



ECONOMIC ADVANCEMENT AND GROWTH

Prepared by Benue State Government



Benue State
Budget 2022

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Introduction

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. 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 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.

Total Budget Expenditure: This is the total amount of budget for the given year. It is the summation of both the



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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 excises and duties.

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 sources of funds for

funding ideas and projects to provide public services, stimulate the economy, and benefit the general public. Grants

These are called statutory allocation, VAT and other statutory revenue in the budget are transferred to the states from the federation accounts. Revenues that state directly collect and retain for its own use



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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 servants).

Overhead Cost: These are any regular expenses which are not paid directly to a



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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 intangible assets. Capital Expenditure is how much is used for projects like the

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.

building of schools, hospitals, roads, or buying security equipment. Capital Expenditure is sometimes called “Capex”

Sectoral Allocation: Expenditure is allocated to different ministries,

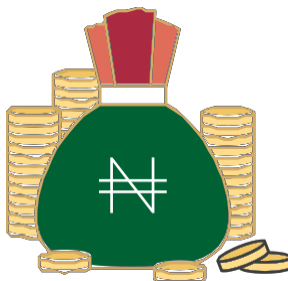
With technical support from World Bank, Open Government Partnership Secretariat and BudGIT Foundation.



Benue State
Budget 2022

General Framework

BUDGET SUMMARY



N155.6bn
Total Budget Expenditure

N135.6bn
Total Budget
Revenue & Grants

N20.0bn
Budget Deficit

Where will the Money come from?

REVENUE SUMMARY



Benue State
Budget 2022



N36.8bn

Internally Generated Revenue

N31.0bn

Grants



N35.1bn

Statutory Allocation

N22.4bn

Value Added Tax



N10.3bn

Other Statutory Revenue

N.bn

Opening Balance



Benue State
Budget 2022

Revenue Breakdown

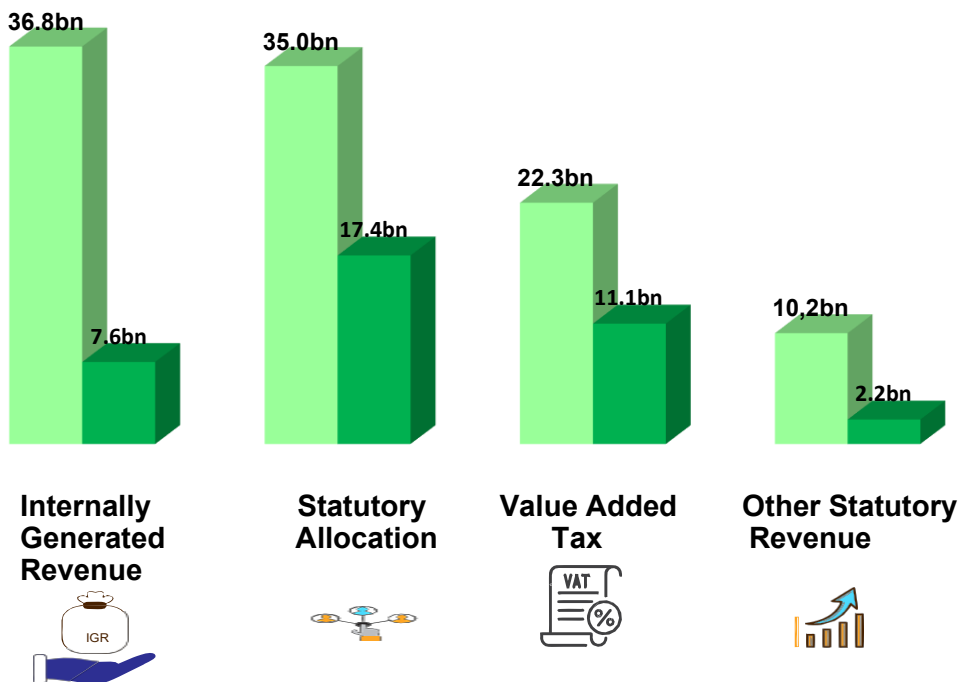
REVENUE PERFORMANCE

2020 Budget Target

2019 Budget Actual

2022 Budget Target

Previous Year Actual



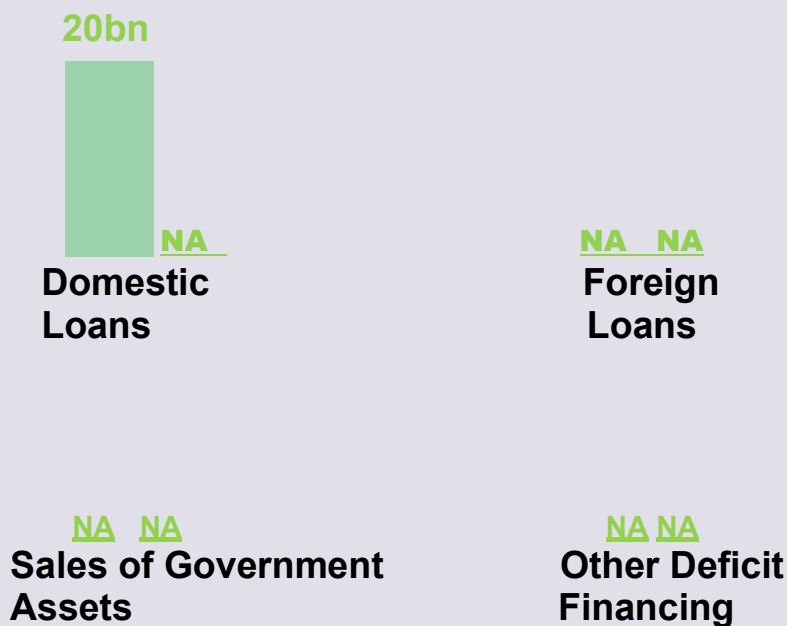


Benue State
Budget 2022

Deficit Financing

BUDGET DEFICIT FINANCING

- 2022 Budget Target
- 2021 Budget Actual

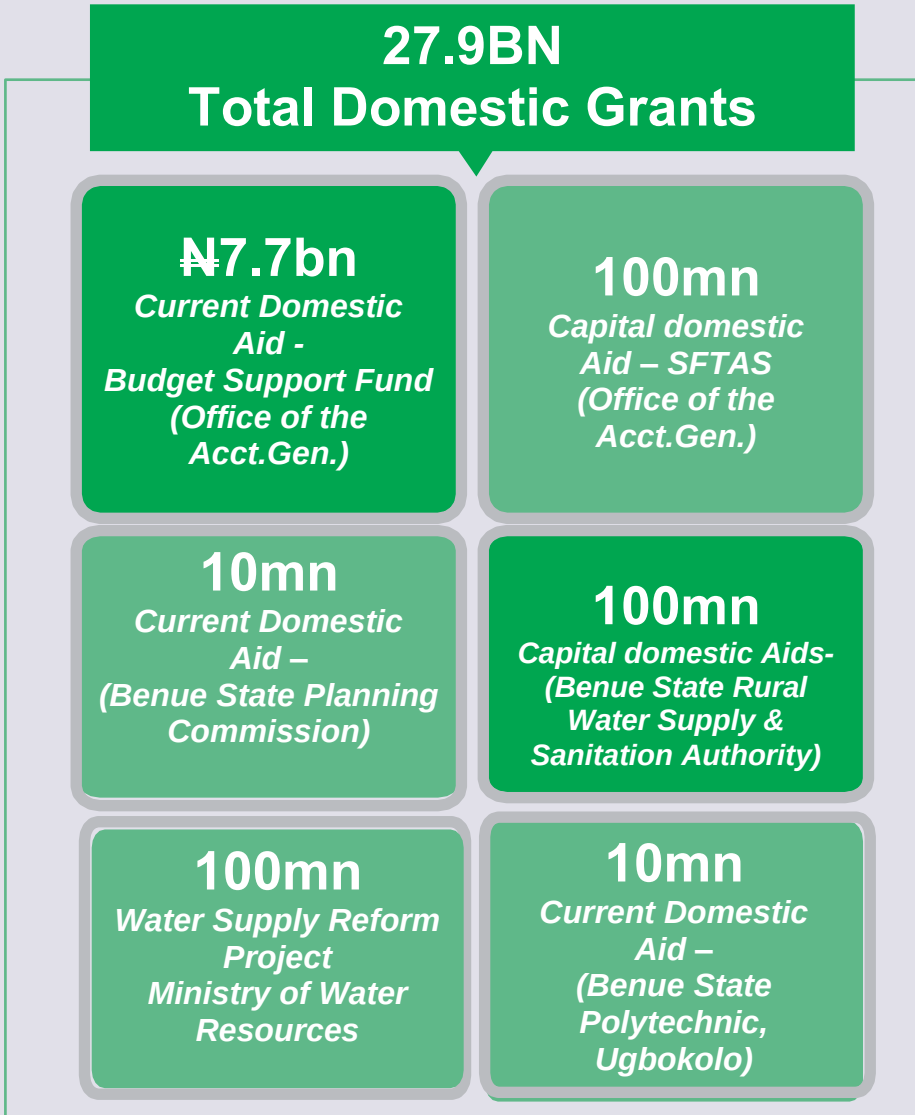


How will Government source the grants?

DOMESTIC GRANTS



Benue State
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Budget 2022

How will Government source the grants?

DOMESTIC GRANTS

₦1.4Bn

*Current Domestic Aid
-TETFUND
(College Of Education,
Katsina-Ala)*

₦350Mn

*Current Domestic Aid
-TETFUND & OTHERS
(College Of Education,
Oju)*

₦1Bn

*Current Domestic Aid
-SOML
(Ministry of Health &
Human Services)*

₦100Mn

*Current Domestic Aid
- World Bank
supportCOVID-
19/NDCDC/WHO/UNIC
EF/UNAIDS
(Ministry of Health &
Human Services)*

₦600Mn

*Capital Domestic
Aids- NPHCDA - Solar
Direct Drive
(Primary Health Care
Board)*

₦1Bn

*Current DOMESTIC
GRANTS (NLTP).
Ministry Of Agriculture
& Natural Resources*

How will Government source the grants?

DOMESTIC GRANTS



Benue State
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₦1Bn

*Current Domestic Grants -(OSSAP – SDGs)
Counter Part Funding (SDG)*

₦4Bn

*Current Domestic Grants (Auda - Nepad Small Holder Farmer Capabilities Programme For The State).
(SDG)*

₦297Mn

*Current Domestic Grants
Receipt From Other Agency To Fund Recurrent Expenditure-
1% Training Fund (Local Govt. Service Commission)*

₦1.1Bn

*Current Domestic Grant: 60% Funding From Lg
(Benue State Independent Electoral Commission)*

₦62.6Mn

Current Domestic Grants -State Government Grant (Benue State Water Board)

₦350Mn

*Capital Domestic Grants (Take-Off Grant from State Government)
(Akawe Torkula Polytechnic Makurdi)*



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How will Government source the grants?

DOMESTIC GRANTS

₦7.7Mn

*Domestic Grants-
Development of
Science and
Technology in the
State
(Ministry of energy
science & Technology)*

₦723.1Mn

*Current Domestic
Grants –
(TETFUND)
(Benue State
Polytechnic,
Ugbokolo)*

₦2.5Bn

*Capital Domestic Grants
– UBEC/Matching Grant
(Benue State Universal
Basic Education Board)*

₦10Mn

*Current Domestic
Grants (APIN/ RED
CROSS)
(Primary Health Care
Board)*

₦10Mn

*Current Domestic Grants (UNFPA)
(Primary Health Care
Board)*

₦488.6Mn

*Capital Domestic
Grants (BHCPF)
(Primary Health Care
Board)*

How will Government source the grants?

DOMESTIC GRANTS



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₦4.7Bn

*Current Domestic Grant-LG contribution for
(Primary Health Care)*



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How will Government source the grants?

FOREIGN GRANTS

₦3.1Bn

Total Foreign Grants

10Mn

*Current Foreign Aids -
World Bank HIV III
(Benue State Aids Control
Agency)*

₦53.5Mn

*Foreign Aid- UNFPA -
BSPC, Min. of Health,
Min. of Info., Min. of youth
& Sports etc.
(Benue State Planning
Commission)*

₦30Mn

*Foreign Aid- FAO - MANR
(Benue State Planning
Commission)*

₦30Mn

*Foreign Aid – UNDP Capacity
Building (State - Wide)
(Benue State Planning
Commission)*

₦175.6Mn

*FOREIGN AID: IFAD - BNARDA, MANR (Value chain
development programme)
(Benue State Planning Commission)*



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How will Government source the grants?

FOREIGN GRANTS

₦30Mn

*Foreign Aid - UNICEF
BERWASA/HEALTH (WASH)
Women Issues
(Benue State Planning)*

₦20Mn

*Foreign Aid - FADAMA III -
BNARDA, MANR
(Benue State Planning
Commission)*

₦28.1Mn

*Foreign Aid: Bill Gates
Foundation - Value Chain
(Min. of Agriculture & Natural
Resources)*

₦34.2Mn

*Foreign Aid-
CSDA/World Bank
(Benue State Planning
Commission)*

₦230Mn

*Current Foreign Aids
(UNICEF)
(Primary Health Care
Board)*

₦10Mn

*Current Foreign Aids-
UNFPA
(Min. of Women Affairs &
Social Development)*

₦700Mn

*Capital Foreign Grants:
Development
Cooperations (Peace
Building Agency). (SDG)*

₦536.1Mn

*Current Foreign Grants
(IFAD-VCDP)
(BNARDA)*

How will Government source the grants?

FOREIGN GRANTS



~~₦~~107.7Mn

*Capital Foreign Grants
(FADAMA III) IDA
(BNARDA)*

~~₦~~45Mn

*Capital Foreign Grants
(Food Security) UNDP/GEF
(BNARDA)*

~~₦~~100Mn

*Foreign Grants: WOFEE
(Benue State Planning
Commission)*

~~₦~~500Mn

*Foreign Grants: GCCCE
(Benue State Universal
Basic Education Board)*

~~₦~~487.5Mn

*CURRENT FOREIGN GRANTS (IDA)
(Benue State Community & Social
Development Agency)*

How will Government source the loans?

DOMESTIC LOANS



Benue State
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₦20bn
Domestic Loans

₦20bn

**BORROWING FROM
FINANCIAL INSTITUTIONS**
(Office of The Accountant General)

How will Government spend the money?

EXPENDITURE SUMMARY



Benue State
Budget 2022

₦155.6bn

Total Expenditure



₦98.7bn

Total Recurrent
Expenditure



₦47.5bn

Personnel
Cost



₦51.2bn

Overhead Cost

How will Government spend the money?

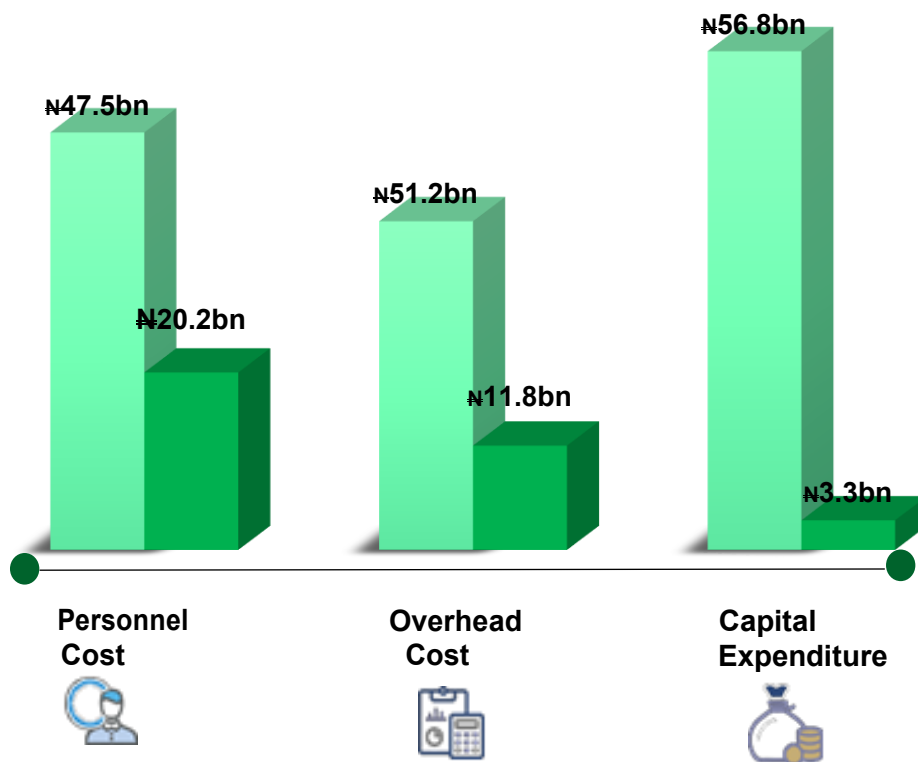
EXPENDITURE SUMMARY



Benue State
Budget 2022

■ 2022 Budget Target

■ 2021 Previous Year Actual



Expenditure: Where does the money go?

RECURRENT EXPENDITURE



Benue State
Budget 2022



Administrative Sector
₦43.8bn



Economic
Sector
₦56.7bn



Social Sector
₦46.9bn



Law & Justice
Sector
₦8.1bn

Expenditure: Where does the money go?

CAPITAL EXPENDITURE



Benue State
Budget 2022



**Economic
Sector
35.3Bn**



**Social
Sector
₦9.0Bn**



**Administrative
Sector
₦8.9Bn**



₦3.4bn
**Law & Justice
Sector**

Expenditure: Where does the money go?

TRACK CAPITAL PROJECTS WITH US



Project	Line Ministry/Agency	Location(s)	LGA(s)	Amount
Nigeria Covid-19 Action Recovery & Economic Stimulus (NG-CARES) Programme	Ministry of Agriculture and Natural Resources	MAKURDI	MAKURDI	3,187,137,535
CONSTRUCTION / PROVISION OF AGRICULTURAL FACILITIES: AUDA - NEPAD Small Holder Farmer Capabilities Programme for the State	Development Cooperations, Sustainable Development Goals (SDGs)	MAKURDI	MAKURDI	2,000,000,000
CONSTRUCTION OF ICT INFRASTRUCTURES: Benue State Geographic Information System	Ministry of Lands, Survey and Solid Minerals	MAKURDI	MAKURDI	2,000,000,000
EROSION & FLOOD CONTROL: Ecological Projects	Ministry of Water Resources and Environment	MAKURDI	MAKURDI	1,210,000,000
CONSTRUCTION / PROVISION OF ROADS: Construction of Daudu-Gbajimba (47.27km) in Guma LGA.	Ministry of Works and Transport	GUMA	GUMA	1,100,000,000
CONSTRUCTION / PROVISION OF AGRICULTURAL FACILITIES: National Livestock Transformation Plan (NLTP)	Development Cooperations, Sustainable Development Goals (SDGs)	MAKURDI	MAKURDI	1,000,000,000
CONSTRUCTION / PROVISION OF INFRASTRUCTURE: SDGs (OSSAP - SDGs Funding Tranche 1 Billion i.e N500 million Federal Govt. Grant and N500 Million State Counterpart	Development Cooperations, Sustainable Development Goals (SDGs)	MAKURDI	MAKURDI	1,000,000,000
PURCHASE OF MOTOR VEHICLES: Purchase of vehicles for Courts, government appointees and various MDAs.	Ministry of Works and Transport	MAKURDI	MAKURDI	1,000,000,000
CONSTRUCTION / PROVISION OF WATER FACILITIES: Operation and Maintenance of Katsina-Ala and Otobi-Otukpo Water Works	Ministry of Water Resources and Environment	KATSINA-ALA	KATSINA-ALA	825,036,660
PURCHASE OF AGRICULTURAL EQUIPMENT: 60Nos. John Deerie Farm Tractors (80Hp)	Ministry of Agriculture and Natural Resources	MAKURDI	MAKURDI	825,000,000

Expenditure: Where does the money go?

TRACK CAPITAL PROJECTS WITH US



PURCHASE OF MOTOR VEHICLES(11 Toyota prado 2021 model) 8 for replacement of existing Judges vehicles,3 for newly appointed Judges	High Court of Justice	MAKURDI	MAKURDI	770,000,000
Government Counterpart Cash Contribution to UNHCR, UNICEF, UNFPA, UNDP, Social Inv. Prog. (SOCU) Maternal and child health care, etc.	Benue State Planning Commission	MAKURDI	MAKURDI	714,348,521
CONSTRUCTION / PROVISION OF INFRASTRUCTURE: Benue State Partnership with UNDP for the Establishment of a Peace Building Agency	Development Cooperations, Sustainable Development Goals (SDGs)	MAKURDI	MAKURDI	700,000,000
CONSTRUCTION / PROVISION OF ROADS: CHI-ADAMGBE-GUSAH, VANDEIKYA-ITYEMIMONGO-GAADI RURAL ROADS 30KM IN MBAYONGO WARD IN VANDEIKYA LGA	Ministry of Rural Development	VANDEIKYA	VANDEIKYA	700,000,000

PROPERTY OF BENUE STATE GOVERNMENT
PRODUCED BY BENUE STATE PLANNING COMMISSION
(BUDGET OFFICE)