

# GOMBE CITIZENS BUDGET 2019

Gombe - Nigeria

April 20, 2019

**GOMBE STATE CITIZENS  
BUDGET 2019**

“Budget of Posterity”

# 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.

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.

In 2019, Gombe State will spend NGN 122.5 billion.

Of this, NGN 102.9 billion will be sourced from revenue and grants, which results in NGN 19.6 billion in budget deficit.

The deficit will be resolved by NGN 21.7 billion of total financing, leading to NGN 0.0 billion financing gap.

## GENERAL FISCAL FRAMEWORK

Total amount of budget for the given year. It is the summation of both the Recurrent Expenditure + Capital Expenditure as approved by the Executive Governor.

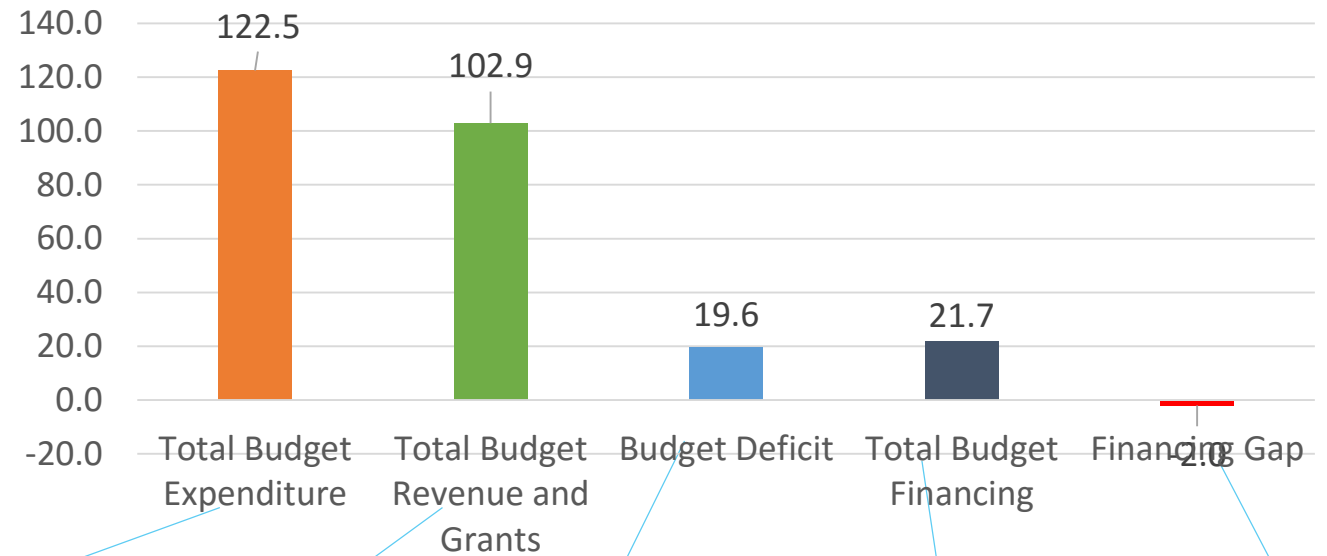
The summation of all funds the State Government intends to collect as revenues and receive as grants.

A deficit occurs when the expenditure figure is higher than the revenue and grants figure.

This is the summation of all the financing the government intends to raise through loans, sales of government assets or other deficit financing items.

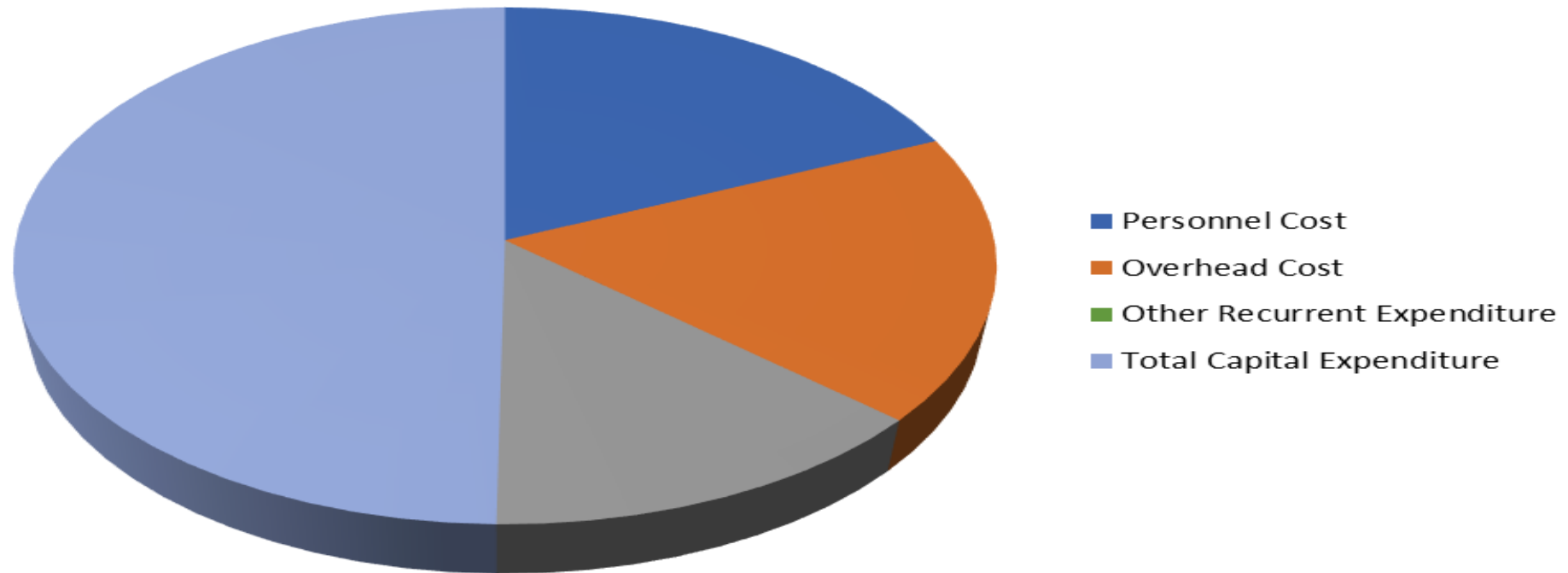
The difference between budget deficit and total budget financing. In general, there should be no financing gap in the approved budget.

2019 Budget General Framework  
Billion Naira



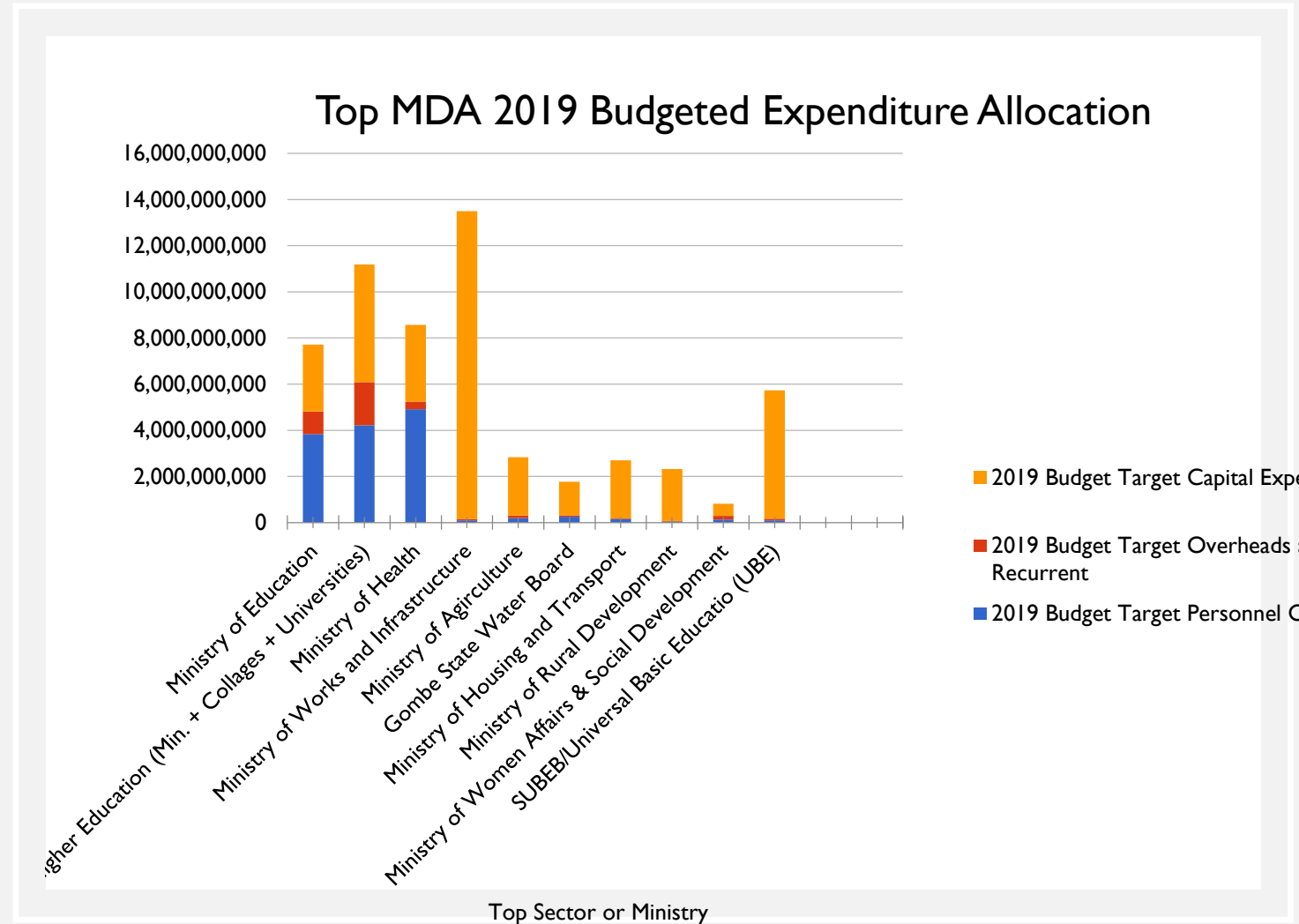
# WHERE DOES THE MONEY GO?

2019 Budgeted Expenditure



# MDA EXPENDITURE CATEGORIES

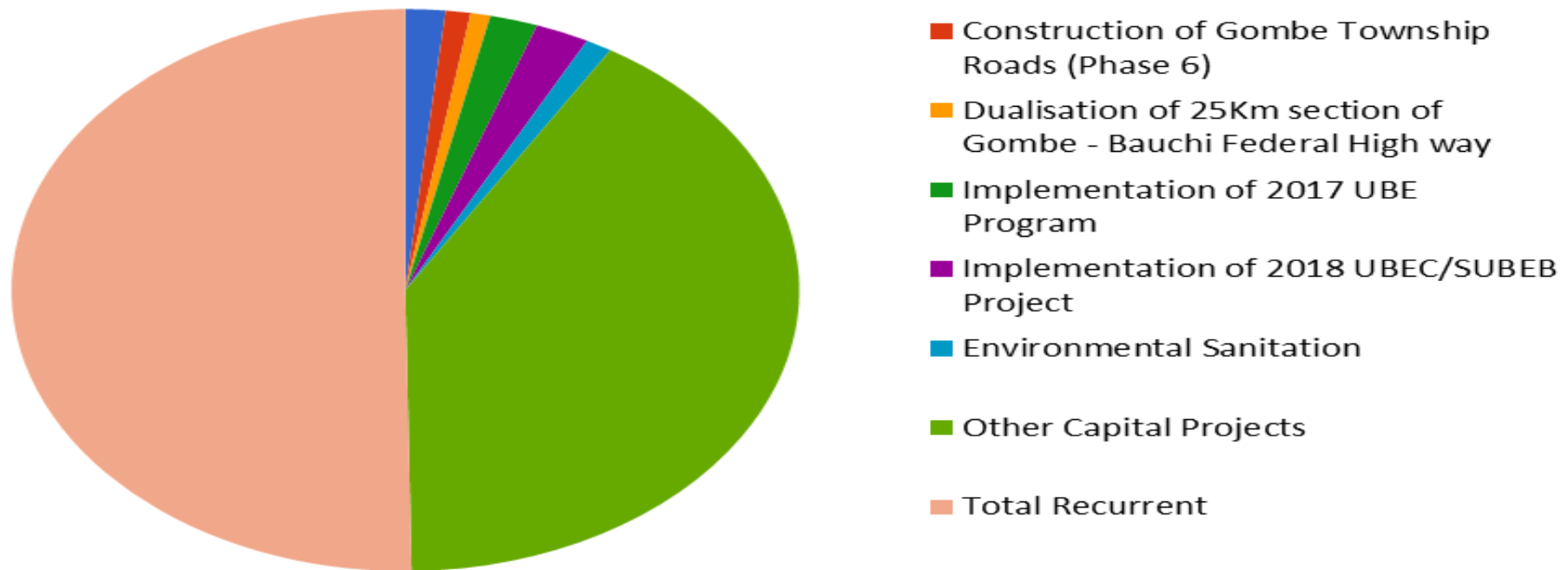
- **Recurrent Expenditure:** Refers to recurring payments: wages and salaries for civil servants; overhead costs (office running costs, consumables and maintenances, electricity bills, purchase of diesel, etc). It also include interest payments on existing loans and other subsidies.
- **Capital Expenditure:** Capital Expenditure is how much money is spent/used for projects like the building of schools, hospitals, roads, or buying security equipment etc.



# TOP CAPITAL PROJECTS

These are the highest-value capital projects for 2019. Their total comprises 32% of the total budget for the year.

## Top 2019 Budgeted Capital Projects vs Total Budget



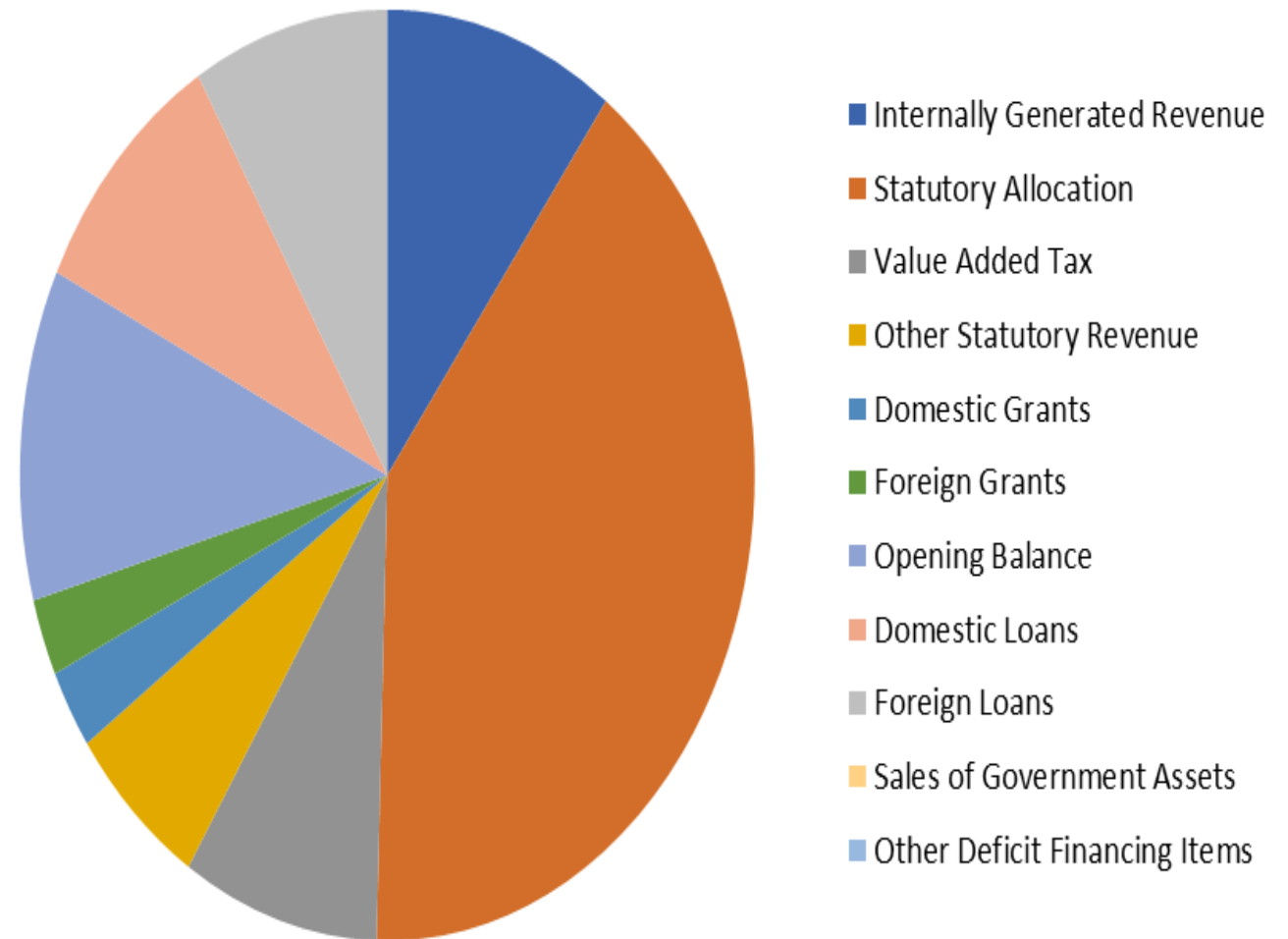
## WHERE WILL THE MONEY COME FROM?

**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 and 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.

## 2019 Budget Revenue and Financing

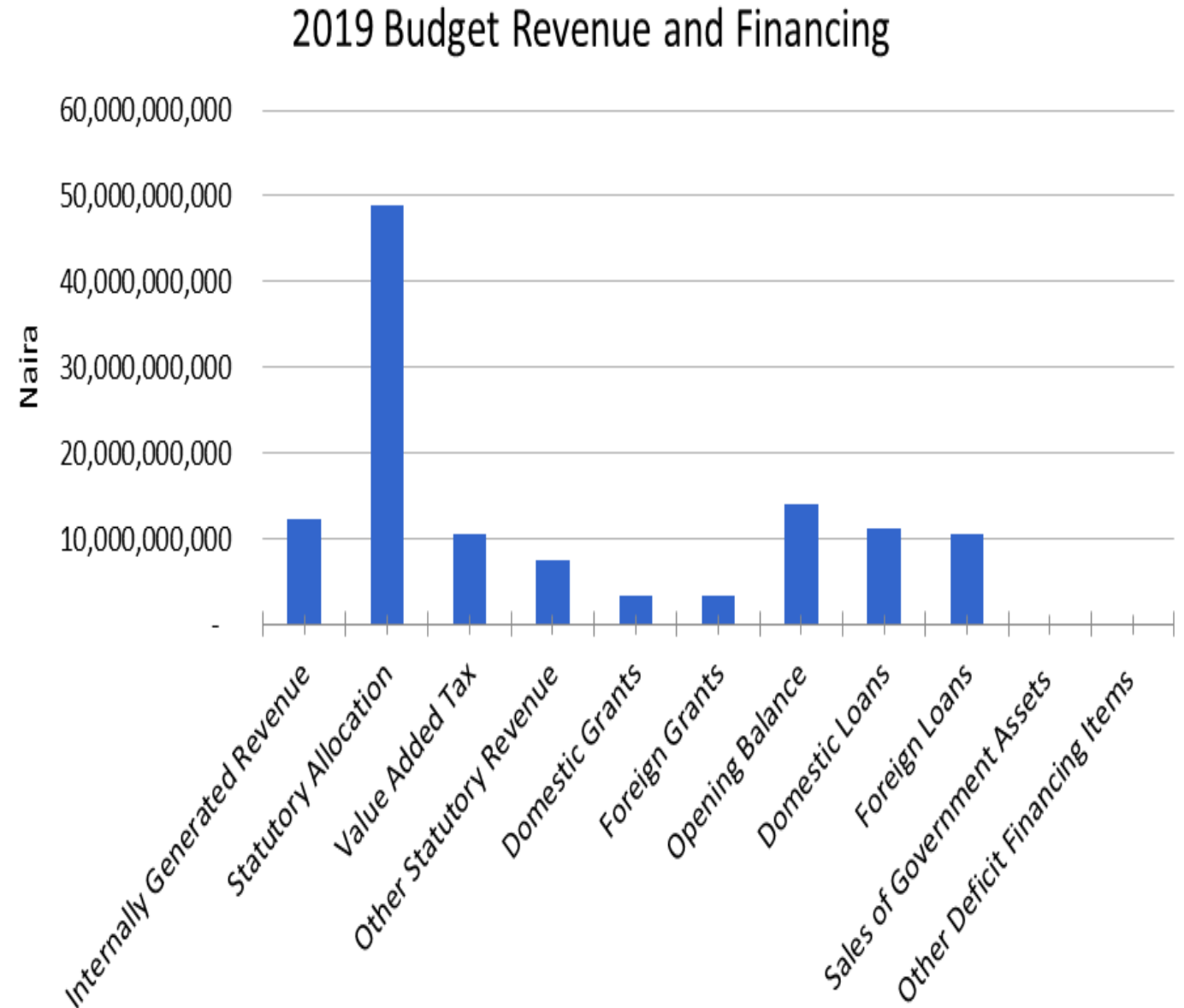




# WHERE WILL THE MONEY COME FROM?

Majority of revenue will come from statutory allocation (49 billion) and IGR (12.3 billion).

Financing can come from a mixture of domestic and foreign loans.



# BREAKDOWN OF GRANTS

Domestic Grants		2019 Budget Target
Project/Donor	Amount Naira	
TETFUND	500,000,000.00	
SDGs CONDITIONAL GRANT	500,000,000.00	
UBE	1,500,000,000.00	
COMMUNITY BASED HEALTH INSURANCE SCHEME	50,000,000.00	
SAVE ONE MILLION LIVES	800,000,000.00	
<b>Total Domestic Grants</b>	<b>3,350,000,000.00</b>	
Foreign Grants		2019 Budget Target
Project/Donor	Amount Naira	
UNITED NATIONS SYSTEM	1,000,000,000.00	
INTERNATIONAL NGOs	1,000,000,000.00	
SFTAS	1,000,000,000.00	
INCLUSIVE BASIC SERVICE DELIVERY (ADB)	250,000,000.00	
<b>Total Foreign Grants</b>	<b>3,250,000,000.00</b>	

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.

# FINANCING: BREAKDOWN OF LOANS

<b>Domestic Loans</b>	<b>2019 Budget Target</b>
<b>Project/Institution</b>	<b>Amount Naira</b>
COMMERCIAL & OTHER BANK LOANS	3,000,000,000.00
GOMBE STATE CONTRACTUAL BOND	8,200,000,000.00
<b>Total Domestic Loans</b>	<b>11,200,000,000.00</b>
<b>Foreign Loans</b>	<b>2019 Budget Target</b>
<b>Project/Insitution</b>	<b>Amount Naira</b>
YESSO World Bank Assisted	1,000,000,000.00
World Bank Fadama III Project	1,100,000,000.00
Gombe State Agency for Community Dev. (W/B)	300,000,000.00
NEWMAP World Bank	4,500,000,000.00
State Education Prog. Investment Proj. (SEPIP)	350,000,000.00
Nigeria State Health Investment Proj. (NSHIP)	500,000,000.00
Accelerating Nutrition Results in Nigeria	700,000,000.00
Islamic Development Bank	1,500,000,000.00
Inclusive Basic Service Delivery (ADB)	500,000,000.00
<b>Total Foreign Loans</b>	<b>10,450,000,000.00</b>

The 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.

# CONTACT/ FEEDBACK CHANNEL

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