

# KOGI STATE BUDGET 2020



# Budget of Prosperity

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State Secretariat, Phase 2. Lokoja, Kogi State



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## INTRODUCTION

### What is a Budget?

A budget shows what the government expects to collect as revenue, what grants it expects to receive, how much it expects to save or borrow, and what the government plans to spend on.

A budget is a document that contains details about how the government plans to spend our communal wealth – the taxpayers' money. Federal, state and local governments all have a budget document which is called an Appropriation Act.

In a democracy, every responsible citizen has the right to know how communal wealth is being expended in the delivery of public infrastructure and services.

### What is a Citizens Budget?

A Citizens Budgets is a simpler, less technical version of a government's budget specifically designed to present key information that is understandable by the general public. Citizens Budgets can vary widely in focus, content, and length and be presented in a number of ways, ranging from a simple brochure to a comprehensive

report. Citizens Budgets should also be accessible by the general public, including being published online on an official state website.

### Why is a Citizens Budgets Important?

Every responsible citizen has the right to know how communal wealth is being expended in the delivery of public infrastructure and services. State governments must ensure that citizens have a good understanding of how the budget directly affects their lives.

Citizens budgets foster a greater understanding of how public funds are utilized, especially if the information Presented is in a more accessible format than standard government budgets.

Although they are not meant to replace more detailed budget documents, they are important for informing citizens and civil society and contributes to the effort of increasing government accountability on how it manages public money.



## BUDGET GLOSSARY

**Total Budget Expenditure:** This is the total amount of budget for the given year. It is the summation of both the Recurrent Expenditure and Capital Expenditure as approved by the State House of Assembly and assented to by the Executive Governor.

This is how the government plans to spend, on behalf of the citizens, according to the resources it manages. Government expenditure has two main categories: Recurrent and Capital Expenditure.

**Revenue:** Revenue is all the amount of money the government believes it will collect during the year from recurring taxes, levies and fees; put simply, this refers to money collected on behalf of citizens. States in Nigeria receive a share of revenues collected federally such as oil revenues, corporate income taxes, VAT and excises and duties.

These are called statutory allocation, VAT and other statutory revenue in the budget are transferred to the states from the federation accounts. Revenues that states directly collect and retain for its own use are called internally generated revenue (IGR); IGR includes personal income taxes, road taxes, property taxes etc.

**Budget Deficit:** This is generally the difference between what the government intend to spend on expenditures and the revenue generation capacity. A deficit occurs when the expenditure figure is higher than the revenue and grants figure. The total budget financing is the summation of all the financing the government intends to raise through borrowing/loans (domestic and foreign), sales of government assets or other deficit financing items.

**Grants:** A grant is one of the government's source of funds for funding ideas and projects to provide public services, stimulate the economy, and benefit the general public. Grants could be either from foreign or domestic and is normally provided for a specific project and set of expenditures. Grants are not borrowing/loans so do not need to be paid back after it has been used for the intended project and set of expenditures.

**Loans:** Another source of funds for the government to finance the budget is a loan. Government borrows to finance its annual budget generally when revenues and grants are not enough to fund all the expenditures in the budget. Loans could be domestic and or foreign sources. Loans can be for a specific project or set of expenditures or could be used to



## BUDGET GLOSSARY

finance the general budget expenditures.

**Why does the Government borrow?**  
When the government intends to spend more money than they expect to collect as revenue and receive in grants, the budget is in deficit.

When they intend to spend less than what they expect to collect in revenue and receive in grants, the budget is in surplus. A balanced budget is a budget where total revenues are equal to the total expenditures for the year.

When the budget has an expected deficit, the government will need to finance the budget deficit. It can do this through sales of government assets or through borrowing. Borrowing can be from banks, multilateral institutions, the federal government or from investors through the capital market

**Recurrent Expenditure:** Refers to recurring payments: wages and salaries for civil servants; overhead costs (electricity bills, purchase of diesel); consolidated revenue account charges; transfers (to local government, for example); interest payments on existing loans; and other (subsidies, for example).

**Personnel Cost:** include salaries, allowance and other benefits that Government pays to its workers (civil servants).

**Overhead Cost:** These are any regular expenses which are not paid directly to a civil servant or other government workers, including amounts billed directly to customers. Overheads must be paid for regularly. Examples are electricity bills, water bills, the buying diesel for generators, or the money spent on travelling during work, by civil servants.

**Capital Expenditure:** Capital Expenditure is money spent by government to acquire or build fixed capital assets, land or intangible assets. Capital Expenditure is how much is used for projects like the building of schools, hospitals, roads, or buying security equipment. Capital Expenditure is sometimes called "Capex."

**Sectoral Allocation:** Expenditure is allocated to different ministries, departments and agencies (MDA). Each MDA will have an approved budget of recurrent and capital expenditure as part of the overall approved state government budget to run its daily activities as well as carry out projects associated with them



## BUDGET GLOSSARY

respectively.

It is recommended that States include allocations for all MDAs in the template or at least the highest spending MDAs.

2019 Actual Budget as used in this report is the unaudited figures for year 2019 budget performance

## BUDGET SUMMARY



# N176.1bn

TOTAL BUDGET EXPENDITURE

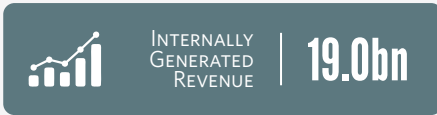
DEFICIT  
64.5bn

# 111.6bn

TOTAL BUDGET REVENUE  
& GRANTS



# WHERE WILL THE MONEY COME FROM?



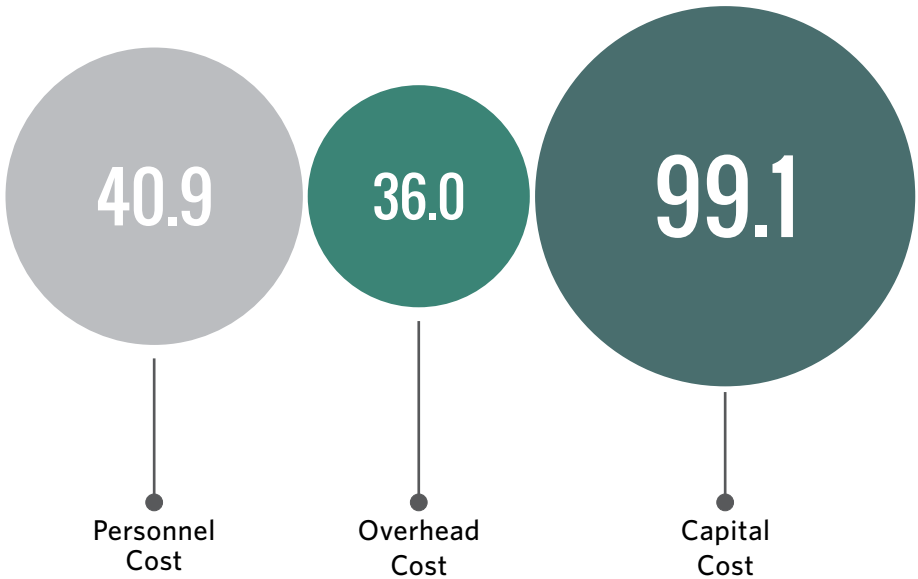




## WHERE DOES THE MONEY GO ?

NGN'BN

**N176.1bn**  
TOTAL RECURRENT  
EXPENDITURE



# WHERE DOES THE MONEY GO ?

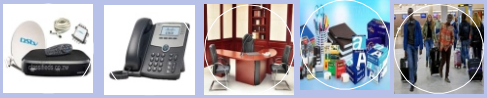
## WHERE DOES THE MONEY GO?

### PERSONNEL COST



**₦40,969,241,598**

### OVERHEAD COST



**₦36,039,887,139**

## WHERE DOES THE MONEY GO?

### AGRICULTURE



**₦10,927,000,000**

### Education



**₦9,889,231,025**

### Road Construction



**₦14,995,000,000**

### Health



**₦13,166,040,000**

## WHERE DOES THE MONEY GO?

### Water Supply



**₦4,668,932,000**

### Power/Electricity



**₦2,359,500,000**

### Office Accommodation/Housing



**₦9,574,352,591**

### Transportation



**₦4,558,000,000**

### Security



**₦266,000,000**

### Youths & Sports



**₦1,500,000,000**

### Environment



**₦5,766,320,392**

### Information, Communication & Technology



**₦2,327,468,500**

# WHERE DOES THE MONEY GO?

## Commerce & Industry



**₦2,660,200,000**

## Tourism



**₦1,043,000,000**

## Other Government Projects



**₦15,412,918,686**



# How will the GOVERNMENT SOURCE THE LOANS?

NGN'BN

## Domestic Loans

COMMERCIAL BANK FACILITIES  
TO KOGI STATE GOVERNMENT (TERM  
LOAN, BRIDGING FACILITIES,  
OVERDRAFTS)

**16.0bn**

HOUSING  
SCHEME LOANS  
FACILITIES

**10.0bn**

ACCOUNTS/  
INFRASTRUCTURE  
DEVELOPMENT DEBTS  
FINANCING/DONOR  
AGENCIES

**2.0bn**

ACCELERATING  
NUTRITION  
RESULTS IN  
NIGERIA

**436m**

## Foreign Loans

EXTERNAL BORROWING FROM  
WORLD BANK TO FINANCE STAPLE  
CROPS PROCESSING  
ZONE PROJECT AT ALAPE

**10bn**

NEW MAP

**10bn**

WORLD BANK  
ASSISTED RURAL ACCESS  
AND AGRICULTURAL  
MARKETING PROJECT

**10bn**

YESSO NET  
(MUTILATERAL)

**510m**

AGRO-PROCESSING, PRODUCTIVITY ENHANCING  
AND LIVELIHOOD SUPPORT (APPEALS)  
(WORLD BANK SUPPORT).

**3bn**

WORLD BANK ASSISTED COMMUNITY  
AND SOCIAL DEVELOPMENT  
(MUTILATERAL)

**550m**



# HOW WILL THE GOVERNMENT SOURCE THE GRANTS?



## DOMESTIC GRANTS

**10.1bn**

SPECIAL GRANTS/  
DONATIONS TO  
STATE GOVERNMENT  
/REFUNDS

**1.0bn**

GRANT  
FROM FGN ON  
ECOLOGICAL / FLOOD

**1.0bn**

SPECIAL GRANTS  
FOR PRIMARY  
SCHOOL  
FUNDING (UBEC)

**650m**

1% DEDUCTION  
FOR JAAC  
MAINTAINANCE

**500m**

SAVE ONE MILLION  
LIVES (PROGRAMME  
FOR RESULT)

**450m**

1% DEDUCTION  
FROM LOCAL  
GOVERNMENT  
ALLOCATION FOR  
AUDIT EXPENDITURE

**260m**

CONTRIBUTIONS  
FROM MDAS

**200.9m**

1% LOCAL  
GOVERNMENT  
CONTRIBUTION FOR  
TRAINING OF LOCAL  
GOVERNMENT  
AREA STAFF

**150m**

CONTRIBUTIONS  
FROM LGAS

**50m**

CONTRIBUTIONS  
FROM INDIVIDUAL  
AND CORPORATE  
BODIES

**40m**

GRANTS FROM YESSO/NDE  
FOR ARTISAN TRAINING IN  
NIGERIA-KOREA  
FRIENDSHIP INSTITUTE.



# HOW WILL THE GOVERNMENT SOURCE THE GRANTS?



## FOREIGN GRANTS

**6.0bn**

STATE FISCAL TRANSPARENCY,  
ACCOUNTABILITY AND  
SUSTAINABILITY (SFTAS)  
PROGRAMME FOR RESULTS

**0.275bn**

YESSO STATE LEAD S4J  
TRAINING OF BENEFICIARIES IN  
PARTNERSHIP WITH KOICA  
-LOKOJA 15,000 X 45,000



## TOP SECTOR/MINISTRY ALLOCATION

GOVERNMENT HOUSE	23,212,235,011.00
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY	25,427,117,876.00
MINISTRY OF HEALTH	19,632,843,344.00
MINISTRY OF FINANCE, BUDGET AND ECONOMIC PLANNING	17,925,492,167.00
MINISTRY OF WORKS AND HOUSING	15,965,043,471.00
OFFICE OF THE HEAD OF CIVIL SERVICE	12,007,263,336.00
MINISTRY OF AGRICULTURE	11,455,059,911.00
KOGI STATE HOUSE OF ASSEMBLY SERVICE COMMISSION	6,595,634,518.00
OFFICE OF THE SECRETARY TO THE STATE GOVERNMENT	5,810,857,836.00
KOGI STATE JUDICIAL SERVICE COMMISSION	5,439,046,173.00
MINISTRY OF ENVIRONMENT	5,390,316,487.00
MINISTRY OF WATER RESOURCES	4,512,469,144.00
BUREAU FOR LANDS AND URBAN DEVELOPMENT	3,568,137,008.00
MINISTRY OF RURAL DEVELOPMENT	2,948,805,003.00
DEPUTY GOVERNORS OFFICE	2,841,267,134.00
MINISTRY OF JUSTICE	2,176,180,411.00
MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS	1,998,515,107.00
MIN. OF COMMERCE & INDUSTRY	1,959,926,025.00



## TOP SECTOR/MINISTRY ALLOCATION

MINISTRY OF INFORMATION AND COMMUNICATION	1,508,605,793.00
MINISTRY OF TRANSPORT	1,216,135,581.00
OFFICE OF THE STATE AUDITOR-GENERAL	1,164,236,829.00
MIN. OF CULTURE & TOURISM	1,156,883,891.00
MINISTRY OF WOMEN AFFAIRS AND SOCIAL DEVELOPMENT	866,089,197.00
MINISTRY OF YOUTH & SPORTS	824,830,717.00
LOCAL GOVERNMENT SERVICE COMMISSION	387,125,968.00
CIVIL SERVICE COMMISSION	132,973,993.00



## TOP CAPITAL PROJECTS : 2020 APPROVED BUDGET

Project	Line Ministry/ Agency	Location	LGAs	Amount
00010000090104 Establishment of Staple Crops Processing Zone Project	021500100100 MINISTRY OF AGRICULTURE.	Alape	Kabba Bunu	5,000,000,000
00040000030128 Construction Of Central Reference Hospital, Okene	052100100100 MINISTRY OF HEALTH .	Okene	Okene	2,550,000,000
00090000010101 Erosion Control	053500100100 MINISTRY OF ENVIRONMENT	Across the State	All the 21 LGAs	2,051,320,392
00130000010105 Purchase of Vehicles for Ministries/Depts.	012500100100 OFFICE OF THE HEAD OF CIVIL SERVICE.	State Headquarters	Lokoja	2,000,000,000
00100000010117 Greater Lokoja Water Supply scheme Phase II/ Maintenance	025200100100 MINISTRY OF WATER RESOURCES.	State Headquarters	Lokoja	2,000,000,000
00040000010161 Completion of modern Medical Diagnostic and Imaging centre including Equipment	052100100100 MINISTRY OF HEALTH .	State Headquarters	Lokoja	2,000,000,000
00170000010256 Construction of Emmergency Security Road Corridor Clearance along all the Major Roads within the State.	023400100100 MINISTRY OF WORKS AND HOUSING.	Across the State	All the 21 LGAs	1,650,000,000
00030000020141 Government Connect on Special Project	011100100100 GOVERNMENT HOUSE.	Across the State	All the 21 LGAs	1,500,000,000
00170000010134 Kogi State Road Maintenance Agency's Projects	022900300100 ROAD MAINTENANCE AGENCY.	Across the State	All the 21 LGAs	1,500,000,000





## TOP CAPITAL PROJECTS : 2020 APPROVED BUDGET

Project	Line Ministry/ Agency	Location	LGAs	Amount
00050000010106 Renovation of School Buildings, (Primary & Post Primary) SUBEB	051700100100 MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY.	Across the State	All the 21 LGAs	1,500,000,000
00050000040114 Renovations and Expansion of Learning Environment in 42 Schools 2 per LGA (GYB Lagacy/Model School Projects)	051700100100 MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY.	Across the State	All the 21 LGAs	1,500,000,000
00030000020106 Constituency Project	011200100100 KOGI STATE HOUSE OF ASSEMBLY.	Across the State	All the 21 LGAs	1,000,000,000
00130000030173 Special Subvention to SIEC for Conduct of LG Election	014800100100 STATE INDEPENDENT ELECTORAL COMMISSION (SIEC).	Across the State	All the 21 LGAs	1,000,000,000
00010000090103 Kogi State Agricultural Revolution Project	021500100100 MINISTRY OF AGRICULTURE.	Across the State	All the 21 LGAs	1,000,000,000
00170000010163 Selected Road From central senatorial Districts.	023400100100 MINISTRY OF WORKS AND HOUSING.	Central Senatorial District	Okene, Okehi, Adavi, Ajaokuta & Ogori Magongo	1,000,000,000
00140000010108 Upgrading of Ajaokuta-Anyigba Transmission Line & Distribution to LGAs/Communities	026100100100 MINISTRY OF RURAL DEVELOPMENT.	Eastern Senatorial District	Idah, Ankpa, Ibaji, Ofu, Olamaboro, Omala, Dekina, Igalala-Mela & Bassa	1,000,000,000



## TOP CAPITAL PROJECTS : 2020 APPROVED BUDGET

Project	Line Ministry/ Agency	Location	LGAs	Amount
00010000060102 Crop Production/Value Chain Development on Cassava, Rice, Cashew and Other Stable Crops	021500100100 MINISTRY OF AGRICULTURE.	Across the State	All the 21 LGAs	800,000,000
00010000040102 Agricultural Mechanization (Ministry of Agriculture, Headquarters)	021500100100 MINISTRY OF AGRICULTURE.	State Headquarters	Lokoja	800,000,000
00100000010130 Sanitation and Janitorial Service	011100100100 GOVERNMENT HOUSE.	State Headquarters	Lokoja	700,000,000
00130000030203 Remodeling of Government House Structure	011100100100 GOVERNMENT HOUSE.	State Headquarters	Lokoja	700,000,000
00170000010165 Construction of Ogaminana Eboga Ipaku-Kuroko Junction (4km)	023400100100 MINISTRY OF WORKS AND HOUSING.	Ogaminana/Eboga/Ipaku-Kuroko	Okene	700,000,000
00090000010103 State Contribution to New Map (GCCC)	053500100100 MINISTRY OF ENVIRONMENT	State Headquarters	Lokoja	700,000,000
00130000010129 Purchase of Committee Vehicles	011200100100 KOGI STATE HOUSE OF ASSEMBLY.	State Headquarters	Lokoja	650,000,000
00120000030110 SME Credit Scheme(SIP)	022200100100 MIN. OF COMMERCE & INDUSTRY.	Across the State	Across the State	600,000,000
00130000030201 Government House Minor Works (Direct Labour)	011100100100 GOVERNMENT HOUSE.	State Headquarters	Lokoja	500,000,000



## TOP CAPITAL PROJECTS : 2020 APPROVED BUDGET

Project	Line Ministry/ Agency	Location	LGAs	Amount
00010000060106 Kogi State Social Investment Programme.	011100100100 GOVERNMENT HOUSE.	Across the State	All the 21 LGAs	500,000,000
00110000010140 Acquisition of Mineral Mine Licence	023305100100 MINISTRY OF SOLID MINERALS	Lokoja	Lokoja	500,000,000
00010000010104 Farmers Direct Inputs and Fertilizer (SIP)	021500100100 MINISTRY OF AGRICULTURE.	Across the State	All the 21 LGAs	500,000,000
00170000010155 Construction of Agassa Upogoro – Okene Road (805km)	023400100100 MINISTRY OF WORKS AND HOUSING.	Agassa Upogoro	Okene	500,000,000
00060000030125 Maintenance of Government Quarters/Offices Across the State.	025300100100 BUREAU FOR LANDS AND URBAN DEVELOPMENT.	Across the State	All the 21 LGAs	500,000,000
00130000030133 Construction of Office Complex for Ministry of Justice	032600100100 MINISTRY OF JUSTICE.	State Headquarters	Lokoja	500,000,000
00040000010177 State Contribution to Accelerating of Nutrition Results in Nigeria (ANTRIN)	052100100100 MINISTRY OF HEALTH .	Across the State	All the 21 LGAs	500,000,000
00040000010179 Bello Health Intervention Programme (SIP)	052100100100 MINISTRY OF HEALTH .	Across the State	All the 21 LGAs	500,000,000

