



GOMBE Citizens Budget 2020

Gombe - Nigeria

JANUARY 2020



Theme: - “Budget of Change”



INTRODUCTION

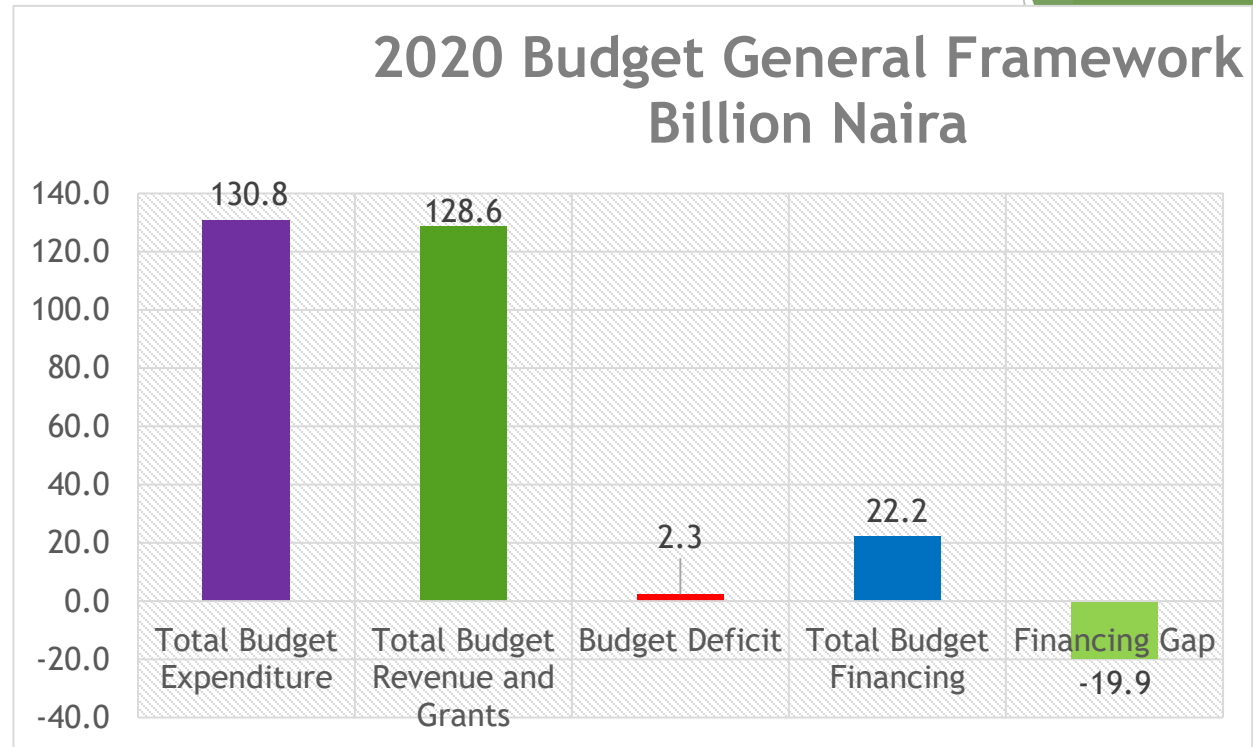
The 2020 Citizens' Budget explains in simple terms how government plans to raise the needed revenues to implement its policies and programmes to help improve the living standard of the people of Gombe State. This document focuses on what government intends to do in 2020, in the major sectors of the economy including health, education, agriculture and energy.

In a democracy, every citizen has the right to know how common wealth is being expended in the delivery of public infrastructure and services.

In 2020, Gombe State will spend N130.8 billion.

Of this, N128.6 billion will be sourced from revenue and grants, which results in N2.3 billion in budget deficit.

The deficit will be resolved by N22.2 billion of total financing facility.



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.

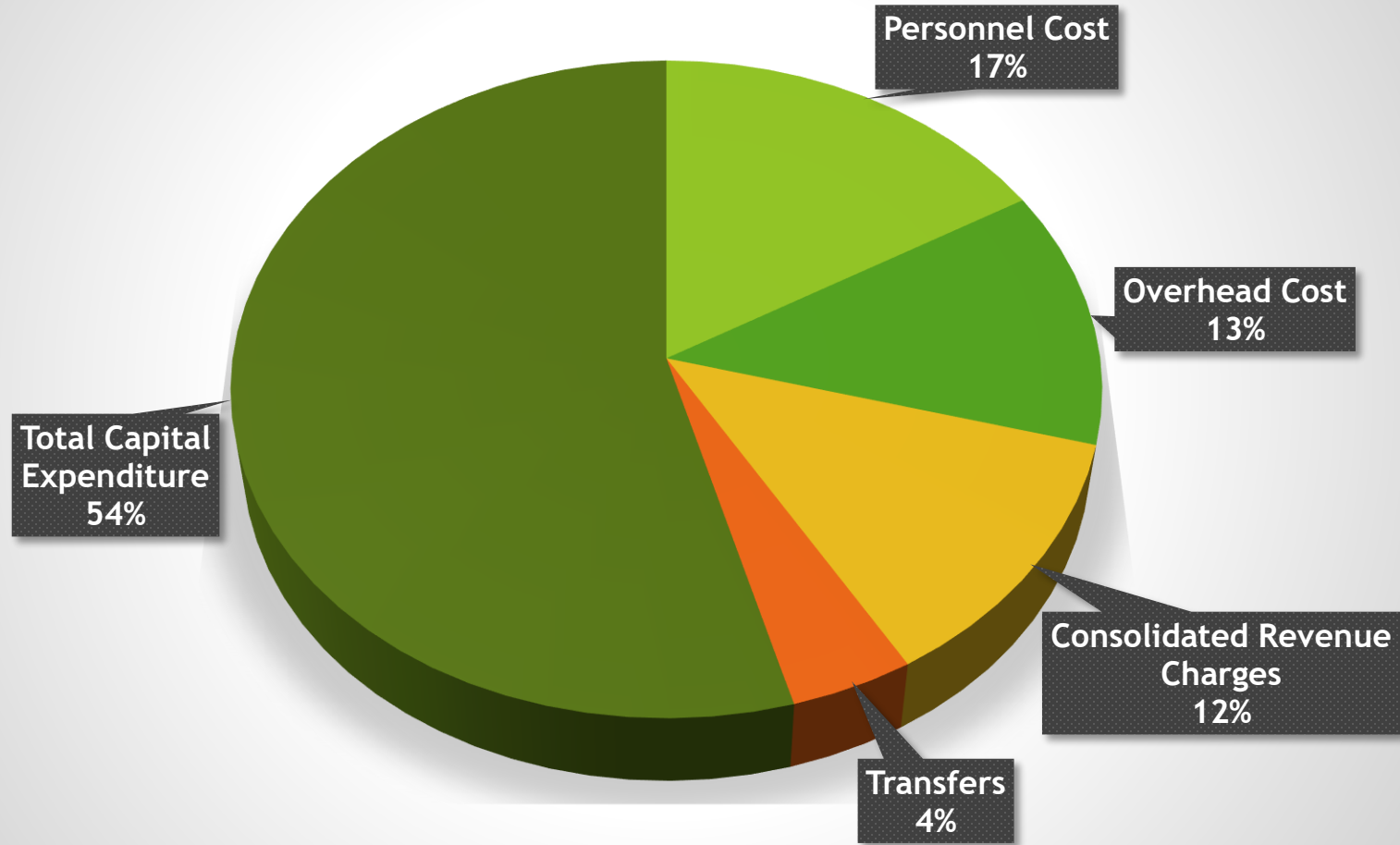
A deficit occurs when the expenditure figure is higher than the revenue and grants figure.

This is the summation of all the financing that 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.

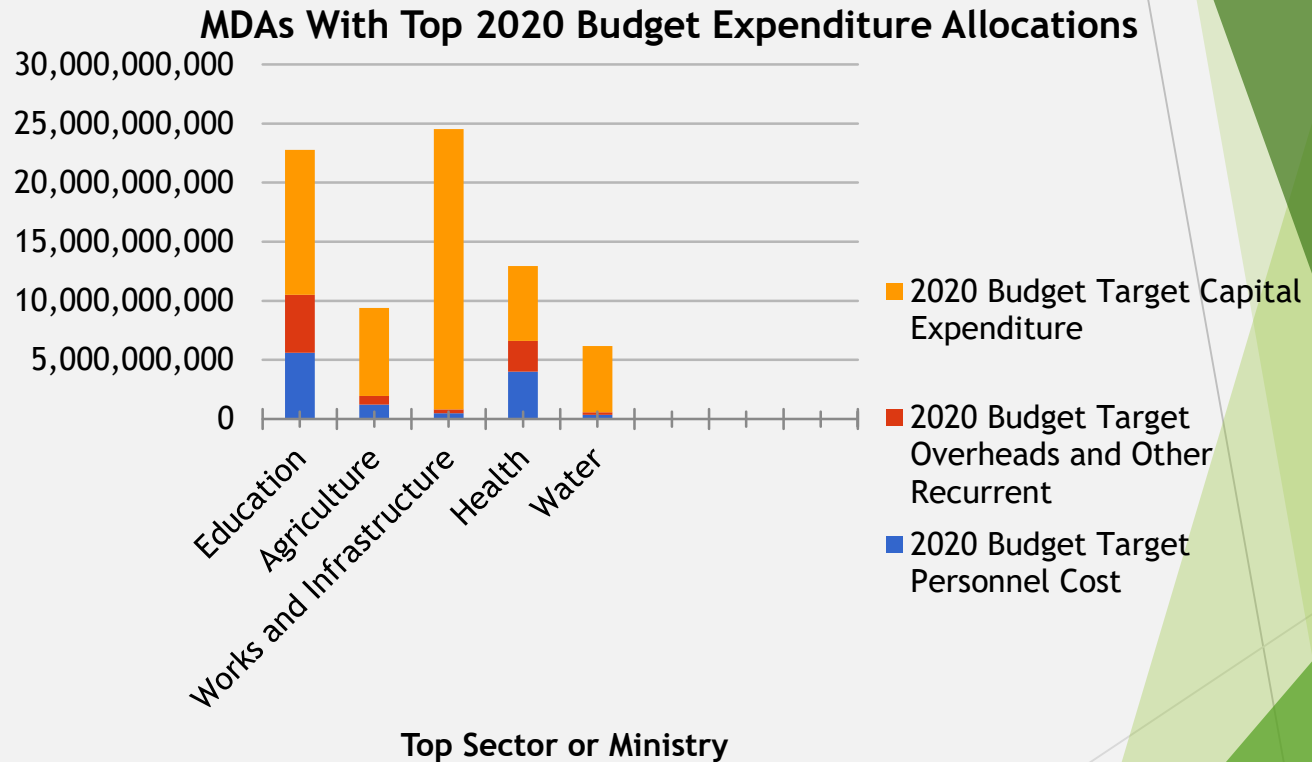
Where does the money go?

2020 Budgeted Expenditure



Top 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 vehicles and security equipment etc.



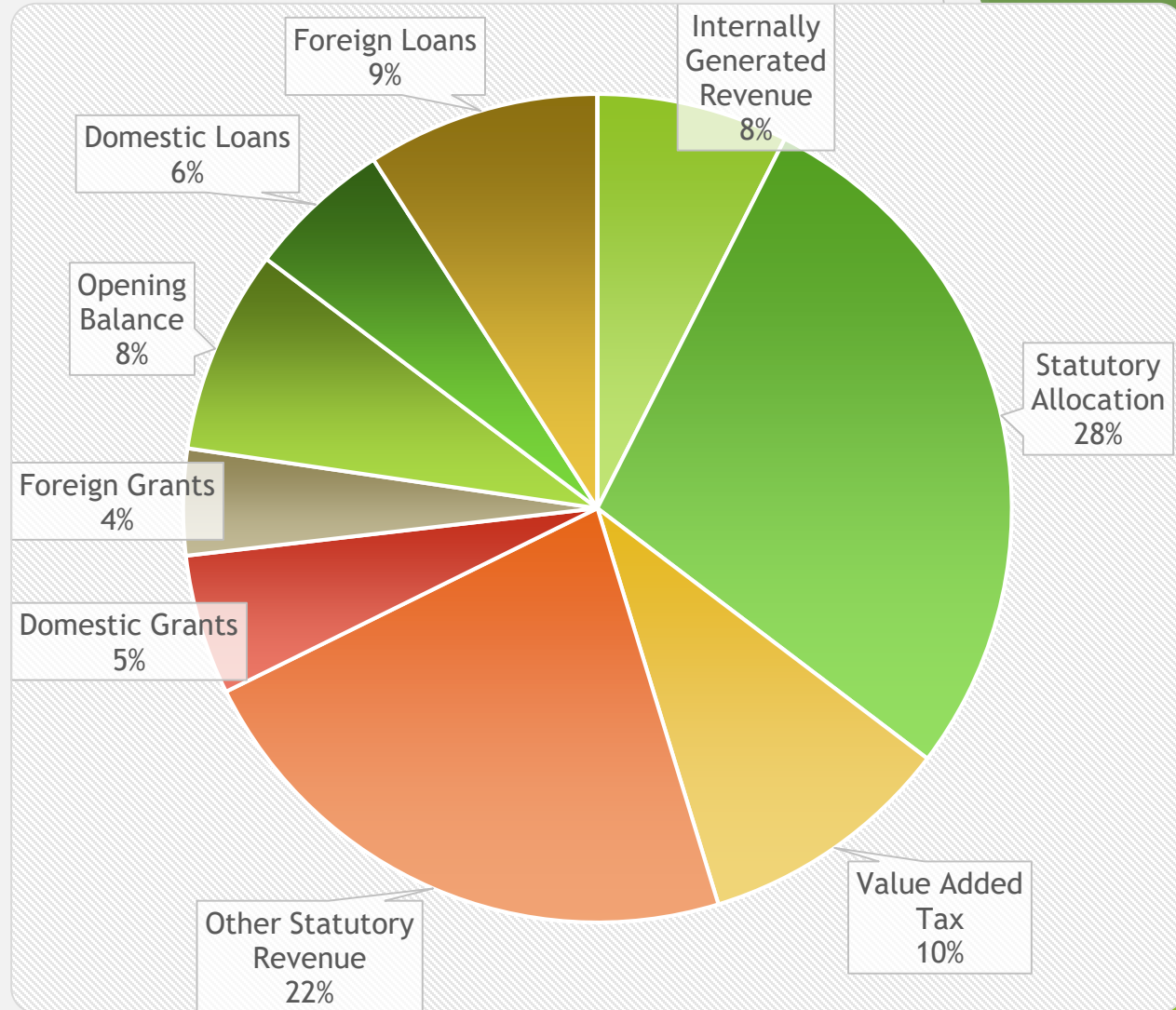
Where will the money come from?

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.

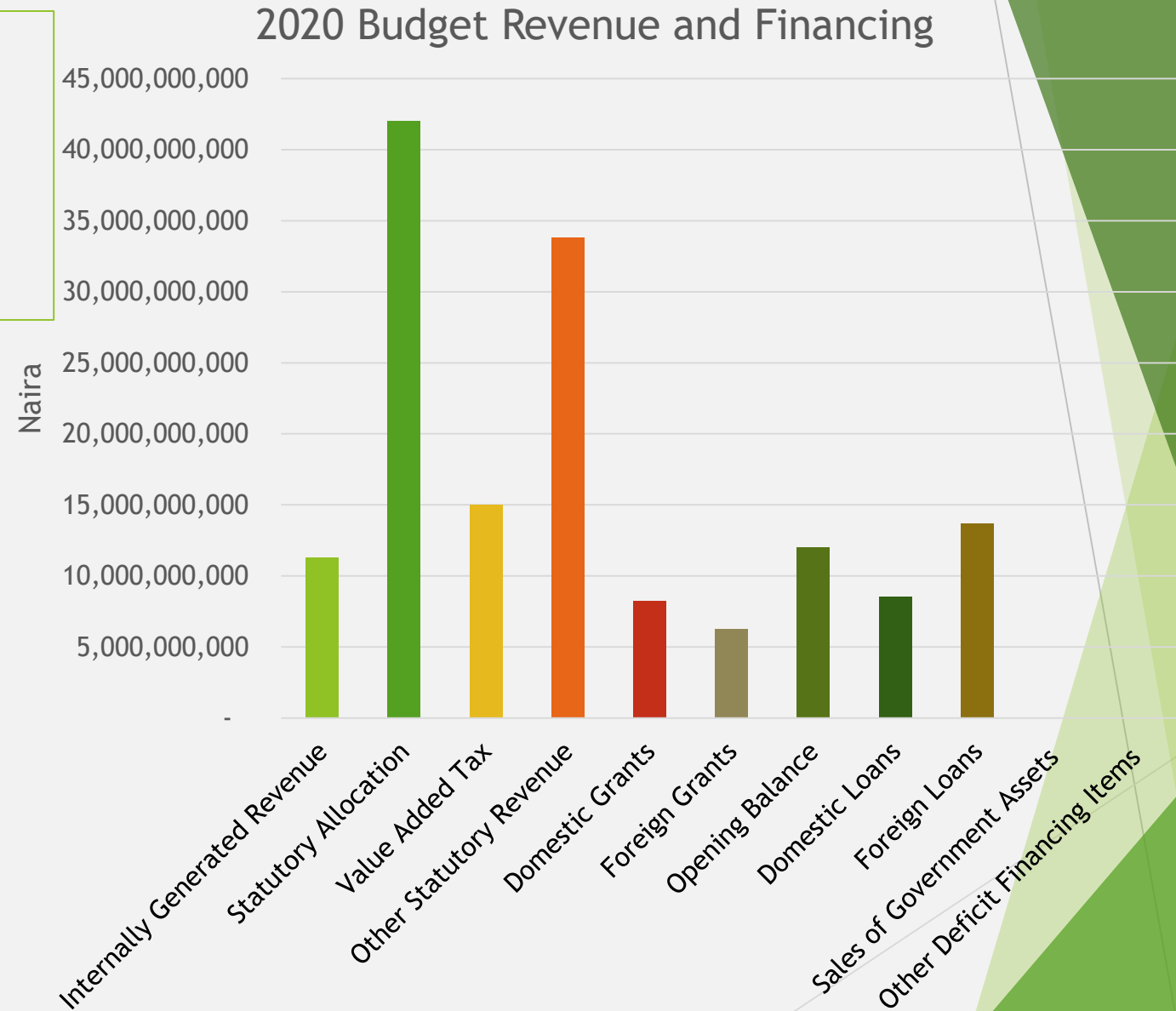
2020 Budget Revenue and Financing



Where will the money come from?

Majority of revenue will come from statutory allocation (42 billion) and IGR (11.3 billion).

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



Breakdown of grants

GOMBE STATE 2020 BUDGET		
Budget Title: BUDGET OF CHANGE		
How will the Government source the grants		
Domestic Grants	2020 Budget Target	
Project/Donor	Amount Naira	Amount Naira Billion
TETFUND	4,000,000,000.00	4.00
SDGs CONDITIONAL GRANT	700,000,000.00	0.70
UBE	1,500,000,000.00	1.50
SFTAS	1,500,000,000.00	1.50
COMMUNITY BASED HEALTH INSURANCE SCHEME	50,000,000.00	0.05
SAVE ONE MILLION LIVES	500,000,000.00	0.50
		0.00
		0.00
Total Domestic Grants	8,250,000,000.00	8.25
Foreign Grants	2020 Budget Target	
Project/Donor	Amount Naira	Amount Naira Billion
UNITED NATIONS SYSTEM	1,000,000,000.00	1.00
INTERNATIONAL NGOs	1,000,000,000.00	1.00
INCLUSIVE BASIC SERVICE DELIVERY (ADB)	1,250,000,000.00	1.25
PARTNERSHIP FOR EXPANDED WATER SUPPLY, SANITATION & HYGEINE (PEWASH)	500,000,000.00	0.50
BETTER EDUCATION SERVICE DELIVERY FOR ALL (BESDA)	2,000,000,000.00	2.00
BILL & MELINDA GATE FOUNDATION (BMGF)	500,000,000.00	0.50
		0.00
		0.00
		0.00
Total Foreign Grants	6,250,000,000.00	6.25

A grant is one of the government's source of funds for funding ideas and projects/programmes to provide public services, stimulate the economy, and benefit the general public.

Grants could be either foreign or domestic and is normally provided for specific projects/programmes and set of expenditures. Grants are not borrowing or loans so they do not need to be paid back after been used for the intended project/programme and set of expenditures.

Financing: Breakdown of loans

GOMBE STATE 2020 BUDGET		
Budget Title: BUDGET OF CHANGE		
How will the Government source the loans:		
Domestic Loans	2020 Budget Target	
Project/Institution	Amount Naira	Amount Naira Billion
COMMERCIAL & OTHER BANK LOANS	300,000,000.00	300.00
GOMBE STATE REVENUE BOND	8,200,000,000.00	8,200.00
		0.00
Total Domestic Loans	8,500,000,000.00	8,500.00
Foreign Loans	2020 Budget Target	
Project/Insitution	Amount Naira	Amount Naira Billion
YESSO World Bank Assisted	2,700,000,000.00	2.70
World Bank Fadama III Project	500,000,000.00	0.50
Gombe State Agency for Community Dev. (W/B)	1,500,000,000.00	1.50
NEWMAP World Bank	2,500,000,000.00	2.50
State Education Prog. Investment Proj. (SEPIP)	1,500,000,000.00	1.50
Nigeria State Health Investment Proj. (NSHIP)	1,500,000,000.00	1.50
Accelerating Nutrition Results in Nigeria	1,500,000,000.00	1.50
Islamic Development Bank	500,000,000.00	0.50
Inclusive Basic Service Delivery (ADB)	1,500,000,000.00	1.50
		0.00
Total Foreign Loans	13,700,000,000.00	13,700.00

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. Loans can be for a specific projects and programmes or could be used to finance the general budget expenditures. Most foreign loans are credits borrowed by Federal Government on behalf of the State.

CONTACT/ FEEDBACK CHANNEL

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