KEBBI STATE GOVERNMENT

2022

DEBT SUSTAINABILITY ANALYSIS & DEBT MANAGEMENT STRATEGY (DSA-DMS) REPORT

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Chapter 1: Introduction

Kebbi State Debt Sustainability Analysis (KS - DSA) covers the period of 5-year historical from 2017 to 2021 and 10-year projection 2022-2031, under various macroeconomic assumptions and shock scenarios. To ensure that State debt stock remains sustainable in the medium to long-term, the State's macroeconomic framework is used to assess the current and future debt levels, as well as its ability to meet debt service obligations as and when due, and without compromising growth and development.

The Kebbi State DSA-DMS forecast for primary balance that comprises the difference between revenue and expenditure, plus the existing debt service (interest payment and principal repayments). The revenue was based on the harmonized revenue law of the state government, which provided for capital gains tax, and other property tax to expand the tax base to maximally increase the state internally generated revenue that are considered achievable. Also, the state forecasts increased recurrent and capital expenditures with expected growth in the National economy with cascading effects in the State's economy leading to increase in overall economic activities in the private sector, as well as job creation in the public sector.

The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage point lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply-demand imbalances and is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent.

The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchored; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.

Nigeria's economy grew by 3.6% in 2021 from a 1.8% contraction in 2020, underpinned on the supply side by 4.4% expansion in the non-oil sector against 8.3% contraction in the oil sector; non-oil growth was driven by agriculture (2.1%) and services (5.6%). On the demand side, public and private consumption were contributors to GDP growth. Per capita income grew by 1.0% in 2021. The fiscal deficit narrowed to 4.8% of GDP in 2021 from 5.4% in 2020, due to a modest uptick in revenues, and was financed by borrowing. Public debt stood at $95.8 billion in 2021, or about 22.5% of GDP.

Annual average inflation stood at 17.0% in 2021 against 13.2% the previous year and above the central bank's 6–9% target. Inflation was fueled by food price rises at the start of the year and exchange rate pass-through. The central bank kept the policy rate unchanged at 11.5% in 2021 to support economic recovery. The current account deficit narrowed to 2.9% of GDP in 2021 from 4% the preceding year, supported by recovery in oil receipts. Improved oil exports and disbursement of the SDR allocation of $3.4 billion (0.8% of GDP), pending decision on its use, helped to boost gross reserves to $40.1 billion in 2021. The ratio of NPLs to gross loans was 4.9% in December 2021 (regulatory requirement 5%), while the capital-adequacy ratio was 14.5% (regulatory benchmark 10%). Poverty and unemployment remained high, broadly unchanged from 40% and 33.3%, respectively, in 2020.

In its effort to cushion the effect dwindling revenue, Kebbi State Government has put in place a harmonized revenue law to expand the tax net and boost Internally Generated Revenue. The increase in Internally Generated Revenue is expected to positively impact on the debt obligations and economic development of the State. The State plans to augment the State budget through borrowings from domestic and external loans. Consequently, the MTDS had to be adjusted to ensure the financing gap of government is met.

Chapter 2: The State Fiscal and Debt Framework

Kebbi State Government Budget prepared in line with the Federal Government's outlook for each fiscal year, by using oil price benchmark per barrel to project the Statutory allocation, considered inflation rate and exchange rate during projections. The economy is the primary and critical component of life, the Kebbi State Government submitted an Economic Policies and Procurement Bills to the State House of Assembly with a view to transforming the State economy in urban and rural area, particularly health care, agriculture, education, agriculture, Small Medium Enterprises, solid minerals. This is expected to boost Internal Generated Revenue.

Kebbi State Government Budget is driven by Agriculture, youth empowerment and provide an enabling environment for Small Medium Enterprises to grow and pave way for industrial development of the State's government. The Government also rolled out a social intervention programme to provide support to the poor and the unemployed; reconstructed and equipped skills acquisition centres to provide training for women and youth towards self-reliance; and building the critical infrastructure needed to speed up the development of the State.

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The Government has put in place a harmonized revenue law to expand the tax net and boost Internally Generated Revenue. The increase in Internally Generated Revenue is expected to positively impact on the debt obligations as well as economic development of the State. The State plans to augment the State budget through borrowings from domestic loans and external loans.

2.1 Medium-Term Budget Forecast

Kebbi State Government's Medium-Term Budget Forecast determine the accessible resources and ensured the use of these resources for the medium term. Medium-Term Expenditure Framework is a five-year period projection as well as source document for the preparation of State Budget proposal to be tabled before the State House of Assemble. Medium-Term Budget Planning implies approval of State Budget law for one year, and determination of maximally allowable expenditure levels for the subsequent two years.

Kebbi State's Medium-term covers macroeconomic analysis, government's fiscal policy objectives for medium term, state budget revenue projections and state budget expenditure ceilings for each ministry and their agencies (MDAs) for medium term.

The macroeconomic assumptions revealed decline in revenue from N156.57 in 2022 to N134.93 in 2023, the reduction is due to slow economic activities in the election year. The revenue is expected to grow from N141.07 in 2024 and N157.36 in 2025. On the other hand, the expenditure decline from N194.75 in 2022 to N153.59 in 2023, the reduction is due to revenue recorded in the election year. The expenditure is expected to grow from N158.80 in 2024 and N180.24 in 2025.The details of the macroeconomic assumptions are as shown in the table below.

Kebbi State Medium Term Expenditure Framework (MTEF), 2022-2025

Macroeconomic Assumptions	2022	2023	2024	2025
National Inflation	13.00%	11.00%	10.00%	10.00%
National Real GDP Growth	4.20%	2.30%	3.30%	3.30%
Budget Oil Production Volume (mbpd)	1.88	2.23	2.22	2.22
Projected Budget Benchmark Price (US$ per barrel)	57	57	55	55
Average Exchange Rate (N/US$)	410.15	410.15	410.13	410.13
Revenue				
Gross Statutory Allocation	51,108.45	57,217.67	62,597.09	67,922.49
Other FAAC transfers (exchange rate gain, augmentation, others)	4,701.25	5,014.63	5,265.36	
VAT Allocation	19,167.34	22,198.51	25,222.86	28,245.66
IGR	14,249.11	15,950.06	16,747.56	17,519.75
Grants	47,632.52	35,553.05	31,238.57	16,924.09
Sales of Govt Assets and Privatization Proceeds	0.00	0.00	0.00	7760.46
Other Non-Debt Creating Capital Receipts	19,713.80	0.00	0.00	18994.19
Total Revenue	**156,572.46**	**135,933.91**	**141,071.45**	**157,366.64**
Expenditure				
Personnel costs	36,193.54	35,866.75	37,660.09	39,396.49
Overhead costs	18,544.64	13,418.35	14,357.63	15,837.54
Other Recurrent Expenditure*	11,946.22	17,491.17	22,961.40	39,620.65
Capital Expenditure	128,067.01	86,814.12	83,821.30	85,389.52
Total Expenditure	**194,751.41**	**153,590.39**	**158,800.42**	**180,244.20**
Budget Deficit	**-38,178.95**	**-17,656.48**	**-17,728.97**	**-22,877.56**
State GDP	1,996,437.00	2,205,855.00	2,399,000.00	2,614,142.00
Deficit as % of GDP	-1.91	-0.80	-0.74	-0.88
New Domestic Borrowing	36,057.74	17,656.47	4,355.9	22,877.56
New External Borrowing	2,121.22	0	13,373.1	0
New Borrowing	38,178.96	17,656.47	17,728.97	22,877.56

Kebbi State's Budget Policy Thrust

The overall size of the 2022 budget will be based on resource estimates as provided in the Fiscal Strategy Paper (FSP) and sector allocations in line with the State`s development priorities.

The 2022 budget will focus on Agriculture and Rural Development, Infrastructural Development, Health, Education, Water Supply and Sanitation, Environment, Lands and Housing, Culture and

Tourism and Youth and Women Empowerment. In the entire sub sectors, priority will be given to on-going projects.

The 2022 Budget Policy thrust is as follows: -

a. The Planning instrument of Medium-Term Sector Strategies will be the basis for MDAs 2022 budget proposal;
b. Strict Adherence to the principles and letters of Fiscal Responsibility Law (FRL) 2010 and State Public Procurement Law (PPL), 2010 in the day-to-day implementation of the budget;
c. Prompt payment of State counterpart contributions to attract additional resources for funding projects and programmes;
d. Completion of critical on-going projects that have attained between 75% to 80% level of completion;
e. New projects will only be provided for after ensuring adequate provision for on-going projects;
f. Sustain investment in Agriculture to achieve self-sufficiency in food production and security;
g. Use Result Based Monitoring and Evaluation (RBM&E) framework to track project and programme implementation;
h. Strengthen Social Safety Net Programmes to further mitigate the impact of the current economic situation on the poor and vulnerable groups within Kebbi State;
i. Improve revenue base of the State through effective and efficient collections from the existing sources and exploration of new sources by revenue generating MDAs;
j. Continued sustenance of free education programme including School feeding programme and ensuring quality control in the education system;
k. Construction of new and Maintenance of existing physical infrastructure and facilities (Roads, Water and Public buildings);
l. Strengthen public service for efficiency, productivity and value for money through capacity building and incentives;
m. Strengthen provision of social services through whole School and Hospital approach.
n. Prioritize investment in projects and programmes that will enhance job creation, employment generation and contribute to poverty reduction;
o. Improve funding of MDAs for better service delivery;
p. Strengthen coordination of partners` activities in line with the State`s development priorities;
q. Adequate provision and timely payment of MDAs outstanding debts/liabilities with Kebbi State Debt Management Department (DMD);

r. Increase allocation to address issues of insecurity in the State; and,

s. Prioritize allocation and release of fund to post-Covid-19 recovery programmes.

Legislative Framework for Public Financial Management in Kebbi State

The fundamental law governing Public Financial Management (PFM) in Nigeria and Kebbi State in particular is the 1999 Constitution as amended. Section 120 and 121 of the Constitution provides that all revenues accruing to Kebbi State Government shall be received into a Consolidated Revenue Fund (CRF) to be maintained by the Government and no revenue shall be paid into any other fund, except as authorized by the State House of Assembly (SOHA) for a specific purpose. The withdrawal of funds from the CRF shall be authorized by the SOHA through the annual budget or appropriation process. The Governor of Kebbi State shall prepare and lay expenditure proposals for the coming financial year before the SOHA, and the SOHA shall approve the expenditure proposal by passing an Appropriation Law. The Appropriation Law shall authorize the executive arm of government to withdraw and spend the amounts specified from the CRF.

Institutional Framework for Public Financial Management in Kebbi State

The Constitution vests the executive powers of the State in the Governor. The Constitution provides that "the Governor shall cause to be prepared and laid before the House of Assembly on or before the last business day of August of each financial year, containing estimates of the revenues and expenditure of the State for the next three financial years". The Governor of Kebbi State exercises his executive powers directly or through the Deputy Governor, the Commissioners, Special Advisers, Permanent Secretaries, and other officers in the public service of the State.

2.2 State's Revenue policies: Kebbi State Government introduced new "*Revenue Bill 2020*" the bill make provision for the repeal and re-enactment of a law no. 002 of 2019 for the administration and collection of revenue accrued to the Kebbi State Government and local government. Under the new bill the "Taxable person" includes an individual or body, individuals, family, corporation sole, trustee or executor or a person who carries out in a place an economic activity, a person exploiting tangible or intangible property for the purpose of obtaining income there from by way of trade of business or person or agency of government acting in that capacity.

Purpose of the new bill are as follows:

- To establish a single Central revenue account (herein after called "the Account") for all the internally generated revenue of the state.
- The account should be utilized by SIRS for the purpose of capturing the total revenue collection of the state.

- The account shall be maintained and operated with the designated IGR reporting Bank, which shall account for all revenues collected by Lead Bank through designated collecting Bank as may from time to time be authorized by the Governor or any other person authorized by him.

2.3 State's Expenditure Policies: Kebbi State's Expenditure Policies drives through a State's Comprehensive Development Framework (CDF) which is to develop a holistic socioeconomic development strategy that puts together all major elements affecting the development of the State. The effort represents a shared vision of all stakeholders, a development framework that is designed to guide short and medium-term state development plans and ensure effective linkage to the budget through a Medium-Term Expenditure Framework with sufficient flexibility to respond to emerging needs and exigencies.

This section provides a brief review of the development process of the State since its creation, the overall development objectives, and priorities, as well as its mission and vision. The section also gives an overview of the conceptual underpinnings for the sustainable economic development of the State outlined in the Kebbi State CDF.

Government spending drives economic activity either through the development of large-scale infrastructural projects or through the provision of resources to the poor in the form of social grants. Investments in education and health have long-term economic benefits.

Fiscal policy is the deliberate adjustment of government spending, borrowing or taxation to help achieve desirable economic objectives. Kebbi State Government introduced new Bill titled "Price Intelligence and Public Procurement Bill, 2020" the objected of the bill are as follows:

- Maximize economy and efficiency in public procurement;
- Promote economic development through public procurement
- Obtain value for money in public procurement;
- Promote integrity and engender public confidence in the public procurement process;
- Foster transparency in the public procurement process;
- Encourage participation in public procurement
- Provide for the fair and equitable treatment of all persons participating in public procurement proceedings; and,
- Encourage the State economic growth by enabling the participation of small and medium sized enterprises in Public procurement.

Chapter 3: The State Revenue, Expenditure, and Public Debt Trends (2017 - 2021)

The Kebbi State economy experienced a slight growth under Internally Generate Revenue (IGR) stood at N3,132 million in 2016, N4,425 million in 2017, N4,882 million in 2018, N7,367 million and N7,976 million in 2020 respectively.

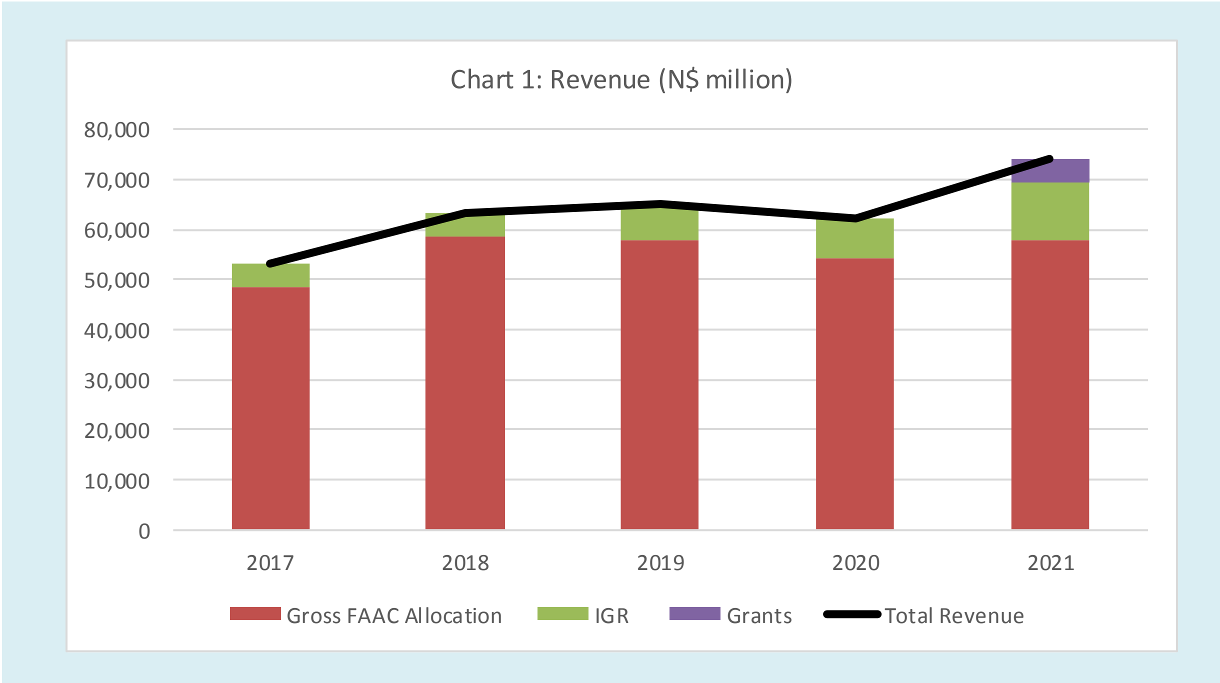
3.0 Revenue and Expenditure

3.1 Revenue - The State's economy comprises Statutory Allocation, Derivation, VAT Allocation, IGR, and Capital Receipt. the State's Revenue amounted to N73,950 million in 2021, N62,102 million in 2020, N65,104 million in 2019, N63,296 million in 2018, and N53,028 million in 2017 respectively.

Gross FAAC Allocation: Kebbi recorded a declined in the review period relative to the preceding year, as the FAAC Allocations amounted at N48,603 million in 2017, N58,414 million in 2018, N57,737 million in 2019, N54,126 million in 2020, and N57,676 million in 2021, respectively.

Internally Generated Revenue: Kebbi witnessed modest growth and significant improvement in the State IGR, where the IGR grew from N4,425 million in 2017, N4,882 million in 2018, N7,367 million in 2019, N7,976 million in 2020, and N11,851 million in 2021, representing an increase of N7,425 million or 143 percent from 2017 to 2021. Accordingly, the improvement in IGR before pandemic is mainly due to the tax reforms aimed at improving collection efficiency and broadening the tax revenue base.

Revenue	2017	2018	2019	2020	2021
Total Revenue	53,028	63,296	65,104	62,102	73,950
Gross FAAC Allocation	48,603	58,414	57,737	54,126	57,676
IGR	4,425	4,882	7,367	7,976	11,851
Grants	0	0	0	0	4,423



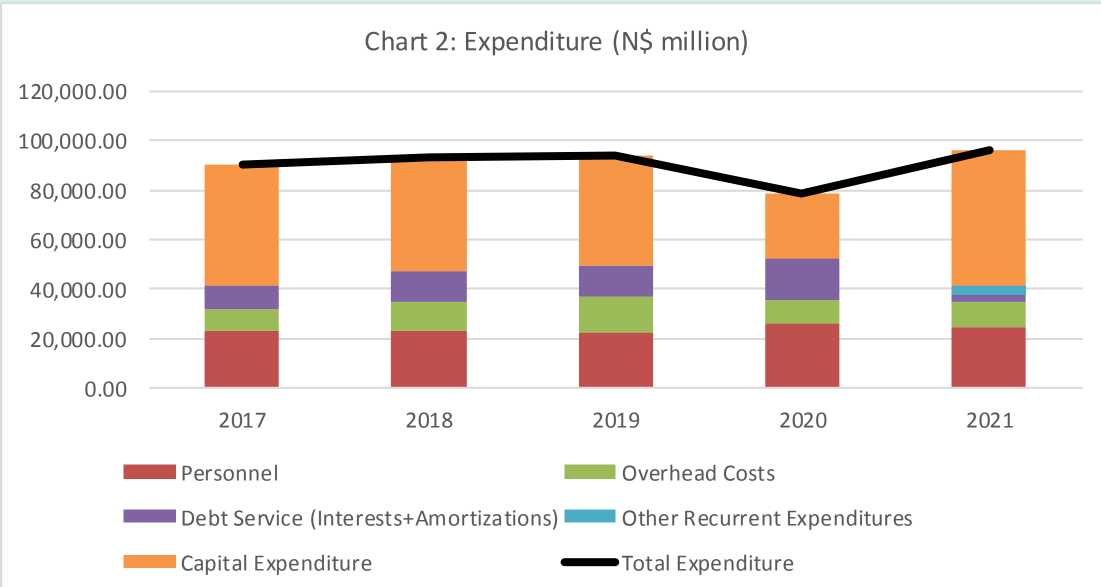
3.2 Expenditure- The State's Total expenditure covers Capital expenditure, Personnel costs, Overhead costs, other recurrent expenditure, and Debt service (interest payment and principal repayment) recorded at N95,925.47 million in 2021 which was higher compared with N78,742.99 million in 2020, N93,768.51 million in 2019, N93,343.05 million in 2018 and N90,633.72 million.

Personnel: Kebbi State Personnel costs stood at N22,653.40 million in 2017, N22,743.10 million in 2018, N22,155.00 million in 2019, N26,095.30 million in 2020 and N24,090.92 million, respectively.

Overhead Cost: Kebbi State Overhead costs amounted at N8,754.90 million in 2017, N11,940.50 million in 2018, N14,548.00 million in 2019, N9,643.10 million in 2020 and N10,376.26 million, respectively.

Capital Expenditure: Capital Expenditure was N49,673.16 million in 2017, N46,331.30 million in 2018, N44,378.84 million in 2019, N26,343.69 million in 2020 and N54,608.22 million in 2021, respectively, the decline in 2020 was due to slow in activities during coronavirus pandemic.

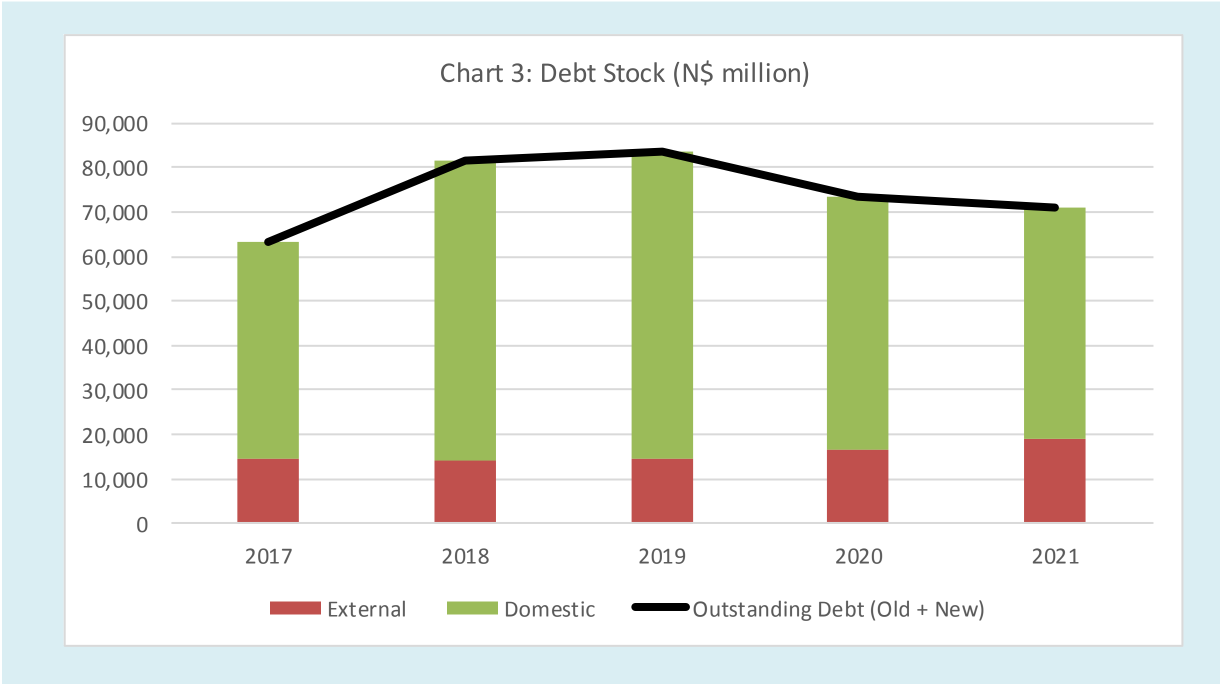
Expenditure Performance	2017	2018	2019	2020	2021
Total Expenditure	90,633.72	93,343.05	93,768.51	78,742.99	95,925.47
Personnel	22,653.35	22,743.09	22,154.98	26,095.35	24,090.92
Overhead Costs	8,754.91	11,940.54	14,548.04	9,643.08	10,376.26
Debt Service (Interests + Amortizations)	9,552.30	12,328.12	12,686.65	16,660.88	3,251.03
Other Recurrent Expenditures	0.00	0.00	0.00	0.00	3,599.04
Capital Expenditure	49,673.16	46,331.30	44,378.84	26,343.69	54,608.22



3.2 Existing Public Debt Portfolio

3.2.1 Debt Stock - Kebbi State Total Debt comprised External and Domestic Debts stood at N71,120 million as at December 31, 2021 compared to N73,338 million at December 31, 2020. The State debt declined by N2,305 million or 3.14, respectively. The External Debt grew by N2,177 million in 2021 from N16,615 million in 2020 to N18,792 in 2021, while the Domestic Debt stock declined from N56,811 million in 2020 to N52,328 million in 2021.

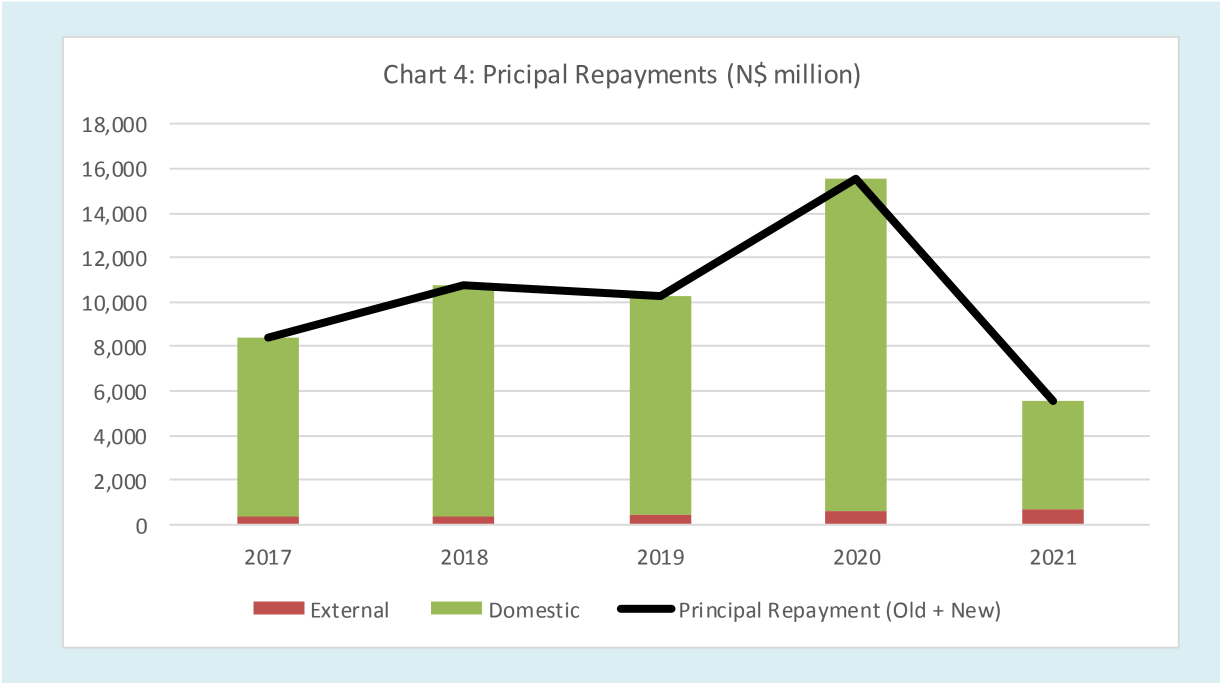
	2017	2018	2019	2020	2021
Outstanding Debt (Old + New)	63,362	81,443	83,620	73,426	71,120
External	14,633	14,001	14,354	16,615	18,792
Domestic	48,729	67,442	69,265	56,811	52,328



3.2.2 Debt composition - The main domestic debt portfolio consists of Budget Support Facility, Salary Bail-out facility, Excess Crude Account Backed Loan, Contractor's Arrears and Pensions & Gratuity arrears. While the External Debt includes World Bank (IDA and IFAD) and African Development Fund (AfDF). In 2020 the composition of external debt to domestic debt portfolio stood at 26.42 percent to 73.58 percent in 2021, compared to the debt composition of the external debt to domestic debt portfolio of 22.68 percent to 77.37 percent in 2020.

3.2.3 Debt Service amounted to N7,216 million in 2021, N16,615 million in 2020, N12,564 million in 2019, N12,193 million in 2018 and N9,364 million in 2017, respectively. Kebbi State's Principal Repayment stood at N8,378 million in 2017, N10,780 million in 2018, N10,242 million in 2019, N15,580 million in 2020 and N5,524 million in 2021.

Principal Repayment	2017	2018	2019	2020	2021
Principal Repayment	8,379	10,780	10,242	15,580	5,524
External	325	376	428	604	698
Domestic	8,054	10,404	9,814	14,976	4,826



Kebbi state Interest Payment was N1,691 million in 2021 compared to N1,036 million in 2020, N2,323 million in 2019, N1,413 million in 2018 and N985 million in 2017, respectively.

Interest Payment	2017	2018	2019	2020	2021
Interest Payment	986	1,413	2,323	1,036	1,691
External	100	103	104	111	125
Domestic	886	1,310	2,219	925	1,566

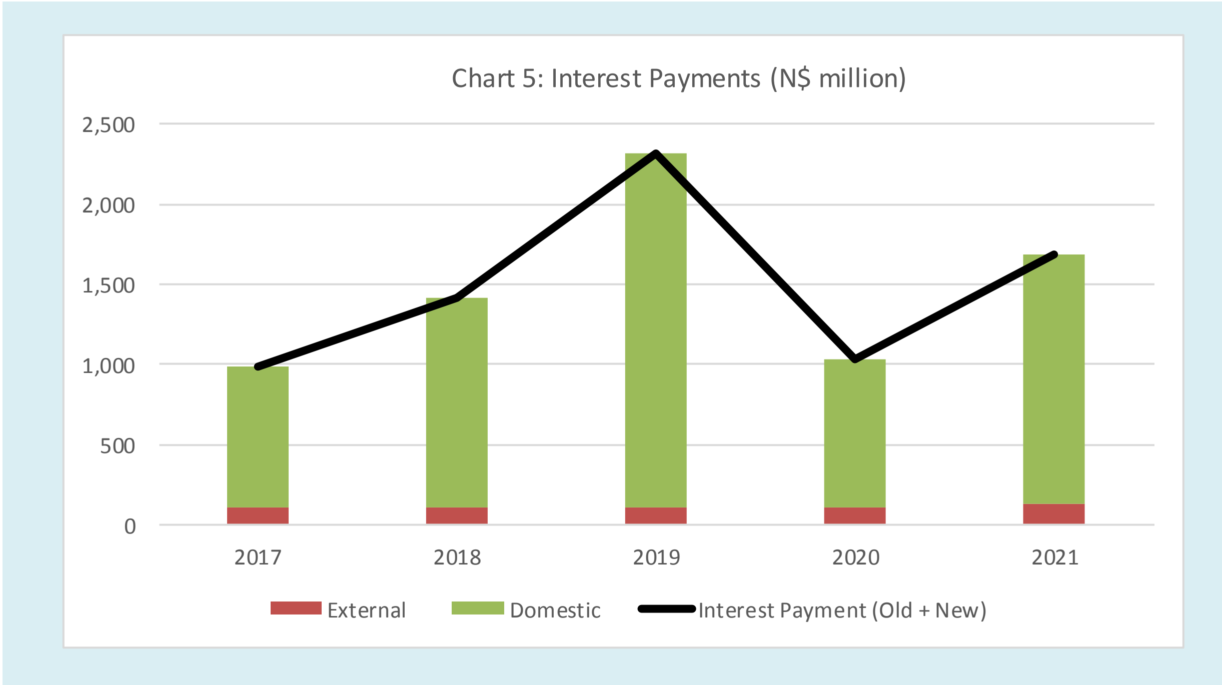


Chart 5: Interest Payments (N$ million)
2,500
2,000
1,500
1,000
500
0
2017
2018
2019
2020
2021
External
Domestic
Interest Payment (Old + New)

Chapter 4: Debt Sustainability Analysis

"The concept of debt sustainability refers to the ability of the government to honor its future financial obligations. Since policies and institutions governing spending and taxation largely determine such obligations, debt sustainability ultimately refers to the ability of the government to maintain sound fiscal policies over time without having to introduce major budgetary or debt adjustments in the future. Conversely, fiscal policies are deemed unsustainable when they lead to excessive accumulation of public debt, which could eventually cause the government to take action to address the unwanted consequences of a heavy debt burden".

Table 1: Kebbi State Debt burden indicators as at end-2020

Indicators	Thresholds	Ratio
Debt as % of GDP	25%	3.95
Debt as % of Revenue	200%	96.17
Debt Service as % of Revenue	40%	9.76
Personnel Costas % of Revenue	60%	32.58
Debt Service as % of FAAC Allocation	Nil	12.51
Interest Payment as % of Revenue	Nil	2.29
External Debt Service as % of Revenue	Nil	1.11

Source: Kebbi State DMD

4.1 Borrowing Options

The borrowing options are considered due to the timing of government's cash flows throughout the fiscal year. Domestic borrowing serves as one of the main sources of borrowing with average ratio of 78.94 percent over the projection period from 2022 to 2031 and given the limited funding envelopes from the external borrowing with long processing time required, domestic borrowing are mainly through: the commercial banks, State bonds, Federal Government and other Central Bank of Nigeria (Interventions).

Borrowing Options

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Domestic Financing										
Commercial Bank Loans 1 <> 5 years	4,195.74	7,677.79	4,355.87	5,877.56	4,773.23	4,207.42	7,653.07	8,491.67	5,872.69	7,472.09
Commercial Bank Loans - 6 years >	31,862.00	9,978.68	0	6,000.00	5,000.90	4,436.38	12,880.36	21,608.31	11,703.28	8,673.06
State Bonds - 1 <> 5 years)	0	0	0	0	13,932.27	0	7,000.00	0	0	0
State Bonds - 6 years >	0	0	0	11,000.00	0	0	0	0	0	0
Other Domestic Financing	0	0	0	0	0	0	0	0	0	0
External Financing										
External Financing - Concessional Loans (e.g., WB, AfDB)	5.1	0.0	32.4	0.0	22.0	20.4	11.5	0.0	20.7	22.6
External Financing - Bilateral Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other External Financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic Financing										
Total Gross Borrowing Requirements	38,179.0	17,656.5	17,729.0	22,877.6	32,795.6	17,054.5	32,289.7	30,100.0	26,143.9	25,494.1

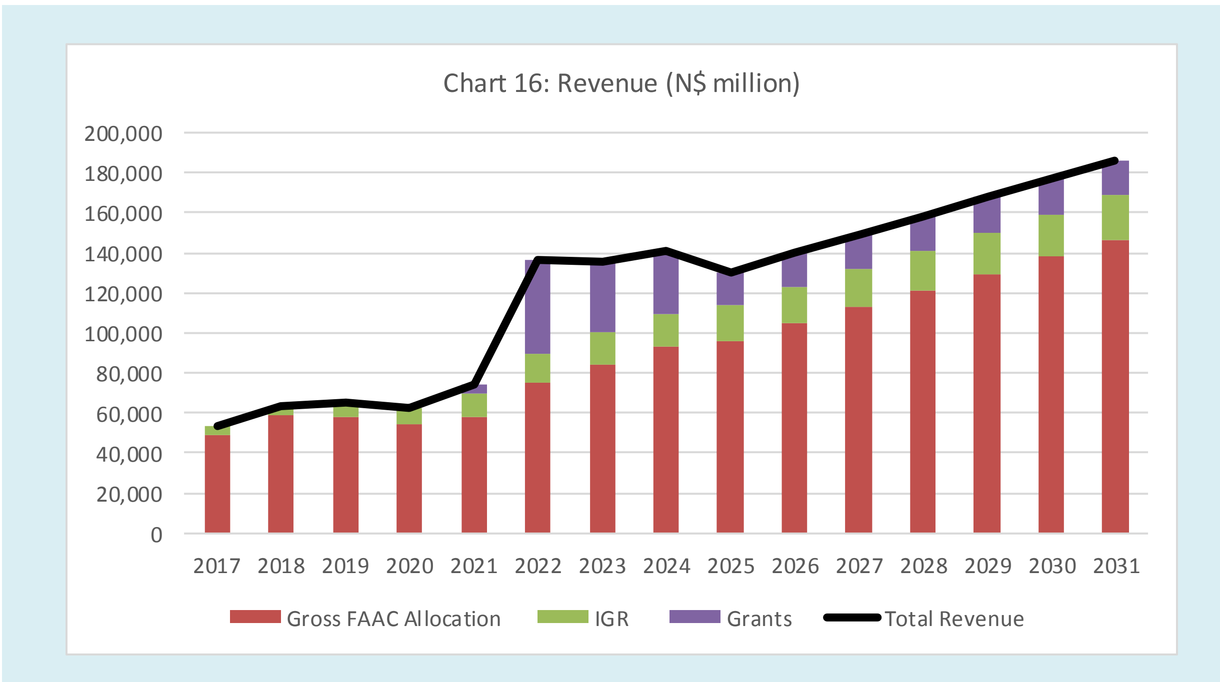
4.3.1 DSA Simulation Results

Revenue, expenditure, overall and primary balance over the long-term.

Revenue The Macroeconomic framework is based on IMF's national real GDP growth and inflation forecasts from April 2021, IMF World Economic Outlook document, and mineral benchmarks (oil price, production and NGN/USD exchange rate) from Federal Government of Nigeria's MTEF/FSP 2022-2024.

4.3.2 Revenue is expected to grow during the projected period, driven largely by expected improvement through FAAC allocation from N74,977 million in 2022 to N146,343 million 2031 compared with the IGR which estimated to grow from N14,249 million in 2022 to N22,191 million in 2031.

The FAAC allocation is estimated to increase in the medium term from N74,977 million in 2022 to N96,168 million in 2025, IGR projected at N14,249 million in 2022, N15,950 million in 2023, and N16,748 million in 2024, and n17,519.7 in 2025 respectively. Estimated on Revenue were sources from the Approved 2022 Budget; MTEF, 2022-2025; and the projections period from 2026-2031 projections as estimated by the official of Kebbi State Ministry of Budget and Economic Planning.



4.3.2 Expenditure is projected to grow from N90,634 million in 2017 to N228,837 million in 2031, the Capital expenditure has the largest share over the estimated period. indicating stability in the state growth recovery. The growth in the period is predicated on sustaining effective implementation of the new laws. Government is expected to continue its fiscal strategy of directing resources to the most productive and growth-enhancing sectors, including agriculture, youth, Housing, education, Health, and Water Resources within the period

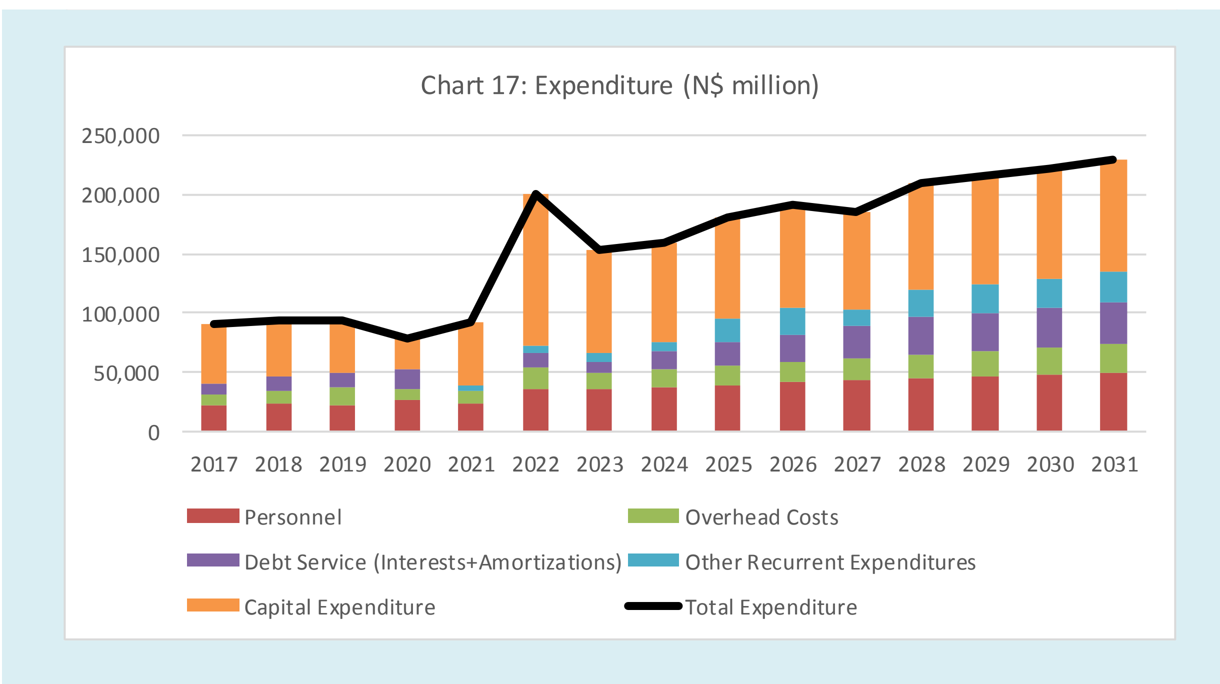
Personnel – The staff auditing is to check abnormalities in the pay roll. The State is determined to sustain the exercise to reduce personnel cost. It is anticipated that the number of political office holders will also be reduced, and the personnel cost is projected at N36,194 million in 2021, N39,396 million in 2025, N44,648 million in 2028 and N49,900 million in 2031 respectively.

Overheads – Annual increases were relatively lower in 2017. However, there was a large increase in 2018-2019 and fell in 2020. Moving average excluding outlier is used to forecast overheads because the expected growth rate for 2022-2031 is expected to substantially follow the trend recorded in the past five years, the overhead estimated at N18,545 million in 2022 compared with N23,906 million in 2031.

Total Debt Service – is based on the projected principal and interest repayments for 2022 to 2031. Hence, based on the projection public debt service will remain largely stable with minimal growth over the medium term.

Other Recurrent Expenditures – other recurrent expenditure comprises Social Contribution and Social Benefits – Pensions and gratuity payments is stood at N3,599 million in 2021.

Capital Expenditure - is based on the balance from the recurrent account plus capital receipts, less contingency reserve as outlined above. Capital expenditure was estimated at N128,067 million in 2022, N83,821 million in 2024, N86,958 million in 2026, N90,094 million in 2028, N94,799 in 2031 respectively.

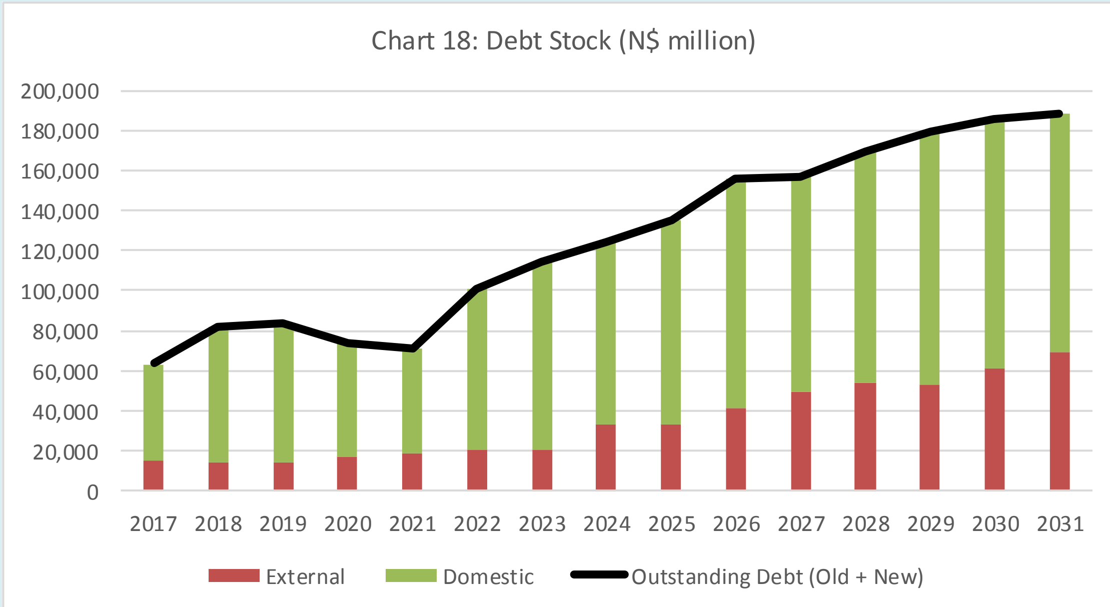


Gross Financing Needs (GFN) - is the sum of budget deficits and funds required to roll over debt that matures over the year. The GFN for Kebbi State 2022-2024 estimate at N38,179.0 million in 2022, N17,656.5 million in 2023, N17,729.0 million in 2024, respectively. The gross financing needs projection from 2025 to 2031 is estimated to have an average of N21,325.9 million, the period is hinged on the anticipated improvement on the revenue due to the various initiatives and reforms by Government, as well as efficiency and quality of spending.

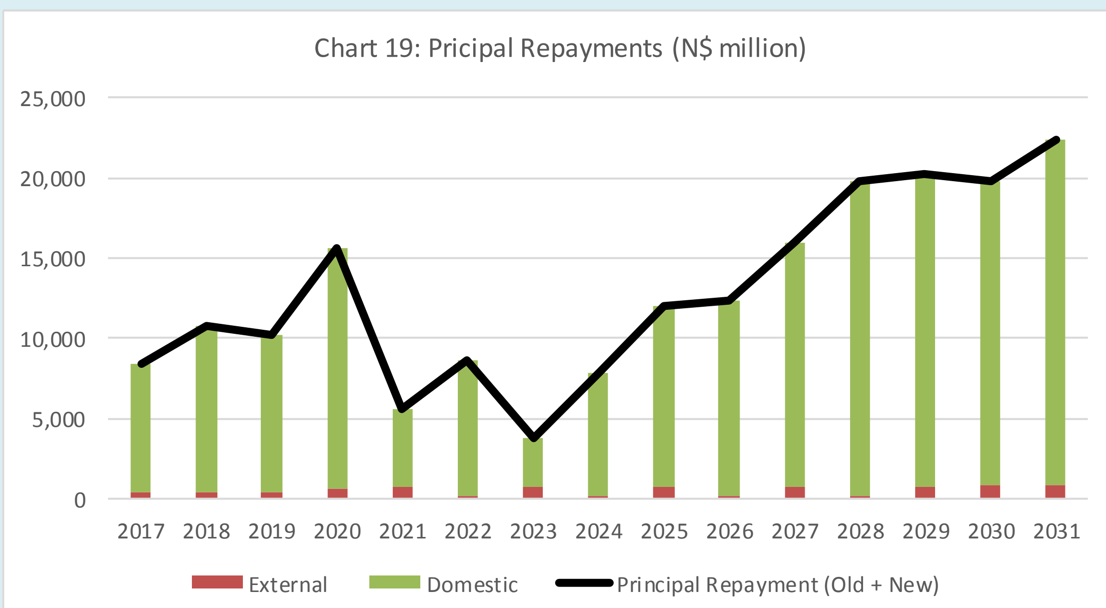
Kebbi State should sustain the current Budget reform programme particularly as it relates to the preparation of a realistic budget, ensuring policy-plan-budget linkages using the State MTSSs, and early passage of the budget. Efforts should be made to prepare MTSS for other sectors not yet provided for.

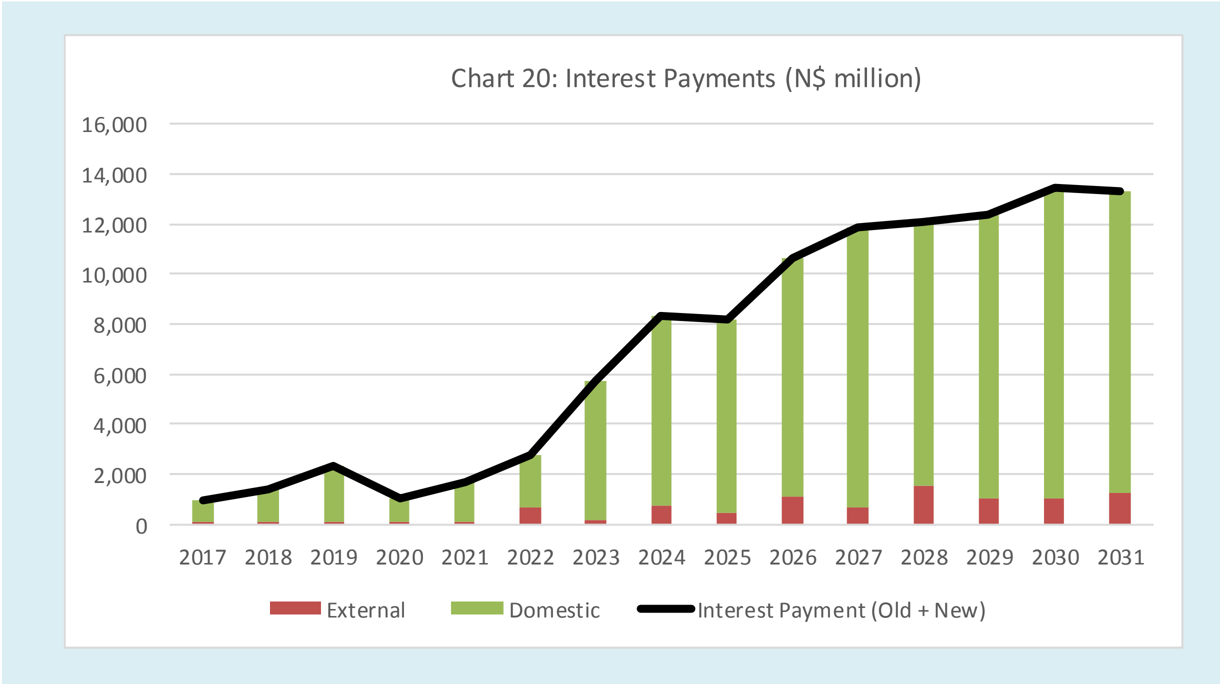
Kebbi State must continue to monitor the performance of mineral-based revenues to ensure estimates are consistent with the latest development globally and within the Federal Government's budget process. If the benchmark price of crude in the Federal FSP is lower or higher than $57 per barrel used herein and IMF, World Bank, OPEC and US Energy Information Administration Reports validates the oil price benchmark provided in Federal FSP, the State should revisit the assumptions and recalculate statutory allocation.

Debt Stock Kebbi State's Debt Stock estimated to increase from N100,631 million in 2022, N114,402 million in 2023, N124,402 million in 2024, N135,288 million in 2025, N155,785 million in 2026, N156,886 million in 2027, N169,406 million in 2028, N179,220 million in 2029, N185,576 million in 2030, and N188,690 million in 2031, respectively.



Principal Repayment estimated to increase from N8,668 million in 2022 to N22,380 million in 2030, compared with the Interest Payment N2,739 million in 2022 to N13,337 million in 2031. (see Charts 18 to 20, below).





Main Key Findings

On the Total Debt Sustainability Analysis under Baseline Scenario, the Debt Sustainability Analysis results shows that the ratio of Debt as % of GDP is projected at 5.04 percent in 2022, 5.19 percent in 2023, 5.19 percent in 2024, 5.18 percent in 2025, 5.46 percent in 2026, 5.03 percent in 2027, 4.98 percent in 2028, 4.82 percent in 2029, 4.58 percent in 2030 and 4.22 percent in 2031, respectively, as against the indicative threshold of 25 percent. Kebbi State would remain under the threshold for Debt to SGDP ratio for 25 percent over the projection period.

On the Total Debt Sustainability Analysis, the results show that the ratio of Debt to revenue remains below its indicative threshold under the Baseline scenario. However, based on the Most Extreme Shock in Revenue, Expenditure, Exchange rate and Interest rate, and historical remains moderate debt distress over the projection period.

The Kebbi State 2022 DSA exercise shows that there is substantial Space to Borrow based on the state’s current revenue profile. Meanwhile, the ratios of Debt Service to Revenue and Personnel Cost to Revenue trends remains under the threshold over the projection period from 2022 to 2031, with the strongminded efforts by the State Government through its various initiatives and reforms in the key sectors of the economy. Kebbi State Debt remained sustainable on the revenue and debt indicators.

The revenue-based indicators show that the Debt to Revenue at 73.53 percent in 2022, 84.18 percent in 2024, 105.11 percent in 2027, 106.73 percent in 2029 and 101.14 percent in 2031 the trends remains below the threshold of 200 percent.

For the Debt Service to Revenue, the outcome estimates the ratios in 2022 (8.33 percent), 2024 (11.46 percent) 2026 (16.41 percent), 2028 (20.08 percent) and 2030 (18.75 percent), as against the threshold of 40 percent to the end of the projection period in the medium to long term.

The Personnel Cost to Revenue remained under state threshold of 60 percent from 26.45 percent in 2022 to 26.75 percent in 2030.

Kebbi State Debt burden indicators, 2022-2031

	Threshold	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Debt as % of SGDP	25	5.04	5.19	5.19	5.18	5.46	5.03	4.98	4.82	4.58	4.22
Debt as % of Revenue	200	73.53	84.22	88.18	103.58	111.32	105.11	106.82	106.73	104.70	101.14
Debt Service as % of Revenue	40	8.33	7.02	11.46	15.47	16.41	18.67	20.08	19.47	18.75	19.14
Personnel Cost as % of Revenue	60	26.45	26.39	26.70	30.16	29.40	28.74	28.15	27.63	27.17	26.75
Debt Service as a share of Gross FAAC Allocation		15.21	11.31	17.37	21.01	21.97	24.68	26.26	25.22	24.08	24.41
Interest as a share of Revenue		2.00	4.22	5.93	6.29	7.62	7.98	7.61	7.39	7.58	7.15
External Debt Service as a share of Revenue		0.56	0.60	0.62	0.91	0.88	0.97	1.04	1.05	1.05	1.11
Gross Financing Needs as a share of SGDP		2.90	0.80	0.74	1.90	1.80	1.14	1.49	1.30	1.09	0.97
Overall Balance as a share of SGDP		-3.19	-0.76	-0.76	-1.89	-1.78	-1.14	-1.51	-1.29	-1.09	-0.96
Primary Balance as a share of SGDP		-3.06	-0.49	-0.41	-1.57	-1.41	-0.76	-1.16	-0.96	-0.76	-0.66
Revenue as a share of SGDP		6.86	6.16	5.88	5.00	4.90	4.79	4.66	4.52	4.37	4.18
Expenditures as a share of SGDP		10.05	6.92	6.64	6.88	6.69	5.93	6.17	5.81	5.46	5.13

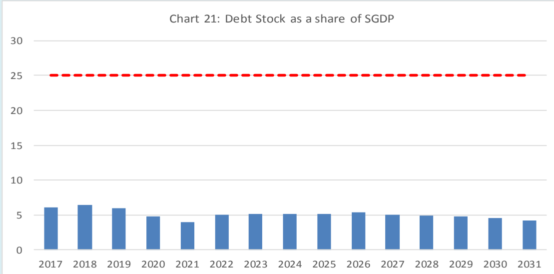


Chart 21: Debt Stock as a share of SGDP

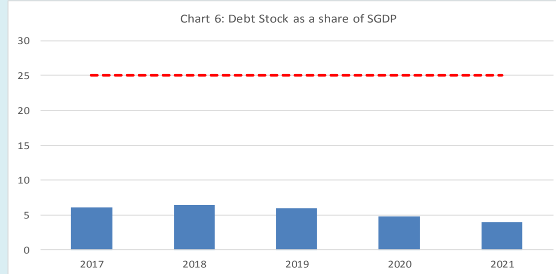


Chart 6: Debt Stock as a share of SGDP

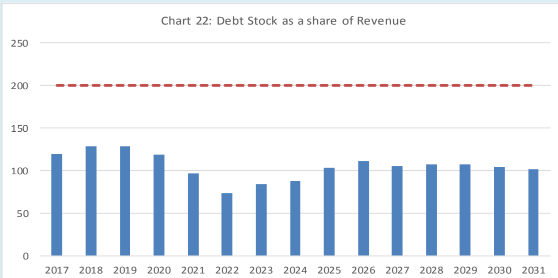


Chart 22: Debt Stock as a share of Revenue

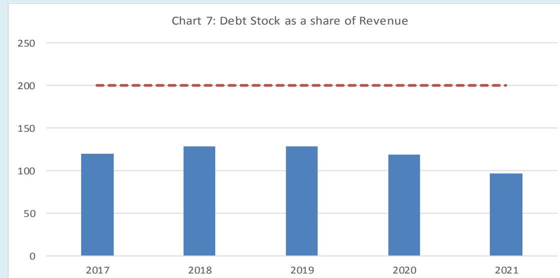


Chart 7: Debt Stock as a share of Revenue

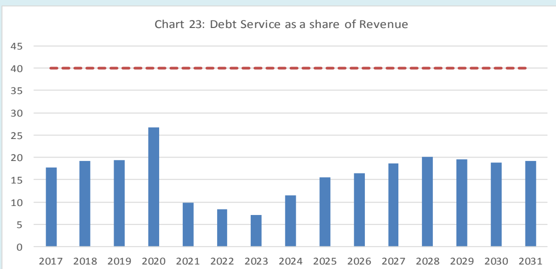


Chart 23: Debt Service as a share of Revenue

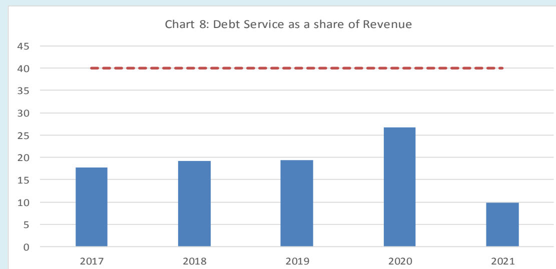


Chart 8: Debt Service as a share of Revenue

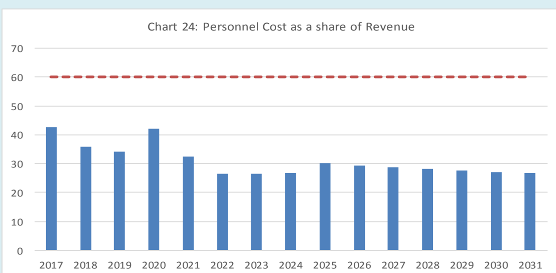


Chart 24: Personnel Cost as a share of Revenue

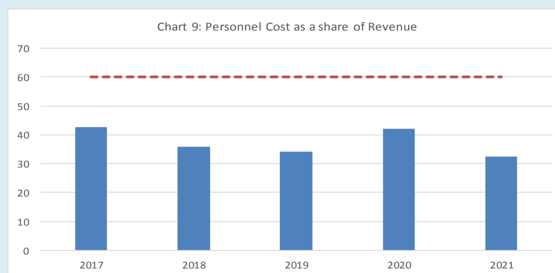


Chart 9: Personnel Cost as a share of Revenue

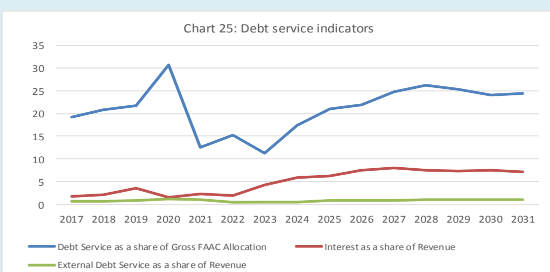


Chart 25: Debt service indicators

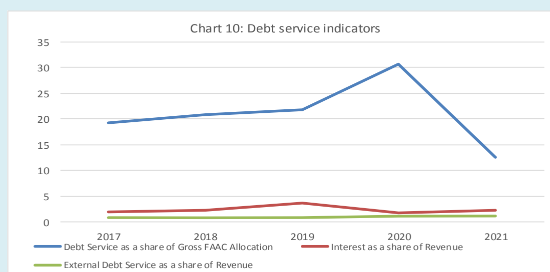


Chart 10: Debt service indicators

Conclusion

The outcome of the 2022 DSA revealed that Kebbi State's Total Debt remains at a Low Risk of Debt distress with substantial space to accommodate shocks. The ongoing efforts by the government towards improving revenue generation and diversifying the economy, through various initiatives and reforms in Tax Administration and Collections, as well as the Strategic Revenue Law, would improve the outlook for Total Debt with enhanced revenue performance. Thus, the Revenue indicators and Borrowing Space are expected to improve in the medium to long-term.

4.3.2 DSA Sensitivity Analysis

Kebbi State, 2022 DSA analysis remains at moderate risk of debt distress under sensitivity analysis. The State DSA analysis shows deteriorated or declined ratios due to application of revenue shocks, expenditure shocks, exchange rate shocks, interest rate shocks and historical shock, that would lead to increase Gross Financing Needs over the projection period. The shocks apply all the indicators are still below the thresholds during the projection period. There is, a need for the authorities to fast-track efforts aimed at further diversifying the sources of revenue away from crude oil (FAAC), as well as implement far-reaching policies that will bolster IGR into the state. This scenario above is based on pessimistic scenario.

The projections under the Kebbi State 2022 DSA remains sustainable due to strict adherence to prudent debt management as well as fiscal discipline. With the provisions of law guiding domestic and international borrowing by Fiscal Responsibility Act, and Debt Management, the Government is positioned for prudent debt management and fiscal discipline in order to be able to honor its future financial obligations without recourse to any financing options.

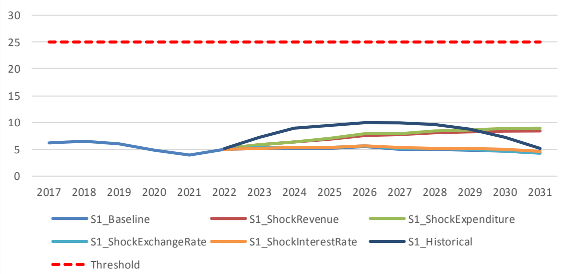


Chart 27: Debt Stock as a share of SGDP

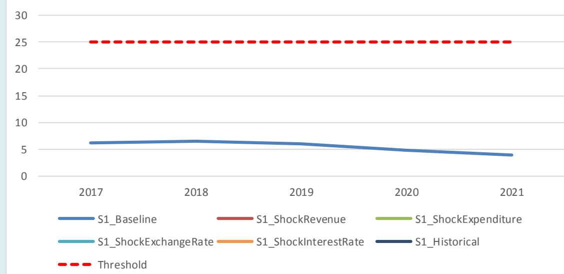


Chart 12: Debt Stock as a share of SGDP

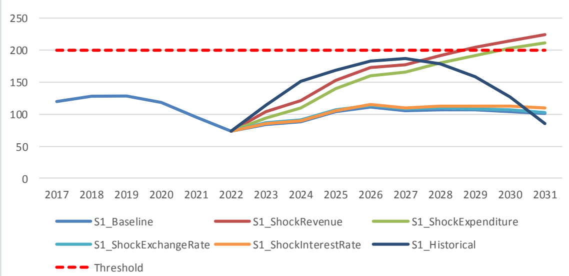


Chart 28: Debt Stock as a share of Revenue

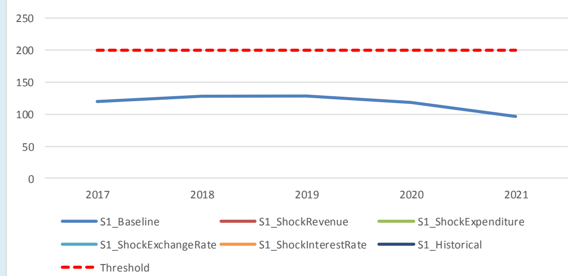


Chart 13: Debt Stock as a share of Revenue

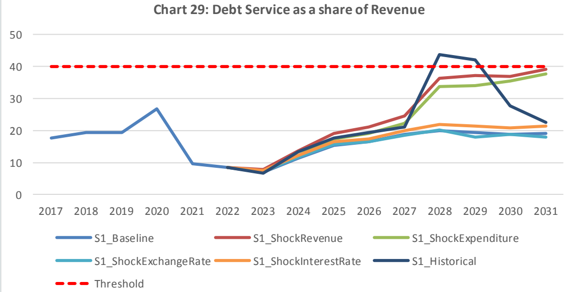


Chart 29: Debt Service as a share of Revenue

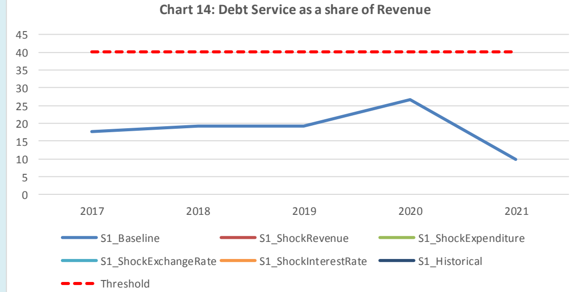


Chart 14: Debt Service as a share of Revenue

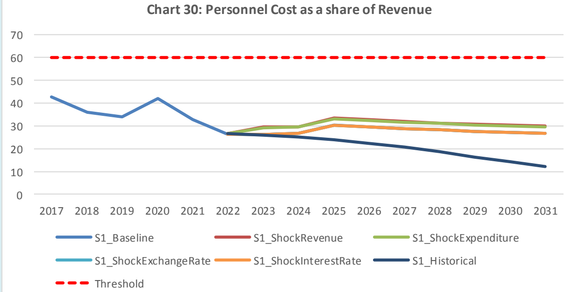


Chart 30: Personnel Cost as a share of Revenue

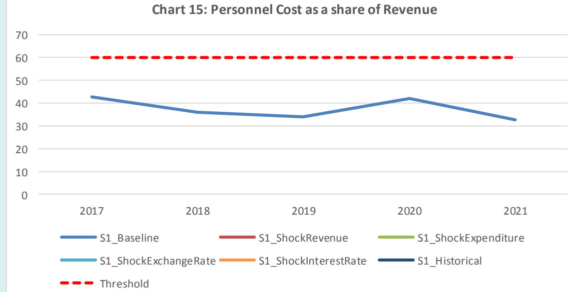


Chart 15: Personnel Cost as a share of Revenue

Chapter 5: Debt Management Strategy

Public debt management is the process of establishing and executing a strategy for managing the government's debt to raise the required amount of funding at the lowest possible cost over the medium to long run, consistent with a prudent degree of risk. Debt Management Strategy examines the costs and risks inherent in the current debt portfolio, as well as in the debt portfolios that would arise from a range of possible issuance strategies, in light of factors such as the macroeconomic and financial market environment, the availability of financing from different creditors and markets, and vulnerabilities that may have an impact on future borrowing requirements and debt service costs.

The Debt Management Strategy provides alternative strategies to meet the financing requirements for Kebbi State The strategies are shown by the breakdown of funding mix (domestic debt and external debt) and within the broad categories of domestic and external, the share of each stylized instrument has also been illustrated. The Kebbi State's Debt Management Strategy, 2022-2026, analyses the debt management strategies outcomes of the three debt management performance indicators namely Debt Stock to Revenue, Debt Services to Revenue and Interest to Revenue. The cost is measured by the expected value of a performance indicator in 2026, as projected in the baseline scenario. Risk is measured by the deviation from the expected value in 2026 caused by an un-expected shock, as projected in the most adverse scenario. The following four strategies are assessed by the government.

5.1 Alternative Borrowing Options

Strategy 1 (S1) Reflects a "status quo" MTEF Financing Mix: It follows the broad parameters of the financing mix in the fiscal year 2022 and MTEF, 2022-2024. External gross borrowing under Concessional loans accounts on average 19.02 percent over the strategic period mainly through World Bank and African Development Bank. The Domestic gross financing comprises commercial bank loans, State bonds and other domestic financing. The Commercial Bank loans with the maturity of 1-5 years is projected to account on average of 20.80 percent over the strategic period. The Commercial Bank loans with the maturity of above 6 years, State Bonds (1-5 years), State Bonds (above 6 years) and external financing through concessional loans estimated with an average of 40.89 percent, 10.78 percent, and 8.51 percent over the DMS period of 2022-2026.

Strategy 2 (S2) Focus more on financing through commercial bank loans: In this strategy it has been assumed the distribution between external and domestic borrowing remains the same in 2022 as its in strategy 1. The remaining of borrowing distributions from 2022 to 2025, the state government will focus its financing through commercial bank loans with average 7.00 percent under maturity of 1-5 years, 47.37 percent under maturity of above 6 years, State Bonds under maturity of 1-5 years with an average of 16.52 percent and other gross financing needs through external financing (concessional loans) which estimated to account on average of 22.42 percent and 5.30 percent over the strategic period.

Strategy (S3) Focus its financing through domestic debt market. In strategy 3, the government decided to focus its financing from 2021 to 2025, through Commercial Bank loans (1-5 years), Commercial Bank loans with the maturity of above 6 years, State Bonds (1-5 years), Concessional Loans and Bilateral Loans with an average of 31.89 percent, 33.47 percent, 7.29 percent, 21.54 percent and 4.96 percent, respectively. This strategy considers the scenario where proportions of external and domestic debt instruments in 2022 remains the same with strategy 1.

Strategy (S4) increases the share of external borrowing. In this strategy, External Financing (Concessional Loans) represents an average of 17.25 percent from 2022-2026, Bilateral loans 6.37 percent, other gross financing comprises other Domestic financing, Commercial bank loans (1-5 years) and Commercial bank loans (above 6 years) with average period of 32.82 percent and 42.66 percent respectively.

5.2 DMS Simulation Results

Analysis of strategies & outcomes of the analysis. The cost risk trade off charts illustrate the performance of the alternative strategies with respect to four debt burden indicators.

a. Debt as a share Revenue:

- Strategy 4 shows the Cost ratio of Debt to Revenue estimated at 110.72 percent in 2026, as against Strategy 3 (110.95 percent), Strategy 2 (112.63 percent) and Strategy 1 (111.32 percent), over the DMS period of 2026, compared with the Risks measured of Strategy 4 (71.43 percent), Strategy 3 (71.39 percent), Strategy 2 (71.06 percent) and Strategy 1 (71.31 percent), respectively.
- Analysis using this debt indicator of debt to revenue shows that S4 has the lowest costs and S2 with the lowest risks with the average measured by 110.72 percent and 71.06 percent compared Strategy 1 with the highest Costs and Strategy 3 with the highest risks under debt to revenue ratio. Strategy 4 is the riskiest strategy as this concentrated on more Concessional and bilateral financing with little proportion of domestic financing over the DMS period of 2021-2025.

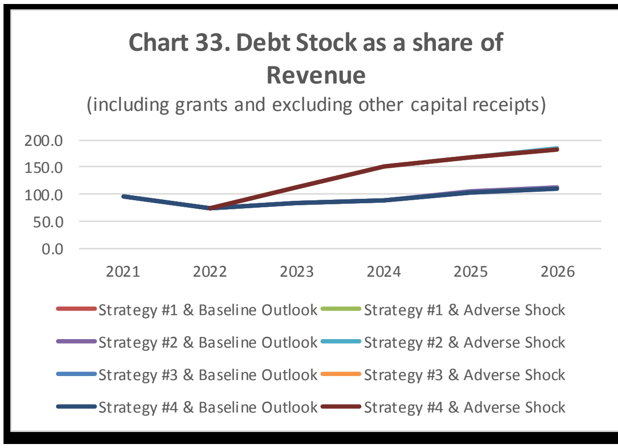


Chart 33. Debt Stock as a share of Revenue
(including grants and excluding other capital receipts)

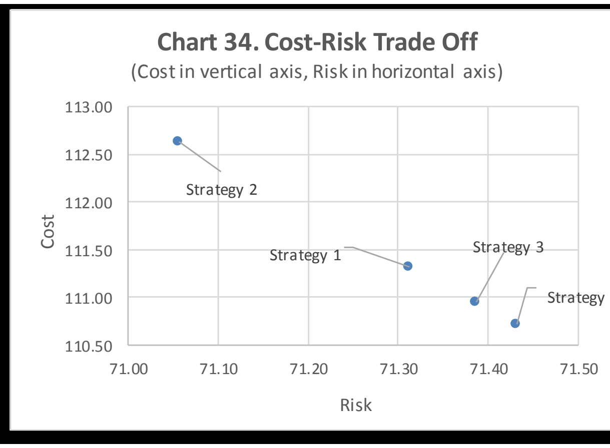


Chart 34. Cost-Risk Trade Off
(Cost in vertical axis, Risk in horizontal axis)

b. **Debt Service as a share of Revenue:**

- In terms of Debt Service to Revenue, Strategy 3 has lowest costs and risks with 16.23 percent and 4.61 percent by the end of strategic period compared with Strategy 1 of 16.41 percent and 4.63 percent and Strategy 4 of 16.52 percent and 4.64 percent all under moderate costs and risks, as against Strategy 2 with the highest costs and risks of 18.73 percent and 4.89 percent respectively, as at end of the strategic period of 2026.
- S3 has the lowest costs and risks of 16.23 percent and 4.61 percent under the Debt Service to Revenue compared with S2 with highest costs and risks of 18.73 percent and 4.89 percent, Strategy 1 and 4 are considered as the moderate strategy by the end of strategy period.

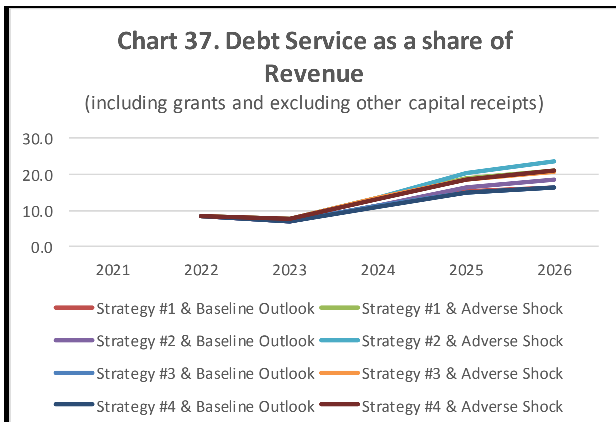


Chart 37. Debt Service as a share of Revenue
(including grants and excluding other capital receipts)

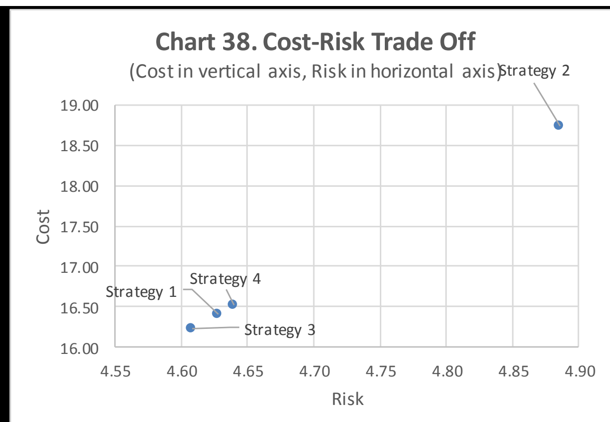
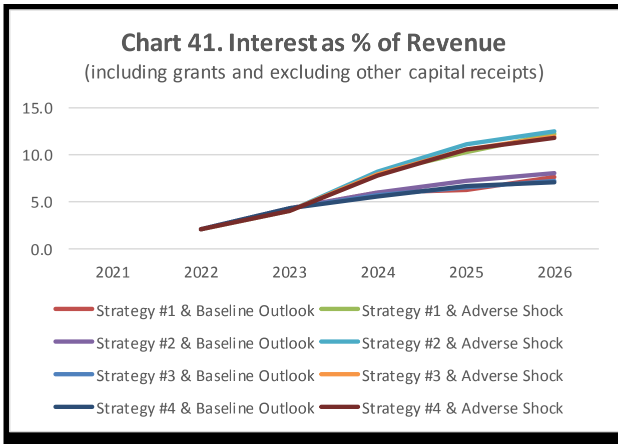


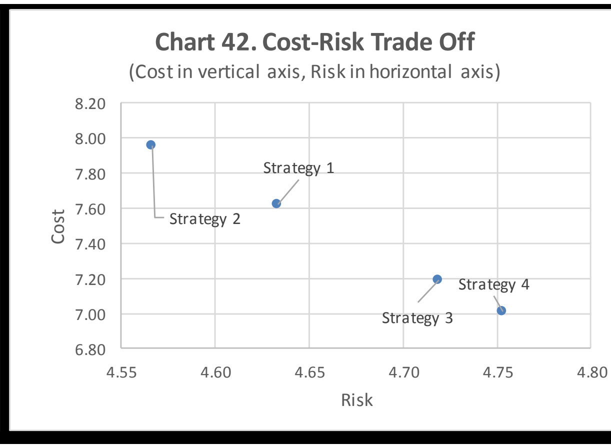
Chart 38. Cost-Risk Trade Off
(Cost in vertical axis, Risk in horizontal axis)

c. **Interest as a share of Revenue**

- S2 is the least risky and S4 is least costly with regards Interest to Government revenues, which projected at 4.57 percent and 7.01 percent, whilst S4 is the riskiest and S2 is the costly strategy which estimated at 4.75 percent and 7.96 percent, compared to S1 and S3 with moderate costs of 7.62 percent and 7.19 percent compared with moderate risks 4.63 percent and 4.72 percent, as at end of the strategic period of 2026.

➢ The analysis shows that S4 yield the lowest cost due to high external financing assumed in S4, as the external debt service terms requirement has low interest rate, longer maturity and grace period in concessional external financing, compared to S1, S2 and S3 with the moderate costs and risks. S2 is the costliest and S4 is the most risky strategy.





5.3 DMS Assessment

The preferred strategy was not solely based on the Analytical Tool assessment of all four strategies but took into consideration the ability to implement the chosen strategy successfully in the medium-term. Therefore, although the Analytical Tool's results of cost and risk would suggest that the recommended strategy be S1 these results were just marginally better when compared with other Strategies. ***It was considered that S1 is the most feasible of the strategies to implement in the short-term and it would still greatly improve the portfolio's debt position relative to the base year 2021***. In line with the result, it is highly recommended that S1 should be considered in the medium Term in order to raise the required amount of funding at the lowest possible cost over the medium term, consistent with a prudent degree of risk.

In comparison to the current debt position, Kebbi State debt portfolio stood at N71,120.0971,120 million as at end-2021, which expected an increase to N155,784.52 million under S1 during the strategic period, compared to S2 (N157,609.68 million), S3 (N155,256.78 million), and S4 (N154,934.86 million). In addition to this, the cost/risk trade-offs are considered, using the debt to GDP, debt to revenue, debt service to GDP, debt service to revenue, interest to GDP and interest payment to GDP ratios, S1 is selected as the preferred strategy for the 2021-2025.

The Debt Management Strategy, 2022-2026 represents a robust framework for prudent debt management, as it provides a systematic approach to decision making on the appropriate composition of external and domestic borrowing to finance the 2022 budget. The cost-risk trade-off of alternative borrowing strategies under the DMS has been evaluated within the medium-term context.

Annex I: Baseline Assumptions

Statutory Allocations – the estimation for statutory allocation is based on an elasticity forecast taking into consideration the key macroeconomic and fiscal assumptions as contained in the FGN 2022 – 2024 MTEF as well as the mineral ratio for which we considered the mid-point between possible removal of subsidy

VAT – considering that changes in key macroeconomic parameters including the nature of impact of the volatile commodity prices and exchange rate on aggregate economic activity, VAT was forecasted using the elasticity forecast method. This forecast might change if macroeconomic assumptions change.

Other Federation Account Distributions – Other Federation Account Distributions – the estimation is based on the current receipt, with 5% growth per year based on 2020 actuals. Furthermore, it is anticipated that this administration will press FAAC for excess crude distributions in 2021 to fund the new minimum wage.

Internally Generated Revenue (IGR) – the current administration introduced measures to grow IR. These measures have started yielding results as actual IR increased by 87% in 2020. It is anticipated that IR will continue to increase by at least 5% from September 2021 due to the expiration of tax relief period which was introduced in 2020 due to the emergence of COVID-19 pandemic. Own Percentage (5%) was therefore used to forecast IGR for 2022 – 2024.

Grants – Grants – The internal grants are based on the actual receipts for 2020 and performance from 2015 to April 2020. External grants are based on signed grant agreements with the development partners, mostly based on signed grant agreements with the World Bank, UNICEF, EU etc

Financing (Net Loans) – the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024.

Personnel – it is anticipated that the new minimum wage will definitely have a negative impact on staff new recruitment because of the burden on the side of the government. This to some extent will reduce the state contribution for Contributory Pension Scheme in the state.

Overheads – overhead has been relatively stable over the years to date. It is anticipated that the status quo will definitely remain stable. Consequently, the estimation is own value calculated using the current growth rate.

Capital Expenditure – this is based on the balance from the recurrent account plus capital receipts, less than planning and contingency reserve as outlined above.

2022

		Projection Methodology	Source
Assumptions:			
Economic activity	State GDP (at current prices)	State GDP projected using the actual S-GDP and projected N-GDP nominal growth rate	State Statistics and NBS
Revenue	**Revenue**		
	1. Gross Statutory Allocation ('gross' means with no deductions; do not include VAT Alloca	Statutory Allocation – the estimation for statutory allocation is based on an elasticity forecast taking into consideration the key macroeconomic and fiscal assumptions as contained in the FGN 2022 – 2024 MTEF as well as the mineral ratio for which we considered the mid-point between possible removal of subsidy	2021 Budget and MTEF, 2022-2024
	1.a. of which Net Statutory Allocation ('net' means of deductions)	Statutory Allocation – the estimation for statutory allocation is based on an elasticity forecast taking into consideration the key macroeconomic and fiscal assumptions as contained in the FGN 2022 – 2024 MTEF as well as the mineral ratio for which we considered the mid-point between possible removal of subsidy	2021 Budget and MTEF, 2022-2024
	1.b. of which Deductions	Statutory Allocation – the estimation for statutory allocation is based on an elasticity forecast taking into consideration the key macroeconomic and fiscal assumptions as contained in the FGN 2022 – 2024 MTEF as well as the mineral ratio for which we considered the mid-point between possible removal of subsidy	2021 Budget and MTEF, 2022-2024
	2. Derivation (if applicable to the State)		2021 Budget and MTEF, 2022-2024
	3. Other FAAC transfers (exchange rate gain, augmentation, others)	Other Federation Account Distributions – the estimation is based on the current receipt, with 5% growth per year based on 2020 actuals. Furthermore, it is anticipated that this administration will press FAAC for excess crude distributions in 2021 to fund the new minimum wage.	2021 Budget and MTEF, 2022-2024
	4. VAT Allocation	VAT – considering that changes in key macroeconomic parameters including the nature of impact of the volatile commodity prices and exchange rate on aggregate economic activity, VAT was forecasted using the elasticity forecast method. This forecast might change if macroeconomic assumptions change.	2021 Budget and MTEF, 2022-2024
	5. IGR	Internal Revenue (IR) – the current administration introduced measures to grow IR. These measures have started yielding results as actual IR increased by 87% in 2020. It is anticipated that IR will continue to increase by at least 5% from September 2021 due to the expiration of tax relief period which was introduced in 2020 due to the emergence of COVID-19 pandemic. Own Percentage (5%) was therefore used to forecast IGR for 2022 – 2024.	2021 Budget and MTEF, 2022-2024
	6. Capital Receipts		2021 Budget and MTEF, 2022-2024
	6.a. Grants	Grants – The internal grants are based on the actual receipts for 2020 and performance from 2015 to April 2020. External grants are based on signed grant agreements with the development partners, mostly based on signed grant agreements with the World Bank, UNICEF, EU etc	2021 Budget and MTEF, 2022-2024
	6.b. Sales of Government Assets and Privatization Proceeds		2021 Budget and MTEF, 2022-2024
	6.c. Other Non-Debt Creating Capital Receipts	Other Federation Account Distributions – the estimation is based on the current receipt, with 5% growth per year based on 2020 actuals. Furthermore, it is anticipated that this administration will press FAAC for excess crude distributions in 2021 to fund the new minimum wage.	2021 Budget and MTEF, 2022-2024
Expenditure	**Expenditure**		
	1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	Personnel – It is anticipated that the minimum wage will impact on the wage bill from the first quarter of 2021. The projection is that total wage bill will increase by 10% in 2021, 19% in 2022 and 5% in both 2023 and 2024.	2021 Budget and MTEF, 2022-2024
	2. Overhead costs	Overheads – Overhead has been relatively stable over the last five years. It is anticipated that overhead will grow by a stable 10% in 2022 but 15% in 2023 being an election year and then fall to 7% in 2024. Consequently, own percentage method is used to forecast overhead for 2022, 2023 and 2024.	2021 Budget and MTEF, 2022-2024
	3. Interest Payments (Public Debt Charges, including interests deducted from FAAC Allocat	Public Debt Charge – is based on the projected principal and interest repayments for 2022, 2023 and 2024. The own percentage value of 15% in 2022 and 10% in 2023 and 2024 have been used to forecast expected behaviour for debt service costs.	DMO, Nigeria
	4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest P	Social Contribution and Social Benefits – A substantial amount is being owed as pension and gratuity payment. It is appropriate to make adequate provision for these items and other social commitments. Hence, the own percentage value of 5%, representing computation for outstanding commitments as well as estimation for next medium term have been used to forecast the expected trend over the next three years.	DMO, Nigeria
	5. Capital Expenditure	Capital Expenditure – is based on the balance from the recurrent account (Transfer to Capital Account) plus capital receipts, less amount set aside as reserve as outlined above.	2021 Budget and MTEF, 2022-2024
Closing Cash and Bank Balance	**Closing Cash and Bank Balance**	Financial Statements	2021 Budget and MTEF, 2022-2024
Debt Amotization and Interest Payments	**Debt Outstanding at end-2021**		
	External Debt - amortization and interest	Public Debt Charge – is based on the projected principal and interest repayments for 2022, 2023 and 2024. The own percentage value of 15% in 2022 and 10% in 2023 and 2024 have been used to forecast expected behaviour for debt service costs.	DMO, Nigeria
	Domestic Debt - amortization and interest	Public Debt Charge – is based on the projected principal and interest repayments for 2022, 2023 and 2024. The own percentage value of 15% in 2022 and 10% in 2023 and 2024 have been used to forecast expected behaviour for debt service costs.	DMO, Nigeria
	New debt issued/contracted from 2022 onwards		
	New External Financing		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024
	External Financing - Bilateral Loans	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024
	Other External Financing	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024
	New Domestic Financing		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, a	Financing (Net Loans) – Kebbi State intends to secure an internal loan/borrowing of about N8.9 billion in 2021. All other internal and external loans are projections based on signed agreements.	2021 Budget and MTEF, 2022-2024
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024
	State Bonds (maturity 1 to 5 years)	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024
	State Bonds (maturity 6 years or longer)	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024
	Other Domestic Financing	the internal and external loans are projections based on agreement Kebbi State's 2021 Budget and MTEF, 2022-2024 Consolidated Revenue Fund Charges – this includes debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2021 and 2022-2024	2021 Budget and MTEF, 2022-2024

Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S1	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S1**	**Insert the Borrowing Terms for New External Debt: interest rate (%), maturity (# years) and grace period (#)**	
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	State Bonds (maturity 1 to 5 years)	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	State Bonds (maturity 6 years or longer)	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	Other Domestic Financing	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	External Financing - Bilateral Loans	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
	Other External Financing	Financing distributions was based on 2021 Budget and MTEF, 2022-2024	2021 Budget and MTEF, 2022-2024
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S2	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S2**		
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	State Bonds (maturity 1 to 5 years)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	State Bonds (maturity 6 years or longer)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Other Domestic Financing	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	External Financing - Bilateral Loans	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Other External Financing	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S3	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S3**		
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	State Bonds (maturity 1 to 5 years)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	State Bonds (maturity 6 years or longer)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Other Domestic Financing	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	External Financing - Bilateral Loans	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Other External Financing	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S4	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S4**		
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	State Bonds (maturity 1 to 5 years)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	State Bonds (maturity 6 years or longer)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Other Domestic Financing	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	External Financing - Bilateral Loans	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team
	Other External Financing	Financing distributions was agreed by the State DSA-DMS Technical Team	DSA-DMS Technical Team

Annex II: Kebbi State Baseline Scenarios, 2017-2031

Indicator	Actuals					Projections									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	BASELINE SCENARIO														
Economic Indicators															
State GDP (at current prices)	1,036,884.00	1,258,307.00	1,408,405.00	1,509,589.00	1,800,529.00	1,996,437.00	2,205,855.00	2,399,000.00	2,614,142.00	2,854,120.00	3,116,129.00	3,402,189.00	3,714,510.00	4,055,502.00	4,466,494.00
Exchange Rate NGN/US$ (end-Period)	306.00	307.00	326.00	381.00	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99
Fiscal Indicators (Million Naira)															
Revenue	**71,309.12**	**80,547.53**	**77,335.45**	**77,990.46**	**73,950.20**	**194,751.41**	**153,590.38**	**158,800.42**	**180,244.20**	**191,336.21**	**184,769.09**	**209,178.23**	**216,162.54**	**221,380.44**	**229,904.59**
1. Gross Statutory Allocation ('gross' means with no deductions; do not include VAT Allocation here)	35,189.00	44,899.00	43,707.00	34,635.00	38,170.40	51,108.45	57,217.67	62,597.09	67,922.49	73,261.40	78,600.30	83,939.21	89,278.11	94,617.02	99,955.92
1.a. of which Net Statutory Allocation ('net' means of deductions)	35,189.00	44,899.00	43,707.00	34,635.00	38,170.40	51,108.45	57,217.67	62,597.09	67,922.49	73,261.40	78,600.30	83,939.21	89,278.11	94,617.02	99,955.92
1.b. of which Deductions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Derivation (if applicable to the State)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Other FAAC transfers (exchange rate gain, augmentation, others)	3,187.00	2,089.00	1,928.00	4,394.00	3,053.63	4,701.25	5,014.63	5,265.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. VAT Allocation	10,227.00	11,426.00	12,102.00	15,097.00	16,452.31	19,167.34	22,198.51	25,222.86	28,245.66	31,269.24	34,292.82	37,316.40	40,339.98	43,363.56	46,387.14
5. IGR	4,425.49	4,881.96	7,367.33	7,976.26	11,850.57	14,249.11	15,950.06	16,747.56	17,519.75	18,298.26	19,076.78	19,855.29	20,633.81	21,412.32	22,190.84
6. Capital Receipts	18,280.64	17,251.57	12,231.12	15,888.20	4,423.29	105,525.27	53,209.52	48,967.55	66,556.30	68,507.31	52,799.19	68,067.33	65,910.64	61,987.55	61,370.69
6.a. Grants	0.00	0.00	0.00	0.00	4,423.29	47,632.52	35,553.05	31,238.57	16,924.09	17,109.61	17,295.13	17,480.65	17,666.17	17,851.69	18,037.21
6.b. Sales of Government Assets and Privatization Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,760.46	6,289.60	4,818.75	3,347.90	1,877.04	406.19	-1,064.67
6.c. Other Non-Debt Creating Capital Receipts	25.64	51.57	31.12	84.20	0.00	19,713.80	0.00	0.00	18,994.18	12,312.50	13,630.82	14,949.14	16,267.45	17,585.77	18,904.09
6.d. Proceeds from Debt-Creating Borrowings (bond issuance, loan disbursements, etc.)	8,255.00	0.00	2,200.00	0.00	0.00	38,178.95	17,656.47	17,728.97	22,877.56	32,795.59	17,054.49	32,289.65	30,099.98	26,143.90	25,494.07
Expenditure	**90,633.72**	**93,343.05**	**93,768.51**	**78,742.99**	**92,674.44**	**200,644.42**	**152,590.38**	**159,300.42**	**179,944.20**	**190,836.21**	**184,869.09**	**209,978.23**	**215,962.54**	**221,630.44**	**229,254.59**
1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	22,653.35	22,743.09	22,154.98	26,095.35	24,090.92	36,193.54	35,866.75	37,660.09	39,396.49	41,147.13	42,897.77	44,648.41	46,399.05	48,149.69	49,900.33
2. Overhead costs	8,754.91	11,940.54	14,548.04	9,643.08	10,376.26	18,544.64	13,418.35	14,357.63	15,837.54	17,182.29	18,527.04	19,871.79	21,216.55	22,561.30	23,906.05
3. Interest Payments (Public Debt Charges, including interests deducted from FAAC Allocation)	8,360.56	10,711.69	10,141.52	15,356.57	0.00	2,738.70	5,739.21	8,361.41	8,210.68	10,662.83	11,909.29	12,068.03	12,404.67	13,436.97	13,336.65
3.a. of which Interest Payments (Public Debt Charges, excluding interests deducted from FAAC Allocation)	8,053.71	10,403.97	9,814.21	14,975.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.b. of which Interest deducted from FAAC Allocation	306.85	307.73	327.31	380.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest Payments)	0.00	0.00	0.00	0.00	3,599.04	6,432.27	6,945.16	7,292.42	19,118.32	22,587.39	13,056.46	23,525.53	23,994.60	24,463.66	24,932.73
5. Capital Expenditure	49,673.16	46,331.30	44,378.84	26,343.69	54,608.22	128,067.01	86,814.12	83,821.30	85,389.52	86,957.73	82,525.95	90,094.16	91,662.38	93,230.59	94,798.81
6. Amortization (principal) payments	1,191.74	1,616.42	2,545.13	1,304.31	0.00	8,668.26	3,806.80	7,807.57	11,991.65	12,298.84	15,952.58	19,770.30	20,285.31	19,788.23	22,380.02
Budget Balance ('+' means surplus, '-' means deficit)	**-19,324.60**	**-12,795.53**	**-16,433.06**	**-752.53**	**-18,724.24**	**-5,893.00**	**1,000.00**	**-500.00**	**300.00**	**500.00**	**-100.00**	**-800.00**	**200.00**	**-250.00**	**650.00**
Opening Cash and Bank Balance	**74,922.96**	**55,598.36**	**42,802.83**	**26,369.77**	**25,617.24**	**6,893.00**	**1,000.00**	**2,000.00**	**1,500.00**	**1,800.00**	**2,300.00**	**2,200.00**	**1,400.00**	**1,600.00**	**1,350.00**
Closing Cash and Bank Balance	**55,598.36**	**42,802.83**	**26,369.77**	**25,617.24**	**6,893.00**	**1,000.00**	**2,000.00**	**1,500.00**	**1,800.00**	**2,300.00**	**2,200.00**	**1,400.00**	**1,600.00**	**1,350.00**	**2,000.00**

Annex II: Kebbi State Baseline Scenarios, 2017-2031…Cont'd

Financing Needs and Sources (Million Naira)															
Financing Needs						**57,892.75**	**17,656.47**	**17,728.97**	**49,632.21**	**51,397.70**	**35,504.06**	**50,586.68**	**48,244.48**	**44,135.86**	**43,333.49**
i. Primary balance						-52,378.80	-7,110.46	-2,059.99	-29,129.88	-27,936.03	-7,742.19	-19,548.34	-15,354.50	-11,160.66	-6,966.81
ii. Debt service						11,406.96	9,546.01	16,168.99	20,202.33	22,961.66	27,861.87	31,838.34	32,689.97	33,225.20	35,716.67
Amortizations						8,668.26	3,806.80	7,807.57	11,991.65	12,298.84	15,952.58	19,770.30	20,285.31	19,788.23	22,380.02
Interests						2,738.70	5,739.21	8,361.41	8,210.68	10,662.83	11,909.29	12,068.03	12,404.67	13,436.97	13,336.65
iii. Financing Needs Other than Amortization Payments (e.g., Variation in Cash and Bank Balances)						-5,893.00	1,000.00	-500.00	300.00	500.00	-100.00	-800.00	200.00	-250.00	650.00
Financing Sources						**57,892.75**	**17,656.47**	**17,728.97**	**49,632.21**	**51,397.70**	**35,504.06**	**50,586.68**	**48,244.48**	**44,135.86**	**43,333.49**
i. Financing Sources Other than Borrowing						19,713.80	0.00	0.00	26,754.64	18,602.11	18,449.57	18,297.03	18,144.49	17,991.96	17,839.42
ii. Gross Borrowings						38,178.95	17,656.47	17,728.97	22,877.56	32,795.59	17,054.49	32,289.65	30,099.98	26,143.90	25,494.07
Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, and MSMEDF)						4,195.74	7,677.79	4,355.87	5,877.56	4,773.23	4,207.42	7,653.07	8,491.67	5,872.69	7,472.09
Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, and MSMEDF)						31,862.00	9,978.68	0.00	6,000.00	5,000.90	4,436.38	12,880.36	21,608.31	11,703.28	8,673.06
State Bonds (maturity 1 to 5 years)						0.00	0.00	0.00	0.00	13,932.27	0.00	7,000.00	0.00	0.00	0.00
State Bonds (maturity 6 years or longer)						0.00	0.00	0.00	11,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Domestic Financing						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
External Financing - Concessional Loans (e.g., World Bank, African Development Bank)						2,121.22	0.00	13,373.10	0.00	9,089.19	8,410.69	4,756.22	0.00	8,567.94	9,348.92
External Financing - Bilateral Loans						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other External Financing						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Residual Financing						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt Stocks and Flows (Million Naira)															
Debt (stock)	**63,362.44**	**81,443.24**	**83,619.60**	**73,425.56**	**71,120.09**	**100,630.79**	**114,480.46**	**124,401.86**	**135,287.77**	**155,784.52**	**156,886.44**	**169,405.79**	**179,220.46**	**185,576.14**	**188,690.18**
External	14,632.94	14,000.90	14,354.11	16,615.01	18,791.95	20,804.35	20,146.60	33,412.69	32,704.16	41,691.04	49,361.22	54,020.12	53,279.61	61,014.80	69,530.98
Domestic	48,729.50	67,442.33	69,265.49	56,810.55	52,328.13	79,826.43	94,333.86	90,989.17	102,583.61	114,093.48	107,525.22	115,385.66	125,940.86	124,561.34	119,159.20
Gross borrowing (flow)						**38,178.95**	**17,656.47**	**17,728.97**	**22,877.56**	**32,795.59**	**17,054.49**	**32,289.65**	**30,099.98**	**26,143.90**	**25,494.07**
External						2,121.22	0.00	13,373.10	0.00	9,089.19	8,410.69	4,756.22	0.00	8,567.94	9,348.92
Domestic						36,057.74	17,656.47	4,355.87	22,877.56	23,706.40	8,643.80	27,533.43	30,099.98	17,575.97	16,145.15
Amortizations (flow)	**8,378.58**	**10,780.46**	**10,241.83**	**15,579.52**	**5,524.38**	**8,668.26**	**3,806.80**	**7,807.57**	**11,991.65**	**12,298.84**	**15,952.58**	**19,770.30**	**20,285.31**	**19,788.23**	**22,380.02**
External	324.87	376.49	427.62	603.54	698.41	108.82	657.75	107.01	708.53	102.31	740.51	97.32	740.51	832.74	832.74
Domestic	8,053.71	10,403.97	9,814.21	14,975.98	4,825.97	8,559.44	3,149.05	7,700.56	11,283.12	12,196.52	15,212.06	19,672.99	19,544.79	18,955.48	21,547.28
Interests (flow)	**985.57**	**1,412.58**	**2,322.62**	**1,035.89**	**1,691.27**	**2,738.70**	**5,739.21**	**8,361.41**	**8,210.68**	**10,662.83**	**11,909.29**	**12,068.03**	**12,404.67**	**13,436.97**	**13,336.65**
External	99.94	103.00	103.81	110.88	125.13	657.75	159.40	760.92	485.00	1,123.21	704.50	1,555.43	1,024.32	1,024.32	1,233.66
Domestic	885.63	1,309.59	2,218.81	925.02	1,566.14	2,080.95	5,579.81	7,600.49	7,725.68	9,539.62	11,204.79	10,512.60	11,380.35	12,412.65	12,102.99
Net borrowing (gross borrowing minus amortizations)						**29,510.70**	**13,849.67**	**9,921.40**	**10,885.91**	**20,496.75**	**1,101.91**	**12,519.35**	**9,814.68**	**6,355.68**	**3,114.05**
External						2,012.40	-657.75	13,266.09	-708.53	8,986.88	7,670.17	4,658.90	-740.51	7,735.19	8,516.18
Domestic						27,498.30	14,507.42	-3,344.69	11,594.44	11,509.87	-6,568.26	7,860.44	10,555.19	-1,379.52	-5,402.14
Debt and Debt-Service Indicators															
Debt Stock as % of SGDP	**6.11**	**6.47**	**5.94**	**4.86**	**3.95**	**5.04**	**5.19**	**5.19**	**5.18**	**5.46**	**5.03**	**4.98**	**4.82**	**4.58**	**4.22**
Debt Stock as % of Revenue (including grants and excluding other capital receipts)	**100.53**	**101.18**	**111.34**	**94.25**	**96.17**	**73.53**	**84.22**	**88.18**	**103.58**	**111.32**	**105.11**	**106.82**	**106.73**	**104.70**	**101.14**
Debt Service as % of SGDP						**0.57**	**0.43**	**0.67**	**0.77**	**0.80**	**0.89**	**0.94**	**0.88**	**0.82**	**0.80**
Debt Service as % of Revenue (including grants and excluding other capital receipts)						**8.33**	**7.02**	**11.46**	**15.47**	**16.41**	**18.67**	**20.08**	**19.47**	**18.75**	**19.14**
Interest as % of SGDP						**0.14**	**0.26**	**0.35**	**0.31**	**0.37**	**0.38**	**0.35**	**0.33**	**0.33**	**0.30**
Interest as % of Revenue (including grants and excluding other capital receipts)						**2.00**	**4.22**	**5.93**	**6.29**	**7.62**	**7.98**	**7.61**	**7.39**	**7.58**	**7.15**
Personnel Cost as % of Revenue (including grants and excluding other capital receipts)						**26.45**	**26.39**	**26.70**	**30.16**	**29.40**	**28.74**	**28.15**	**27.63**	**27.17**	**26.75**

Kebbi State - Technical Team

1. **Umar Faruku Mohammed Jega - Director Debt Management**
2. **Abdurrahman A. Fakai - Director Main Account**
3. **Usman Abubakar Kwaifa - Director Budget (MBEP)**
4. **Umar Mohammad Tilli - Director Internal Audit**
5. **Aminu Abdullahi - Director Planning (BIR)**
6. **Ibrahim Sarki Gwandu - SFTAS Focal Person**

Signed

IBRAHIM MOHAMMED AUGIE
Honourable Commissioner
Ministry of Finance