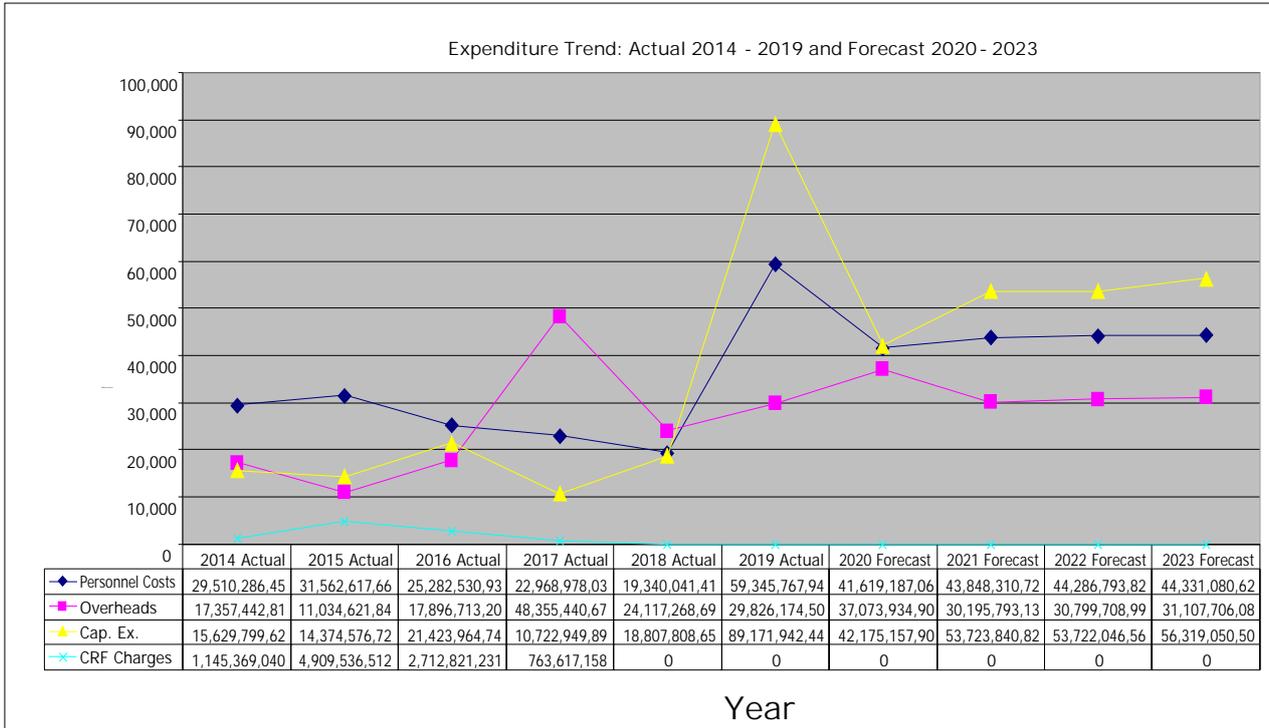




Figure 16:Kogi State Expenditure Trend



2.F Fiscal Risks

130. It is pertinent to note that the ability of the State to achieve the estimated fiscal figures for the 2021-2023 medium term horizon is subject to some fiscal risks. Table 9 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 8: Fiscal Risks

Risk	Likelihood	Reaction
Security challenges nationwide such as Movement for the Actualisation of Sovereign State of Biafra (MASSOB), Indigenous People of Biafra (IPOB), Boko Haram, Kidnapping, Herdsmen Attack, 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 is 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 (grants, PPP etc.)
Floods and other natural disasters e.g. 2012, 2015 and 2018 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.



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.
Challenge of COVID-19 and other related issues	High	This seriously contracted the expected revenues for the approved 2020 Budget. Expectedly, calls are getting louder for the approved budget to be revised to reflect the plummeted revenues

131. It should be noted however that no budget is without risk. The ongoing implementation of the 2020 budget should be closely monitored



SECTION 3

Budget Policy Statement

3.A Budget Policy Thrust

132. The Medium Term Expenditure Framework (2021 - 2023) 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)

Figure 17: Expenditure by Sector (proposed 2021-2023)

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



Indicative Sector Expenditure Ceilings 2021 -2023

Personnel Expenditure by Sector							
No.	Sector	% 2021	2021 Allocation	% 2022	2022 Allocation	% 2023	2023 Allocation
1	Administrative	21.17%	9,282,687,379	21.17%	9,375,514,253	21.17%	9,384,889,767
2	Economic	11.74%	5,147,791,678	11.74%	5,199,269,595	11.74%	5,204,468,865
3	Law & Justice	9.66%	4,235,746,816	9.66%	4,278,104,284	9.66%	4,282,382,388
4	Social	57.43%	25,182,084,846	57.43%	25,433,905,695	57.43%	25,459,339,600
	Total	100.00%	43,848,310,720	100.00%	44,286,793,827	100.00%	44,331,080,621

Indicative Sector Expenditure Ceilings 2021-2023

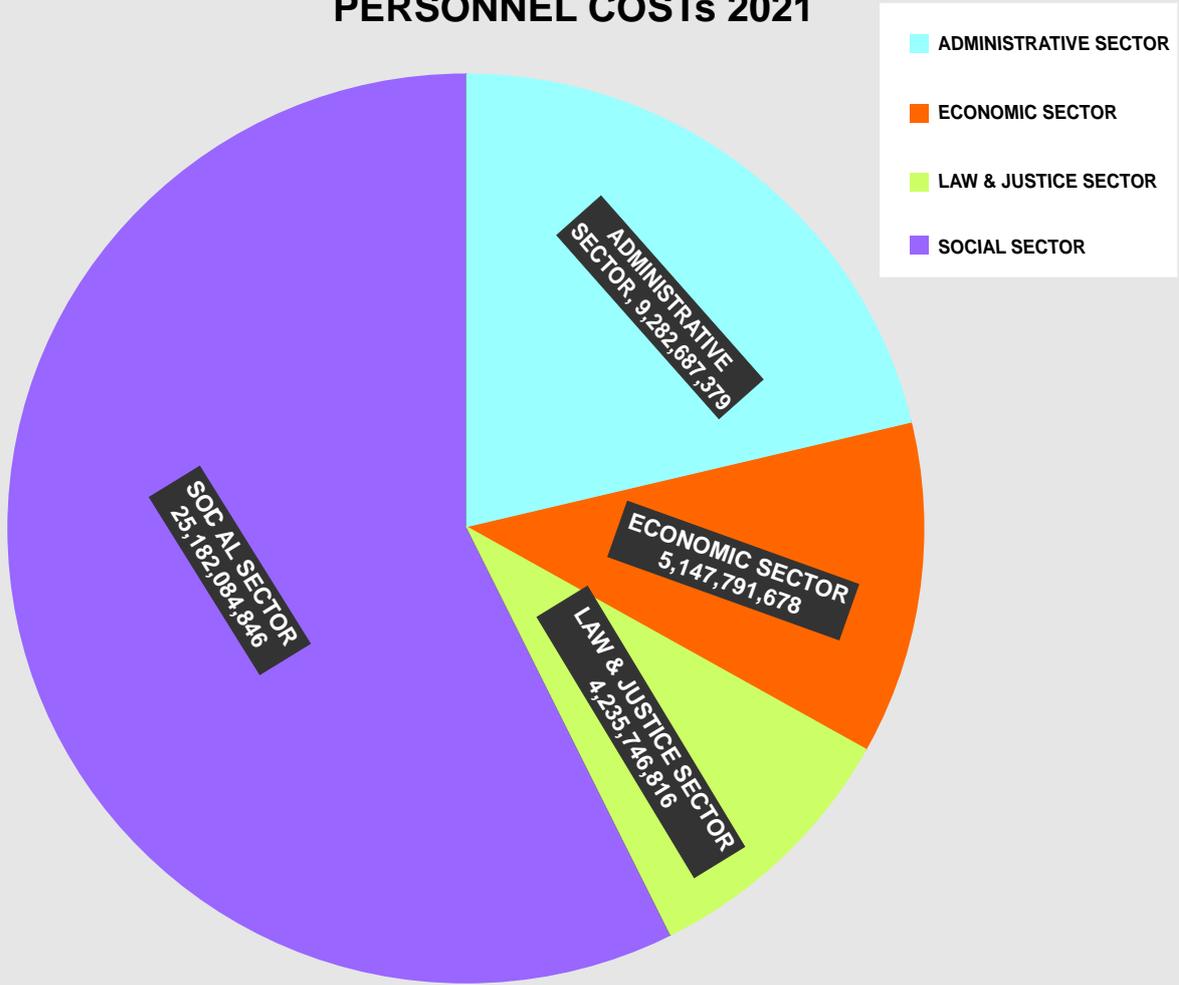
Overhead Costs by Sector							
No.	Sector	% 2021	2021 Allocation	% 2022	2022 Allocation	% 2023	2023 Allocation
1	Administrative	68.85%	20,789,803,571	68.85%	21,205,599,643	68.85%	21,417,655,639
2	Economic	14.29%	4,314,978,839	14.29%	4,401,278,415	14.29%	4,445,291,199
3	Law & Justice	5.79%	1,748,336,422	5.79%	1,783,303,151	5.79%	1,801,136,182
4	Social	11.07%	3,342,674,300	11.07%	3,409,527,786	11.07%	3,443,623,064
	Total	100.00%	30,195,793,132	100.00%	30,799,708,994	100.00%	31,107,706,084

Indicative Sector Expenditure Ceilings 2021 -2023

Capital Expenditure by Sector							
No.	Sector	% 2021	2021 Allocation	% 2022	2022 Allocation	% 2023	2023 Allocation
1	Administrative	19.99%	10,739,395,780	19.99%	10,739,037,108	19.99%	11,258,178,195
2	Economic	56.71%	30,466,790,130	56.71%	30,465,772,607	56.71%	31,938,533,539
3	Law & Justice	2.33%	1,251,765,491	2.33%	1,251,723,685	2.33%	1,312,233,877
4	Social	20.97%	11,265,889,420	20.97%	11,265,513,165	20.97%	11,810,104,890
	Total	100.00%	53,723,840,821	100.00%	53,722,046,565	100.00%	56,319,050,501



PERSONNEL COSTs 2021





KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

PROJECTIONS FOR THE PROPOSED YEARS						
PERSONNEL COST						
ADMINISTRATIVE SECTOR						
Description	Percentage %	Estimates 2021	Percentage %	Estimates 2022	Percentage %	Estimates 2023
011100100100 GOVERNMENT HOUSE.	0.46	123,734,710	0.46	124,972,057	0.46	125,097,029
011100100200 EMERGENCY MGT AGENCY.	0.06	17,237,014	0.06	17,409,384	0.06	17,426,794
011100100300 CHRISTIAN PILGRIMS COMMISSION.	0.04	11,304,396	0.04	11,417,440	0.04	11,428,858
011100100400 KOGI STATE HAJJ COMMISSION.	0.07	19,627,255	0.07	19,823,527	0.07	19,843,351
011100100500 STATE SECURITY TRUST FUND.	0.02	4,734,488	0.02	4,781,833	0.02	4,786,615
011100200100 DEPUTY GOVERNOR'S OFFICE.	0.14	37,404,989	0.14	37,779,039	0.14	37,816,818
011100300100 OFFICE OF THE SSG.	4.31	1,154,109,855	4.31	1,165,650,954	4.31	1,166,816,605
011100700100 KOGI STATE ENTERPRISES DEVELOPMENT AGENCY	0.00	0	0.00	0	0.00	0
011101000100 BUREAU OF PUBLIC PROCUREMENT (BPP).	0.00	0	0.00	0	0.00	0
011103500100 BUREAU OF STATE PENSION.	24.73	6,628,409,093	24.73	6,694,693,184	24.73	6,701,387,877
011104800100 BUREAU OF LOCAL GOVT PENSION.	0.08	22,029,417	0.08	22,249,711	0.08	22,271,961
011111100100 BUREAU OF PUBLIC PRIVATE PARTNERSHIP.	0.05	13,189,000	0.05	13,320,890	0.05	13,334,211
011200100100 KOGI STATE HOUSE OF ASSEMBLY.	1.41	376,955,338	1.41	380,724,892	1.41	381,105,617
011200200100 KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION.	0.12	31,653,134	0.12	31,969,665	0.12	32,001,635
012300100100 MINISTRY OF INFORMATION AND COMMUNICATION.	0.19	52,176,023	0.19	52,697,783	0.19	52,750,481
012300300100 KOGI STATE BROADCASTING CORPORATION .	0.43	115,306,705	0.43	116,459,772	0.43	116,576,232
012301300100 KOGI STATE NEWSPAPER CORPORATION .	0.19	52,022,106	0.19	52,542,327	0.19	52,594,869



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

012400200100 KOGI STATE FIRE AGENCY.	0.08	21,167,021	0.08	21,378,691	0.08	21,400,070
012500100100 OFFICE OF THE HEAD OF CIVIL SERVICE.	1.71	458,819,988	1.71	463,408,188	1.71	463,871,596
014000100100 OFFICE OF THE STATE AUDITOR-GENERAL.	0.21	57,103,878	0.21	57,674,917	0.21	57,732,592
014000100200 OFFICE OF THE LOCAL GOVT. AUDITOR-GENERAL.	0.11	29,589,369	0.11	29,885,263	0.11	29,915,148
014700100100 CIVIL SERVICE COMMISSION.	0.09	24,042,602	0.09	24,283,028	0.09	24,307,311
014800100100 STATE INDEPENDENT ELECTORAL COMMISSION (SIEC).	0.00	0	0.00	0	0.00	0
015000100100 LOCAL GOVT. SERVICE COMMISSION.	0.12	32,070,997	0.12	32,391,707	0.12	32,424,099
Sub-Total	34.63	9,282,687,379	34.63	9,375,514,253	34.63	9,384,889,767
ECONOMIC SECTOR						
021500100100 MINISTRY OF AGRICULTURE.	1.08	576,867,216	1.08	582,635,889	1.08	583,218,524
021500300100 KOGI AGRICULTURAL DEVELOPMENT PROJECT (ADP).	0.78	414,996,298	0.78	419,146,261	0.78	419,565,407
021500500100 KOGI AGRO-ALLIED COMPANY.	0.13	70,258,254	0.13	70,960,836	0.13	71,031,797
021500600100 KOGI LAND DEV. BOARD.	0.03	14,971,797	0.03	15,121,515	0.03	15,136,636
022000100100 MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	0.25	131,416,128	0.25	132,730,289	0.25	132,863,020
022000700100 OFFICE OF THE ACCOUNTANT GENERAL .	1.86	990,762,486	1.86	1,000,670,111	1.86	1,001,670,781
022000800100 KOGI STATE INTERNAL REVENUE SERVICE.	2.69	1,433,865,188	2.69	1,448,203,840	2.69	1,449,652,044
022001100100 KOGI INVESTMENT & PROPERTIES LTD.	0.00	0	0.00	0	0.00	0
022200100100 MIN. OF COMMERCE & INDUSTRY.	0.19	98,859,328	0.19	99,847,921	0.19	99,947,769
022205300100 KOGI STATE MARKET DEVELOPMENT BOARD.	0.02	11,330,558	0.02	11,443,864	0.02	11,455,308



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

022900100100 MINISTRY OF TRANSPORT.	0.12	65,237,612	0.12	65,889,988	0.12	65,955,878
022900300100 ROAD MAINTENANCE AGENCY.	0.05	28,662,543	0.05	28,949,169	0.05	28,978,118
023305100100 MINISTRY OF SOLID MINERAL.	0.04	18,694,235	0.04	18,881,177	0.04	18,900,058
023305100200 KOGI STATE SOLID MINERALS PROCESSING COMPANY LTD	0.00	0	0.00	0	0.00	0
023400100100 MINISTRY OF WORKS AND HOUSING.	0.53	280,635,043	0.53	283,441,393	0.53	283,724,835
023600100100 MIN. OF CULTURE & TOURISM .	0.11	57,579,392	0.11	58,155,186	0.11	58,213,341
023600300100 COUNCIL FOR ARTS AND CULTURE .	0.15	77,701,614	0.15	78,478,630	0.15	78,557,109
023605200100 HOTEL AND TOURISM BOARD .	0.03	15,684,456	0.03	15,841,300	0.03	15,857,142
023800200100 STATE BUREAU OF STATISTICS.	0.05	29,356,229	0.05	29,649,791	0.05	29,679,441
025200100100 MINISTRY OF WATER RESOURCES.	0.13	69,002,714	0.13	69,692,741	0.13	69,762,434
025210200100 KOGI STATE WATER BOARD.	0.53	282,448,399	0.53	285,272,883	0.53	285,558,156
025210300100 RURAL WATER AND SANITATION AGENCY (RUWASSA).	0.00	1,236,389	0.00	1,248,753	0.00	1,250,002
025300100100 BUREAU FOR LANDS AND URBAN DEVELOPMENT.	0.43	228,054,775	0.43	230,335,323	0.43	230,565,659
025300900100 KOGI STATE TOWN PLANNING AND DEVELOPMENT BOARD.	0.26	136,255,999	0.26	137,618,559	0.26	137,756,178
026100100100 MINISTRY OF RURAL DEVELOPMENT.	0.21	113,915,024	0.21	115,054,175	0.21	115,169,229
Sub-Total	9.64	5,147,791,678	9.64	5,199,269,595	9.64	5,204,468,865
LAW & JUSTICE SECTOR						
031801100100 KOGI STATE JUDICIAL SERVICE COMMISSION.	0.21	128,423,430	0.21	129,707,664	0.21	129,837,372
032600100100 MINISTRY OF JUSTICE.	1.02	617,885,779	1.02	624,064,637	1.02	624,688,701



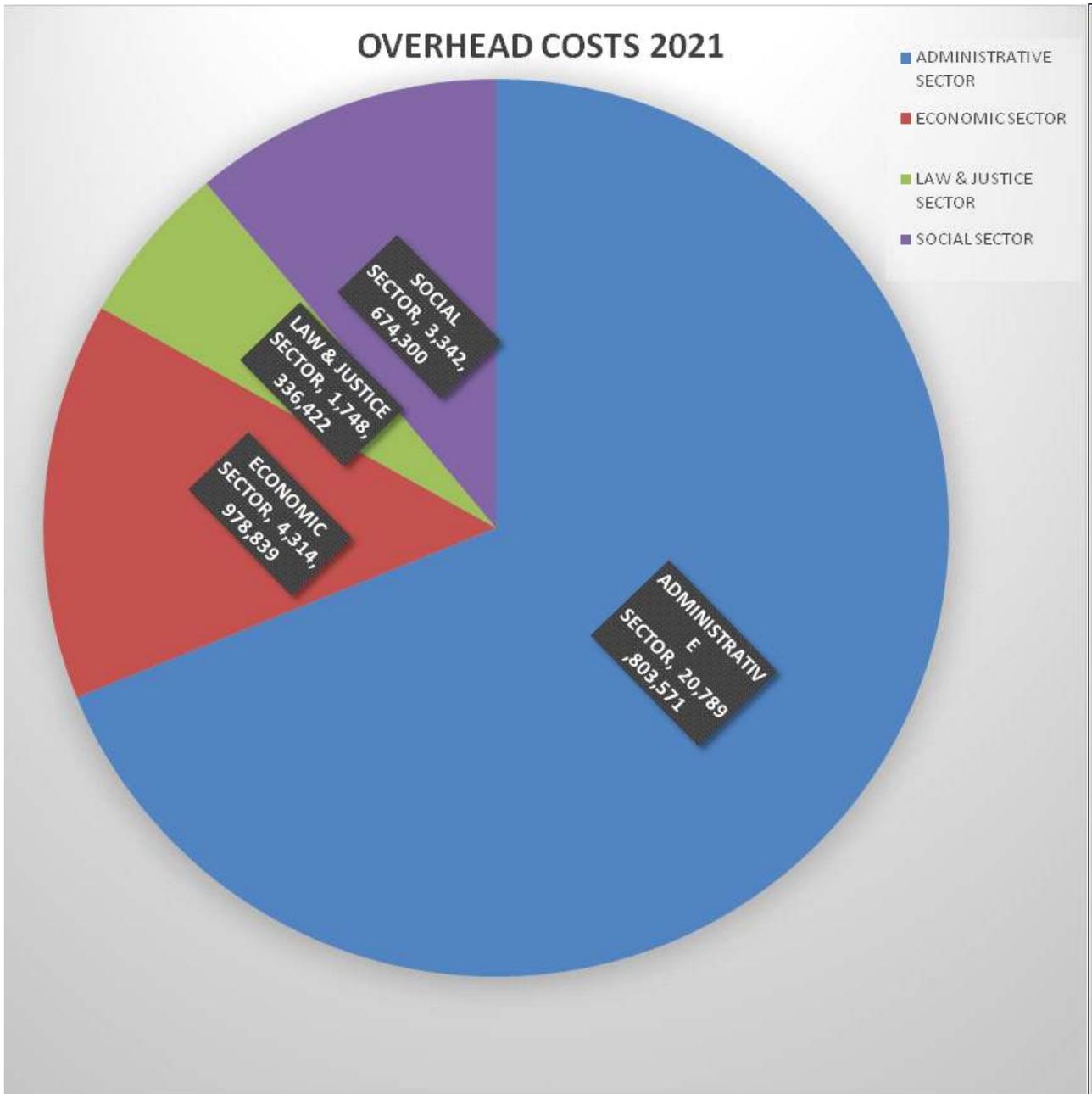
KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

032600700100 KOGI STATE OFFICE OF THE PUBLIC DEFENDER AND CITIZENS' RIGHTS COMMISSION.	0.00	0	0.00	0	0.00	0
032605100100 HIGH COURT OF JUSTICE.	3.96	2,398,382,529	3.96	2,422,366,354	3.96	2,424,788,720
032605200100 CUSTOMARY COURT OF APPEAL.	0.96	583,522,290	0.96	589,357,513	0.96	589,946,870
032605300100 SHARIA COURT OF APPEAL.	0.84	507,532,788	0.84	512,608,116	0.84	513,120,724
Sub-Total	6.99	4,235,746,816	6.99	4,278,104,284	6.99	4,282,382,388
SOCIAL SECTOR						
051300100100 MINISTRY OF YOUTH & SPORTS.	0.09	45,301,112	0.09	45,754,123	0.09	45,799,877
051300100200 KOGI STATE SPORTS COUNCIL.	0.20	102,232,626	0.20	103,254,952	0.20	103,358,207
051400100100 MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT.	0.18	92,278,896	0.18	93,201,685	0.18	93,294,887
051700100100 MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY.	0.61	313,700,886	0.61	316,837,895	0.61	317,154,733
051700200100 STATE UNIVERSAL BASIC EDUCATION BOARD.	0.50	257,527,445	0.50	260,102,719	0.50	260,362,822
051700800100 KOGI STATE LIBRARY BOARD.	0.05	25,790,819	0.05	26,048,727	0.05	26,074,776
051700900100 ADULT & NON-FORMAL EDUCATION BOARD.	0.15	75,795,383	0.15	76,553,337	0.15	76,629,890
051701800100 KOGI STATE POLYTECHNIC, LOKOJA.	3.81	1,969,326,273	3.81	1,989,019,536	3.81	1,991,008,555
051701900100 COLLEGE OF EDUCATION, ANKPA.	3.80	1,965,219,409	3.80	1,984,871,603	3.80	1,986,856,474
051702000100 COLLEGE OF EDUCATION TECHNICAL, KABBA.	0.91	467,718,571	0.91	472,395,757	0.91	472,868,152
051702100100 KOGI STATE UNIVERSITY, ANYIGBA.	7.11	3,672,797,233	7.11	3,709,525,205	7.11	3,713,234,730
051702500100 KOGI STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY, OSARA	0.00	0	0.00	0	0.00	0



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

051705400100 KOGI STATE SCIENCE, TECHNOLOGY EDUCATION AND TEACHING SERVICE COMMISSION .	12.45	6,431,948,344	12.45	6,496,267,827	12.45	6,502,764,095
051705600100 STATE SCHOLARSHIP BOARD.	0.02	10,198,359	0.02	10,300,342	0.02	10,310,643
051706500100 NIGERIA-KOREA FRIENDSHIP INSTITUTE.	0.10	53,413,786	0.10	53,947,924	0.10	54,001,872
052100100100 MINISTRY OF HEALTH	4.53	2,338,584,104	4.53	2,361,969,945	4.53	2,364,331,915
052100200100 KOGI STATE HEALTH INSURANCE AGENCY	0.00	0	0.00	0	0.00	0
052100300100 PRIMARY HEALTHCARE DEVELOPMENT AGENCY.	0.15	76,025,280	0.15	76,785,533	0.15	76,862,318
052102600100 KOGI STATE UNIVERSITY TEACHING HOSPITAL, ANYIGBA.	1.40	721,109,073	1.40	728,320,163	1.40	729,048,483
052102700100 KOGI STATE SPECIALIST HOSPITAL, LOKOJA.	2.15	1,111,769,435	2.15	1,122,887,129	2.15	1,124,010,017
052110200100 KOGI STATE HOSPITAL MANAGEMENT BOARD.	7.64	3,947,948,542	7.64	3,987,428,028	7.64	3,991,415,456
052110400100 COLLEGE OF NURSING AND MIDWIFERY, OBANGEDE.	0.42	219,322,984	0.42	221,516,213	0.42	221,737,730
052110600100 COLLEGE OF HEALTH SCIENCE & TECHNOLOGY, IDAH.	0.48	248,462,864	0.48	250,947,493	0.48	251,198,440
053500100100 MINISTRY OF ENVIRONMENT.	0.26	133,370,228	0.26	134,703,930	0.26	134,838,634
053501600100 STATE ENVIRONMENTAL PROTECTION AGENCY.	0.09	46,793,367	0.09	47,261,301	0.09	47,308,562
053505300100 SANITATION & WASTE MANAGEMENT BOARD.	0.36	187,198,323	0.36	189,070,306	0.36	189,259,376
055100100100 MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS.	1.29	668,251,505	1.29	674,934,020	1.29	675,608,954
Sub-Total	48.74	25,182,084,846	48.74	25,433,905,695	48.74	25,459,339,600
Total Personnel Costs	100	43,848,310,720	100	44,286,793,827	100	44,331,080,621





KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

OVERHEAD COSTS						
ADMINISTRATIVE SECTOR						
Description	Percentage %	Estimates 2021	Percentage %	Estimates 2022	Percentage %	Estimates 2023
011100100100 GOVERNMENT HOUSE.	59.27	17,634,514,216	59.27	17,987,204,500	59.27	18,167,076,545
011100100200 EMERGENCY MGT AGENCY.	0.05	15,258,976	0.05	15,564,155	0.05	15,719,797
011100100300 CHRISTIAN PILGRIMS COMMISSION.	0.04	12,918,266	0.04	13,176,631	0.04	13,308,397
011100100400 KOGI STATE HAJJ COMMISSION.	0.09	26,872,388	0.09	27,409,836	0.09	27,683,934
011100100500 STATE SECURITY TRUST FUND.	0.30	90,669,814	0.30	92,483,210	0.30	93,408,042
011100200100 DEPUTY GOVERNOR'S OFFICE.	2.60	773,107,879	2.60	788,570,036	2.60	796,455,737
011100300100 OFFICE OF THE SSG.	1.61	479,037,430	1.61	488,618,178	1.61	493,504,360
011100700100 KOGI STATE ENTERPRISES DEVELOPMENT AGENCY						
011101000100 BUREAU OF PUBLIC PROCUREMENT (BPP).	0.13	38,244,169	0.13	39,009,052	0.13	39,399,143
011103300100 KOGI STATE HIV/AIDS CONTROL AGENCY.	0.00	954,444	0.00	973,533	0.00	983,268
011103500100 BUREAU OF STATE PENSION.	0.03	8,549,463	0.03	8,720,452	0.03	8,807,657
011104800100 BUREAU OF LOCAL GOVT PENSION.	0.01	1,923,978	0.01	1,962,458	0.01	1,982,083
011111100100 BUREAU OF PUBLIC PRIVATE PARTNERSHIP.	0.14	43,066,830	0.14	43,928,167	0.14	44,367,449
011200100100 KOGI STATE HOUSE OF ASSEMBLY.	1.86	552,564,675	1.86	563,615,968	1.86	569,252,128
011200200100 KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION.	0.41	121,106,535	0.41	123,528,666	0.41	124,763,952
012300100100 MINISTRY OF INFORMATION AND COMMUNICATION.	0.32	94,591,133	0.32	96,482,956	0.32	97,447,785
012300300100 KOGI STATE BROADCASTING CORPORATION .	0.29	86,313,653	0.29	88,039,926	0.29	88,920,325



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

012301300100 KOGI STATE NEWSPAPER CORPORATION .	0.04	12,249,376	0.04	12,494,363	0.04	12,619,307
012400200100 KOGI STATE FIRE AGENCY.	0.01	1,490,140	0.01	1,519,943	0.01	1,535,143
012500100100 OFFICE OF THE HEAD OF CIVIL SERVICE.	0.65	193,207,845	0.65	197,072,002	0.65	199,042,722
014000100100 OFFICE OF THE STATE AUDITOR-GENERAL.	0.64	191,328,030	0.64	195,154,590	0.64	197,106,136
014000100200 OFFICE OF THE LOCAL GOVT. AUDITOR-GENERAL.	0.91	271,813,057	0.91	277,249,318	0.91	280,021,812
014700100100 CIVIL SERVICE COMMISSION.	0.07	21,345,161	0.07	21,772,064	0.07	21,989,785
014800100100 STATE INDEPENDENT ELECTORAL COMMISSION (SIEC).	0.07	20,585,779	0.07	20,997,495	0.07	21,207,470
015000100100 LOCAL GOVT. SERVICE COMMISSION.	0.33	98,090,336	0.33	100,052,142	0.33	101,052,664
Sub-Total	69.88	20,789,803,571	69.88	21,205,599,643	69.88	21,417,655,639
ECONOMIC SECTOR						
021500100100 MINISTRY OF AGRICULTURE.	0.09	20,288,745	0.09	20,694,520	0.09	20,901,465
021500300100 KOGI AGRICULTURAL DEVELOPMENT PROJECT (ADP).	0.02	4,681,489	0.02	4,775,119	0.02	4,822,870
021500500100 KOGI AGRO-ALLIED COMPANY.	0.00	606,111	0.00	618,233	0.00	624,415
021500600100 KOGI LAND DEV. BOARD.	0.00	537,858	0.00	548,615	0.00	554,101
022000100100 MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	8.46	1,888,702,061	8.46	1,926,476,102	8.46	1,945,740,863
022000700100 OFFICE OF THE ACCOUNTANT GENERAL .	1.75	390,556,889	1.75	398,368,027	1.75	402,351,707
022000800100 KOGI STATE INTERNAL REVENUE SERVICE.	8.09	1,806,094,881	8.09	1,842,216,778	8.09	1,860,638,946
022001100100 KOGI INVESTMENT & PROPERTIES LTD.	0.00	0	0.00	0	0.00	0
022200100100 MIN. OF COMMERCE & INDUSTRY.	0.03	6,874,111	0.03	7,011,593	0.03	7,081,709



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

022205300100 KOGI STATE MARKET DEVELOPMENT BOARD.	0.03	5,881,955	0.03	5,999,594	0.03	6,059,590
022900100100 MINISTRY OF TRANSPORT.	0.02	4,805,274	0.02	4,901,380	0.02	4,950,394
022900300100 ROAD MAINTENANCE AGENCY.	0.02	5,564,641	0.02	5,675,934	0.02	5,732,693
023305100100 MINISTRY OF SOLID MINERAL.	0.14	31,730,959	0.14	32,365,579	0.14	32,689,234
023305100200 KOGI STATE SOLID MINERALS PROCESSING COMPANY LTD	0.00	0	0.00	0	0.00	0
023400100100 MINISTRY OF WORKS AND HOUSING.	0.03	7,002,694	0.03	7,142,748	0.03	7,214,176
023600100100 MIN. OF CULTURE & TOURISM .	0.27	59,241,268	0.27	60,426,093	0.27	61,030,354
023600300100 COUNCIL FOR ARTS AND CULTURE .	0.10	22,145,412	0.10	22,588,321	0.10	22,814,204
023605200100 HOTEL AND TOURISM BOARD .	0.00	245,080	0.00	249,982	0.00	252,482
023800200100 STATE BUREAU OF STATISTICS.	0.11	23,733,788	0.11	24,208,464	0.11	24,450,549
025000100100 KOGI STATE FISCAL RESPONSIBILITY COMMISSION	0.04	8,956,571	0.04	9,135,703	0.04	9,227,060
025200100100 MINISTRY OF WATER RESOURCES.	0.01	3,013,660	0.01	3,073,933	0.01	3,104,672
025210200100 KOGI STATE WATER BO ARD.	0.02	5,351,618	0.02	5,458,651	0.02	5,513,237
025210300100 RURAL WATER AND SANITATION AGENCY (RUWASSA).	0.01	1,553,575	0.01	1,584,647	0.01	1,600,493
025300100100 BUREAU FOR LANDS AND URBAN DEVELOPMENT.	0.05	11,339,184	0.05	11,565,967	0.05	11,681,627
025300900100 KOGI STATE TOWN PLANNING AND DEVELOPMENT BOARD.	0.02	3,985,909	0.02	4,065,627	0.02	4,106,283
026100100100 MINISTRY OF RURAL DEVELOPMENT.	0.01	2,085,104	0.01	2,126,806	0.01	2,148,074
Sub-Total	19.33	4,314,978,839	19.33	4,401,278,415	19.33	4,445,291,199



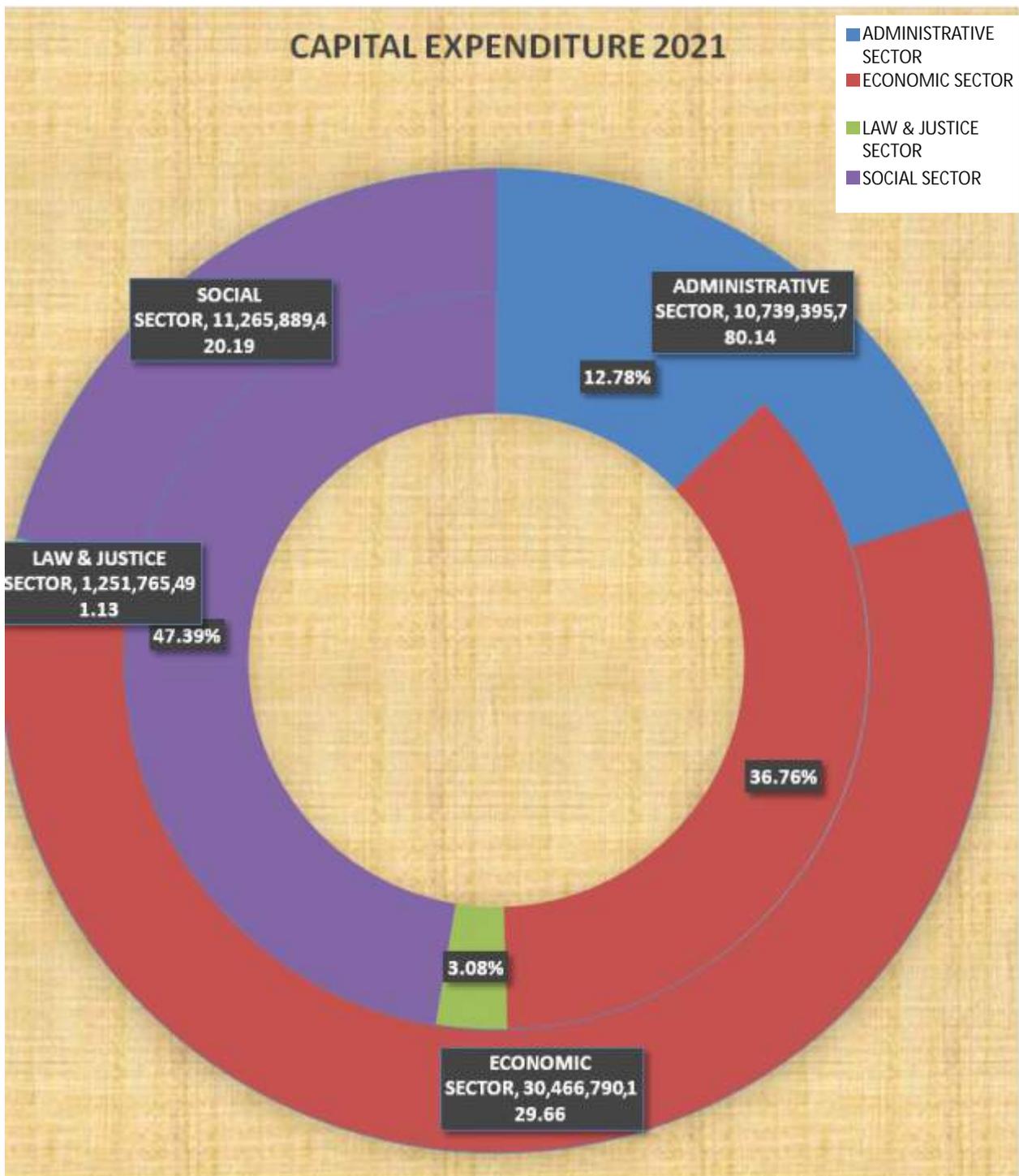
KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

LAW & JUSTIC SECTOR						
031801100100 KOGI STATE JUDICIAL SERVICE COMMISSION.	0.12	71,939,233	0.12	73,378,018	0.12	74,111,798
032600100100 MINISTRY OF JUSTICE.	1.46	883,711,274	1.46	901,385,500	1.46	910,399,355
032600700100 KOGI STATE OF FICE OF THE PUBLIC DEFENDER AND CITIZENS' RIGHTS COMMISSION.	0.00	0	0.00	0	0.00	0
032605100100 HIGH COURT OF JUSTICE.	0.80	484,163,347	0.80	493,846,614	0.80	498,785,080
032605200100 CUSTOMARY COURT OF APPEAL.	0.29	178,213,197	0.29	181,777,461	0.29	183,595,235
032605300100 SHARIA COURT OF APPEAL.	0.21	130,309,371	0.21	132,915,559	0.21	134,244,714
Sub-Total	2.88	1,748,336,422	2.88	1,783,303,151	2.88	1,801,136,182
SOCIAL SECTOR						
051300100100 MINISTRY OF YOUTH & SPORTS.	0.26	109,272,547	0.26	111,457,998	0.26	112,572,578
051300100200 KOGI STATE SPORTS COUNCIL.	0.02	6,967,902	0.02	7,107,260	0.02	7,178,332
051400100100 MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT.	0.16	67,201,247	0.16	68,545,272	0.16	69,230,725
051700100100 MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY.	0.62	262,013,223	0.62	267,253,487	0.62	269,926,022
051700200100 STATE UNIVERSAL BASIC EDUCATION BOARD.	0.10	41,705,837	0.10	42,539,954	0.10	42,965,353
051700800100 KOGI STATE LIBRARY BOARD.	0.00	1,378,429	0.00	1,405,998	0.00	1,420,058
051700900100 ADULT & NON-FORMAL EDUCATION BOARD.	0.04	18,533,364	0.04	18,904,031	0.04	19,093,072
051701800100 KOGI STATE POLYTECHNIC, LOKOJA.	1.08	455,557,257	1.08	464,668,402	1.08	469,315,086
051701900100 COLLEGE OF EDUCATION, ANKPA.	0.27	114,912,891	0.27	117,211,149	0.27	118,383,260
051702000100 COLLEGE OF EDUCATION TECHNICAL, KABBA.	0.19	82,293,602	0.19	83,939,474	0.19	84,778,869
051702100100 KOGI STATE UNIVERSITY, ANYIGBA.	1.75	739,913,800	1.75	754,712,076	1.75	762,259,197



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

051702500100 KOGI STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY, OSARA	0.00	0	0.00	0	0.00	0
051705400100 KOGI STATE SCIENCE, TECHNOLOGY EDUCATION AND TEACHING SERVICE COMMISSION .	0.12	48,890,267	0.12	49,868,073	0.12	50,366,754
051705600100 STATE SCHOLARSHIP BOARD.	0.01	3,838,120	0.01	3,914,883	0.01	3,954,031
051706500100 NIGERIA-KOREA FRIENDSHIP INSTITUTE.	0.18	77,635,524	0.18	79,188,235	0.18	79,980,117
052100100100 MINISTRY OF HEALTH	0.63	265,331,158	0.63	270,637,781	0.63	273,344,159
052100200100 KOGI STATE HEALTH INSURANCE AGENCY	0.00	0	0.00	0	0.00	0
052100300100 PRIMARY HEALTHCARE DEVELOPMENT AGENCY.	0.32	135,831,021	0.32	138,547,642	0.32	139,933,118
052102600100 KOGI STATE UNIVERSITY TEACHING HOSPITAL, ANYIGBA.	0.09	37,349,499	0.09	38,096,489	0.09	38,477,454
052102700100 KOGI STATE SPECIALIST HOSPITAL, LOKOJA.	0.21	89,570,575	0.21	91,361,986	0.21	92,275,606
052110200100 KOGI STATE HOSPITAL MANAGEMENT BOARD.	0.10	43,629,913	0.10	44,502,512	0.10	44,947,537
052110400100 COLLEGE OF NURSING AND MIDWIFERY, OBANGEDE.	0.16	66,256,081	0.16	67,581,203	0.16	68,257,015
052110600100 COLLEGE OF HEALTH SCIENCE & TECHNOLOGY, IDAH.	0.06	25,626,314	0.06	26,138,840	0.06	26,400,229
053500100100 MINISTRY OF ENVIRONMENT.	0.42	178,666,641	0.42	182,239,974	0.42	184,062,374
053501600100 STATE ENVIRONMENTAL PROTECTION AGENCY.	0.00	1,515,748	0.00	1,546,063	0.00	1,561,524
053505300100 SANITATION & WASTE MANAGEMENT BOARD.	0.12	48,767,109	0.12	49,742,451	0.12	50,239,875
055100100100 MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS.	0.99	420,016,229	0.99	428,416,554	0.99	432,700,719
Sub-Total	7.91	3,342,674,300	7.91	3,409,527,786	7.91	3,443,623,064
Total Overhead Costs	100	30,195,793,132	100	30,799,708,994	100	31,107,706,084





CAPITAL EXPENDITURE ANALYSIS						
ADMINISTRATIVE SECTOR						
Description	Percentage %	Estimates 2021	Percentage %	Estimates 2022	Percentage %	Estimates 2023
011100100100 GOVERNMENT HOUSE	2.55	2,144,652,452	2.55	1,370,576,291	2.55	1,436,831,995
011100100300 CHRISTIAN PILGRIMS COMMISSION	0.05	39,771,006	0.05	25,416,332	0.05	26,644,995
011100200100 DEPUTY GOVERNORS OFFICE	0.77	650,779,652	0.77	415,891,703	0.77	435,996,529
011100300100 OFFICE OF THE SECRETARY TO THE STATE GOVERNMENT	0.29	246,671,316	0.29	157,639,462	0.29	165,259,989
011101000100 BUREAU OF PUBLIC PROCUREMENT (BPP)	0.00	0	0.00	0	0.00	0
01111100100 BUREAU OF PUBLIC PRIVATE PARTNERSHIP	0.01	11,475,909	0.01	7,333,873	0.01	7,688,403
011200100100 KOGI STATE HOUSE OF ASSEMBLY	4.29	3,603,775,336	4.29	2,303,053,359	4.29	2,414,386,396
011200200100 KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION	0.29	245,207,986	0.29	156,704,296	0.29	164,279,615
012300100100 MINISTRY OF INFORMATION AND COMMUNICATION	0.61	513,024,727	0.61	327,857,097	0.61	343,706,199
012500100100 OFFICE OF THE HEAD OF CIVIL SERVICE	2.71	2,280,217,202	2.71	1,457,211,228	2.71	1,527,654,995
014000100100 OFFICE OF THE STATE AUDITOR-GENERAL	0.00	0	0.00	0	0.00	0
014000100200 OFFICE OF THE LOCAL GOVT AUDITOR-GENERAL	0.01	5,737,954	0.01	3,666,936	0.01	3,844,202
014700100100 CIVIL SERVICE COMMISSION	0.06	49,346,407	0.06	31,535,653	0.06	33,060,134
014800100100 STATE INDEPENDENT ELECTORAL COMMISSION (SIEC)	1.13	948,735,832	1.13	606,305,622	1.13	635,615,340
015000100100 LOCAL GOVERNMENT SERVICE COMMISSION	0.00	0	0.00	0	0.00	0
Sub-Total	12.78	10,739,395,780	12.78	6,863,191,851	12.78	7,194,968,791



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

ECONOMIC SECTOR						
021500100100 MINISTRY OF AGRICULTURE	8.71	7,220,385,770	8.71	4,680,007,612	8.71	4,906,246,167
022000100100 MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	1.43	1,185,632,107	1.43	768,486,264	1.43	805,636,037
022000700100 OFFICE OF THE ACCOUNTANT GENERAL	0.81	673,500,517	0.81	436,540,048	0.81	457,643,045
022000800100 KOGI STATE INTERNAL REVENUE SERVICE (KGIRS)	1.17	973,582,414	1.17	631,042,891	1.17	661,548,446
022001100100 KOGI INVESTMENT & PROPERTIES LTD	0.00	0	0.00	0	0.00	0
022200100100 MIN. OF COMMERCE & INDUSTRY	1.77	1,469,353,628	1.77	952,384,870	1.77	998,424,577
022900100100 MINISTRY OF TRANSPORT	0.87	718,400,552	0.87	465,642,717	0.87	488,152,581
022900300100 ROAD MAINTENANCE AGENCY	2.03	1,683,751,293	2.03	1,091,350,119	2.03	1,144,107,613
023305100100 MINISTRY OF SOLID MINERAL AND NATURAL RESOURCES	0.44	364,812,780	0.44	236,459,192	0.44	247,889,983
023400100100 MINISTRY OF WORKS AND HOUSING	12.50	10,360,589,561	12.50	6,715,380,528	12.50	7,040,012,049
023600100100 MIN. OF CULTURE & TOURISM	0.53	437,805,270	0.53	283,770,433	0.53	297,488,319
025200100100 MINISTRY OF WATER RESOURCES	2.44	2,020,501,552	2.44	1,309,620,143	2.44	1,372,929,135
025210200100 KOGI STATE WATER BOARD	0.16	130,958,434	0.16	84,882,787	0.16	88,986,148
025300100100 BUREAU FOR LANDS AND URBAN DEVELOPMENT	1.79	1,482,012,445	1.79	960,589,883	1.79	1,007,026,232
026100100100 MINISTRY OF RURAL DEVELOPMENT	2.11	1,745,503,807	2.11	1,131,375,991	2.11	1,186,068,395
Sub-Total	36.76	30,466,790,130	36.76	19,747,533,476	36.76	20,702,158,727
LAW & JUSTICE SECTOR						
031801100100 KOGI STATE JUDICIAL SERVICE COMMISSION	0.22	89,875,822	0.22	118,808,739	0.22	124,552,131
032600100100 MINISTRY OF JUSTICE	0.52	210,981,277	0.52	278,900,586	0.52	292,383,057



KOGI STATE MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

032600700100 KOGI STATE OFFICE OF THE PUBLIC DEFENDER AND CITIZENS' RIGHTS COMMISSION.						
032605100100 HIGH COURT OF JUSTICE	0.96	390,016,686	0.96	515,571,258	0.96	540,494,742
032605200100 CUSTOMARY COURT OF APPEAL	0.60	244,107,172	0.60	322,690,403	0.60	338,289,739
032605300100 SHARIA COURT OF APPEAL	0.78	316,784,534	0.78	418,764,137	0.78	439,007,820
Sub-Total	3.08	1,251,765,491	3.08	1,654,735,123	3.08	1,734,727,489
SOCIAL SECTOR						
051300100100 MINISTRY OF YOUTH & SPORTS	0.69	163,904,197	0.69	370,360,576	0.69	388,264,359
051400100100 MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT	0.84	200,859,703	0.84	453,865,837	0.84	475,806,389
051700100100 MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY	6.24	1,483,410,163	6.24	3,351,937,619	6.24	3,513,975,288
051701800100 KOGI STATE POLYTECHNIC, LOKOJA	0.79	188,083,631	0.79	424,996,818	0.79	445,541,799
051701900100 COLLEGE OF EDUCATION, ANKPA	0.27	64,397,374	0.27	145,513,349	0.27	152,547,682
051702000100 COLLEGE OF EDUCATION TECHNICAL, KABBA	0.33	77,813,494	0.33	175,828,630	0.33	184,328,449
051702100100 KOGI STATE UNIVERSITY, ANYIGBA	0.45	107,328,957	0.45	242,522,249	0.45	254,246,136
051702500100 KOGI STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY, OSARA	0.00	0	0.00	0	0.00	0
051706500100 NIGERIA-KOREA FRIENDSHIP INSTITUTE	0.31	72,983,691	0.31	164,915,129	0.31	172,887,373
052100100100 MINISTRY OF HEALTH	20.11	4,781,155,568	20.11	10,803,576,523	20.11	11,325,837,542
052100300100 PRIMARY HEALTHCARE DEVELOPMENT AGENCY	0.29	69,763,822	0.29	157,639,462	0.29	165,259,989
052102600100 KOGI STATE UNIVERSITY TEACHING HOSPITAL, ANYIGBA	0.34	80,496,718	0.34	181,891,686	0.34	190,684,602



052102700100 KOGI STATE SPECIALIST HOSPITAL, LOKOJA	0.41	97,368,830	0.41	220,016,184	0.41	230,652,095
052110400100 COLLEGE OF NURSING AND MIDWIFERY, OBANGEDE	0.32	75,130,270	0.32	169,765,574	0.32	177,972,295
052110600100 COLLEGE OF HEALTH SCIENCE & TECHNOLOGY, IDAH	0.34	80,496,718	0.34	181,891,686	0.34	190,684,602
053500100100 MINISTRY OF ENVIRONMENT	14.89	3,539,429,944	14.89	7,997,753,201	14.89	8,384,376,532
055100100100 MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS	0.77	183,266,341	0.77	414,111,590	0.77	434,130,362
Sub-Total	47.39	11,265,889,420	47.39	25,456,586,115	47.39	26,687,195,493
Total Cap. Exp.	100	53,723,840,821	100	53,722,046,565	100	56,319,050,501
Total Personnel, Overheads & Cap. Exp.	300	127,767,944,673	300	128,808,549,386	300	131,757,837,206
Contingency Reserve		1,343,096,021	0	1,343,051,164	0	1,407,976,263
Planning Reserve		1,343,096,021	0	1,343,051,164	0	1,407,976,263
Grand Total	300	130,454,136,714	300	131,494,651,714	300	134,573,789,731

4.C Considerations for the Planning and Annual Budget Process

105. 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;
- The policies, targets and strategies set out in the KOSEEDS, the National Vision 20:2020 and the Revised New Direction Blue Print of Let's do MORE documents should be inculcated.
- Projects/programmes that will generate employment, create wealth and reduce poverty level in the state;



- Make adequate provision for projects/programmes that require Government Cash Counterpart Contribution (GCCC);
- Projects needing rehabilitation;
- Other projects that are critical to the responsibility of your organisation and COVID 19 solution.



SECTION 4

Summary of Key Points and Recommendations

106. 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 Actualisation of Sovereign State of Biafra (MASSOB), Indigenous People of Biafra (IPOB), Boko Haram, Kidnapping, Herdsmen Attack, banditry, ramped inter-tribal crises 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 2014 -2019 is about 50% which is considered not good enough. It is therefore advisable to take necessary steps to raise the ratio to at least 70% by limiting the increase in recurrent expenditure and exploring ways and means for generating recurrent revenue over the medium term. The threat of COVID-19, if not quickly checked, can make the above stated dream a mere illusion, as only the vulnerable sectors and people might be prioritized under such emergency situation.
- Policy of Government places emphasis on Education, Health, Agriculture, infrastructure, youth engagement, Civil Service Reforms, Security and Funding Governance.