

GOMBE STATE Citizens Budget 2022



Theme: - “Budget of Consolidation”

Gombe - Nigeria

JANUARY 2022

INTRODUCTION

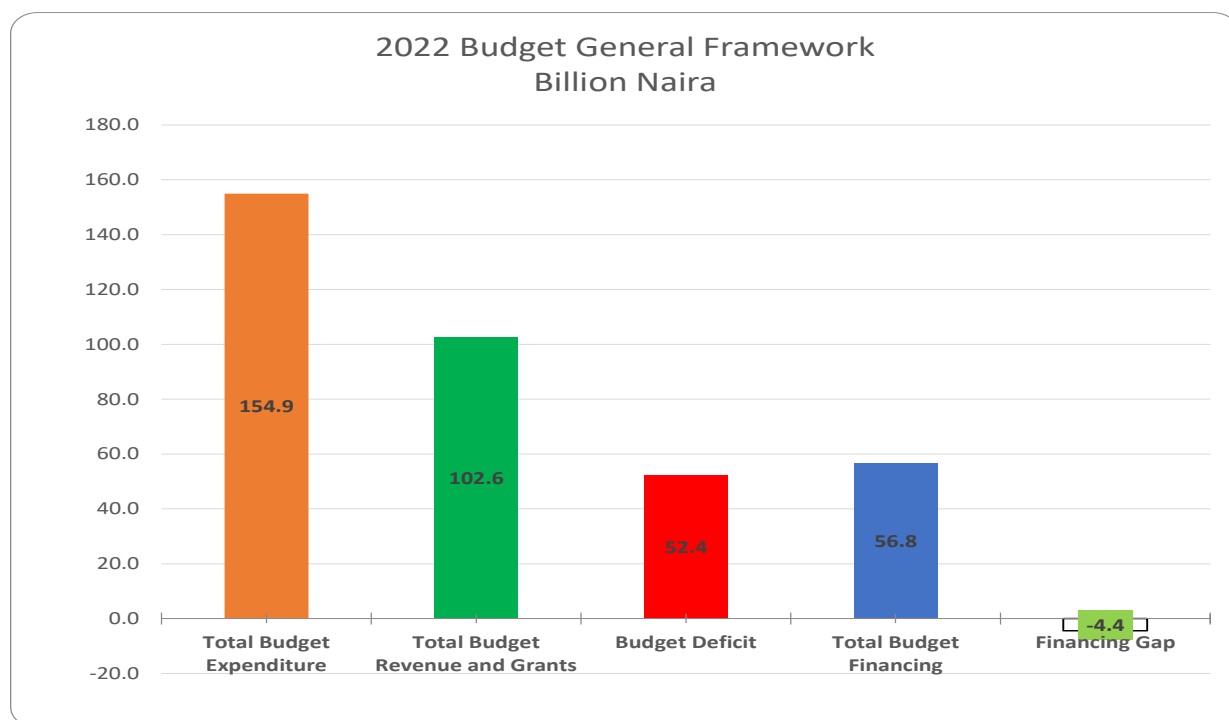
The 2022 Citizens' Budget explains in simple terms how government plans to raise the needed revenues to implement its policies and programmes to help improve the living standard of the people of Gombe State. This document focuses on what government intends to do in 2022, in the major sectors of the economy including health, education, agriculture and energy et al. The revenue assumptions were premised current realities, assuming a crude oil price of \$57 dollars per barrel, exchange rate of N410.00 to a dollar and oil production rate of 1.8 million barrels per day.

The budget was tagged "Budget of Consolidation" to demonstrate the Gombe State determination of steadfastness, perseverance and doggedness to achieve more for the people in spite of the even resurgence of Delta & Omicron variants COVID-19 disease along with its associated socio-economic setbacks.

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

GENERAL FISCAL FRAMEWORK

In 2022, Gombe State will spend N154.9 billion. Out of this, N102.6 billion will be sourced from revenue and grants, which results in N52.4 billion in budget deficit. The deficit will be resolved by N56.8 billion of total financing facility.

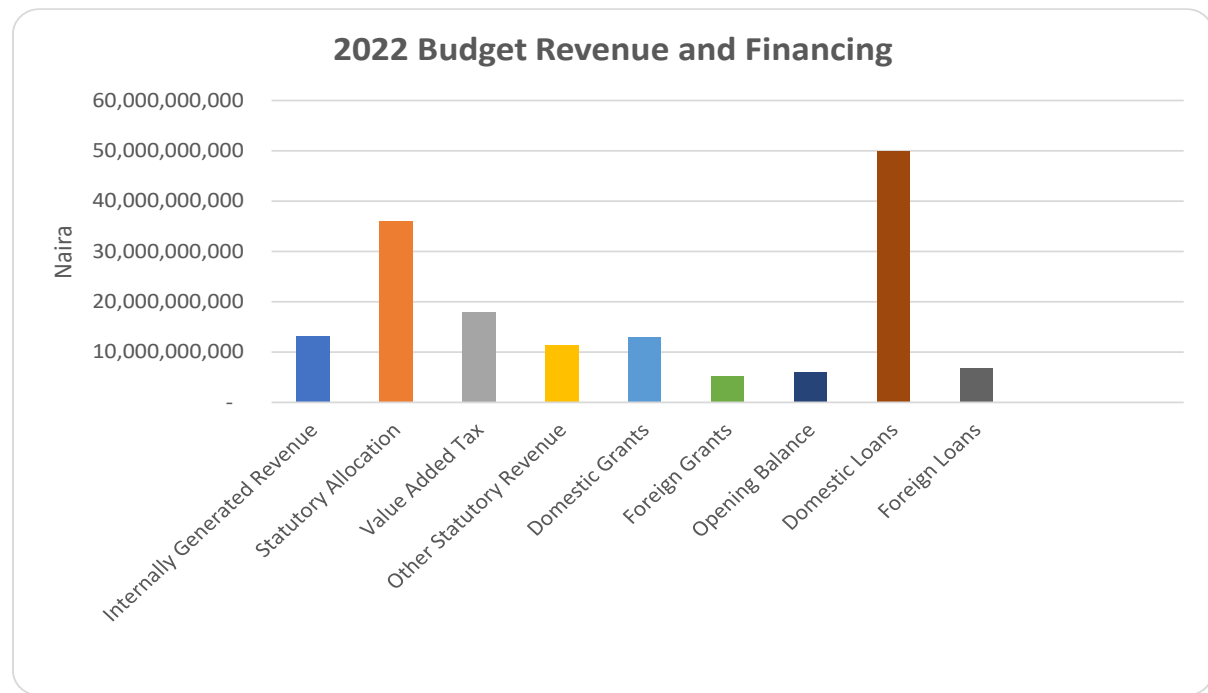


WHERE WILL THE MONEY COME FROM?

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.



In 2022, majority of revenue will come from expected statutory allocation, value added tax and other statutory inflows from the federation account of 60.5 billion naira and Internally Generated Revenue (IGR) of over 13 billion naira, while financing the projected deficit will come from a mixture of domestic and foreign loans as depicted in the tables below.

Source of Funds	2022 Budget Target
Internally Generated Revenue	13,147,069,000.00
Statutory Allocation	36,000,000,000.00
Value Added Tax	18,000,000,000.00
Other Statutory Revenue	6,401,500,000.00

It is however, interesting to note that due the deliberate interest and zeal of this administration to deliver more dividends of democracy to the citizens of Gombe State, government in embarking on massive developmental efforts through building systems, structure and infrastructure to move the state to higher level; these revenue drivable as listed above will not be enough to finance the implementation of the budget. Therefore, other sources of funding must have to be explored including grants form donors as well as loans.

Grants are expected from:

Domestic Grants	2022 Budget Target	
Project/Donor	Amount Naira	Amount Naira Billion
TETFUND	3,000,000,000.00	3.00
SDGs CONDITIONAL GRANT	500,000,000.00	0.50
UBE	715,000,000.00	0.72
SFTAS	5,000,000,000.00	5.00
COMMUNITY BASED HEALTH INSURANCE SCHEME	250,000,000.00	0.25
SAVE ONE MILLION LIVES	1,500,000,000.00	1.50
COVID-19 INTERVENTION	200,000,000.00	0.20
SFTAS AF	1,000,000,000.00	1.00
STRATEGIS SUPPORT FOR WATER SUPPLY [COVID-19]	750,000,000.00	0.75
Total Domestic Grants	12,915,000,000.00	12.92
Foreign Grants	2022 Budget Target	
Project/Donor	Amount Naira	Amount Naira Billion
UNITED NATIONS SYSTEM	500,000,000.00	0.50
INTERNATIONAL NGOs	500,000,000.00	0.50
PARTNERSHIP FOR EXPANDED WATER SUPPLY, SANITATION & HYGIENE (PEWASH)	500,000,000.00	0.50
BETTER EDUCATION SERVICE DELIVERY FOR ALL (BESDA)	500,000,000.00	0.50
BILL & MELINDA GATE FOUNDATION (BMGF)	500,000,000.00	0.50
SUSTAINABLE WATER SUPPLY [W/BANK]	1,400,000,000.00	1.40
HEALTH SYSTEM SUPPORT GRANT [GAVI]	750,000,000.00	0.75
BASIC HEALTH CAREs PROVISION FUND	500,000,000.00	0.50
Total Foreign Grants	5,150,000,000.00	5.15

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 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.

Loans are expected from:

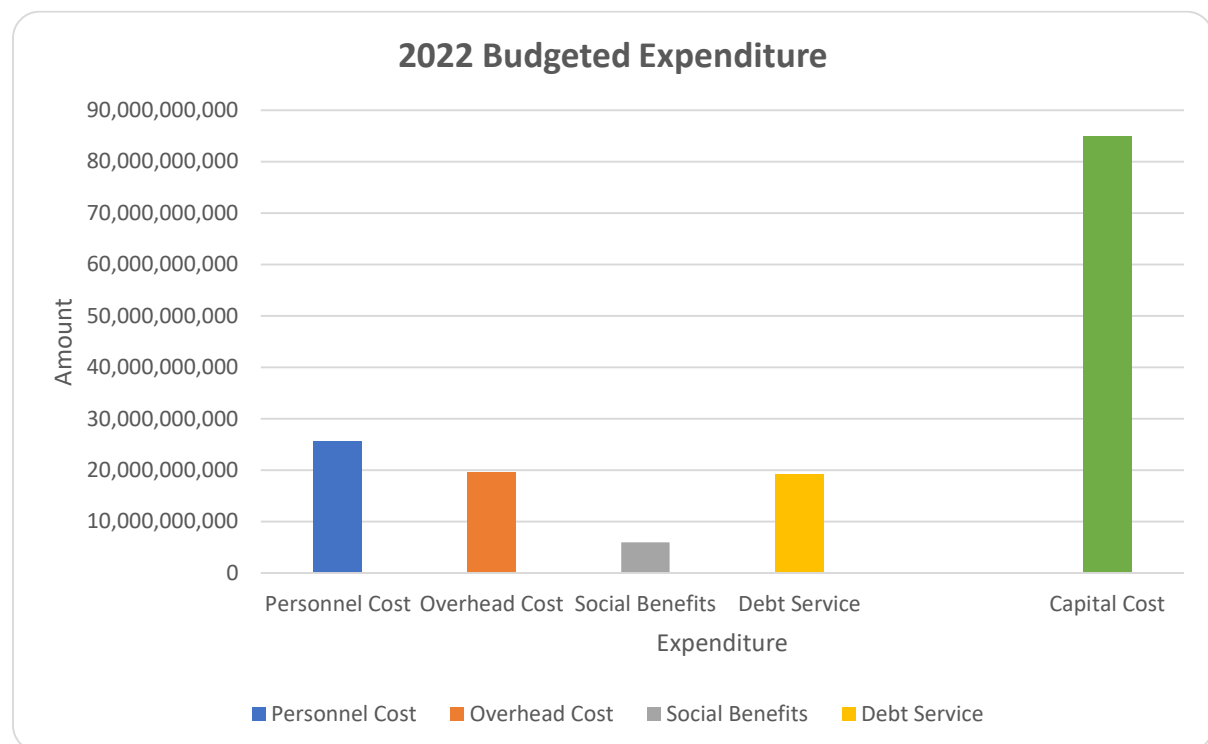
Domestic Loans	2022 Budget Target	
Project/Institution	Amount Naira	Amount Naira Billion
COMMERCIAL & OTHER BANK LOANS	1,000,000,000.00	1.00
CBN SUPPORT FACILITY FOR HEALTH SECTOR (COVID-19)	1,000,000,000.00	1.00
NATIONAL HOUSING LOANS FACILITY [FAMILY HOMES]	1,000,000,000.00	1.00
BONDS	35,000,000,000.00	35.00
FGN BRIDGING FINANCE LOAN	12,000,000,000.00	12.00
Total Domestic Loans	50,000,000,000.00	50.00
Foreign Loans	2022 Budget Target	
Project/Insitution	Amount Naira	Amount Naira Billion
Gombe State Agency for Community Development (W/Bank)	50,000,000.00	0.05
Nigeria Environmental & Watershed Mgt. Project (NEWMAP)	500,000,000.00	0.50
Accelerating Nutrition Results in Nigeria (ANNRIN)	1,000,000,000.00	1.00
INCLUSIVE BASIC SERVICE DELIVERY (ADB)	250,000,000.00	0.25
NIGERIA CAREs PROJECT	3,500,000,000.00	3.50
ACreSAL Project (W/Bank)	1,500,000,000.00	1.50
Total Foreign Loans	6,800,000,000.00	6.80

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.

WHERE DOES THE GO?

Government apply its monies through the servicing of both recurrent as well as capital expenditures. Recurrent Expenditure refers to recurring payments like wages and salaries for civil servants; overhead costs (office running costs, consumables and maintenances, electricity bills, purchase of diesel, etc). It also includes interest payments on existing loans and other subsidies.

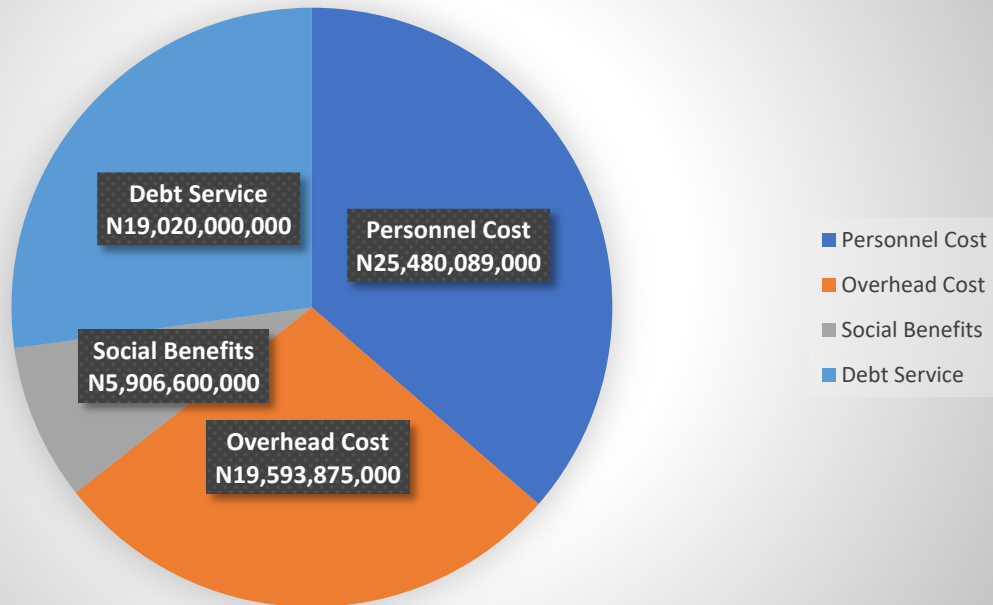
Capital Expenditure is how much money is spent/used for projects like the building of schools, hospitals, roads, or buying vehicles and security equipment etc.



Government expenditures are classified into two (2). Recurrent expenditure on one hand and Capital expenditure on the other hand. Pursuant to this, therefore, government annually allocates funds to its Ministries, Departments and Agencies (MDAs) who will implement various projects and programmes in synergy that all together translate into improved standard of living of the citizens of Gombe State.

Recurrent Expenditure refers to recurring payments including salaries for civil servants also referred to as Personnel costs; overhead costs (office running costs, consumables and maintenances of machineries and equipment, etc).

2022 Budgeted Recurrent Expenditure

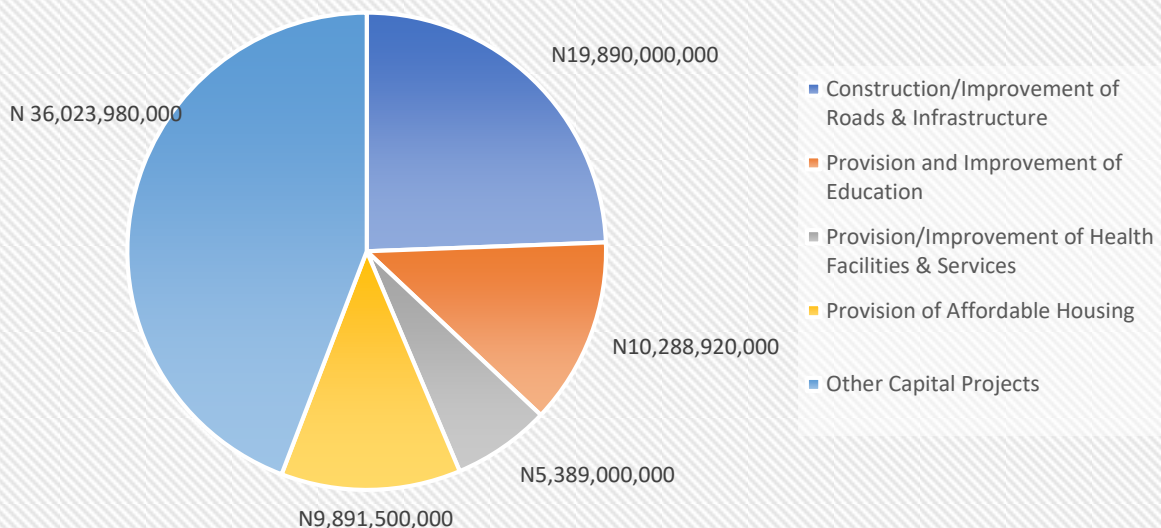


The chart above clearly shows each of the elements of Recurrent Expenditure expected to be funded totaling the sum of Seventy Billion, Five Hundred and Sixty-Four Thousand Naira **(N70,000,564,000.00)** only in 2022.

On the other hand, development projects including building roads, schools, hospitals, infrastructure, provision of water supply, electricity etc., which are gigantic and costly in nature are referred to as Capital Expenditure.

Therefore, Government has allocated to various MDAs, amounts for the execution specific capital projects in synergy also to meet the yearnings of the people with the top four priority areas as indicated below: -

2022 Capital Project Allocation - Top 4 and Other Capital Projects



In 2022, Government has set aside a total of Eighty-Four Billion, Nine Hundred and Sixty-Three Million, Four Hundred Thousand Naira **(N84,963,400,000.00)** only as capital expenditure. This is indicative of Government commitment, within available resources to provide projects, programmes and services that are critical to the development, aspirations, wishes and yearnings of the people.

Gombe State, therefore, budgeted, in 2022, a total expenditure amounting to One Hundred and Fifty-Four Billion, Nine Hundred and Sixty-Three Million, Nine Hundred and Sixty-Four Thousand Naira **(N154,963,964,000.00)** only.

FOR MORE INFORMATION AND ENQUIRY, CONTACT: -

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