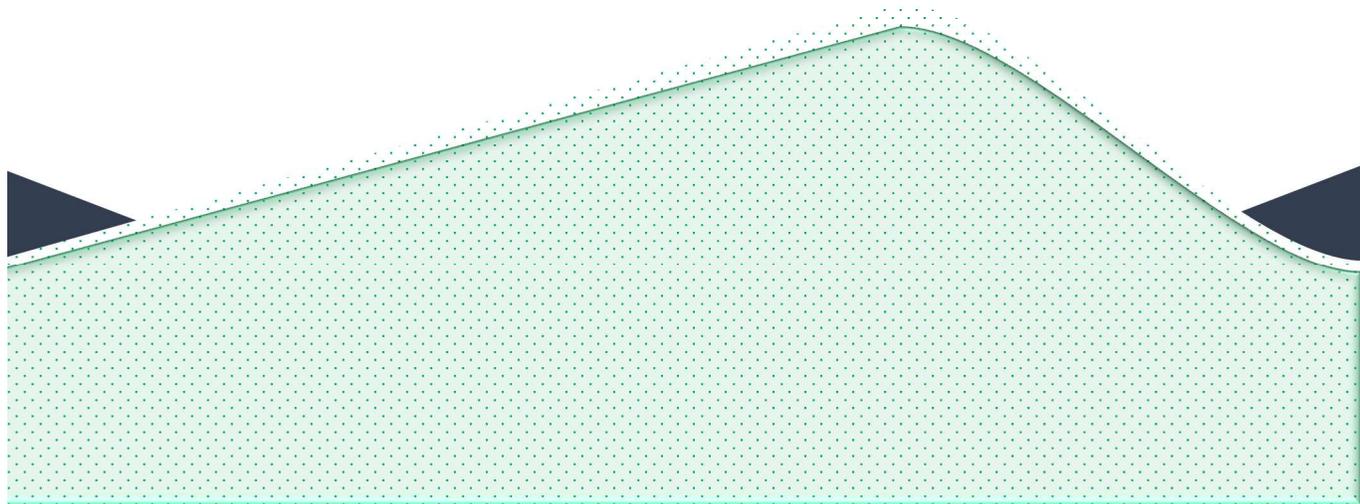
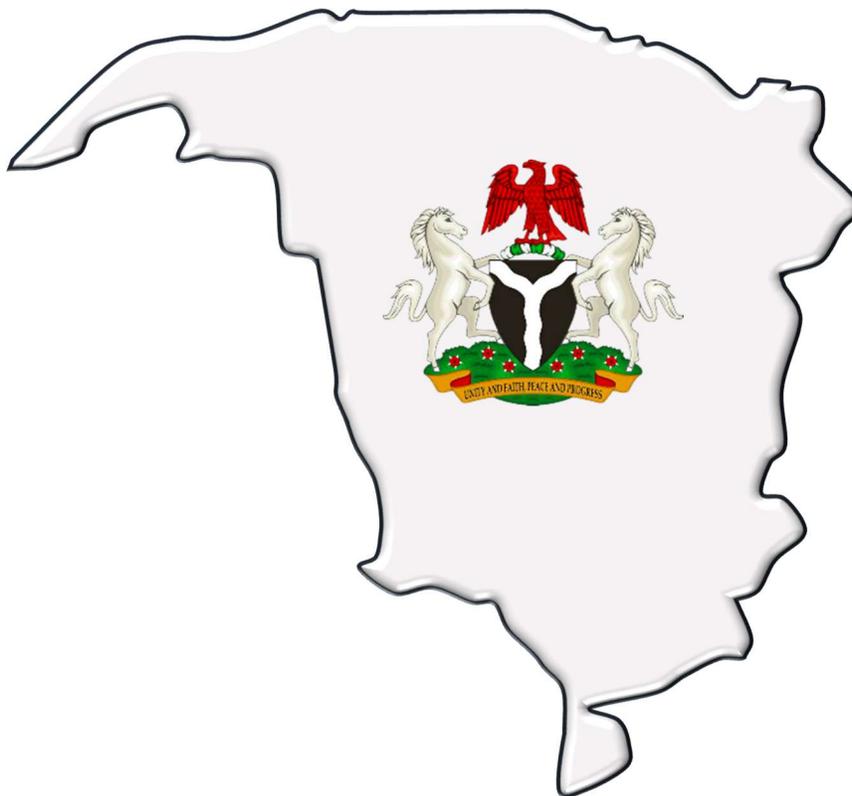


# **UNDERSTANDING THE YOBE STATE GOVERNMENT BUDGET: A CITIZENS' GUIDE 2020**





**Prepared by:**



**Yobe State Ministry of Budget and Economic Planning  
Governor's Office, Damaturu.**

**January 2020©**

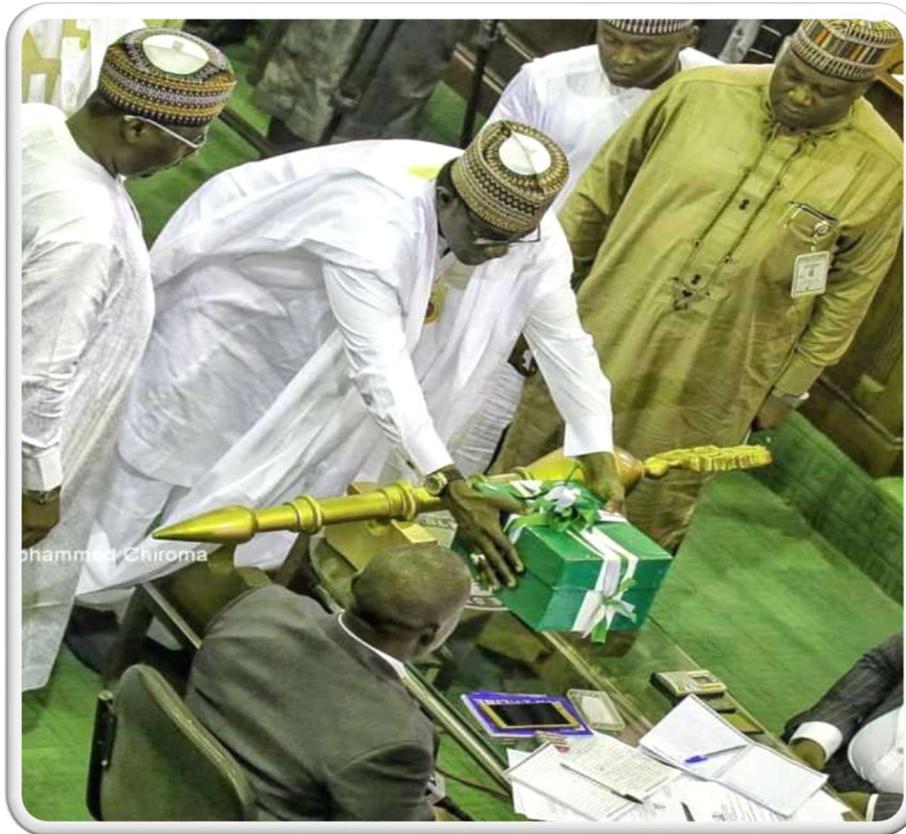
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The 2020 Approved Budget is available for download on our website. <https://budget.pfm.yb.gov.ng>



## THE 2020 BUDGET OF CONTINUITY & CONSOLIDATION



*His Excellency, the Executive Governor of Yobe State, Hon. Mai Malah Buni, presenting the year 2020 Finance and Appropriation Bills to the Yobe State House of Assembly, Wednesday 13<sup>th</sup> November, 2019*



## FORWARD

The Yobe State Budget outlines how the State Government intends to raise funds, allocate resources and provides public goods and services to the citizenry.

Being the instruments for translating government's development policies into action. It is important for citizens to understand the budget, especially its key deliverables and play their role in its implementation. When citizens do not fully understand the budget, it significantly limits their ability to engage with the budget process and hold government accountable for the prudent management of financial resources entrusted to it.

To advance the quality of citizens – government engagements, Yobe State has taken a step further to provide this citizens' reader-friendly version of 2020 annual budget tagged "*Budget of Continuity and Consolidation*".

The Yobe State Government is committed to formulate sound policies and implementation of different programme that would address the critical needs of the people in agriculture, education, healthcare, water supply and infrastructural development among others.

A handwritten signature in blue ink, appearing to read 'Gagiyo', written over the printed name.

**Hon. Muhammad Garba Gagiyo**  
*Honourable Commissioner*



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## INTRODUCTION

### What is Budget?



It is a plan to how government raises revenue from different sources to pay for its activities



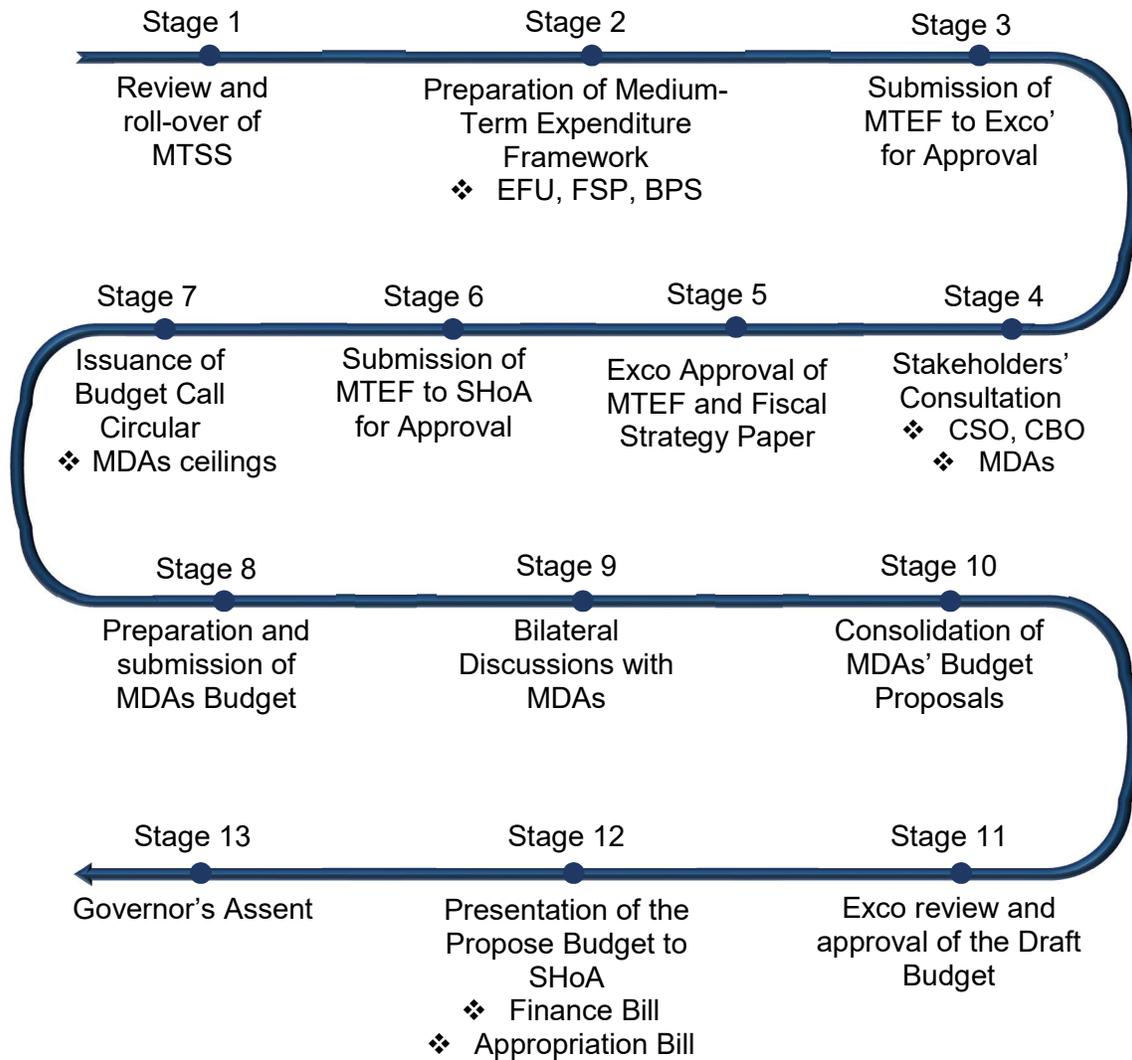
It is also a process of translating government's policies into programmes and series of activities that are aimed at improving service delivery and socio-economic development, as well as a plan for government borrowing or the repayment of borrowed funds.

The need for a state budget is an express requirement of the constitution of the Federal Republic of Nigeria. Section 121 (1) of the Constitution provides that “the Governor shall cause to be and laid before the State House of Assembly (SHoA) at any time before the commencement of each financial year estimates of the revenues and expenditure of the state for the next following financial year”.

A citizens' budget is a simple, less technical version of a government's budget specifically designed to present key information that is understandable by the general public.

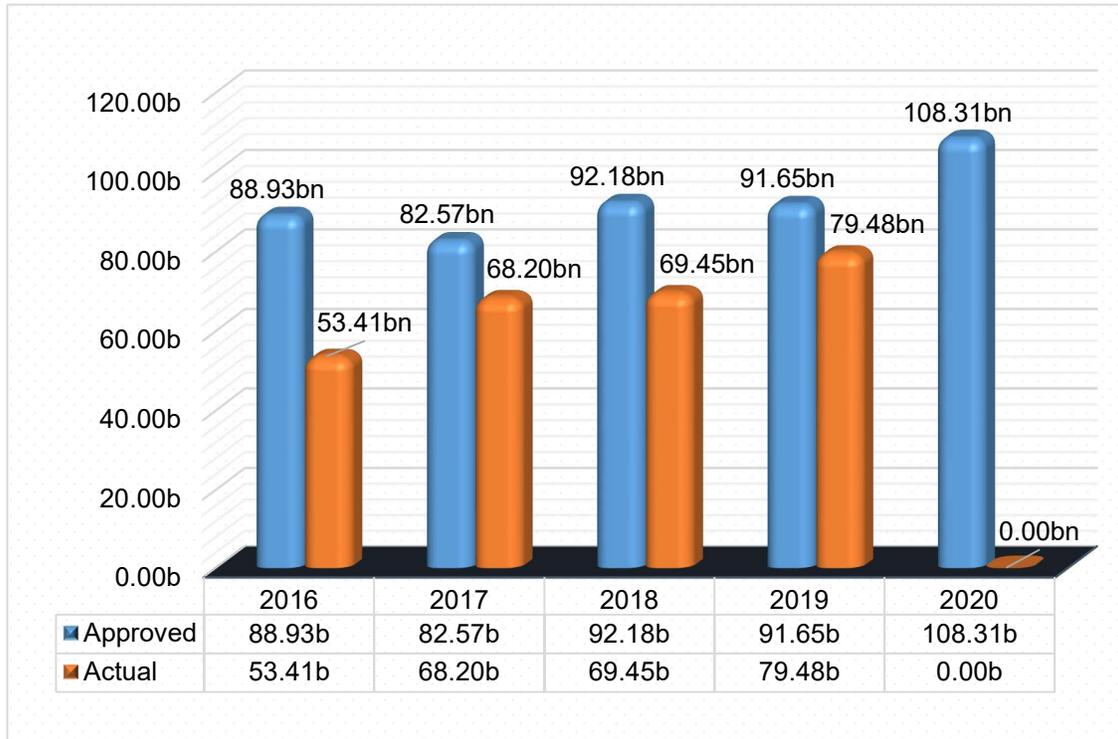


### THE BUDGET PROCESS



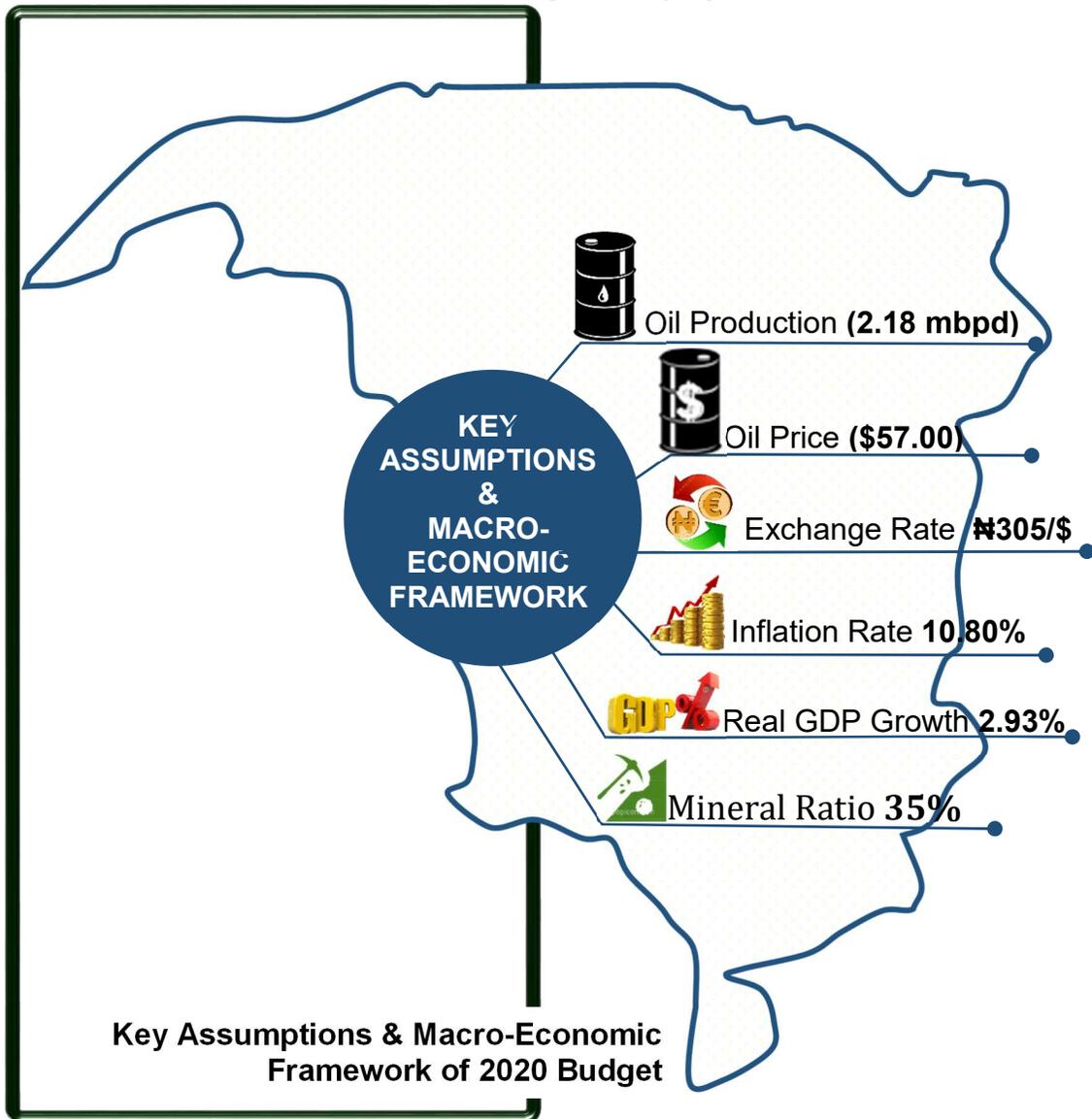


### THE STATE BUDGET IN BRIEF: 2016 – 2020





## KEY ASSUMPTIONS & MACRO-ECONOMIC FRAMEWORK 2020



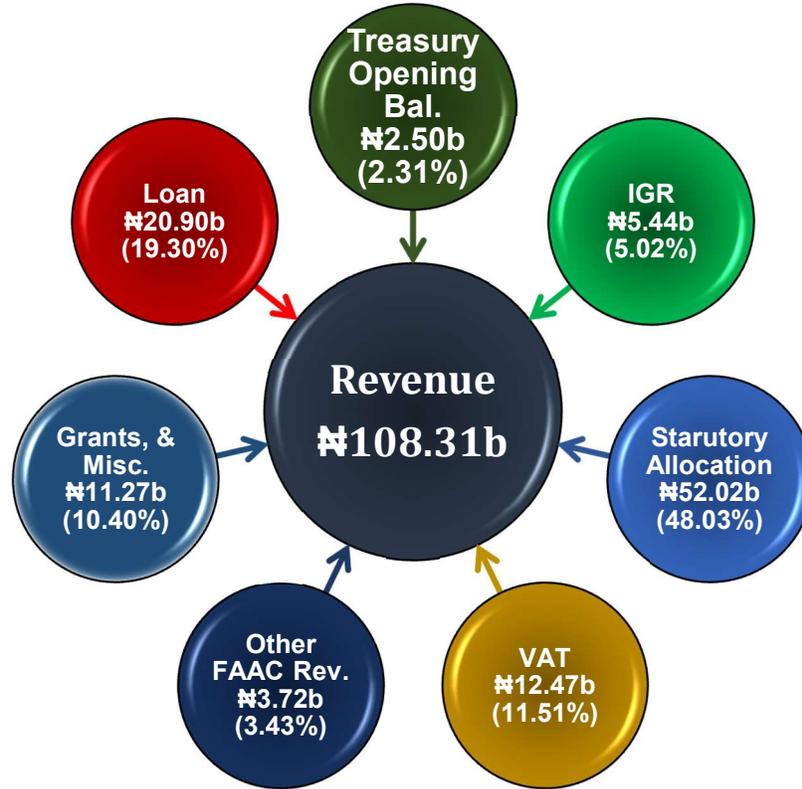


## STRATEGIC FOCUS OF THE 2020 BUDGET

-  **Build** on the momentum to revitalize our education sector.
-  **Seek** to boost agriculture by encouraging a transition from our traditional subsistent to commercial farming. Our administration is poised to improve food security and provide avenues for wealth creation and youth empowerment.
-  **Seek** to improve access to qualitative and affordable healthcare for our people by upgrading healthcare infrastructure and making sure that our hospitals, clinics, and health centres have the basic requirements to function efficiently and effectively.
-  **Build** and upgrade critical infrastructure such as roads, water supply and sanitation facilities, electricity, among others to accelerate our effort in post-insurgency resettlement, rehabilitation, reconstruction and peace building.
-  **Focus** on tapping from our vast solid mineral and tourism potentials and promoting commercial activities by providing incentives to attract private investments and entrepreneurship.

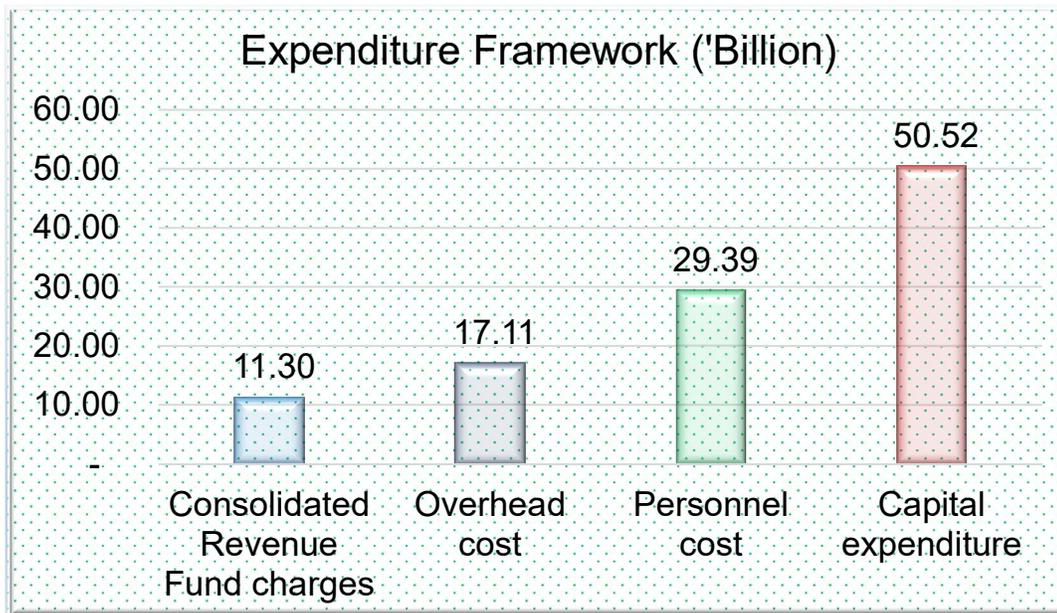
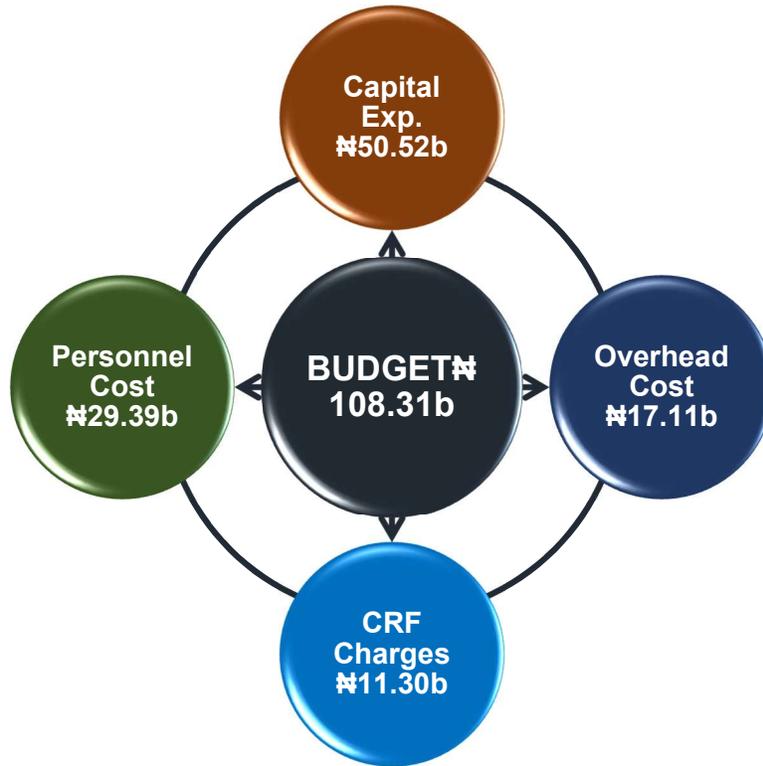


## WHERE WILL THE MONEY COME FROM?



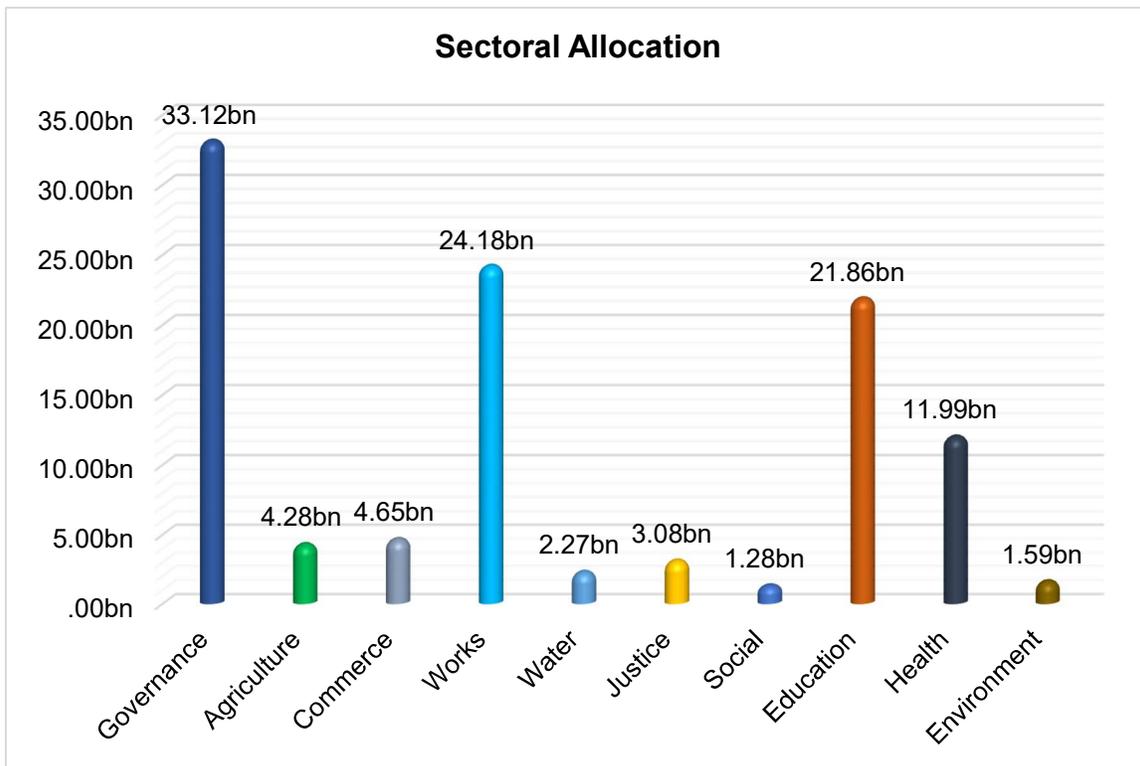
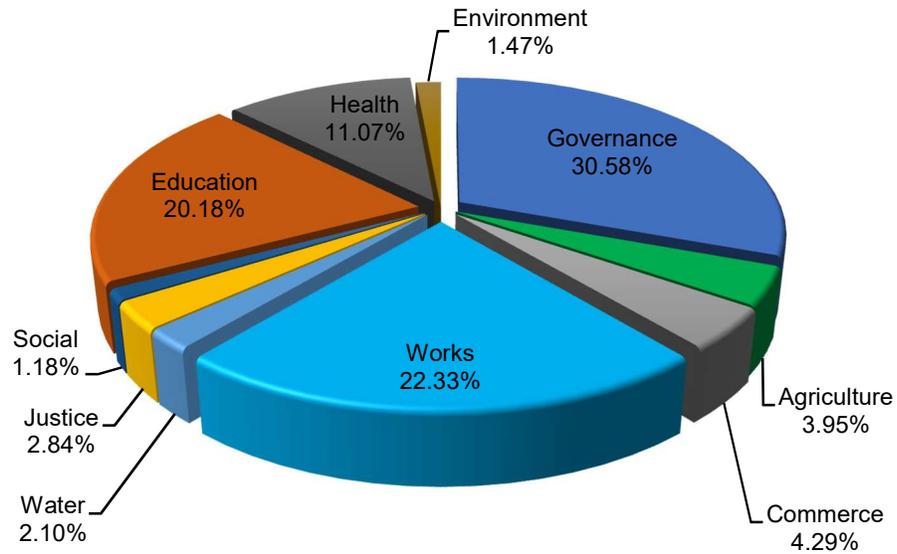


### WHERE WILL THE MONEY BE EXPENDED?



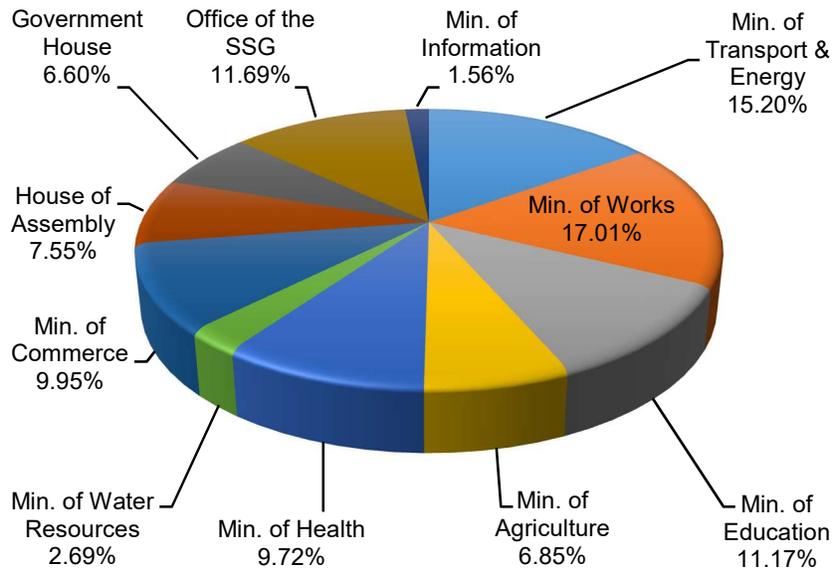


## SECTORAL ALLOCATION IN THE 2020 BUDGET

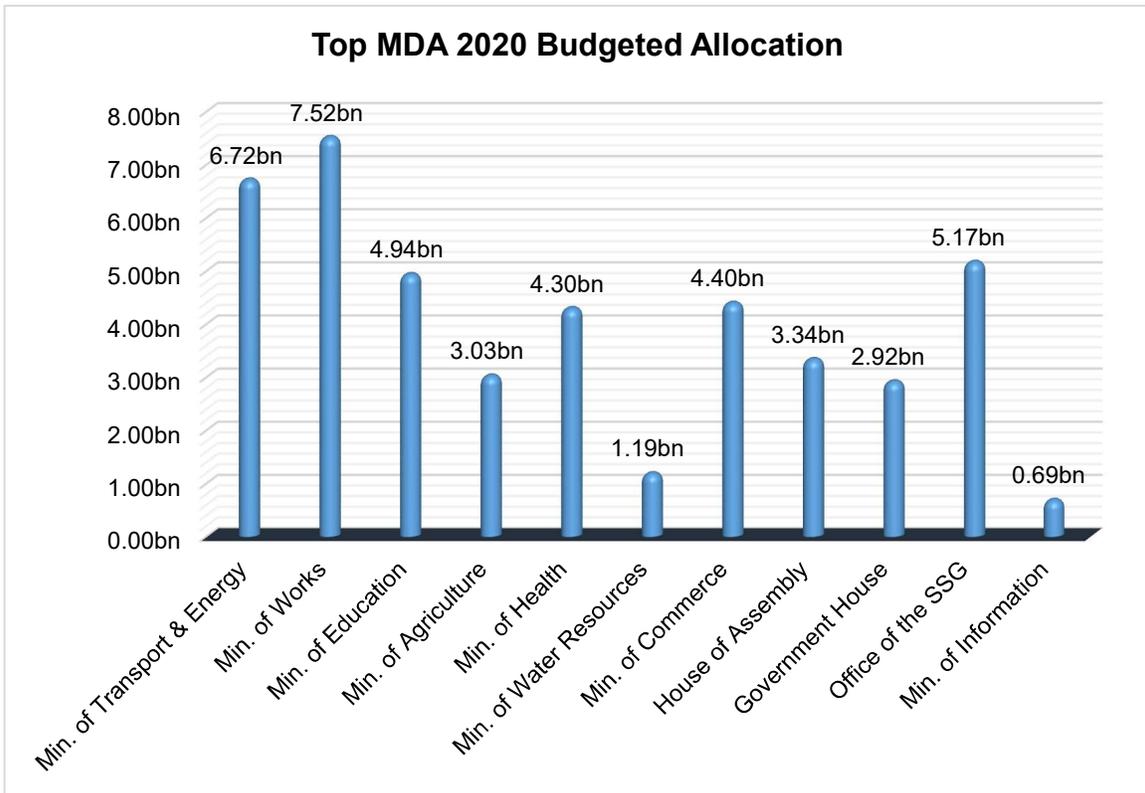




### TOP MDA 2020 BUDGETED ALLOCATION



Top MDA 2020 Budgeted Allocation





## MAJOR PROJECTS/INITIATIVES IN THE 2020 BUDGET



### GOVERNANCE/ADMINISTRATION

#### SECRETARY TO THE STATE GOVERNMENT



	Purchase of Motor Vehicle	₦1,300,000,000
	Construction of Residential Building	₦ 400,000,000
	Repairs of Residential Building	₦ 300,000,000

#### INFORMATION



- Construction of Office Building (FM Radio Station at each Senatorial Zone) ₦240,000,000
- Purchase of Computers (Digitisation of YTV & YBC) ₦200,000,000

#### AGRICULTURE



	Purchase of Agric. Equipment (Tractors)	₦500,000,000
	Purchase of Water Supply Equipment (Water Pumps for distribution to farmers)	₦200,000,000
	Construction of Dams for irrigation activities	₦340,000,000
	Purchase of Fertilizer	₦400,000,000



### COMMERCE



- Construction of Ultra-Modern Market at Damaturu and two additional ones at Potiskum & Gashua **₦4,000,000,000**
- Purchase of Industrial Equipment **₦ 100,000,000**

### TRANSPORT & ENERGY



-  Construction of Airport (Completion of Cargo International Airport Damaturu **₦6,000,000,000**
-  Electricity Transmission Network (Connecting Rural Communities to National Grid **₦ 390,000,000**
-  Purchase of Power Generating set **₦ 150,000,000**

### WORKS



-  Rehabilitation/Repairs of Roads **₦1,100,000,000**
-  Construction of Roads **₦5,500,000,000**
-  Sewage/Drainages & Culverts (Construction of Drainages across the State) **₦ 140,000,000**
-  Trucks/Tankers/Bull Dozers/Rigs etc (Purchase of Heavy Duty Machines) **₦ 200,000,000**

## WATER RESOURCES



 Construction of Boreholes and other water facilities	₦960,000,000
 Rehabilitation of water facilities	₦ 80,000,000
 Purchase of Water Supply Equipment	₦ 40,000,000

## EDUCATION



 Construction of School Building	₦1,200,000,000
 Rehabilitation of School Building (rehab. of Schools across the State)	₦1,300,000,000
 Tuition, Registration & Examination Fees (Payment of Students' Examination fees)	₦ 703,000,000
 Payment of Students scholarship (both Foreign & Domestic)	₦ 400,000,000
 Foodstuff/Catering materials supplies (Students' feeding)	₦1,000,348,000

## HEALTH



 Const./Provision of Hospitals & Healthcare Centres (Gen. Hospitals Machina, Bara & Karasuwa)	₦800,000,000
 Rehabilitation/Repairs of Hospital Building	₦500,000,000
 Purchase of Health/Medical/Lab. Equipment	₦600,000,000
 Drugs/Laboratory and medical supplies (Procurement of free drugs)	₦260,000,000



## CONCLUSION

The 2020 Budget is aimed at revitalising and reinvigorating as well as sustaining the achievement recorded in the 2019 key priority areas of government namely, education, health, agriculture, infrastructure, job creation, entrepreneurship and innovation.

In this process, the public is kept abreast on all aspects of the budget execution thereby giving them the opportunity to effectiveness monitor the implementation of the budget with a view to making any valid observation.

The efforts of the Ministry of Budget and Planning and that of the State House of Assembly in engaging the citizens in the budget dialogue are quite commendable, as the public is gradually understanding the budget process through this means.

Finally, the citizens are hereby advised to continue to actively participate in the budget process so that their views and contributions would form part of the annual budget.



## GLOSSARY (BUDGET TERMINOLOGIES)

- **Accountability:** This is when Government is answerable to its citizens by accounting for its activities and disclosing the results of such actions, this may include the responsibility for money or other properties that Government holds in trust.
- **Budget deficit:** This occurs when Government estimated expenditure is greater than the expected revenue.
- **Budget surplus:** This occurs when government's estimated revenues exceed the targeted expenditure.
- **Budget Policy Statements (BPS):** This reaffirms government's commitment to operate within its budget responsibility rules, which draws together key findings and policy recommendations from EFU and FSP into a cohesive statement on budget policy which then informs preparation of the annual budget, and produces the three year sector allocations (either for all expenditure, capital only, or capital and recurrent separately), which is prepared and approved prior to the issuance of (and be the basis for) the annual budget call circular.
- **Capital Expenditure:** This is money spent on major infrastructure projects such as roads, schools, hospitals, bridges, culverts and drainages, vehicles, trucks, transport, water supplies, power generating sets, plant and machinery etc.



- **Consolidated Revenue Fund charges (CRF):** This constitutes payment of statutory transfers, commissions established by government, the Civil Service Commission, State Independent Electoral Commission, Auditor-General, Judges, Law-makers, Members of the Executive Council etc
- **Economic & Fiscal Updates (EFU):** This provides economic and fiscal analysis which formed the basis for budget planning process. It is aimed primarily at policy makers and decision takers in the state. It also provides an assessment of budget performance (both historical and current) and identifies significant factors affecting implementation.
- **Fiscal Strategy Papers (FSP):** Is a multi-year outline of the key fiscal parameters associated with the Government's budgetary operations, namely: revenue; expenditure; budget balance; financing; and debt. It provides revenue and expenditure estimates which are then embedded in the annual Budget Policy Statement.
- **Grants:** These are types of financial assistance, which is non-refundable in nature, given to the Government comprise of both internal and external, which is much often a non-discretionary grants.
- **Gross Domestic Product (GDP):** This refers to the total value of all goods and services produced in the state or country over a specified of time period.



- **Inflation:** The rate of increase in general price level of goods and services over a period of time.
- **Macroeconomic Framework:** This provides a detailed economic overview, which analyses significant economic, political and social events both globally, nationally and states level which have being influencing state economic and financial performance.
- **Medium Term Expenditure Framework (MTEF):** This is a transparent planning and budgeting formulation process within which the government established credible contacts for allocating public resources to their strategic priorities while ensuring overall fiscal discipline which involves setting fiscal targets and allocating resources to strategic priorities of the government.
- **Medium Term Sector Strategies (MTSS):** This sets out the projects and programmes that will be carried out in a particular sector over a three-year period, how much each programme and project will cost, where the money will come from and who will carry out the projects within the limitations of resource constrains, so that it is realistic which links policy, planning and budgets.
- **Overhead cost:** This is made up of expenditures which includes provision of office consumables, staff welfare, maintenance of office furniture and fittings, procurement of fuel and lubricants etc. as a running cost and day-to-day activities of government entity.



- **Personnel cost:** This is made up of salaries and salary-related allowances, non-regular allowances, social security, gratuities etc. paid to public servants.
- **Transparency:** This is when Government provides adequate and timely information for its citizens about what it is doing.
- **Value Added Tax (VAT):** The tax levied as value is added to goods and services at each stage of production.