



Kebbi State Citizens' Budget

2021



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 Budget 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 contribute to the effort of increasing government accountability on how it manages public money.

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 there venue 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 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

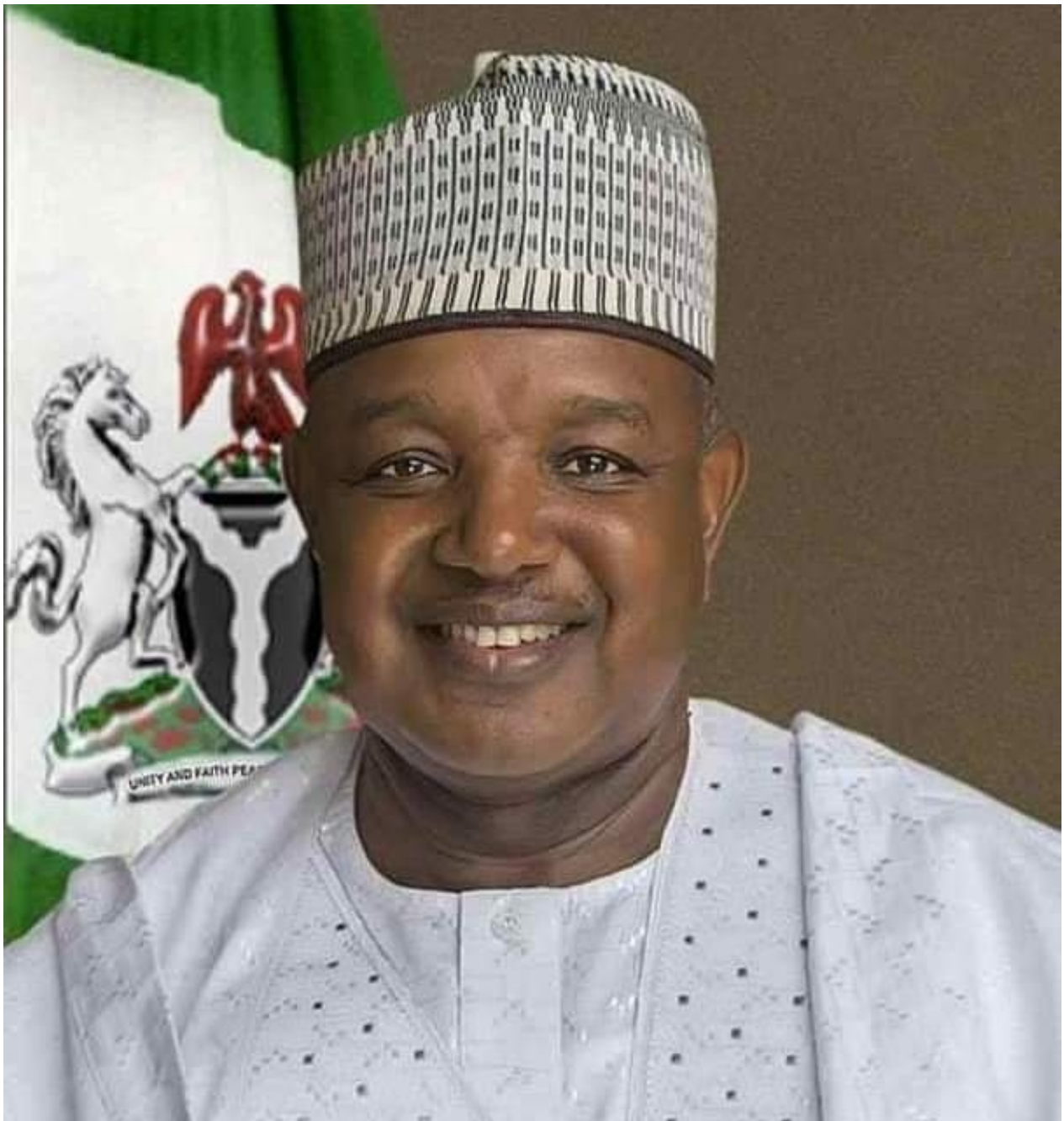
Recurrent Expenditure: Refers to recurring payments: wages and salaries for civil servants; overhead costs (electricity bills, purchase of diesel); consolidated revenue account charges; transfers (to local government, for example); interest payments on existing loans; and other (subsidies, for example).

Personnel Cost: This 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 traveling 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 respectively.

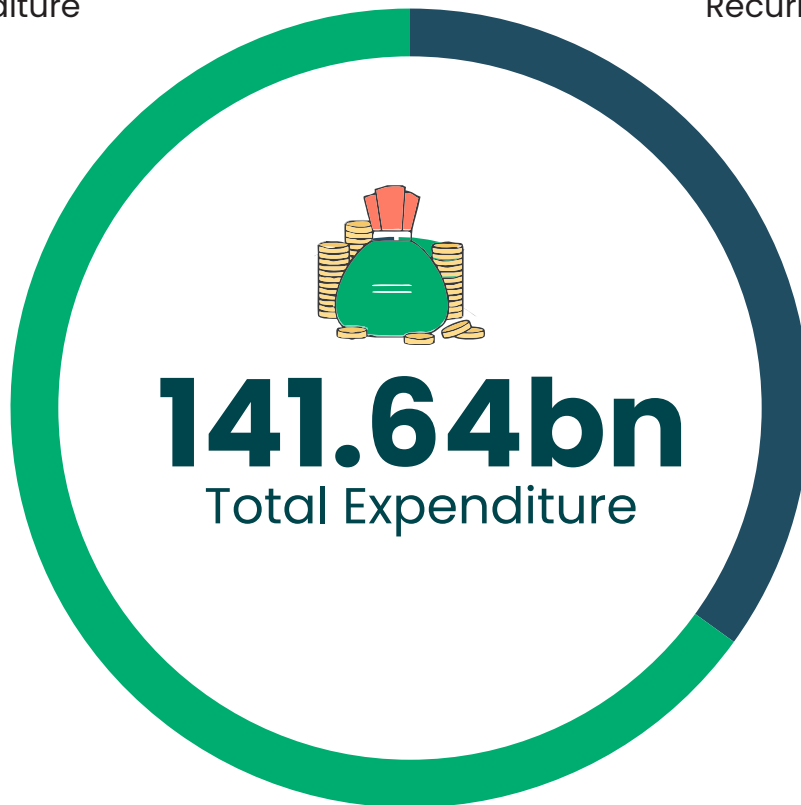


Senator Abubakar Atiku Bagudu
Executive Governor of Kebbi State

WHERE WILL THE MONEY GO?

N92.14bn
Capital Expenditure

N49.50bn
Recurrent Expenditure



65%

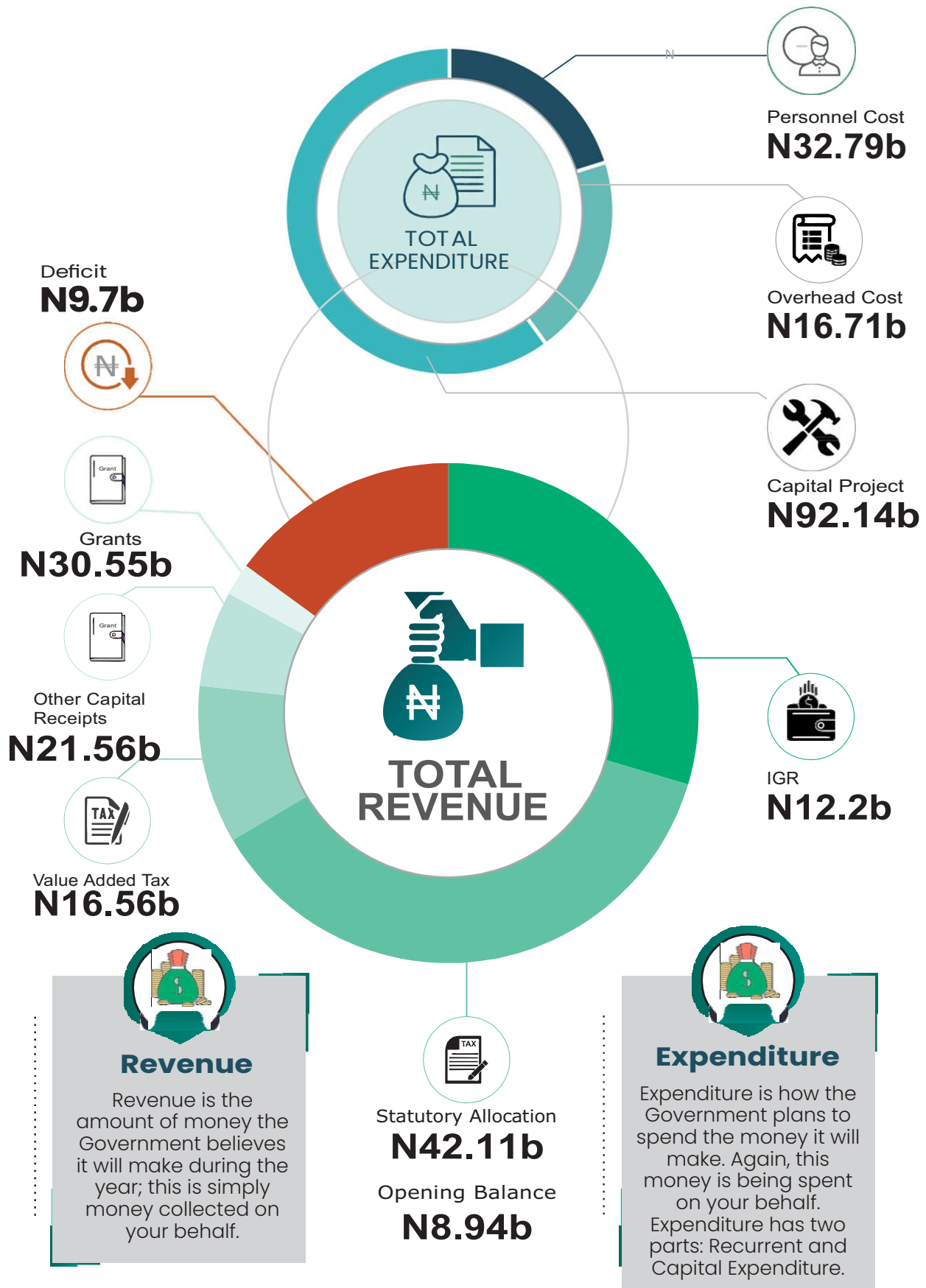
Capital Expenditure

This is the amount that will be used on projects like building of schools, hospitals, construction of roads etc. of cars

35%

Recurrent Expenditure

This includes payment for wages and salaries, electricity bills, purchase of diesel. etc



Revenue



8.9bn

Total Internal Loans

3.9bn

CARES Program

5.0bn

Family Homes Fund
Housing Loans

External Loans



N804m

Total External Loans

N649m

RAAMP

N148.63m


IFAD Loan

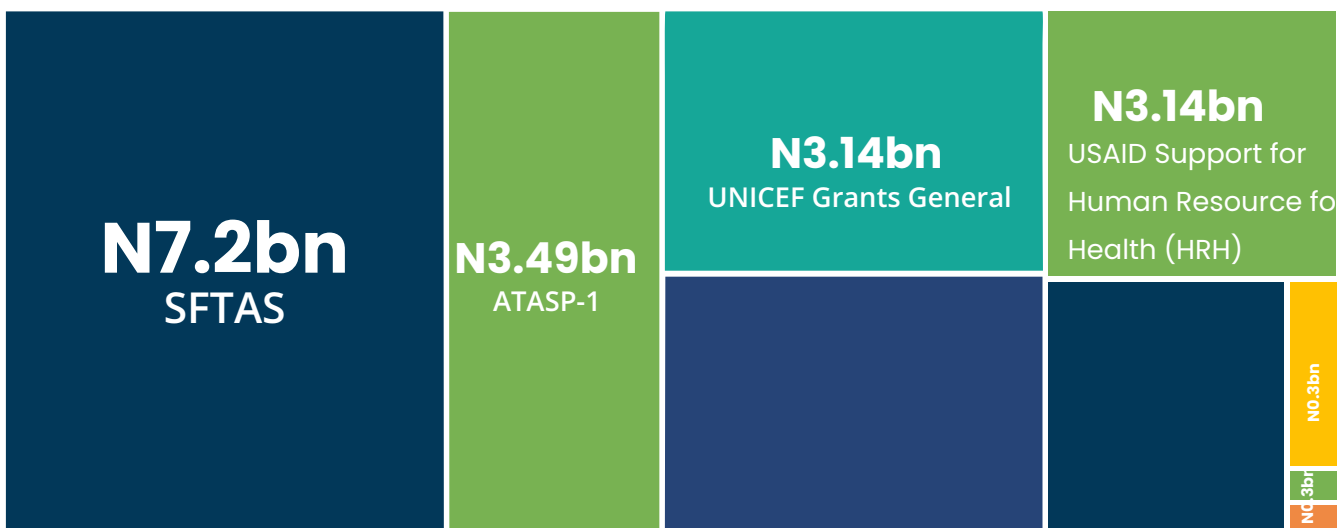
N6.63m

BESDA Advance Loan

Internal Grants **N8.86bn**



 **N21.69bn**
External Grants



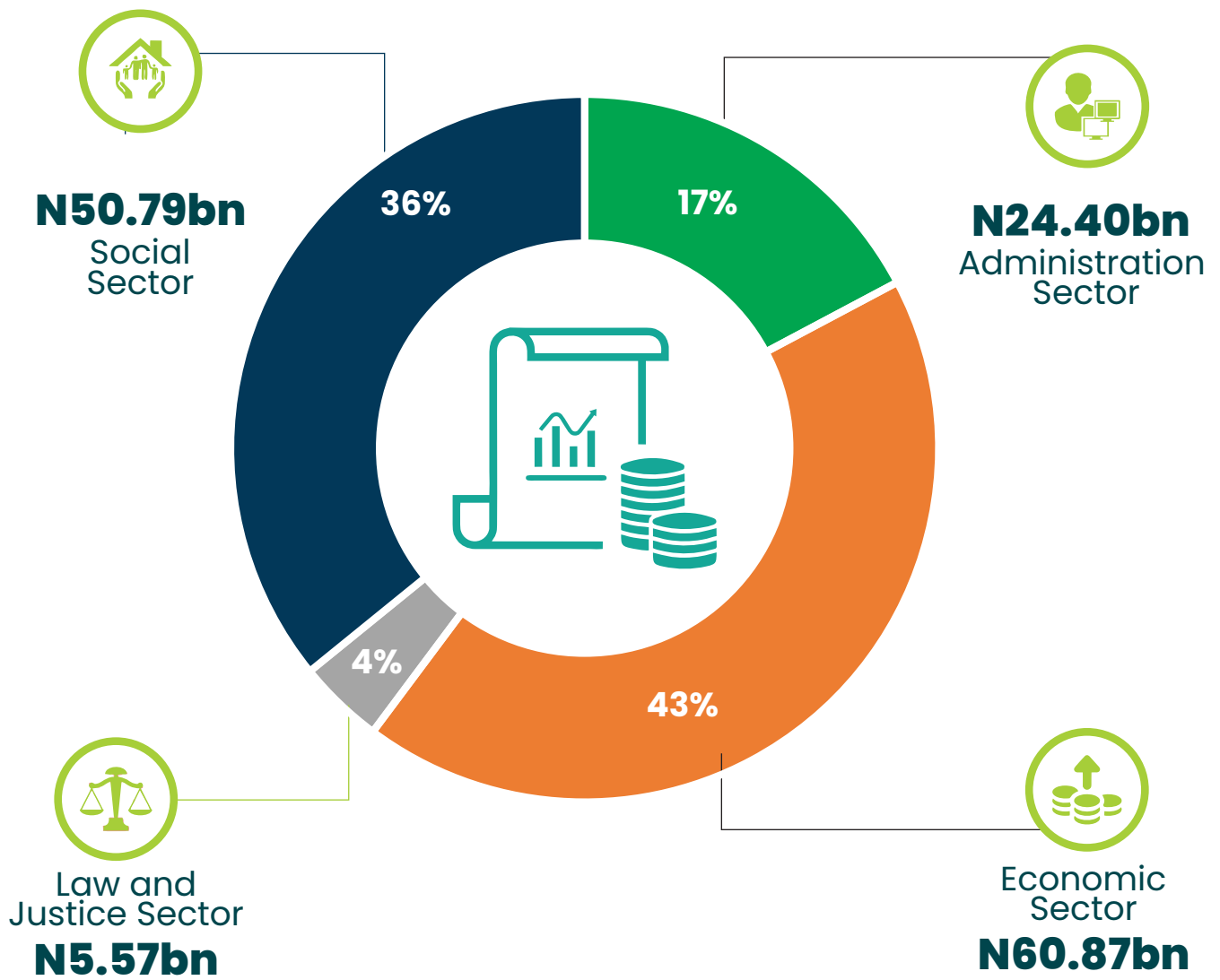
N0.3bn Save One Million Lives

N0.05bn IFAD - CASP (ASAP Grant)

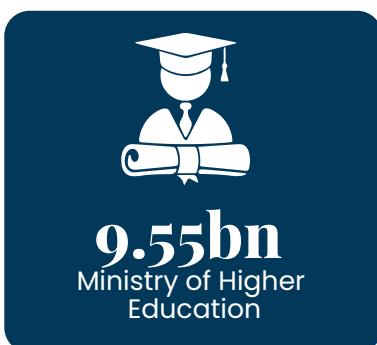
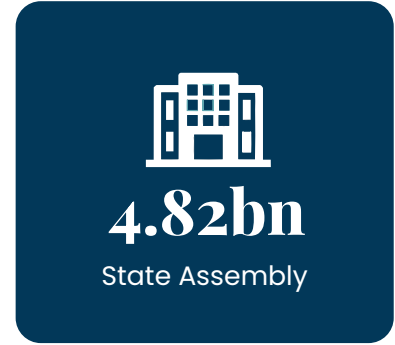
N0.05bn OXFAM

N0.3bn
N0.05bn
N0.05bn

Share of Budgeted Expenditure by Sector



Kebbi State Government 2021 Proposed Budget - Expenditure by MDA



Capital Projects

Top Capital Projects

Description	Budget
Construction of State/Rural Roads	6.5bn
Universal Basic Education Board (UBE)	6.3bn
Provision of 2000 Housing Units	5bn
Feeding Welfare Support to Schools	3bn
Rehabilitation of Roads	2.5bn
Provision of Special Service (Security)	3bn
Construction of State Secretariat	3bn
Payment of Outstanding Liabilities	2bn
Purchase of Assorted Fertilizer	2bn
CARES (P for R) FADAMA Component	1.95bn
Land Acquisition & Payment of Compensation	1.4bn
Establishment of 16 New Secondary Schools	1bn
Rehabilitation, Completion & Maintenance of Public Institutions	1bn
Provision for SEMA	1.2bn
Kebbi State Scholarship Fees	1.8bn
Renovation of General Hospitals Structure in the State	1bn
Construction of Bridges	1bn
Schools Furniture & Bedding	1bn

Capital Projects

Top Capital Projects

Description	Budget
Grant to Pilgrims Board	1bn
Rehabilitation of & Construction of Rural Roads (Truck C)	1bn
Upgrade/Renovation of Ward Health Facilities	1bn
Accelerated Agricultural Development Scheme (AADS)	1.05bn
Construction of Borehole Schemes	1bn
WeCan Program for Youth over 225 Wards	1bn
Water Supply and Rural Electrification Across the State	1.5bn
Construction of Mosques and Islamic Schools	1.2bn

Dangote Rice Mill at Saminaka, Shanga Local Government



**Cassava Demonstration Farm in Andarai along
Jega – Koko road.**





<https://www.kebbistate.gov.ng/ministry-budget-economic-planning>



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