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State



GOVERNMENT OF EBONYI STATE
MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

BUDGET OF GROWTH, CONSOLIDATION AND TRANSFORMATION

EBONYI STATE **REVISED BUDGET 2020**

CITIZENS' VERSION

Note from Commissioner for Finance and Economic Development

To consolidate on the quality of citizen-government engagements, the 2020 Revised Citizens' Budget was presented on June 24, 2020.

The Citizens' Budget as presented is a brief and smart composition of the 2020 Revised Budget with the inputs earlier made by the Citizens on 10th of June 2020.

These inputs were considered in the revised 2020 budget as follows;

- o Increase in expenditure to flatten the COVID-19 curve; we have increased the refurbishment of Health Care facilities, such as General Hospitals and equipment installations. Also considered the allowances of frontline workers.
- o Reduction of unnecessary expenditures like external training, external travels; we had since started to adjust our official trips to the most important ones and this reflects within the 2020-revised budget.
- o Cutting down on vehicle purchases for principal office holders; we also considered this and made significant downward adjustments in the 2020-revised budget.
- o Cut down in furnishing of the new Government House; we also considered this and made significant downward adjustments in the 2020 revised budget.
- o Dropping new projects and completing existing ones; in the revised 2020 budget, we decided to concentrate more on finishing the ongoing projects.

However, a revised budget of One Hundred and Thirty-Two Billion, Two Million, Three Hundred and Ninety-One Thousand, Six Hundred and Twenty-Six Naira and Sixty-Six Kobo (N132,002,391,626.66) was presented as against One Hundred and Seventy-Eight Billion, One Hundred and Thirty-Six Million, Six Hundred and Thirty-Four Thousand, Nine Hundred and Seventy-Five Naira and Thirty-Eight Kobo (N178,136,634,975.38) which was the approved budget for 2020. This represents a reduction of 25.9%.

The revised Citizens' Budget being presented today explains what the State Budget is, how government intends to mobilise funds, and what the funds will be spent on. It also provides insights into plans towards recovering from Covid-19 Pandemic crisis.

The Citizens' Budget and other pertinent information on the 2020 Revised Budget is available on the Ebonyi State website – www.ebonyistate.gov.ng.

Orlando Okechukwu Nweze
Commissioner for Finance and Economic Development

INTRODUCTION

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. Federal, state and local governments all have a budget document which is called an Appropriation Act.

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.

WHAT IS A CITIZENS BUDGET?

A Citizens Budgets is a simpler, less technical version of a government's budget specifically designed to present key information that is understandable by the general public. Citizens Budgets can vary widely in focus, content, and length and be presented in a number of ways, ranging from a simple brochure to a comprehensive report. Citizens Budgets should also be accessible by the general public, including being published online on an official state website

WHY IS A CITIZENS BUDGETS IMPORTANT?

Every responsible citizen has the right to know how communal wealth is being expended in the delivery of public infrastructure and services. State governments must ensure that citizens have a good understanding of how the budget directly affects their lives.

Citizens budgets foster a greater understanding of how public funds are utilized, especially if the information presented is in a more accessible format than standard government budgets.

Although they are not meant to replace more detailed budget documents, they are important for informing citizens and civil society and contributes to the effort of increasing government accountability on how it manages public money.

BUDGET GLOSSARY

TOTAL BUDGET EXPENDITURE

This is the total amount of budget for the given year. It is the summation of both the Recurrent Expenditure and Capital Expenditure as approved by the State House of Assembly and assented to by the Executive Governor. This is how the government plans to spend, on behalf of the citizens, according to the resources it manages. Government expenditure has two main categories: Recurrent and Capital Expenditure.

REVENUE

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 excise and duty.

These are called statutory allocation, VAT and other statutory revenue in the budget 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.

BUDGET DEFICIT

This is generally the difference between what the government intend to spend on expenditures and the revenue generation capacity. A deficit occurs when the expenditure figure is higher than the revenue and grants figure. The total budget financing is the summation of all the financing the government intends to raise through borrowing / loans (domestic and foreign), sales of government assets or other deficit financing items.



GRANTS

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.

LOANS

Another source of funds for the government to finance the budget is a loan. 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.

WHY DOES THE GOVERNMENT BORROW?

When the government intends to spend more money than they expect to collect as revenue and receive in grants, the budget is in deficit. When they intend to spend less than what they expect to collect in revenue and receive in grants, the budget is in surplus. A balanced budget is a budget where total revenues are equal to the total expenditures for the year. When the budget has an expected deficit, the government will need to finance the budget deficit. It can do this through sales of government assets or through borrowing. Borrowing can be from banks, multilateral institutions, the federal government or from investors through the capital market.

RECURRENT EXPENDITURE

Refers to recurring payments: wages and salaries for civil servants; overhead costs (electricity bills, purchase of diesel); consolidated revenue account charges; transfers (to local government, for example); interest payments on existing loans; and other (subsidies, for example).

PERSONNEL COST

Include salaries, allowance and other benefits that Government pays to its workers (Civil and other public offices holders).

OVERHEAD COST

These are any regular expenses which are not paid directly to a civil servant or other government workers, including amounts billed directly to customers. Overheads must be paid for regularly. Examples are electricity bills, water bills, the buying diesel for generators, or the money spent on travelling during work, by civil servants.

CAPITAL EXPENDITURE

Capital Expenditure is money spent by government to acquire or build fixed capital assets, land or other intangible assets. Capital Expenditure is how much is used for projects like the building of schools, hospitals, roads, or buying security equipment. Capital Expenditure is sometimes called “Capex.”

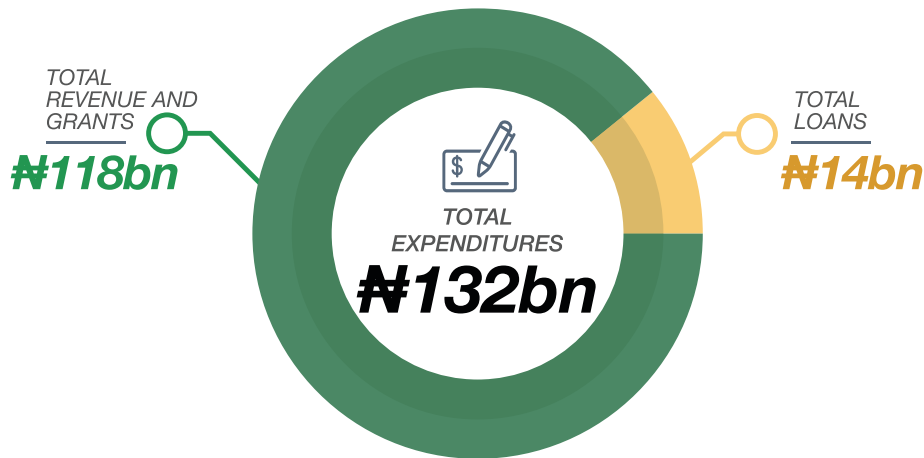
SECTORAL ALLOCATION

Expenditure is allocated to different ministries, departments and agencies (MDA). Each MDA will have an approved budget of recurrent and capital expenditure as part of the overall approved state government budget to run its daily activities as well as carry out projects associated with them respectively.

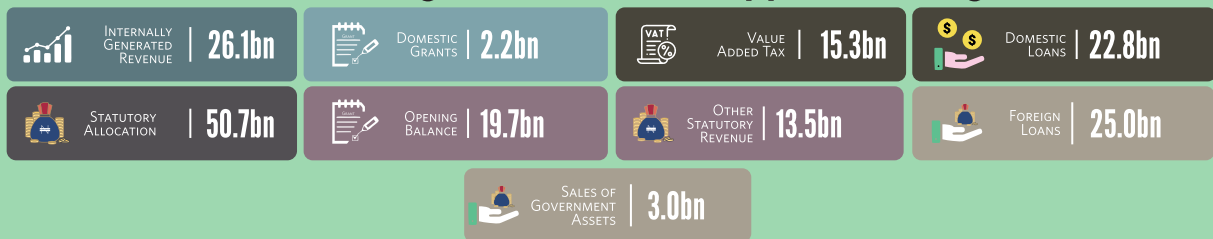
It is recommended that States include allocations for all MDAs in the template or at least the highest spending MDAs. 2019 Actual Budget as used in this report is the unaudited figures for year 2019 budget performance.



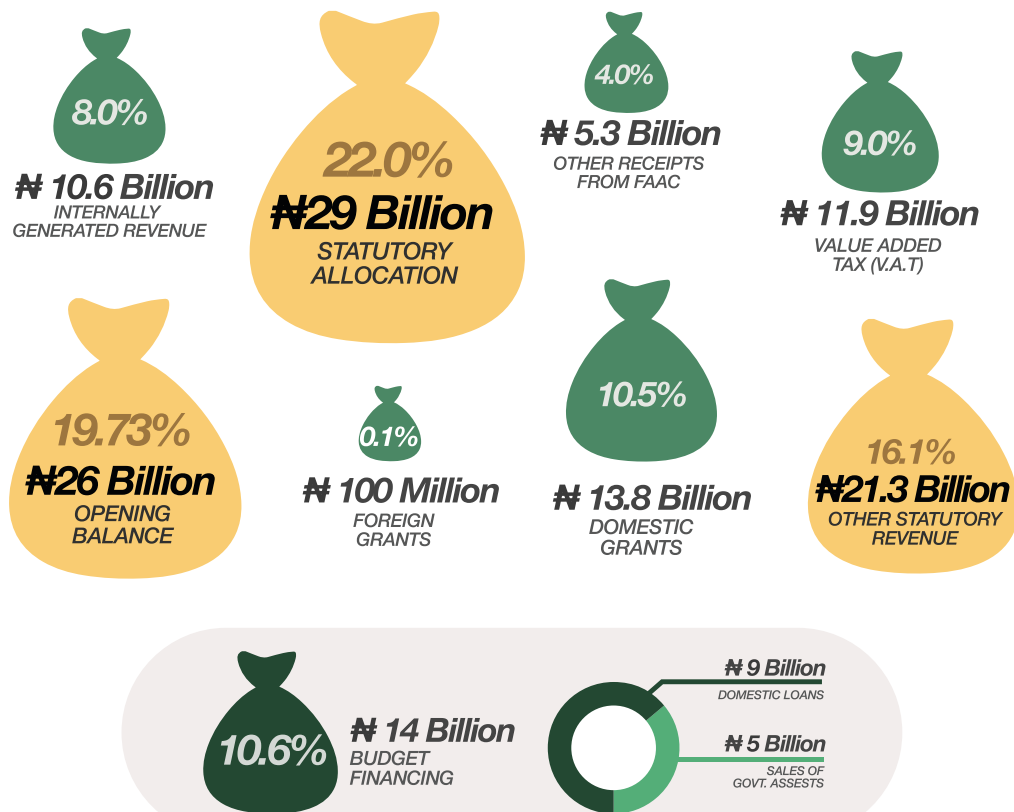
2020 BUDGET SUMMARY



Below are figures from 2020 approved budget



WHERE WILL THE MONEY COME FROM

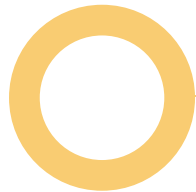
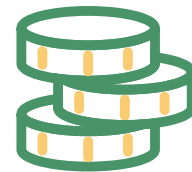


WHERE WILL THE MONEY GO TO

132 Billion



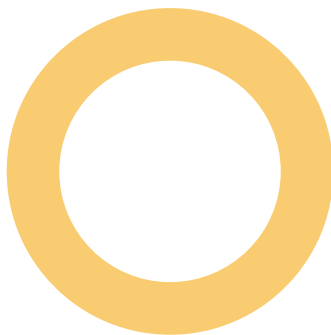
11.8%
15.6 Billion
PERSONNEL
COST



21.4%
28.3 Billion
RUNNING
COST



0.8%
1 Billion
OTHER RECURRENT
EXPENDITURE



66.0%
87.1 Billion
CAPITAL
PROJECTS



66.0% / 87.1 Billion

CAPITAL EXPENDITURE

34.0% - 44.9 Billion

RECURRENT EXPENDITURE

HOW WILL THE GOVERNMENT SOURCE THE LOANS

DOMESTIC LOANS / ₦ 9 BILLION

₦ 4 BILLION

INTERNAL LOANS
from UBA for Staff Salaries



₦ 5 BILLION

MEDICAL LOAN
for furnishing of EBSU College

HOW WILL THE GOVERNMENT SOURCE THE GRANTS

DOMESTIC GRANTS / ₦ 13.8 BILLION

₦ 1.5 BILLION

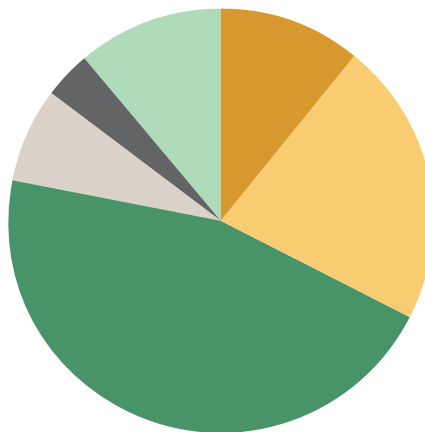
RECEIPT FROM LOCAL
GOVT. CONTRIBUTION

₦ 500 MILLION

OTHER GRANTS FOR
COVID-19 PROGRAMME

₦ 1 BILLION

FEDERAL GOVERNMENT
COVID-19 SUPPORT



₦ 1.5 BILLION

GRANTS FROM UBEC
ON EDUCATION

₦ 3 BILLION

FGN TETFUND
GRANTS TO EBONYI STATE

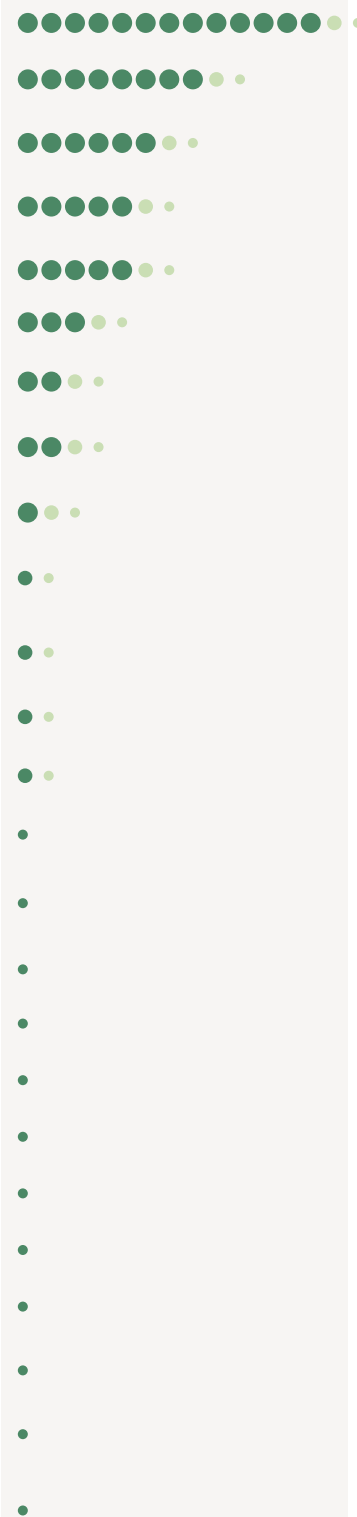
₦ 6.3 BILLION

EXPECTED RECEIPT
FROM SFTAS

FOREIGN GRANTS / ₦ 100 MILLION

SAVE ONE MILLION LIVES

TOP SECTOR/ MINISTRY ALLOCATION	EXPENDITURE
Ministry of Health	20,719,163,800
Ministry of Works and Transport	13,520,072,500
Office of the Secretary to State Government	10,547,800,400
Ebonyi State University	9,430,121,997
Universal Basic Education Board	9,225,718,123
Office of the Governor	7,204,318,352
Ministry of Commerce and Industry	5,642,793,600
Ministry of Infrastructural Concession	5,525,243,000
Ministry of Power	4,129,900,000
Ministry of Human Capital Development and Monitoring	3,593,840,000
Ministry of Housing and Urban Development	2,860,720,000
Ministry of Special Project	2,519,990,000
EBS House of Assembly	1,945,800,000
Ministry of Agriculture	1,607,872,500
Ebonyi State College of Education, Ikwo	1,322,338,212
Ministry of Internal Security	1,287,820,000
High Court	1,095,002,000
Ministry of Water	1,062,400,000
Ministry of Lands and Survey	991,883,571
Ministry of Environment	790,077,300
EBS Primary Health Care	599,600,000
Ministry of Education	452,939,485
Ministry of Culture and Tourism	391,800,000
Ministry of Youth Development and Sports	341,783,000
Ebonyi State Road Maintenance Agency	270,567,000
Other MDA Expenditure	24,922,826,786



TOTAL
BUDGETED
EXPENDITURE

₦ 132 BILLION



TOP CAPITAL PROJECTS 2020

PROJECT	LINE AGENCY/ MINISTRY	LOCATION(S)	LGA(S)	AMOUNT
Construction of Ebonyi State University Teaching Hospital	Ministry of Health	Uburu	Ohaozara	5,600,000,000
Equipping and Furnishing of EBSU College	Ministry of Health	State Wide	State Wide	4,000,000,000
Completion of EBSU College of Medicine to serve as COVID 19 treatment Centre	Ministry of Health	Uburu	Ohaozara	3,000,000,000
Infrastructural Development; and Medical Equipment at EBSU College of Medicine Uburu.	EBSU	Uburu	Ohaozara	3,000,000,000
Completion of International Market	Ministry of Commerce	Abakaliki	Abakaliki	2,500,000,000
Dualization of Mpu Obiozara Road	Ministry of Works	Uburu	Ohaozara	2,400,000,000
Completion of 5000 mall capacity to create employment	Ministry of Commerce	State Wide	State Wide	2,000,000,000
Other Direct intervention on Roads, Bridges and culverts	Ministry of Works and Transport	State Wide	State Wide	1,700,000,000
Renovation and Equipping of 13 general Hospitals	Ministry of Health	State Wide	State Wide	1,500,000,000
Provision of 200,000 one off grants to 6,500 SMEs	Ministry of Human Capital Development	State Wide	State Wide	1,400,000,000
Construction of flyover bridge and retaining wall at Ezzangbo junction	Ministry of Infrastructure and Concession	Ezzangbo	Ohaukwu	1,400,000,000
Construction of Flyover bridge and retaining wall at Nkalagu	Ministry of Infrastructure	Nkalagu	Ishielu	800,000,000
Construction of Flyover bridge at Uburu Onuaukwu	Ministry of Infrastructure	Uburu	Ohaozara	800,000,000
Construction of Ntezi Agba Road	Ministry of Works	Ntezi Agba	Ishielu	800,000,000

PROJECT	LINE AGENCY/ MINISTRY	LOCATION(S)	LGA(S)	AMOUNT
Dualization of old Enugu road from police junction to ISHIEKE 7.25km	Ministry of Works	Ebonyi	Ebonyi	700,000,000
Dualization of Abakaliki Afikpo Road	Ministry of Works	Abakaliki	Abakaliki	700,000,000
Completion of Agricultural industrial clusters	Ministry of Commerce	Uburu	Ohaozara	500,000,000
construction of Enyibichiri ojon nwida Agricultural road	Ministry of Works	Enyibichiri	Ikwo	500,000,000
Construction of oferekpe ovuduechi road	Ministry of Works	Oferekpe	Ikwo	500,000,000
Construction of GTC Agba Agba Elu Isu	Ministry of Works	Agba Isu	Ishielu/ Onicha	500,000,000
Construction of Eworoshed Road Ndiegu Amagu	Ministry of Works	Ndiegu Amagu	Ikwo	500,000,000
Rehabilitation/Expansion of other infrastructure at pipe factory	Ministry of Commerce	Ezzangbo	Ohaukwu	500,000,000
Provision of Monetized Vehicles to Members	House of Assembly	State Wide	State Wide	400,000,000
Dualization of Abakaliki Enugu Road to EBSU gate at Ezzangbo	Ministry of Infrastructure and Concession	Ezzangbo	Ohaukwu	400,000,000
Construction of Line drainages, culverts within the State	Ministry of Infrastructure	State Wide	State Wide	150,000,000
Establishment of 13 Agric Estate with 500 farmers per Estate	Ministry of Agriculture	State Wide	State Wide	130,000,000
Provision of 13000 rural Farmers with Agro inputs	Ministry of Agriculture	State Wide	State Wide	100,000,000

Total Top Capital Projects 2020

₦ 37,380,000,000

TOTAL BUDGETED EXPENDITURE

₦ 132 BILLION



The Citizens' Budget and other pertinent information on the 2020 Revised Budget is available on the Ebonyi State website – www.ebonyistate.gov.ng.

 09020201437

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 Ebonyi Finance

...governor Dave is working, come invest in Ebonyi State



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