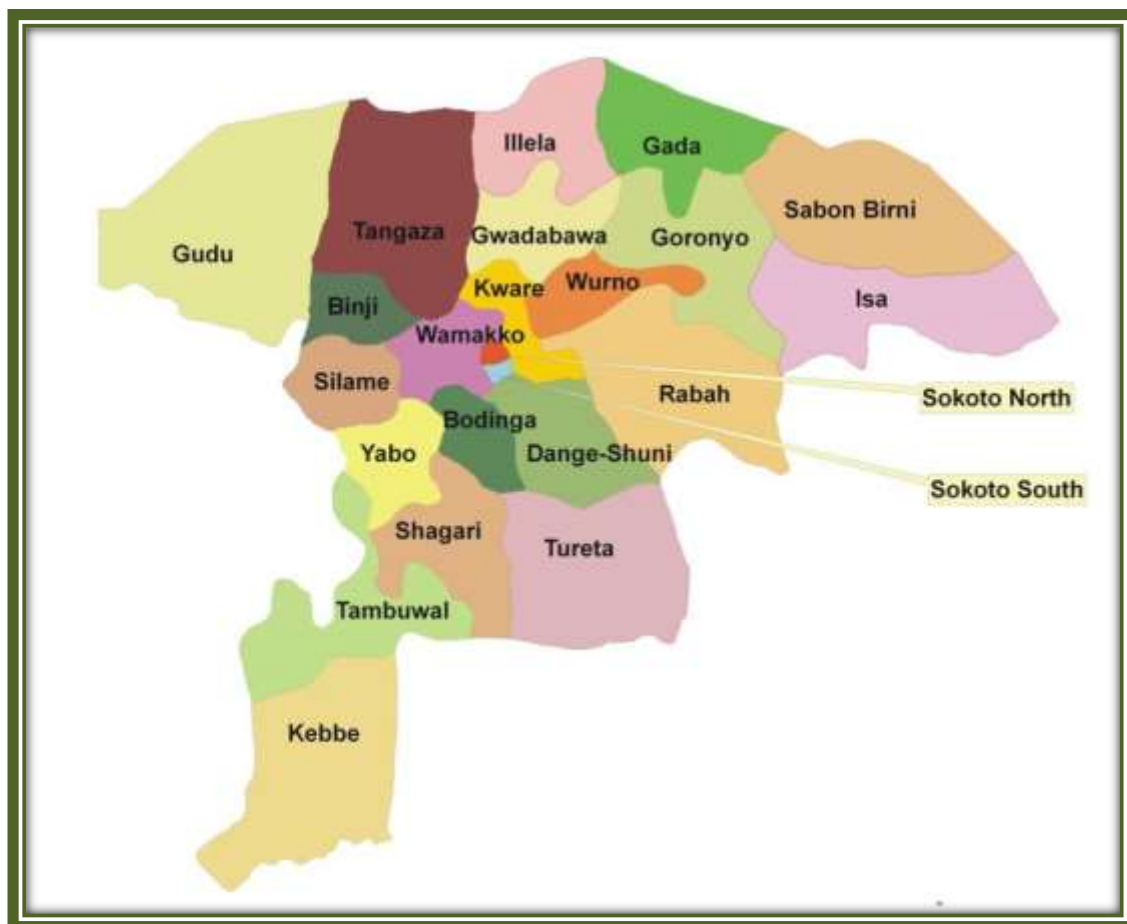


# SOKOTO STATE

## *SEAT OF THE CALIPHATE*



# SOKOTO STATE CITIZEN BUDGET

## 2020



# **SOKOTO STATE**

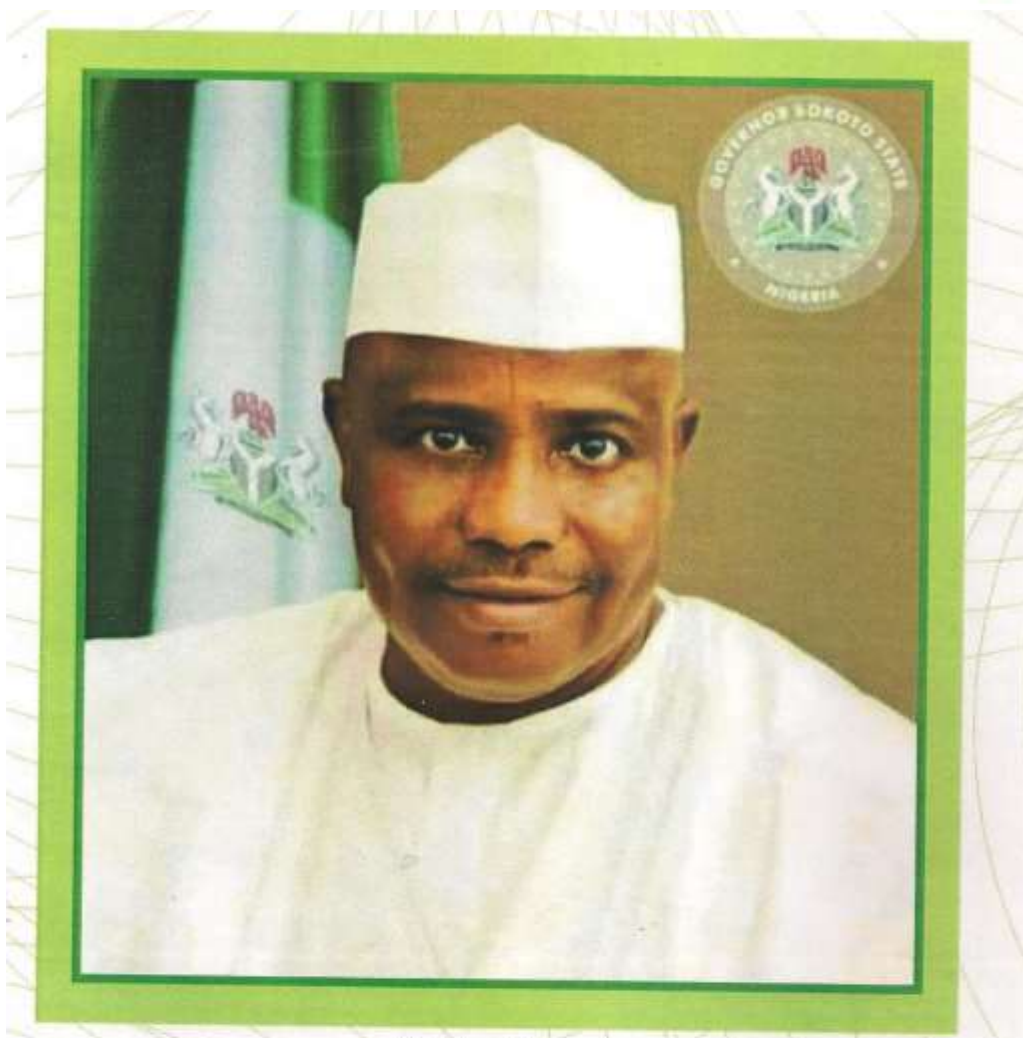
## **CITIZEN BUDGET**

### **2020**

# **SOKOTO STATE**

## **CITIZEN BUDGET**

### **2020**

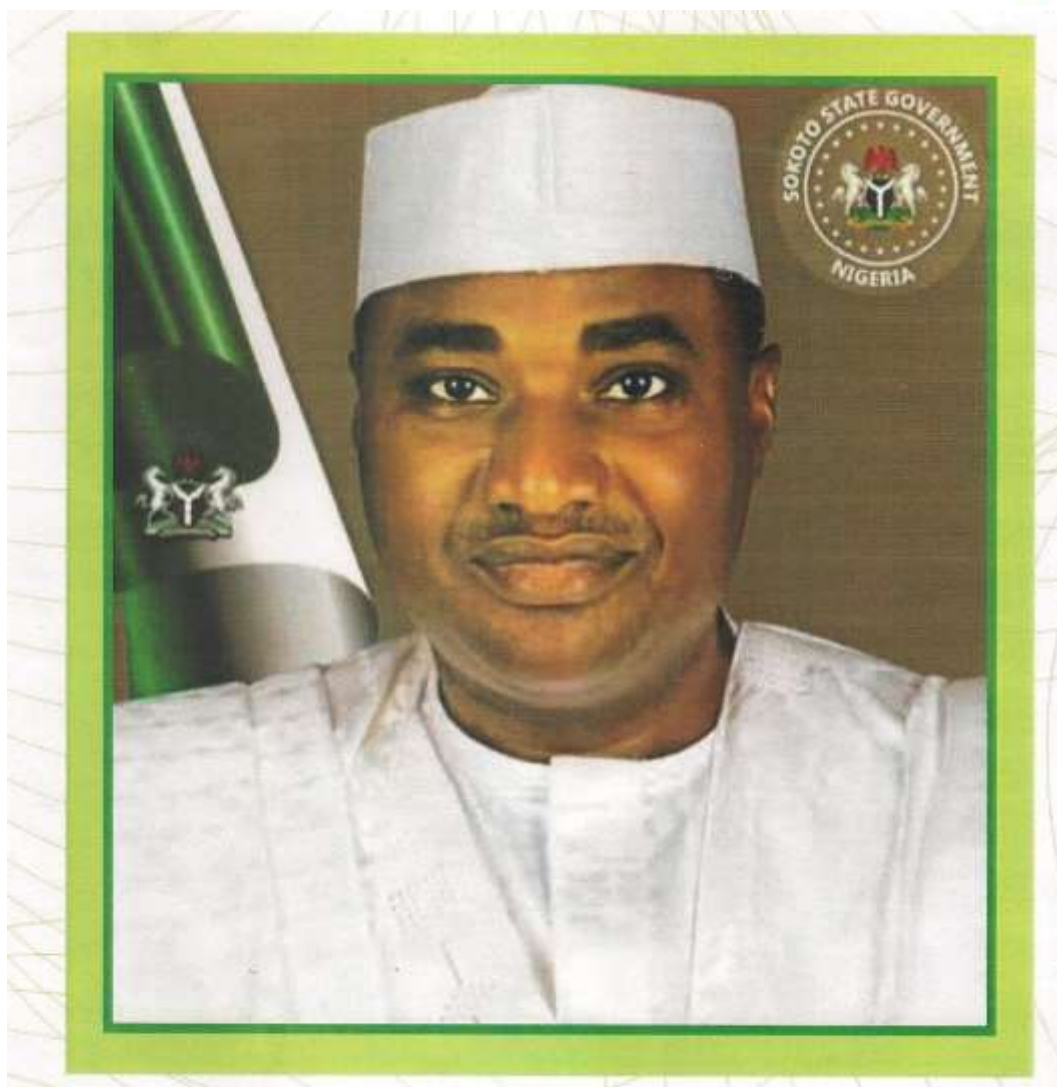


His Excellency  
**RT. HON. AMINU WAZIRI TAMBUWAL, CFR**  
**(MUTAWALLEN SAKKWATO)**  
Executive Governor, Sokoto State.

# **SOKOTO STATE**

## **CITIZEN BUDGET**

### **2020**

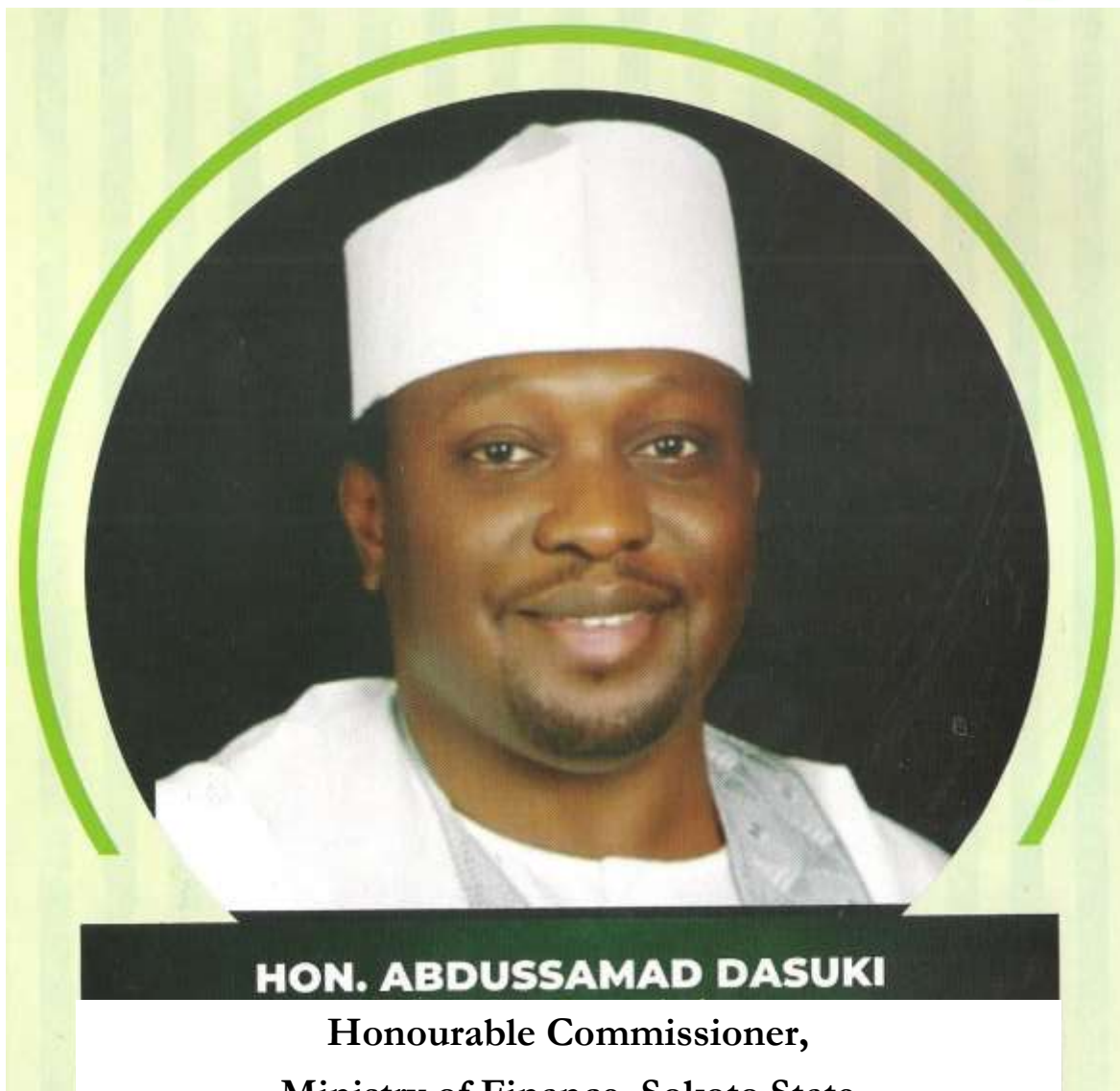


His Excellency  
**ALH. (DR.) MANIR MUHAMMAD DAN'TYA**  
**(Sardaunan Kware)**  
Deputy Governor, Sokoto State.

# **SOKOTO STATE**

## **CITIZEN BUDGET**

### **2020**

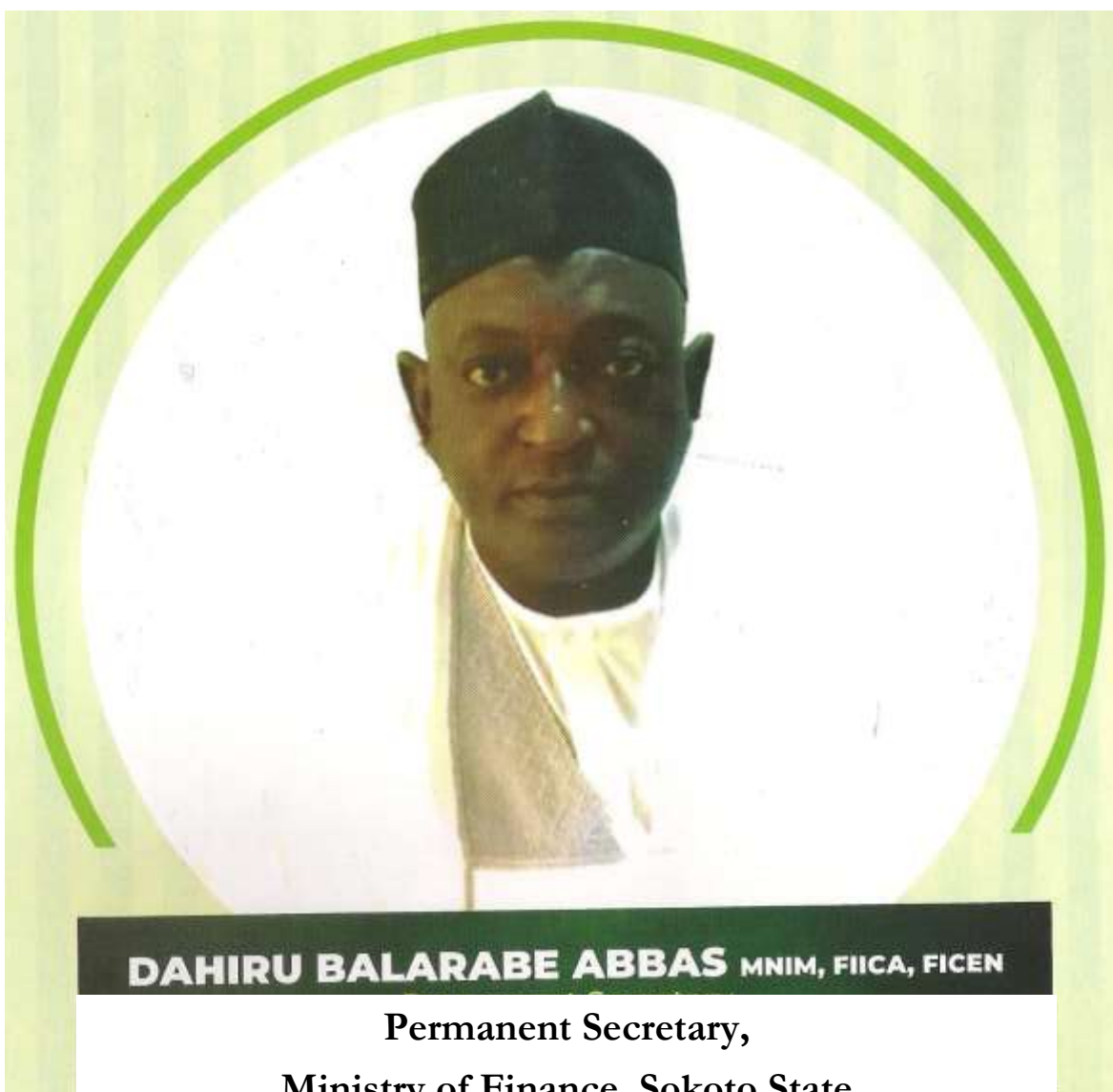




# **SOKOTO STATE**

## **CITIZEN BUDGET**

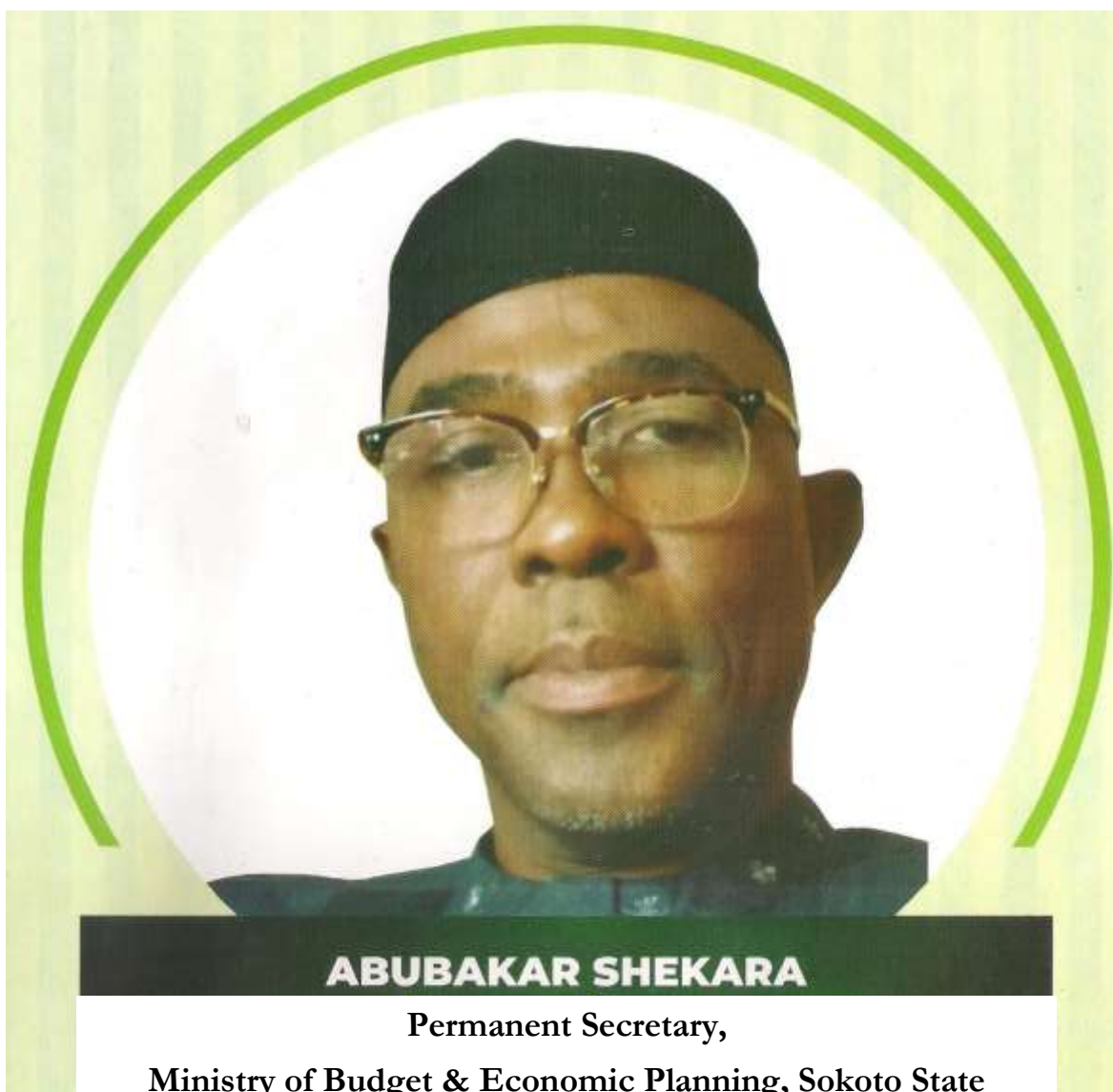
### **2020**



# **SOKOTO STATE**

## **CITIZEN BUDGET**

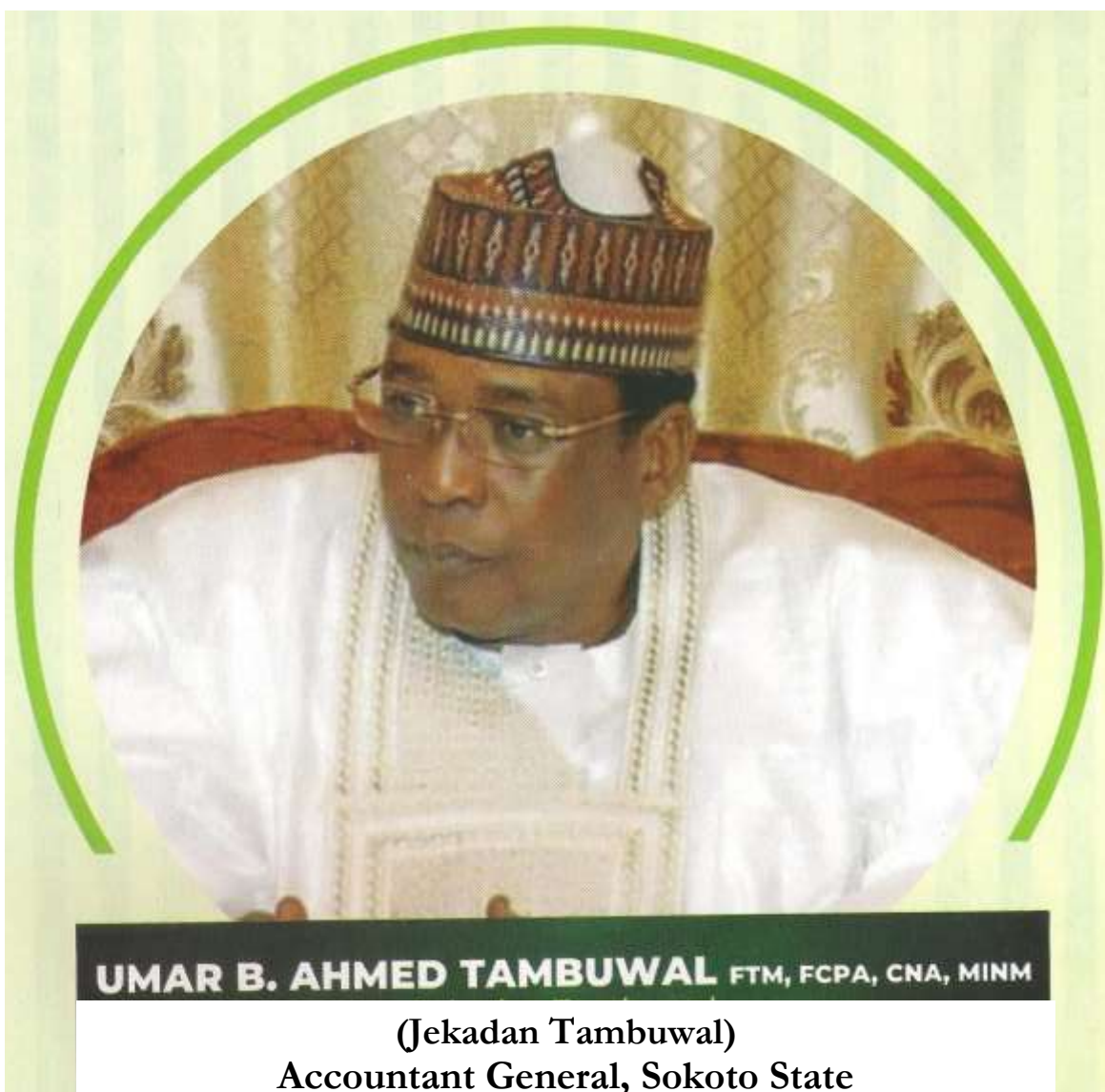
### **2020**



# **SOKOTO STATE**

## **CITIZEN BUDGET**

### **2020**





### **Definition of IPSAS...**

International Public Sector Accounting Standards (IPSAS) are a set of accounting standards issued by the IPSAS Board for use by public sector entities around the world in the preparation of financial statements”.

- These standards are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

### **Objective**

To improve the quality of general purpose financial reporting by public sector entities, leading to better informed assessments of the resource allocation decisions made by governments, thereby increasing transparency and accountability.

### **Scope**

- For application by National, State and Local Governments as well as related government entities (MDAs)
- IPSAS are widely used by intergovernmental organisations

### Definition of National Chart of Accounts (COA)

- The Chart of Accounts (COA) may be defined as a complete list of budget and accounting items where each item is uniquely represented by a code and grouped into tables of related data for the purposes of tracking, managing and reporting budgetary and accounting items in an orderly, efficient and transparent manner.
- It is also a created list of codes which can be represented by numeric, alphabetic, or alpha-numeric symbols. This is to enable the entity to define each item of revenue, expenditure, asset, liability, location and other parameters in order to give interested parties a better understanding of the entity.

### Structure of National COA

S/N	Segment	No. of Digits	Description
1.	Administration	12	Entity Responsible/Cost or Revenue Centre/Who? e. g. Min. of Health 052100100100
2.	Economic	8	What Transaction? e.g. Revenue and Expenditure. 23020102 (Renovations of Hospitals)
3.	Functional	5	Purpose? e.g. General Medical Services 70701
4.	Programme	14	Why? e.g. Primary Health Care 00044590010101
5.	Fund	5	Source/Financed by? Main Envelope - CRF, Domestic Aids & Grants 02101 (CRF)
6.	Geo Codes	8	Where? (Location of Transaction) e.g. North West Zone 3, Sokoto State - 33, Eastern Zone 3, Rabah LG 12, 'Yartsakuwa 09. (33331209)
	TOTAL	52	052100100100-23020102-70701-00044590010101-02101-33331204

*For more information see the State Domesticated IPSAS Chart of Accounts (COA)*

## **BUDGET TERMS**

Budget:	is an estimation of Revenue and Expenditure over a specified period usually a year.
Revenue:	is the total amount generated by the government over a specified period.
Statutory Allocation:	is the allocation to the State from the Federation Accounts. It is determined by Federal Account Allocation Committee (FAAC).
Value Added Tax:	is a tax placed on products whenever value is added at a stage of production and or at the point of retail Sale. The collection and distribution is solely the responsibility of the Federal Government.
Independent Revenue:	is the total funds (Revenue) generated within the State.
Opening balance:	is the unspent amount brought forward from last financial year to be added to the current year revenue.
Direct Receipts:	these are revenues that don't come monthly and are separate from statutory Allocation.
Direct Capital Receipts:	This are revenue meant solely for the funding of Capital project.
Domestic Loans and other Borrowings:	these are loans obtained from Commercial Banks (Internally).
Foreign Loans and Other borrowings:	are loans obtained from outside the country from financial institutions.
Universal Basic Education Counterpart Funding (UBEC):	This is the state contribution towards development of Primary Education.
Loans/Grants:	these are the conditional loans and grants from Donor agencies that are channelled towards Execution of capital projects.
Sustainable Development Goals (SDGs):	is the State contribution towards the attainment of Sustainable Development Goals.

Recurrent Expenditure:	is part of the total government expenditure meant for monthly payment of workers' salaries and daily running of Ministries, Departments and Government Agencies.
Capital Expenditure:	is the part of Government expenditure meant for Development Projects like Roads, Hospitals, Schools etc., in the State.
Personnel Costs:	are the part of recurrent expenditure of government used for the payment of salaries of government workers.
Overhead Costs:	are the part of recurrent expenditure of government used for daily or periodic administrative expenses.
Consolidated Revenue Fund Charges:	is part of the estimate statutory used to pay salaries of judges, khadis, Auditor General, political office holders, and benefits of past Governors and Deputy Governors but has now been conflated with personnel cost under IPSAS.
Pension and Gratuities:	is part of estimated statutory used to pay retired civil and public servants.
Public Debt Charges on CRF:	is the amount of money allocated in the budget for the repayment of domestic debts.

## 2020 BUDGETING PROCESS

- Preparation of State Medium Term Expenditure Frame Work (MTEF)
- Call circular released - July 2020
- Submission of Budget Proposals by Ministries, Departments and Agencies - August 2020
- Budget deliberations (Defence with MDAs) - September/October
- Presentation of Budget Estimates to the Executive Council – November
- Presentation of Budget to the House of Assembly – December
- Signing of Appropriation Bill into Law – January
- Execution of the Budget
- Monitoring and Evaluation of the Budget
- Quarterly Review Report at the end of each Quarter
- Revenue Collection: The expected revenue for the year 2020 is –

**₦202,444,458,429.02**

001 Opening Balance	₦1,492,302,000.00
111 Statutory Allocation	₦43,758,249,540.00
112 Value Added Tax (VAT)	₦19,856,829,804.00
113 Independent Revenue	₦33,305,768,269.00
114 Aids and Grants	₦14,584,832,082.62
115 Direct Receipts	₦20,902,000,000.00
116 Direct Capital Receipts	₦1,140,000,000.00
141 Proceeds from loan and other Borrowing Receipts	₦32,234,476,733.40
143 External Loan and other Borrowing Repayments	₦35,170,000,000.00

<b>Budget Total</b>	<b><u>₦ 202,444,458,429.02</u></b>
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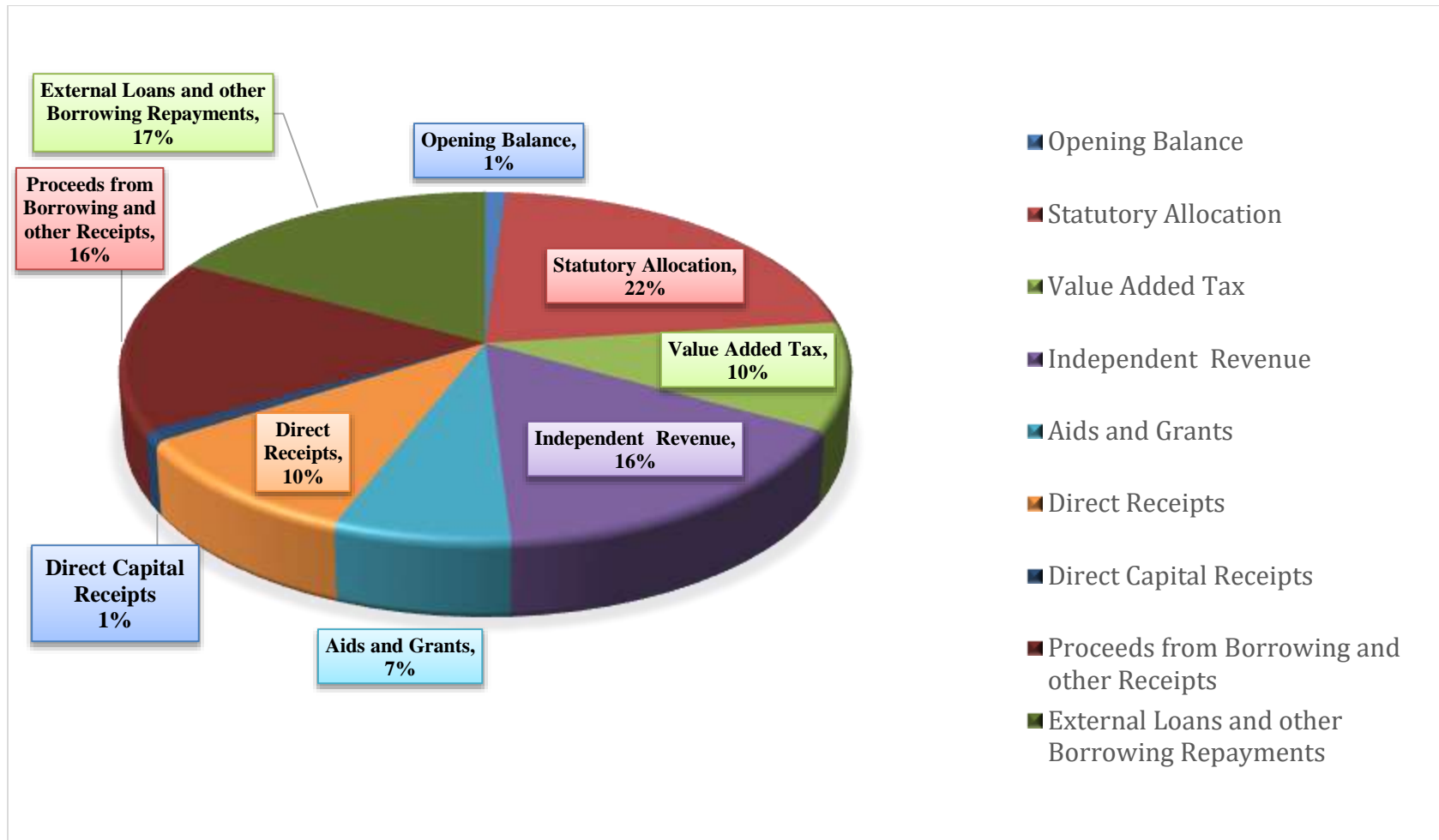


**b. Expenditure Distribution in Line with the Projected Revenue**

The 2020 proposed Expenditure will be as follows:-

i. Personnel Cost	₦32,720,626,765.80
ii. Overhead Cost	₦31,959,378,137.70
iii. Pension and Gratuities	₦ 11,761,696,695.45
iv. Public Debt Charges on CRF	₦3,126,504,622.00
v. Capital Expenditure	₦122,829,552,208.08
<b>Total:</b>	<b><u>₦202,444,458,429.02</u></b>

## REVENUE FROM ALL SOURCES FOR 2020 BUDGET



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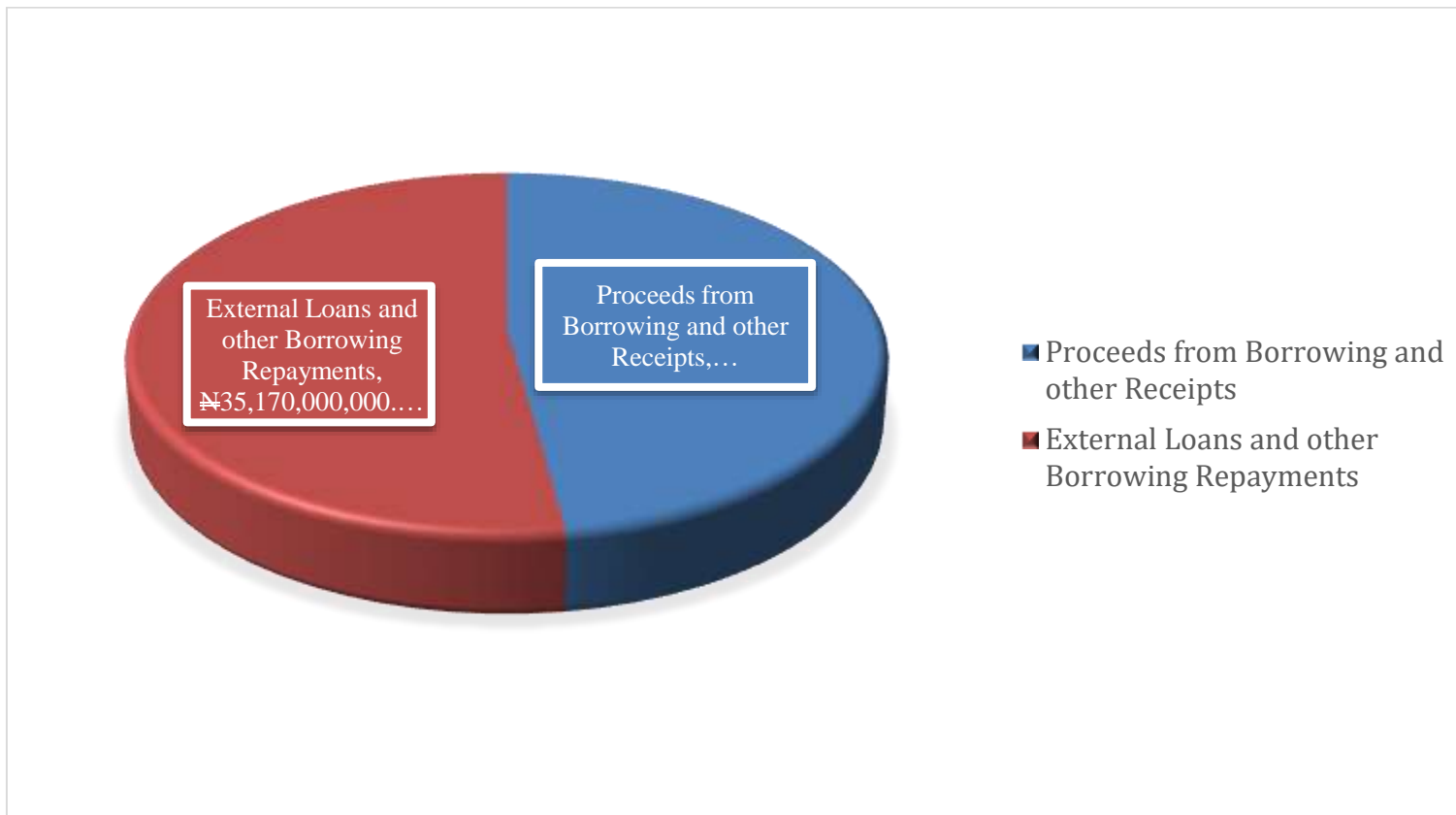
Domestic Loans	32,234,476,733.40
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External Loans and other Borrowings	35,170,000,000.00
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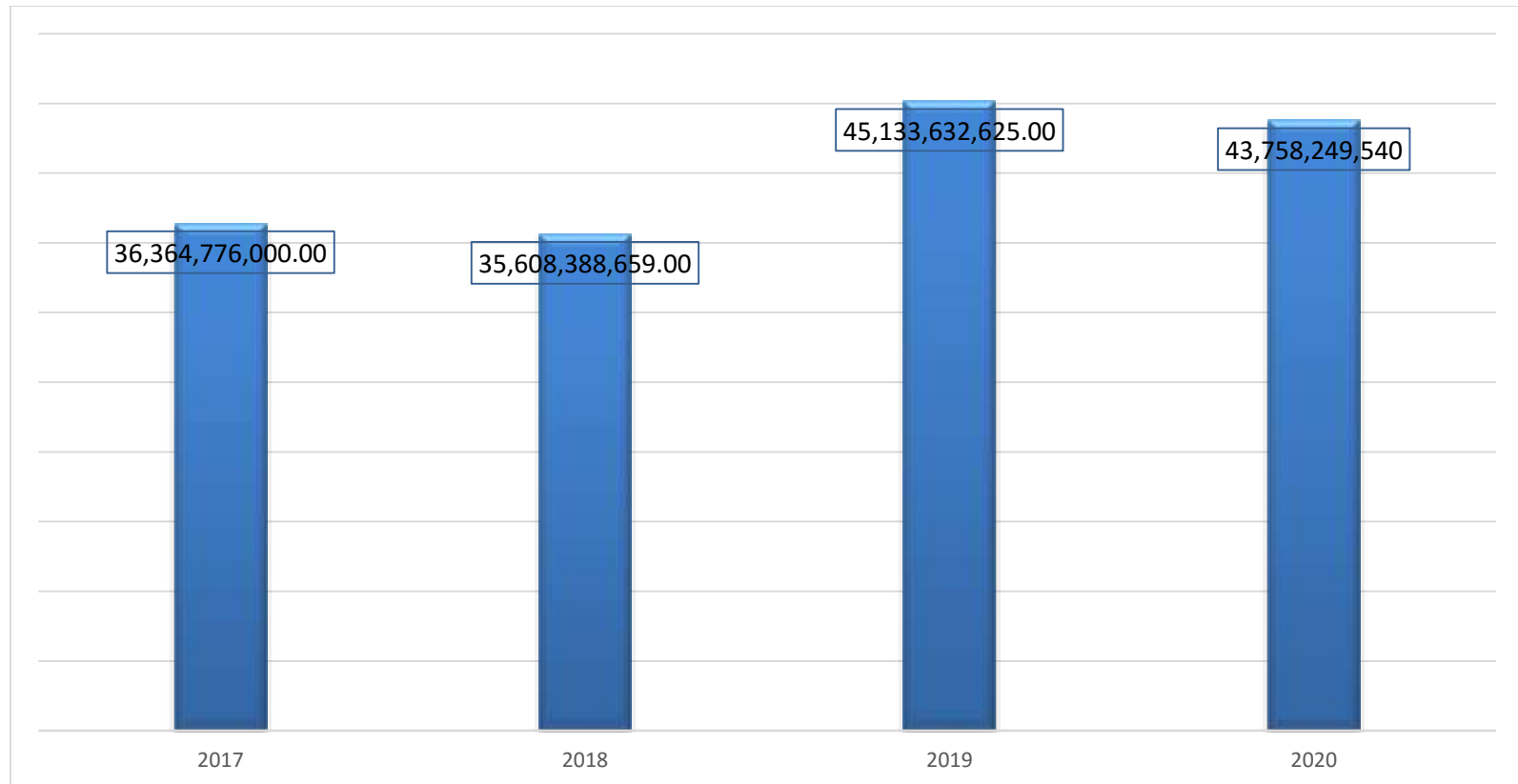
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### WHAT AMOUNT OF THE BUDGET WILL BE BORROWED



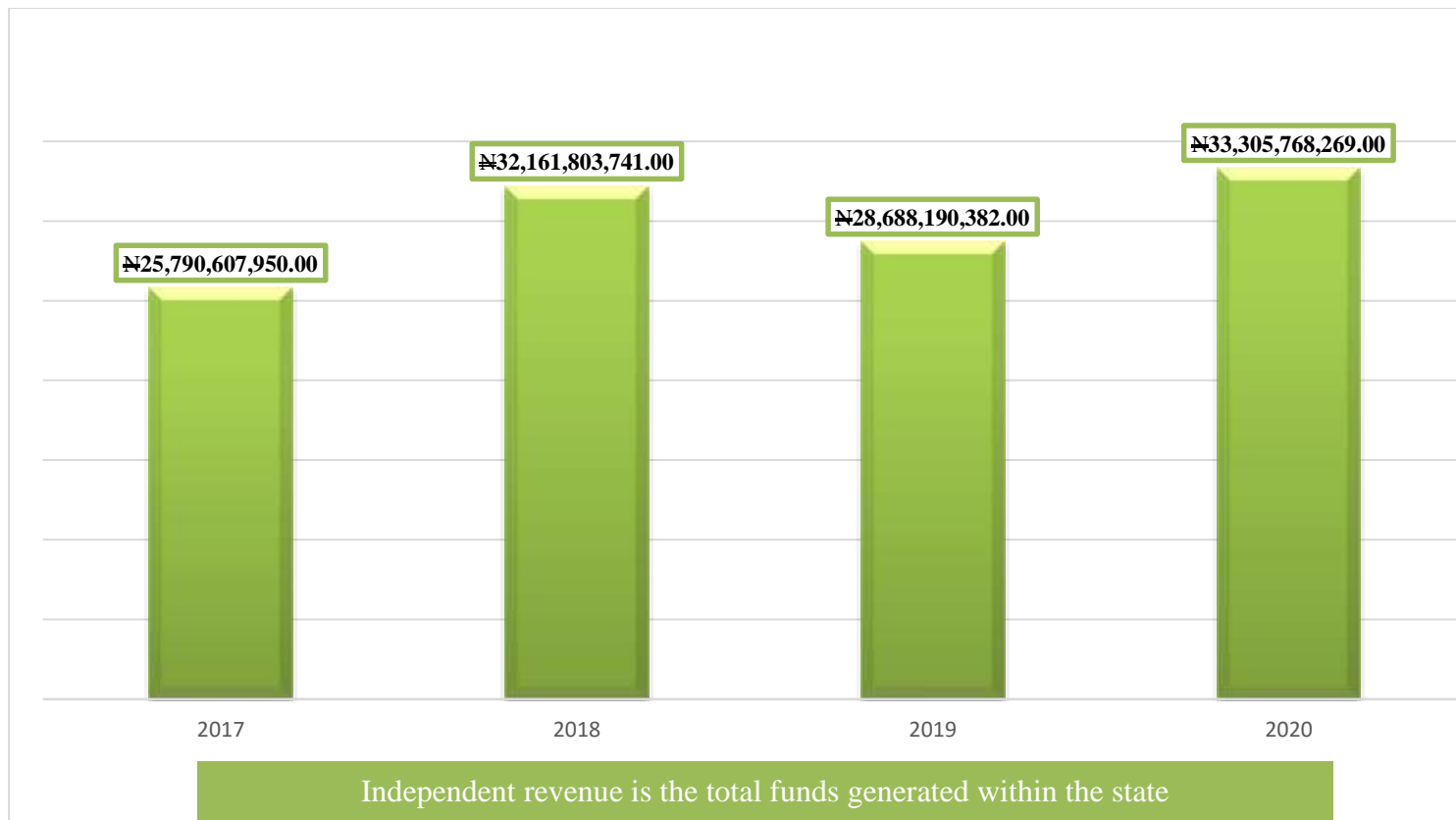
YEAR	AMOUNT
2017	36,364,776,000.00
2018	35,608,388,659.00
2019	45,113,632,625.00
2020	43,758,249,540.00

### STATUTORY ALLOCATION (FAAC)



YEAR	AMOUNT
2017	25,790,607,950.00
2018	32,161,803,741.00
2019	28,688,190,382.00
2020	33,305,768,269.00

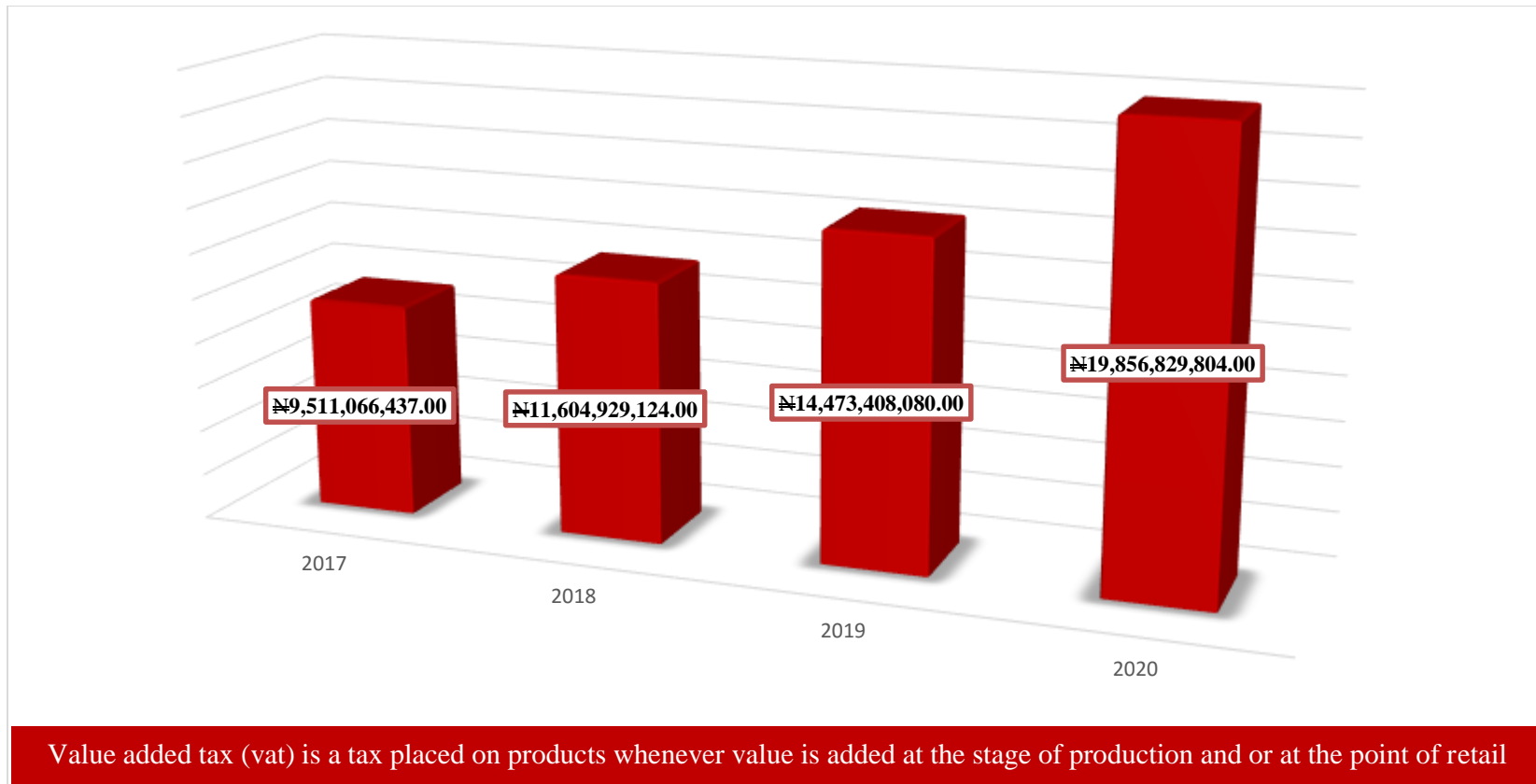
## INDEPENDENT REVENUE





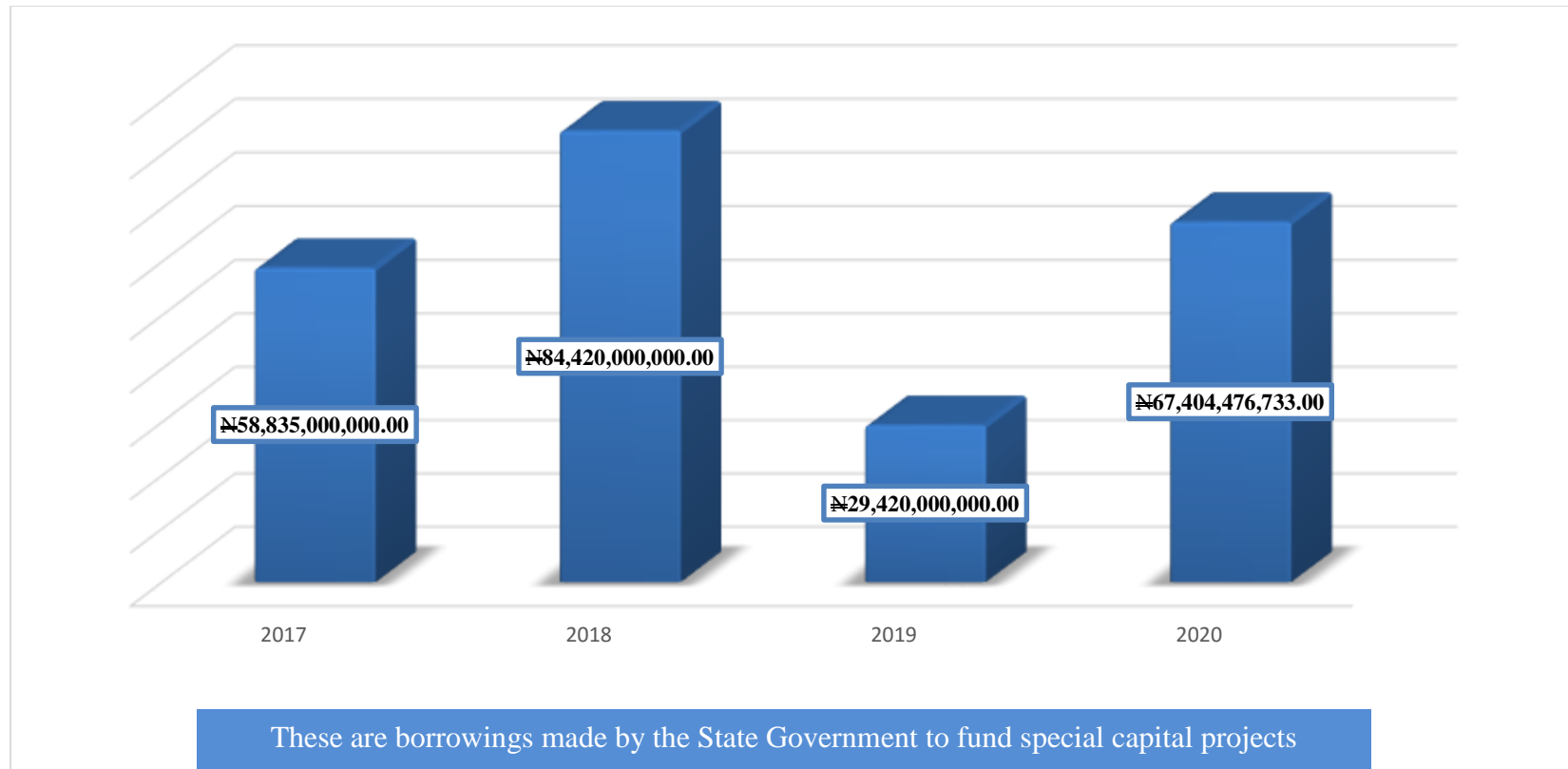
YEAR	AMOUNT
2017	9,511,066,437.00
2018	11,604,929,124.00
2019	14,473,408,080.00
2020	19,856,829,804.00

### SHARE OF VAT



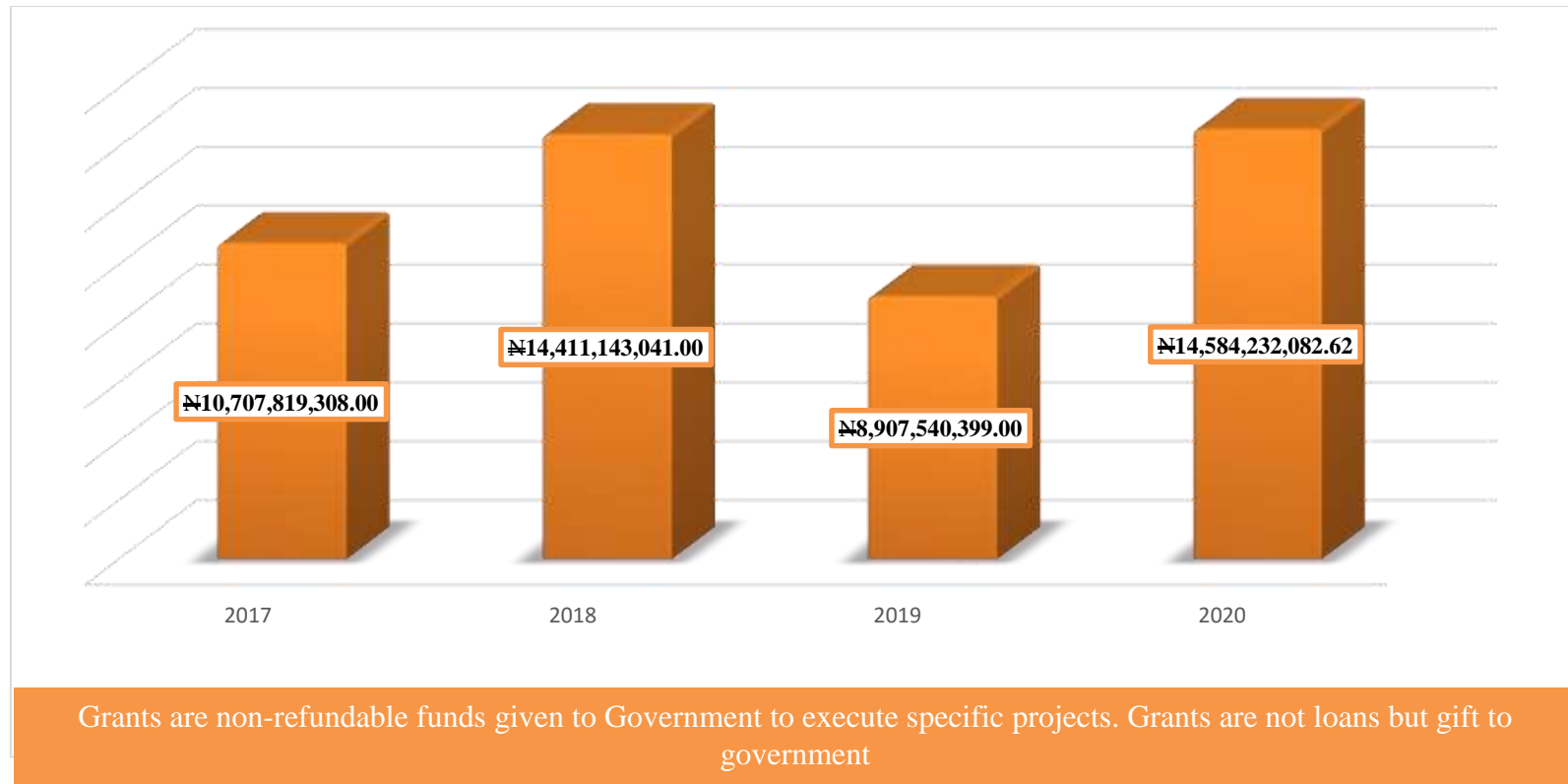
YEAR	AMOUNT
2017	58,835,000,000.00
2018	84,420,000,000.00
2019	29,420,000,000.00
2020	67,404,476,733.00

## LOANS



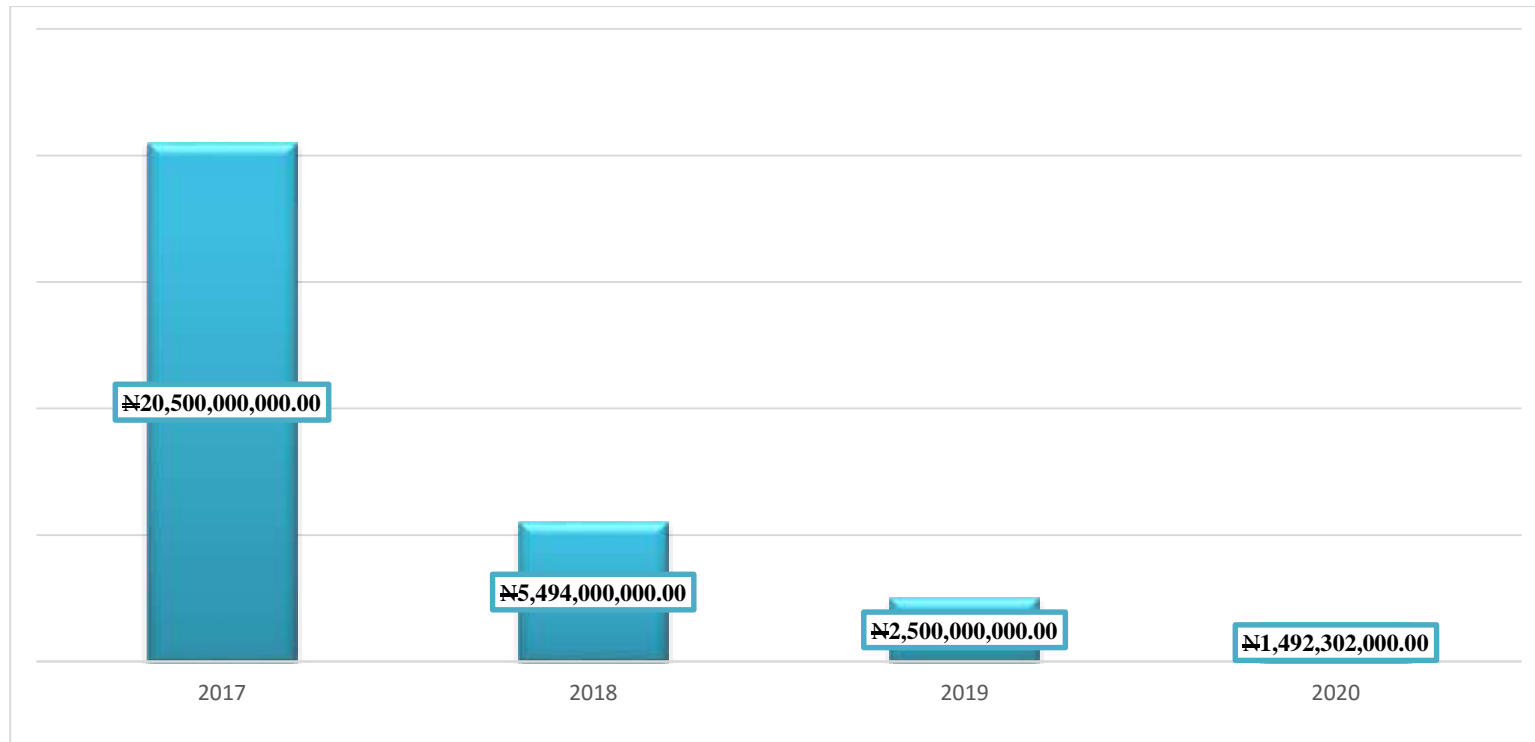
YEAR	AMOUNT
2017	10,707,819,308.00
2018	14,411,143,041.00
2019	8,907,540,399.00
2020	14,584,232,082.62

### GRANTS (INTERNAL AND EXTERNAL)



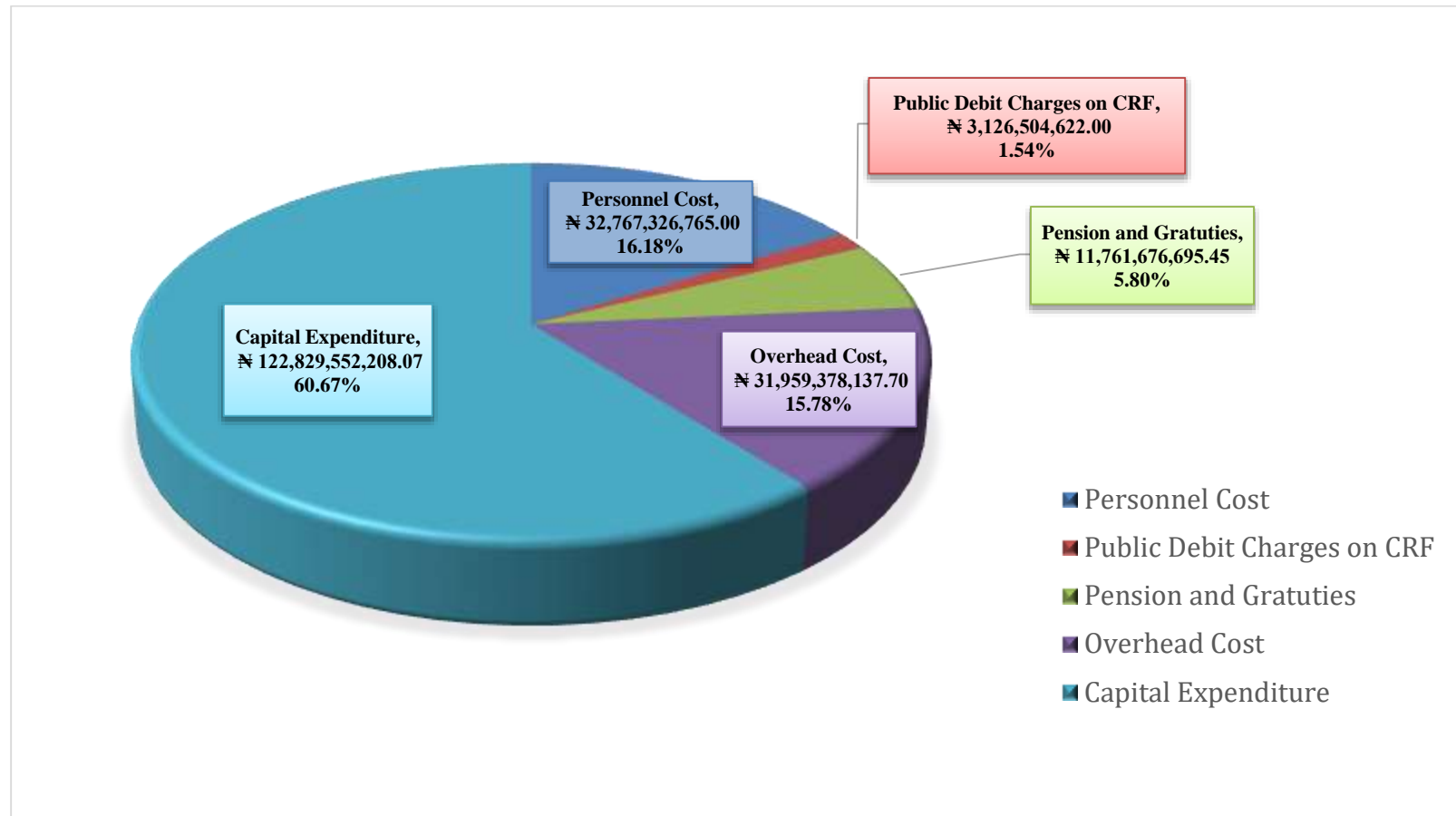
YEAR	AMOUNT
2017	20,500,000,000.00
2018	5,494,000,000.00
2019	2,500,000,000.00
2020	1,492,302,000.00

### OPENING BALANCE/ROLLOVER FUNDS



Personnel Cost	32,767,326,765.00	16.18%
Public Debit Charges on CRF	3,126,504,622.00	1.54%
Pension and Gratuities	11,761,676,695.45	5.80%
Overhead Cost	31,959,378,137.70	15.78%
Capital Expenditure	122,829,552,208.07	60.67%

### HOW WE ARE GOING TO SPEND THE FUNDS





# EXTERNAL GRANTS

## ₦2,144,987,694.00

### WHAT WILL IT BE USED FOR?

<p>₦376,157,000.00</p>  <p>Provision of Health Management Information Systems EU / WHO Support</p>	<p>₦500,000,000.00</p>  <p>Provision of Portable Water and Sanitation RUWASSA</p>	<p>₦580,000,000.00</p>  <p>Fadama III Programmes</p>
<p>₦75,039,693.00</p> <p><b>N.E.I. +</b></p> <p>NEI+ Support on Education, Girls Writing Skills &amp; others</p>	<p>₦87,451,308.00</p>  <p>Dangote &amp; Bill Gate Support on Immunization</p>	<p>₦201,300,000.00</p>  <p>Save 1 million lives on malaria and other diseases</p>
<p>₦100,000,000.00</p>  <p>UNFPA Support</p>	<p>₦150,000,000.00</p>  <p>Global Partnership for Education NIPEP</p>	

## INTERNAL GRANTS

**₦6,224,832,845.00**

### WHAT WILL IT BE USED FOR?

**₦3,251,000,000.00**



Home Grown School Feeding Programme

**₦1,500,000,000.00**



Federal Government Grants on Ecological Matters

**₦1,473,832,845.00**



State Universal Basic Education Board (SUBEB) Upgrading of Primary Schools

**₦1,500,000,000.00**



State Support to Sustainable Development Goals (SDGs)

## CREDIT FROM DEVELOPMENT PARTNERS FOREIGN LOANS

**₦10,780,000,000.00**

₦600,000,000.00



Nigerian Erosion and Watershed Project  
(NEWMAP)

₦6,500,000,000.00



Rural Access Mobility Projects (RAMP)

₦180,000,000.00



Youth Empowerment Social Programme  
(YEESO)

₦2,000,000,000.00



UNICEF loan on Girl Child Education

₦610,000,000.00



Community Social Development Project  
(SACDP)

₦890,000,000.00



African Development Bank for  
Agricultural Programmes

## INTERNAL LOANS



₦32,234,476,733.40

*Domestic Bank Loans to Finance various Development Projects*

EXTERNAL LOANS  
FROM  
FOREIGN BANKS AND OTHER FINANCIAL INSTITUTIONS

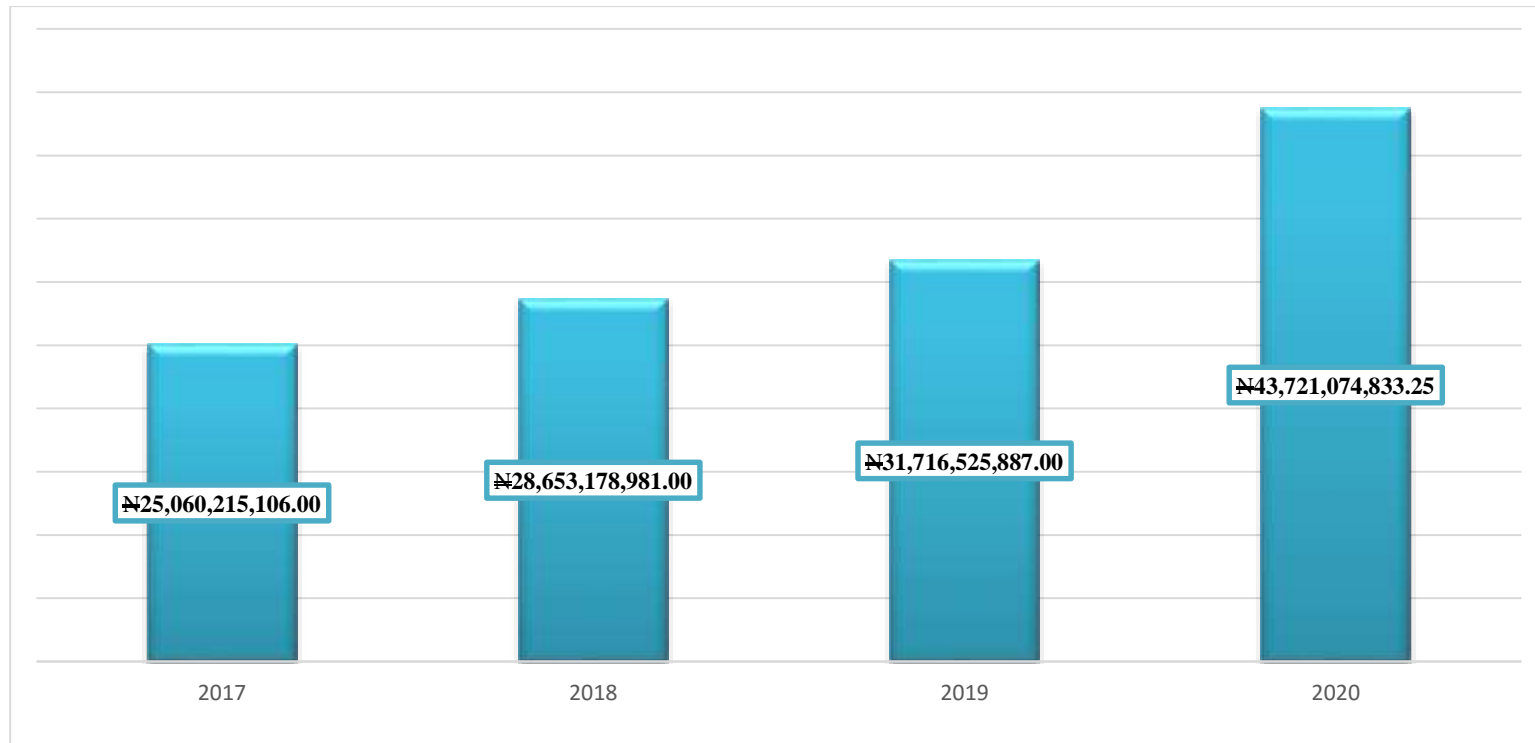


₦35,170,000,000.00

*Foreign Loans from Banks and other Financial Institutions*

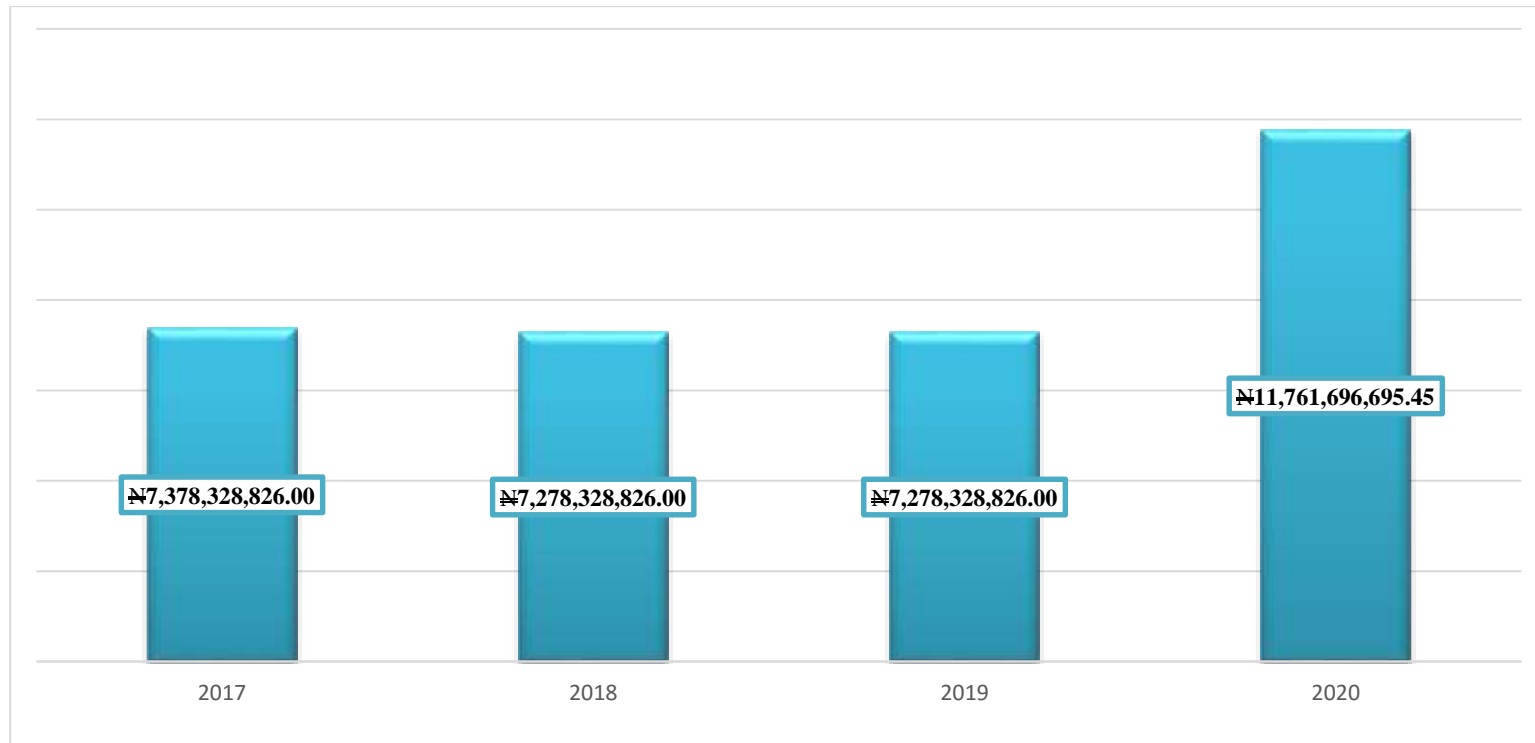
YEAR	AMOUNT
2017	25,060,215,106.00
2018	28,653,178,981.00
2019	31,716,525,887.00
2020	43,721,074,833.25

## PERSONNEL COST



YEAR	AMOUNT
2017	7,378,328,826.00
2018	7,278,328,826.00
2019	7,278,328,826.00
2020	11,761,696,695.45

### PENSION AND GRATUITIES

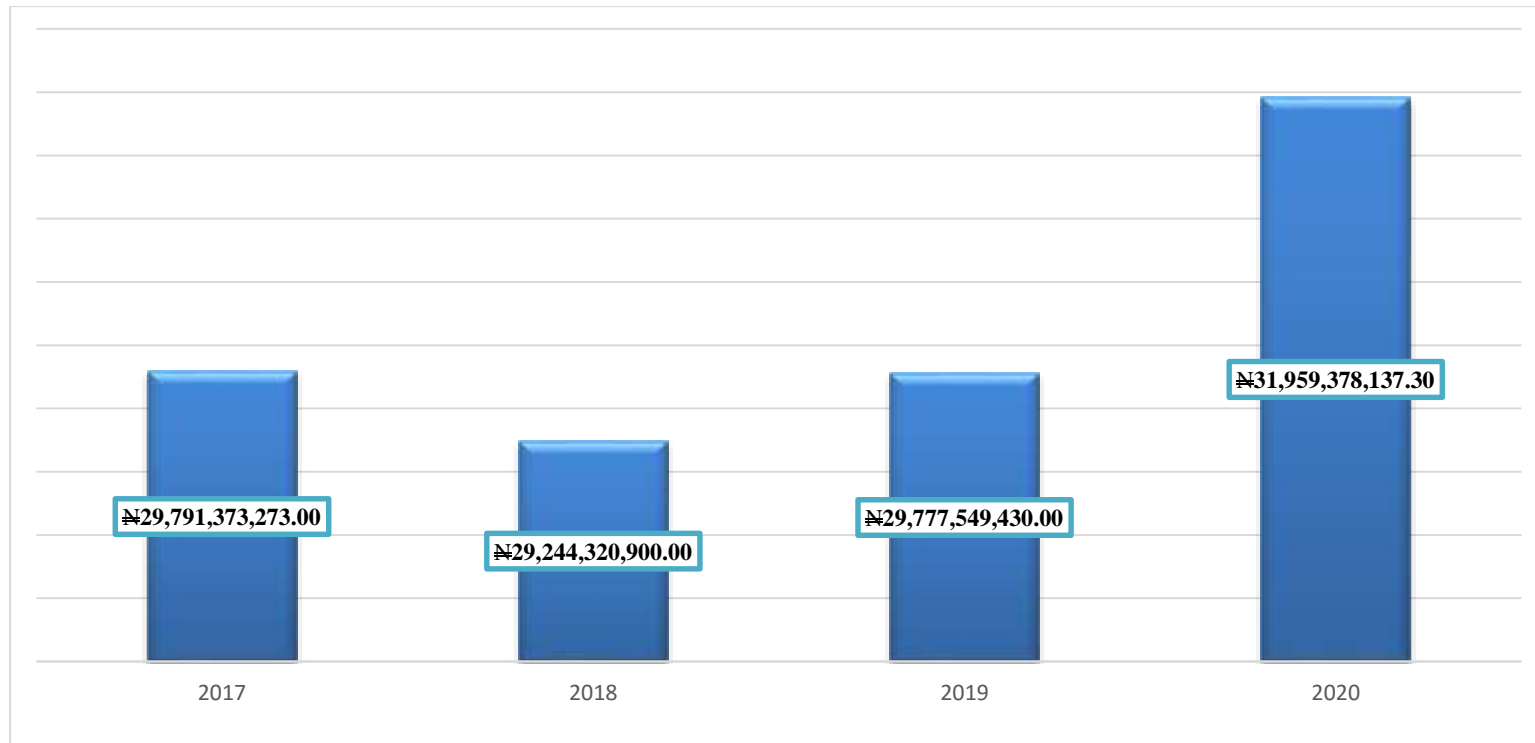


See page 3 for explanation



YEAR	AMOUNT
2017	29,791,373,273.00
2018	29,244,320,900.00
2019	29,777,549,430.00
2020	31,959,378,137.30

### OVERHEAD COST



Overhead cost are regular expenses to run government activities and programmes

YEAR	AMOUNT
2017	650,000,000.00
2018	2,050,000,000.00
2019	3,126,504,622.00
2020	3,126,504,622.00

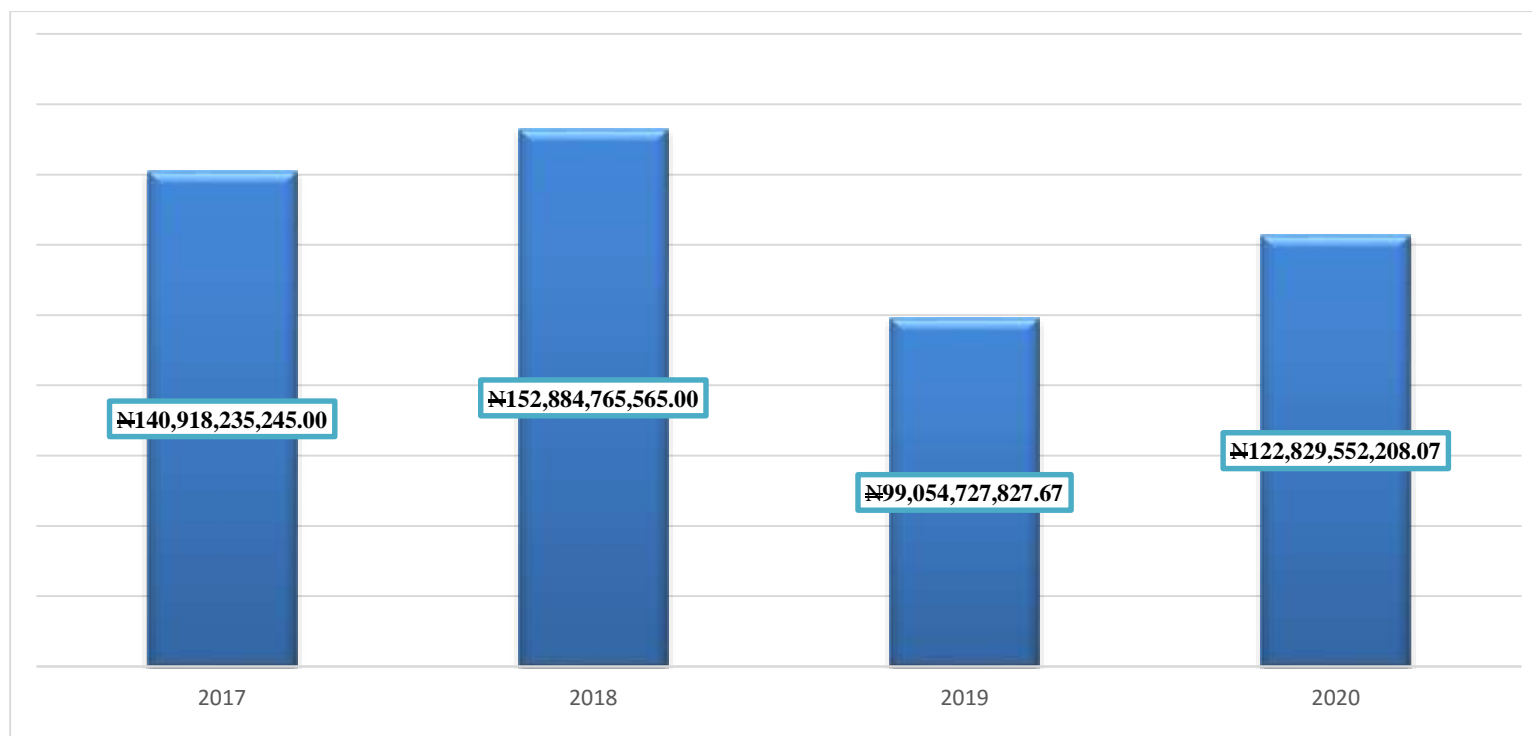
### PUBLIC DEBT CHARGES ON CRF



See page 3 for explanation

YEAR	AMOUNT
2017	140,918,235,245.00
2018	152,884,765,565.00
2019	99,054,727,827.67
2020	122,829,552,208.07

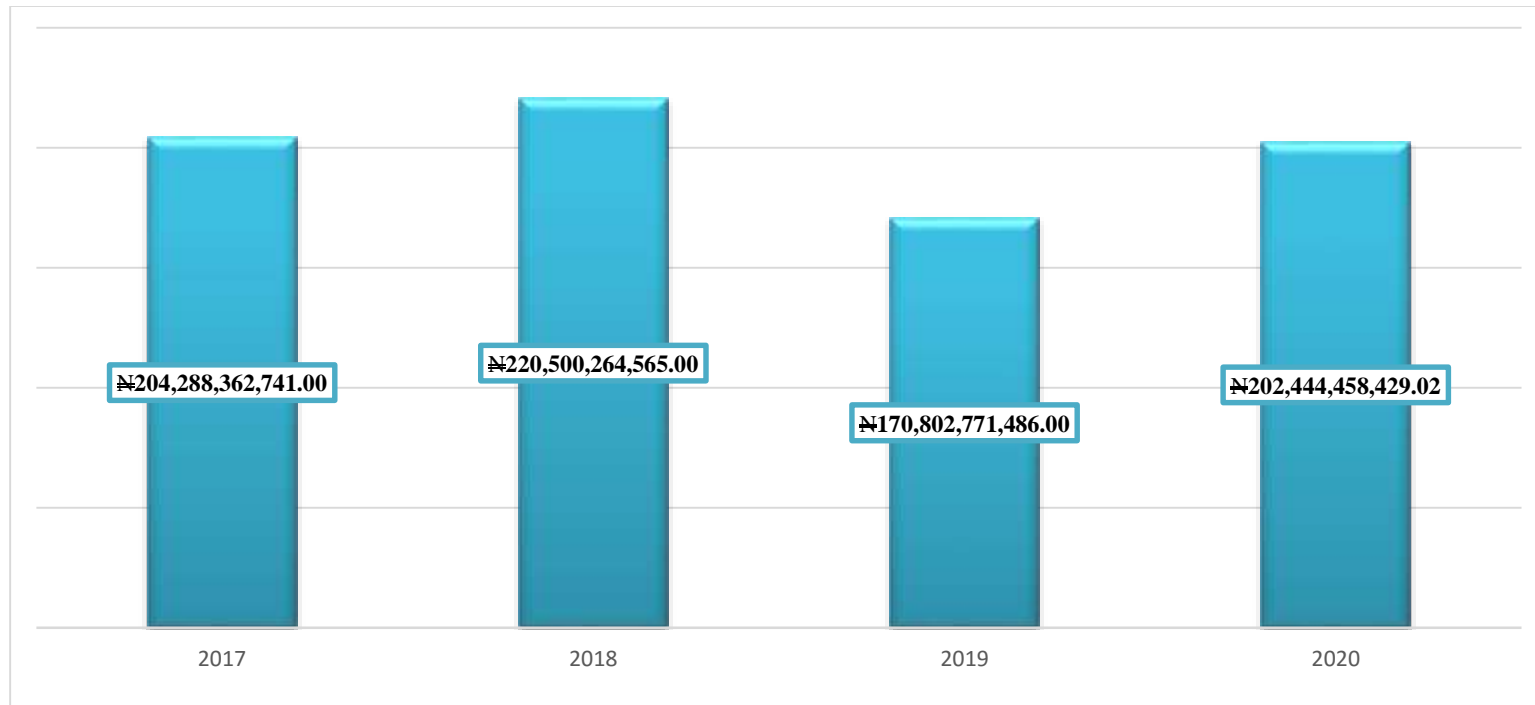
## CAPITAL EXPENDITURE



Capital Expenditure is part of government expenditure on fixed assets, lands or intangible assets. It the fund expended on projects like building of Schools, Hospitals, Roads, Streetlights etc.

















YEAR	AMOUNT
2017	204,288,362,741.00
2018	220,500,264,565.00
2019	170,802,771,486.00
2020	202,444,458,429.02

### TOTAL BUDGET ESTIMATES FROM 2017 TO 2020

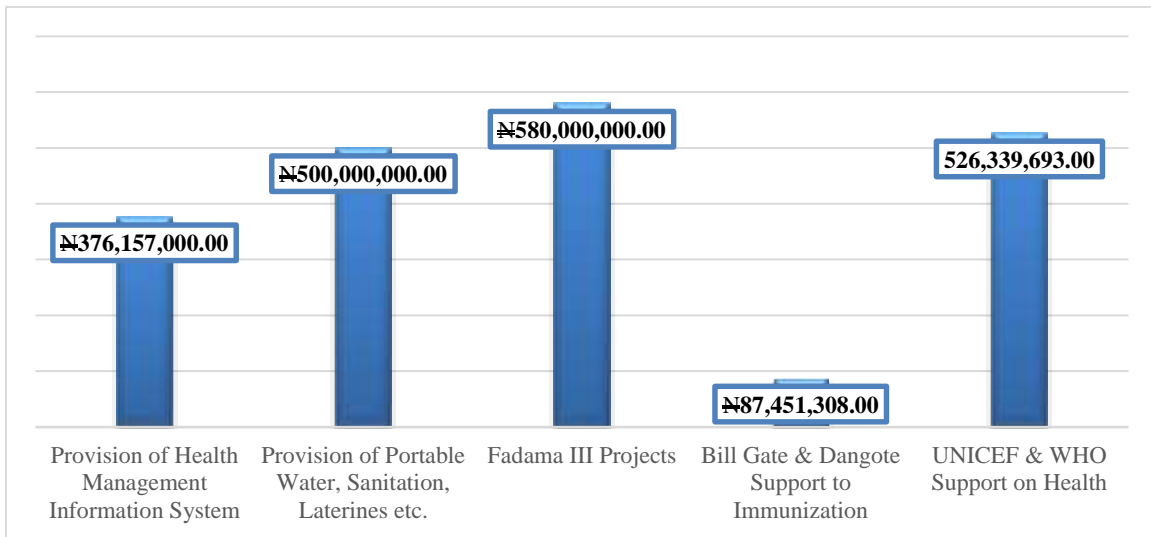


See page 3 for explanation

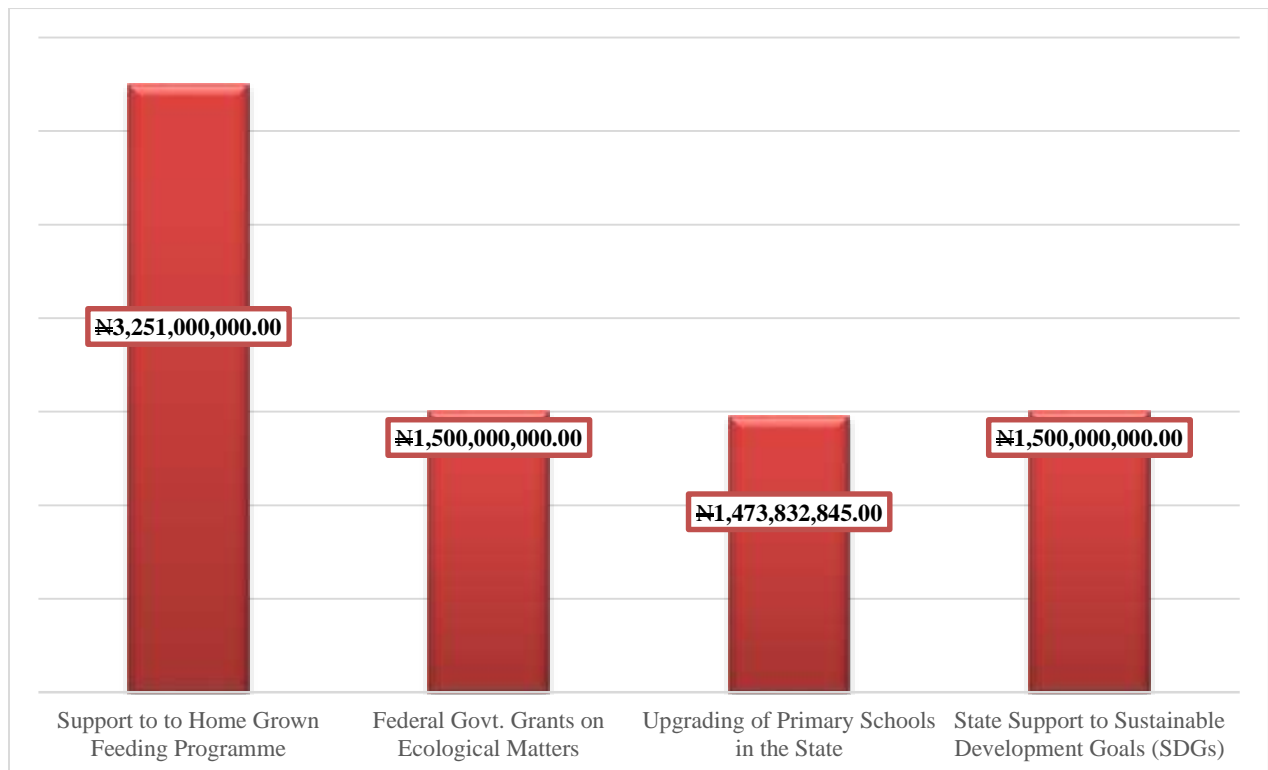
## SELECTED CAPITAL PROJECTS IN THE STATE

<p>₦2,398,658,152.80</p>  <p>Construction of Type 'A' &amp; 'B' Hospitals</p>	<p>₦1,200,000,000.00</p>  <p>Construction of Jumu'at Mosques and Islamiyya Schools</p>	<p>₦600,000,000.00</p>  <p>NEWMAP Programmes</p>	<p>₦400,000,000.00</p>  <p>Renovation/Rehabilitation of High Court/Shari'a Courts</p>
<p>₦3,505,500,000.00</p>  <p>Students Scholarship</p>	<p>₦1,473,832,845.00</p>  <p>SUBEB Capital Projects</p>	<p>₦3,690,044,840.50</p>  <p>Construction of New Secondary Schools</p>	<p>₦2,897,499,233.00</p>  <p>Construction of Roads</p>
<p>₦3,700,637,036.00</p>  <p>Construction of Fly-overs</p>	<p>₦4,450,000,000.00</p>  <p>Provision of Portable Water</p>	<p>₦1,804,000,000.00</p>  <p>Construction of Housing Estates</p>	<p>₦2,218,542,222.00</p>  <p>Construction of Rural Electrification Projects</p>
<p>₦6,500,000,000.00</p>  <p>Construction of Rural Feeder Roads Projects</p>	<p>₦1,000,000,000.00</p>  <p>Counterpart Funding to Conditional Grants by Donor Agencies</p>	<p>₦1,500,000,000.00</p>  <p>SDGs/CDS Projects</p>	<p>₦580,000,000.00</p>  <p>Fadama III Projects</p>

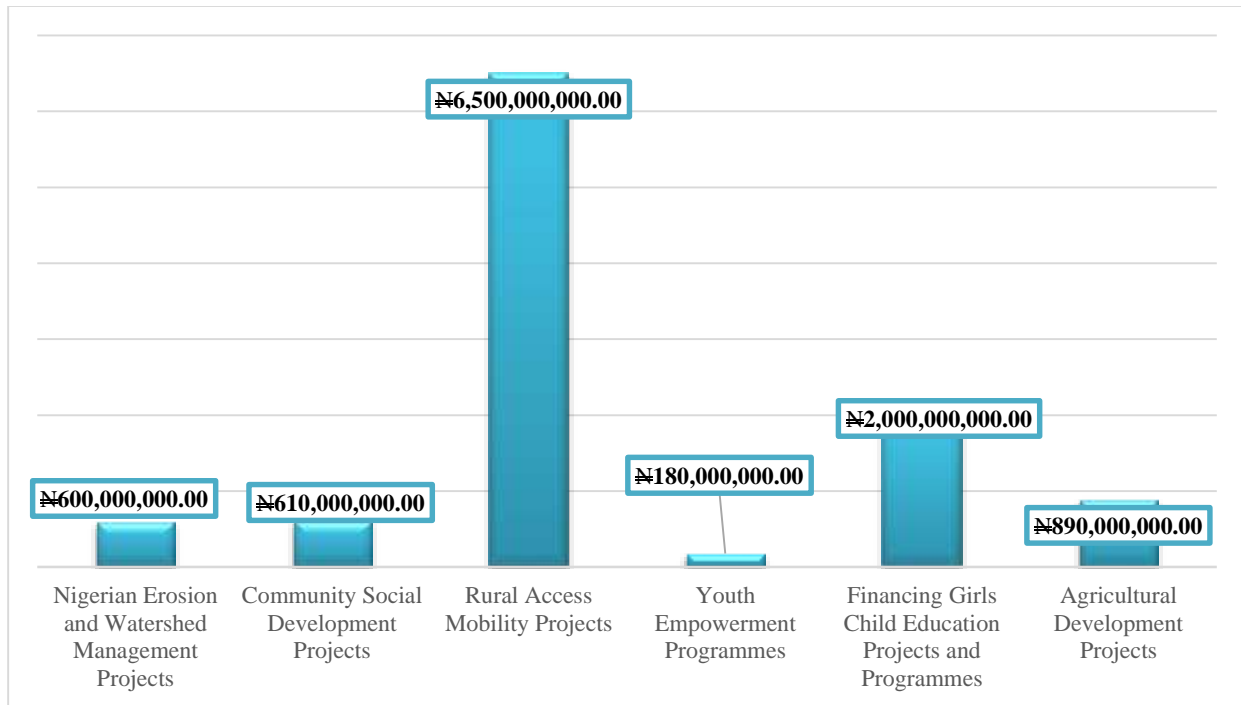
## HIGHLIGHTS OF PROJECTS TO BE FINANCED BY EXTERNAL GRANTS



## HIGHLIGHTS OF PROJECTS TO BE FINANCED BY INTERNAL GRANTS

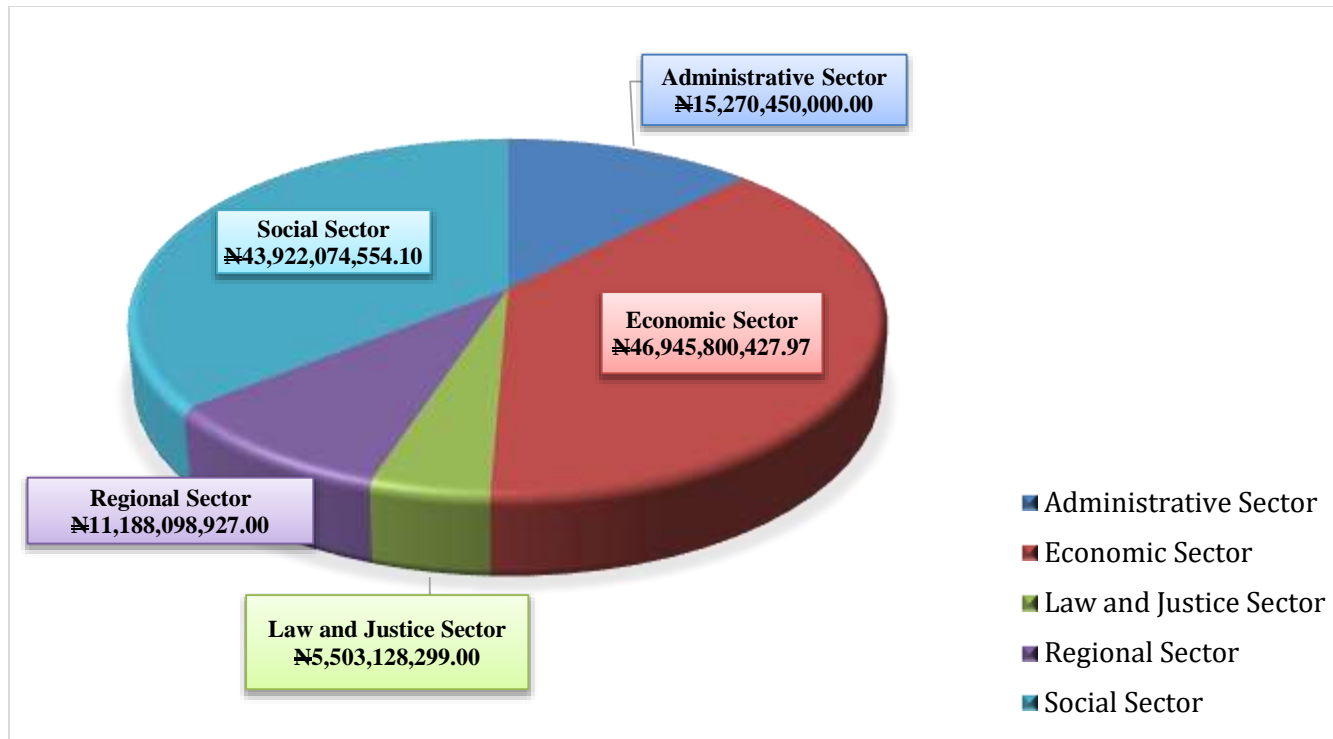


## HIGHLIGHTS OF PROJECTS TO BE FINANCED BY EXTERNAL LOANS





## SECTORAL ALLOCATIONS ON IPSAS BASIS



Sectoral Capital Allocation Estimates is Allocation of Capital Estimates into Sectors.

ADDRESS BY HIS EXCELLENCY, THE GOVERNOR OF SOKOTO STATE RT. HON. AMINU WAZIRI TAMBUIWAL, CFR (MUTAWALLEN SOKOTO) ON THE OCCASION OF PRESENTATION OF THE YEAR 2020 BUDGET TO THE SOKOTO STATE HOUSE OF ASSEMBLY ON TUESDAY 3<sup>rd</sup> DECEMBER, 2019

**Protocol:**

*Assalamu Alaikum*

1. All Praises are due to Allah (SWT), the Lord of the Worlds, the Most Beneficent and the Most Merciful. Peace and Blessings of Allah be upon our Noble Prophet Muhammad (SAW).
2. Mr. Speaker, Honourable Members and fellow citizens of Sokoto State, it is indeed a great honour and privilege to present the 2020 Budget for the consideration and deliberation of this Honourable House. Happily, this year is the beginning of our renewed mandate and it is therefore imperative on our part to consolidate on all major achievements, and to as well strive to provide more on the development and general security and welfare of the good people of Sokoto State. As a people with full faith in Allah we will continue to pray for more guidance and protection.
3. In the preceding year, the State has been faced with security challenges as a result of banditry activities in some Local Governments areas and with the co-operation and understanding of the Security Agencies, the situation has been brought under control and our people are going on with their normal businesses. The enormous contributions of His Eminence the Sultan, members of the Honourable House and other stakeholders to the achievement of this success is indeed worthy of appreciation and commendation.
4. It is indeed, a turning point in the history of governance in Sokoto State, that a legislature, constituted by a majority of members of the party not in government closes ranks across partisan divides to work for the purpose of serving our people and advancing our State. Mr. Speaker, Honourable Members, I commend you for this exhibition of statesmanship and patriotism over and above partisan considerations.
5. This milestone development holds great promise as we poise to take our State to higher levels of development in all sectors.
6. I wish to assure the people of Sokoto State that we have laid a solid foundation in our first tenure for greater socio-economic development through a commitment to policies and programs that have had relevance to the needs and aspirations of our people. Our scorecard is, by the special grace of Allah (SWT), attested to by local, national and international groups and agencies.

## 1.0 Review of the Year 2019 Budget

1.1 Mr. Speaker, Honourable Members, fellow citizens permit me to mention to this Honourable House that the 2020 budget process is a product of collective efforts and synergy amongst all MDAs and various stakeholder groups as an indication of our commitment to ensure transparency and inclusiveness. These are the demands for the International Public Sector Accounting Standard (IPSAS), the global index for performance in fiscal policy that Sokoto State has migrated to from this year. It could be recalled that in the 2019 Budget as passed by this Honourable House the sum of ₦170,802,771,486.00 was earmarked for both Recurrent and Capital Expenditure.

1.2 Despite the economic predicament in the country which also affects the State in recent time, remarkable achievements have been recorded and we are prepared and determined to achieve more in the subsequent years, God willing.

## 2.0 Year 2020 Budget Outlay

2.1. Mr. Speaker, Honourable Members, Distinguished Ladies and Gentlemen, in consonance with the existing budgetary standing and prevailing fiscal projection, the 2020 Budget stands at ₦202,444,458,429.02.

### A. Revenue Breakdown:

a. Opening Balance	₦1,492,302,000.00
b. Statutory Allocation	₦43,758,249,540.00
c. Value Added Tax – VAT	₦19,856,829,804.00
d. Independent Revenue	₦33,305,768,269.00
e. Aids and Grants	₦14,584,832,082.62
f. Direct Receipts	₦20,902,000,000.00
g. Direct Capital Receipts	₦1,140,000,000.00
h. Proceeds from Loan and other Borrowing Receipts	₦32,234,476,733.40
i. External Loan and other Borrowing	₦35,170,000,000.00
<b>Budget Total:</b>	<b><u>₦202,444,458,429.02</u></b>

## B. Expenditure Distribution

In line with the projected revenue, the 2020 proposed Expenditure will be as follows:-

i. Personnel Cost	₦32,720,626,765.80
ii. Overhead Cost	₦46,894,279,455.14
iii. Capital Expenditure	₦122,829,552,208.08
<b>Total:</b>	<b><u>₦202,444,458,429.02</u></b>

2.2 The sectoral Allocation for the year 2020 shows that 24% share of the Budget goes to Education with ₦47,880,096,366.25 of the Budget sum followed by Health with ₦21,979,189,998.02 representing 11% and Agriculture with ₦12,429,285,871.07 representing 6.14%. The Budget will amongst others focus on completion of the projects started in the preceding year and ensure prompt execution of new ones in line with the development policy agenda of the present administration. This Budget is carefully formulated in tandem with our strong desire and commitment to address the fundamental needs of our people in all the urban and rural areas of Sokoto State. The year 2020 Budget is therefore tagged “*Budget of Sustained Socio-economic Development and Inclusiveness*”.

2.3 I therefore humbly seek the kind collaboration of the Honourable Members as I briefly and summarily highlight some of the provisions and proposals for the incoming year i.e. 2020.

2.4 Mr. Speaker, Honourable Members, Distinguished Ladies and Gentlemen, our commitment to meeting the needs and aspirations of the electorate remains unshaken. Accordingly, we have proposed the following projects among several others:

- i. Dualisation of Tashar Illela Road to More
- ii. Dualisation of Road from Welcome to Sokoto Gate - Shuni town
- iii. Dualisation of Maituta Road

The sum of ₦4,384,601,188.50 is to be expended on the three projects. Construction and expansion of the following roads is also going to be carried out at the cost of ₦3,945,529,145.00:

- i. CSC Round-about to Western Bye-Pass
- ii. Unguwar Rogo - Eastern Bye-Pass

- iii. Ahmadu Rufai Road
- iv. New SRRBDA Road to Airport Bye-pass

We equally intend to construct four (4) Hospitals:

- i. Brand new Sokoto Specialist Hospital with 850 Beds Capacity
- ii. Premier Hospital Sabon Birni with 150 Beds Capacity
- iii. Premier Hospital Tambuwal with 150 Beds Capacity
- iv. Premier Hospital Binji with 150 Beds Capacity

The cost of the projects is ₦7,995,527,126.80.

Similarly, we have included in our proposals the construction of three (3) Secondary Schools:

- i. Sheikh Abubakar Gumi Secondary School Sokoto (similar to Boarding Secondary School Balle)
- ii. Secondary School at Goronyo with 2 Classrooms Blocks, One Hostel and Administration Blocks.
- iii. Abdullahi Bara'u Secondary School Dogondaji with 2 Classrooms Blocks, One Hostel and Administration Blocks.

The sum of ₦6,461,064,491.89 is to be expended on the projects.

2.4 Among the major projects earmarked for the transformation of agriculture are the construction of irrigation Schemes at Rabah, Kebbe and Silame, while the proposed Dam Project at Wurno will be carried out in partnership with NEWMAP.

2.5 In addition to these, we also remind Mr. Speaker and Honourable Members of the exploits so far made by this Administration in its efforts to improve the socio-economic well-being of the citizenry. These include; Public Private Partnership with OCP Africa and COPAG from Morocco in the development of Agriculture, Animal Husbandry, Mining and Energy. The immediate outcome of this effort is the establishment of a Phosphate Fertilizer Plant in Kalambaina the preparations for which has begun in earnest.

2.6 In the same spirit, our subscription to Private Sector engagement has attracted investment in the economy. A typical example of the dividend of this initiative is the ongoing Dangote Rice Mill Project in Kware.

2.7 A similar positive development in this regard, is the ongoing expansion of the BUA Group Cement Company of Northern Nigeria.

2.8 Our socio-economic ties with Indonesia will bring to our State initiatives for the advancement in our economy through the strengthening of the Zakat and Waqf Commission, education, healthcare delivery, dairy production, tourism and culture among others. The socio-economic similarities of our State and Indonesia have made these models of development very much feasible in our environment with substantial possibility of bearing fruits.

### 3.0 **Conclusion**

3.1 Mr. Speaker, Honourable Members, Distinguished Ladies and Gentlemen, it is pertinent to note that both urban and rural areas of the State remain the focus of our administration. This cannot however be achieved without collective and individual sacrifices and hard work on the part of all and sundry. As elected leaders of the people of Sokoto State, I wish to assure that all hands will be on deck to develop our State. Therefore, I am appealing to the good people of Sokoto State to continue to support and pray for the success of the 2020 Budget as it contains numerous development projects and programmes in the urban and rural areas of the State. I have a strong belief that by Allah's guidance and your prayers a lot can be achieved in this regard.

3.2 I wish to at this juncture, express appreciation for our people and development partners for your unflinching support for our strides in transforming our dear State.

3.3 Finally, I wish to formally and respectfully lay before the Honourable House, the year 2020 Sokoto State Appropriation Bill. I hope this Honourable House will accord it special attention for our collective benefit.

3.4 I pray to Allah (SWT) to bestow upon you wisdom and energy to give this proposed 2020 Budget necessary attention and consideration for the overall socio-economic development of our dear State.

3.5 Thank you and *Wassalamu Alaikum*.