

BUDGET SPEECH DELIVERED BY HIS EXCELLENCY, THE EXECUTIVE GOVERNOR OF KADUNA STATE, ALHAJI (DR) MUKHTAR RAMALAN YERO, *FCNA, MNIM* AT THE OCCASION OF THE PRESENTATION OF THE KADUNA STATE 2015 BUDGET PROPOSAL TAGGED “BUDGET OF CONSOLIDATION AND CONTINUITY” TO KADUNA STATE HOUSE OF ASSEMBLY ON TUESDAY 23RD DECEMBER, 2014

Mr. Speaker,

Honourable Members,

I feel highly honoured to be in your midst today to address this Honourable House on 2015 Budget. Please join me to express our gratitude to Almighty God for making this epic occasion possible. Our profound appreciation also goes to this Honourable House for granting us the opportunity to discharge this onerous responsibility today, in conformity with good governance as enshrined in section 121 of the 1999 Constitution of the Federal Republic of Nigeria.

Mr. Speaker, permit me to extol the patriotic zeal of this Honourable House in the pursuit of due diligence and accountability towards ensuring that our people get value for money in all the processes of expending public funds. I observe with delight the exceptional commitment of Honourable Members in the pursuit of their oversight functions, which has helped in no small measure to ensuring strict adherence to the provisions of the law, especially with regards to implementation of the 2014 budget.

May I also use this opportunity to express our sincere appreciation for the cordial relationship that exists with this Honourable House. Indeed, we had enjoyed the support and cooperation of all Members in the last two years in the course of serving the good people of our dear state. It is my honest believe that the Executive, Legislature and Judiciary must collaborate efforts at all times in moving the State to an enviable height.

In the years to come, government is more determined to see that the yearnings and aspirations of the populace towards provision of better amenities in different spheres of our lives are met. We therefore look forward to this same cooperation we have enjoyed in 2015 and beyond.

When we assumed office, our primary pre-occupation was to run a government that is dedicated to the service of communal and collective interests of the state, as necessitated by the peculiar socio-political environment of the state. In the pursuit of that objective, we have given priority attention to sustaining the prevailing peace and harmony existing amongst the various communities in the state, a sustained integrated development programme, the operation of an open and truly representative government, support for agriculture, a comprehensive health care service delivery and pursuit of an integrated education policy. We sincerely thank Almighty God, that we have already set the foundation for the attainment of these objectives in the last two years that we have been in office. May I now seek the permission of Mr. Speaker to present some of our efforts in moving our state forward in the outgoing year.

REVIEW OF THE 2014 BUDGET

This Honourable House will recall that in the outgoing fiscal year, an estimate of N200,975,754,421 was appropriated, out of which N69,647,897,546 was allocated for recurrent expenditure, while the sum of N131,327,856,875 approved as capital expenditure. In view of the competing needs for some development projects and uncaptured revenues, it became imperative during the year that supplementary budget of N10,348,339,380 was prepared to enable execution of some projects. The breakdown of the supplementary budget was as follows:

		N
Recurrent	-	N 960,000,000
Capital	-	N9,388,339,380

The revised approved budget for the year 2014 is therefore N211,324,093,801 made up of N70,607,897,546 recurrent and N140,716,196,255 capital. A Special Virement of N5,632,997,404 from Capital expenditure to Recurrent expenditure was also approved. The revised Recurrent Budget is N76,240,894,950 while the revised Capital Budget was reduced to N135,083,198,851.

However, as at 31st October, 2014 the sum of N62,521,223,880.34 was the actual recurrent expenditure representing 82% while actual Capital Expenditure stood at N12,834,605,161.65 which represents 9.50%.

Mr. Speaker, Honourable Members this poor performance in capital expenditure is not peculiar to the 2014 budget. Over the years, implementation of successive budgets by government was marred by the failure to meet the projected revenue targets. An analysis of five year revenue generation profile of the state is as follows:

A. INTERNALLY GENERATED REVENUE (IGR)

Year of Collection	Budget	Actual	% Performance
Year 2010	12,437,810,300	9,326,849,916.88	74.99
Year 2011	12,862,668,479	11,749,346,072.21	91.34
Year 2012	35,551,374,730	14,432,437,415.54	40.60
Year 2013	29,121,496,738	13,340,690,084.35	45.81
Year 2014	29,307,184,126	12,009,166,152.35	40.98

B. STATUTORY ALLOCATION FROM THE FEDERATION ACCOUNT

	Budget	Actual	% Performance
Year 2010	36,000,000,000	42,935,663,910.73	119.27
Year 2011	45,580,438,679	60,069,858,870.84	131.79
Year 2012	48,560,797,226	60,568,515,376.69	124.73
Year 2013	68,372,000,000	62,132,791,195.13	90.87
Year 2014	71,790,600,000	44,734,049,665.07	62.31

C. VALUE ADDED TAX

	Budget	Actual	% Performance
Year 2010	6,000,000,000	7,663,160,895.47	127.72%
Year 2011	7,200,000,000	21,572,658,301.11	299.62%
Year 2012	8,000,000,000	9,817,263,350.68	122.72%
Year 2013	11,000,000,000	10,894,591,647.01	99.04%
Year 2014	11,550,000,000	9,027,709,113.06	78.16%

Mr. Speaker, from the foregoing analysis, it is to be noted that in the year 2011, the budgeted IGR was N12,587,842,336 while the actual collection was N11,749,346,072.21 which translates to 91.34% performance. However, in the budget of year 2012, the IGR was jerked up to N35,605,854,730 i.e over 283%. The actual collection of IGR for the year 2012 was N14,432,437,415.54 leaving a shortfall of N21,173,417,314.04. This translates to 40.60% performance.

Mr. Speaker, the implication of the unrealized revenue in the 2012 budget was that substantial aspects of the budget could not be financed thereby adversely affecting the execution of projects. As contracts were awarded on the basis of the unrealistic revenue projection contained in 2012 budget, the unpaid liabilities was rolled over to the 2013 budget.

Consequently, while preparing the budget of the year 2013, the government was handicapped to adopt a similar revenue projection with that of the year 2012 as doing so enabled it to accommodate unpaid liabilities from the 2012 budget.

Mr. Speaker the ripple effect of the ambitious Internally Generated Revenue Projection of the 2012 budget is what we are facing up to this period. The situation is further compounded by the dwindling revenue from the Federation Account as a result of fall in the prices of crude oil in the global market. In the absence of sufficient revenue to finance execution of essential infrastructure and services, successive Governments resorted to borrowing.

DOMESTIC AND EXTERNAL DEBT PROFILE AS AT 30th NOVEMBER 2014

(I) EXTERNAL DEBT

DEBT CATEGORY	DEBT STOCK (FROM 2011 TO 30TH NOVEMBER 2014)	TOTAL PRINCIPAL PAYMENT AS AT 30TH NOVEMBER 2014	BALANCE OUTSTANDING AS AT 30TH NOVEMBER 2014
COMMERCIAL BANK LOAN	28,750,000,000.00	25,264,710,325.62	3,485,289,674.38
BOND	8,500,000,000.00	7,100,000,000.00	1,400,000,000.00
CONTRACTORS ARREARS	66,839,776,255.18	49,005,214,073.53	17,834,562,181.65
EXTERNAL LOAN	38,741,317,572.26	639,576,956.91	38,101,740,615.35
TOTAL	142,831,093,827.44	82,009,501,356.06	60,821,592,471.38

Mr. Speaker, as at 31st December 2011 the external debt stock of Kaduna State stood at USD 182,529,430.93 equivalent to about N28.6billion (@N156.70 per dollar).

These loans were drawn from multilateral institutions such as the World Bank, International Development Association (IDA) and the African Development Bank (ADB). The loans were signed between the years 1965 to 2011, to finance infrastructural and development projects in the areas of Agriculture, Education, Health, Roads and Water. The loans are concessional with lower interest rates, long repayment period and a grace period of up to 10 years. The major challenge with this mode of financing is the exchange rate volatility.

An analysis of the Kaduna State External Debt Profile reveals that the first loan taken was on 3rd January, 1965 from International Development Association (IDA). It involved USD 566,000 to finance First Education Project. As at December, 2013, the outstanding loan amount was N2,686,304.36 which was paid in the month of September 2014 inclusive an interest element on the loan of N15,316.41 thus successfully re-paying the loan which was taken about 49 years ago.

Mr. Speaker, in the year 1993, the then Military Administration of the State took the following loan facilities:-

- (I) CHF 823,588.87 with 21.38% interest from AFDF to finance Health Service Rehabilitation Project;
- (II) EUR 1,194,755.39 @ 21.38% interest from AFDF to finance Health Service Rehabilitation; and
- (III) EUR 76,675.83, JPK 367,037.47, USD 3,986,230.98 and EUR 5,082,588.60 all from the AFDF @ 21.38% interest to finance Health Service Rehabilitation.

The balance outstanding as at December, 2013 for all these loans taken in 1993 was N2,313,012,386.02. The total repayment made in respect of these loans in the outgoing year (principal + interest) amounted to N201,359,539.12. We still have outstanding N2,191,914,577.88 to be repaid. This has been rolled over to 2015 budget.

Mr. Speaker, Honourable Members, in order to finance Multi State Water Project, the State Government took a loan of XDR 35,131,188.12 from IDA on 14th December, 1992.

The balance outstanding in respect to this loan as at December, 2013 was N5,529,901,438.77. In the outgoing year, we have repaid the sum of N243,528,218.48 (Principal plus interest). The outstanding loan amount of N5,309,166,759.04 has therefore been rolled over to the year 2015 budget.

Furthermore, from the year 2002 – 2006, the then Administration took various loans as follows:-

- (I) XDR 3,350,000.00 for HIV/AIDS Programme. The facility was drawn from IDA on 11th November, 2002;
- (II) XDR 1,085,000.00 for Health System Development. The facility was drawn from IDA on 20th May, 2003;
- (III) USD 5,000,000.00 for Universal Basic Education. The facility was drawn from IDA on 13th October, 2003;
- (IV) FUA 2,818,000.00 for Health System Development IV. The facility was drawn from AFDF on 13th October, 2003;
- (V) XDR 4,872,000.00 for National Fadama II. The facility was drawn from the IDA on 4th April, 2004.
- (VI) Other loans taken were XDR 23,753,000.00 for National Urban Water Sector Reform 13/12/2004 from IDA, XDR 3,580,200.00 for State Governance Capacity Building drawn on 3rd September, 2006, also from IDA.

As at 30th December, 2013, the total outstanding amount for loans taken between 2002 – 2006 was N11,817,630,376.60. In the outgoing year, the total sum of N143,388,908.49 (principal + interest) was repaid leaving outstanding sum of N11,741,716,260.00 unpaid which is rolled over to the proposed 2015 budget.

Similarly, between year 2008 and 2009 external loans were taken to finance State Education Sector Reform ;

XDR 7,994,137, Rural Access Mobility Project – XDR 37,800,000.00, Third National Fadama Development Project – XDR 2,551,758.00, Commercial Agriculture Development Project – XDR 17,670,340.00 and Small Earth Dam (Construction and Rehabilitation) – USD 1,500,000.00.

As at 31st December 2013, the total outstanding amount for these loans was N12,006,927,358.40 while in the outgoing year, the sum of N300,014,419.09 was repaid leaving an outstanding amount of N11,787,783,310.60 which is rolled over to the proposed 2015 budget.

Mr. Speaker, the total external debt stock for Kaduna State as at 1st January 2014 was N37,512,268,443.52 (@N155.70 per dollar), with additional draw down of N1,229,049,128.74 from International Development Association (IDA), for the 3rd National Fadama, Commercial Agric. Development, HIV/AIDS Development and Rural Access & Mobility Projects during the year which increased the debt stock to N38, 741, 317.572.26 (Principal). In the out-going year, the sum of N639,576,956.91 was spent to service these debts leaving an outstanding Principal balance of N38,101,740,615.35 as at 30th November 2014.

(1.1) NEW FACILITIES

Mr. Speaker, in order to provide comprehensive and quality tertiary health services that effectively handle referrals from primary and secondary health facilities, quality education, power, roads and potable water across the state, the Kaduna State Government is on the process of obtaining various loans facilities worth \$324.24million with an average tenure of 26.67 years and moratorium of 6.5 years from some lending institutions to finance the following projects:-

- (i) \$101million from AfDB with a 30 year tenure and a moratorium of 8 years for Zaria Regional Water Supply Scheme; expansion of distribution network and sanitation to Zaria and six neighbouring Local Government Areas;
- (ii) \$81.23million from Islamic Development Bank (IDB) with 25 years tenure and moratorium of 7 years for construction of transmission and main service reservoirs under the Zaria Regional Water Supply Scheme.
- (iii) \$44.69million from Islamic Development Bank (IDB) with a 15 year tenure and a moratorium of 2 years to finance the procurement and installation of medical and non-medical equipment at the 300 Bed Specialist Hospital Millennium City, Kaduna;
- (iv) \$17.32million from Islamic Development Bank (IDB) with a 25 year tenure and moratorium of 7 years for the establishment of four (4) new Science Secondary Schools in the state;
- (v) \$30million from Indian Government with a 25 year tenure and moratorium of 5 years for the construction of sub-station, solar power mini grid and street lights across the state;
- (vi) \$50million from the World Bank with a 40 year tenure and moratorium of 10 years for Rural Access and Mobility Road Projects (Phase II).

So far the state government has received drawdown of about US\$1m in respect of the Zaria Water Project from African Development Bank (\$800,000) and Islamic Development Bank (\$200,000).

(II) COMMERCIAL BANK LOAN

Mr. Speaker, loans were also obtained from Commercial Banks. In the year 2011, Kaduna State Government obtained a loan facility of N20,000,000,000.00 (Twenty Billion Naira) from six Commercial Banks, namely Unity, Fidelity, Diamond, Intercontinental, Skye and Sterling Banks. The decision to borrow from the Commercial Banks became imperative to enable the state settle the backlog of contractors' arrears and for government to execute some laudable projects across the state. The loan was to be re-paid over a period of three years. The present Administration has fully paid this loan as at 30th November 2014

Similarly, in the year 2013, Kaduna State Government obtained another loan of N1.750billion from Sterling Bank Plc, the loan was meant for partnership and provision of counterpart funding for SUBEB projects in 2013 budget for the execution in year 2012 & 2013 projects with provision of a matching grant of **50%** counterpart fund by the interested States and Universal Basic Education Scheme (UBEC).

The loan was to enable Kaduna State access additional N1.750billion from UBEC thus making available for spending in the educational sector the sum of N3.5billion. This has assisted the State Government to implement the various programmes under the Universal Basic Education Scheme.

Mr. Speaker, at the beginning of the current financial year (2014), the state government had unpaid releases of over N11.3billion of projects already executed and handed over to the government. There were also ongoing projects in the three senatorial zones worth over N9billion that require financing.

In order to settle the backlog of contractors' arrears and for the state to be able to execute laudable projects in the face of dwindling revenue from the Federation Account, it became imperative to borrow from the Commercial Banks.

Consequently, in May 2014, a loan facility of N7billion to be repaid over a period of twelve months was sourced from Commercial Banks. (Sterling Bank Plc. N4billion, First Bank Plc. N2billion and Unity Bank Plc N1billion). It is worthy of note that all these commercial loans are structured to ensure that the loans were liquidated before the end of the present Administration.

Mr. Speaker, as at 30th November 2014 out of the total sum N28,750,000,000.00, commercial loans obtained the present administration was able to repay the sum of N25,264,710,325.62 leaving outstanding principal balance of N3,485,289,674.38.

(III) BOND

Mr. Speaker, the State Government had floated an N8.5billion bond of 12.50% (coupon interest) in 2010 with a tenor of 5 years.

The decision of the state government to go to the Capital Market came as a result of the economic melt-down, followed by the increased recurrent expenditure on salaries and other charges which affected government's ability to meet up with some priority capital projects designed to uplift the socio-economic well-being of the people of the state.

The proceeds from the bond were utilized to finance the following;

- i. Construction of 4th Bridge with access roads;
- ii. Zaria Regional Water Supply projects;
- iii. Completion of 300 bed Specialist Hospital in the new Millennium City;
- iv. Construction of Tum-Madakiya Road; and

- v. Completion of the new Government House Office Complex.

The bond was restructured in 2013 from bullet repayment schedule to amortization repayment of the principal (payment of principal and interest) semi-annually thus saving the sum of over N2.8billion to the state government.

As at 31st October 2014 the outstanding debt stock in terms of Bonds was N2.86 billion.

(iv) CONTRACTORS' ARREARS

The major objective of the present administration is to provide an enabling environment for the good people of Kaduna State, especially in the areas of agriculture, health, education, security and the necessary infrastructures for development and growth.

Kaduna State currently has over 20 MDAs that are actively creating debts largely through contracts awarded through the State Tenders Board. Based on available records, from January 2011 to November 2014 these MDAs created a liability of N66,839,776,255.18 out of which the present administration paid the sum of N49,005,214,073.53 leaving a balance of N17,834,562,181.65.

Mr. Speaker, the current debt position of the state as at 30th November 2014 stands at N60,821,592,471.38 as per breakdown below:-

KADUNA STATE DOMESTIC AND EXTERNAL DEBT POSITION AS AT 30th NOVEMBER 2014

DEBT CATEGORY	DEBT STOCK (AS AT 31 OCTOBER 2014)	DEBT SERVICE JAN TO NOVEMBER 2014(PRINCIPAL)	PRINCIPAL BALANCE OUTSTANDING AS AT NOV. 2014
COMMERCIAL BANK LOAN	13,896,638,159.87	10,411,348,485.49	3,485,289,674.38
BOND			1,400,000,000.00

	2,800,000,000.00	1,400,000,000.00	
CONTRACTORS ARREARS	29,952,662,912.26	12,118,100,730.61	17,834,562,181.65
EXTERNAL LOAN	38,741,317,572.26	639,576,956.91	38,101,740,615.35
TOTAL	85,390,618,644.39	24,569,026,173.01	60,821,592,471.38

Mr. Speaker, Honourable Members, we have carefully examined the implications of these anomalies on the face of development and the general wellbeing of our people. Accordingly, we have set in motion modalities and process for corrections, some of which are;

- No new project will be initiated in the 2015 budget. Emphasis will however be given on the completion of all ongoing projects;
- Overhead costs in the budget of 2014 are maintained in the proposed budget 2015;
- Machinery for the collection and accounting of Internally Generated Revenue (IGR) will be vigorously enforced;
- Blockage of all leakages in revenue collection as well as wastes in the management of financial resources of government;
- Promulgation of relevant laws to aid revenue collection and review of obsolete ones; and
- Reduction in the size of the proposed 2015 budget in line with the expected fall in oil prices and low production. This would be done during the year if it is adjudged necessary.

Mr. Speaker, inspite of the gloomy picture presented above, it is imperative to highlight some sectoral accomplishments recorded in the outgoing year:

PEACE AND SECURITY

Mr. Speaker, Honourable Members, it is common knowledge that peace and security remain a cardinal requirement for any meaningful development. Hence the state government has continued to make conscious efforts to draw up new strategies, as well as sustain existing ones in achieving peace and understanding amongst our various communities in the state.

Conscious of the fact that Kaduna State is a plural society made up of various ethnic and religious communities and coming to terms with these complexities, we have been expending enormous resources in various programmes aimed at fostering peace and understanding. Furthermore, the state government has been supporting activities of security agencies which had ensured appreciable return of normalcy and reduced potentials for mistrust and conflicts in the state.

Mr. Speaker, our sincere search for relevant strategies for promoting peaceful co-existence amongst the people continues. Our aim is to help build a society on the foundation of cooperation, interdependence and wider loyalties rather than on a pedestal of disintegration, bigotry and isolation. We are confident that with the guidance of God Almighty and the understanding and cooperation of our people, we shall succeed.

EDUCATION:

Mr. Speaker, the present Administration recognizes the fact that acquisition of knowledge by a wide spectrum of our people is a pre-requisite for the overall socio-economic and political development of our dear state. It is our firm belief that with the required investment in education, our dear state could favourably compete with its peers in such fields as medicine, science, information technology (IT) necessary to precipitate rapid economic development of the state. In the outgoing year, we have constructed and or rehabilitated a total of 187 junior secondary and primary schools, 38 senior secondary schools, 58 laboratories and

furnished 46 libraries. We have also provided and furnished 26 Games villages for Early Child Care Development and Education (ECCDE), constructed 470 cubicles toilets in schools, 75 offices, and furnished 509 classrooms in both primary and secondary schools.

The present Administration has continued to create the enabling environment for state government owned tertiary institutions to operate independently. Currently there is massive infrastructural development going on at the Kaduna State University (KASU), Nuhu Bamalli Polytechnic, Zaria and College of Education, Gidan Waya.

Government will continue to pursue the accreditation of medical students of KASU and has set 30th December 2014 time-line for the reopening of the Barau Dikko Specialist Hospital. Already, relevant accreditation agencies have agreed to conduct accreditation visits to the hospital in the first (1st) quarter of the year 2015. In the meantime, government has since dispatched the first set of 29 medical students from the State University to the prestigious International University Kampala, Uganda for their MBBS programme.

In the same vein, the state government has concluded arrangements to send the second set of beneficiaries of the Post Graduate Overseas Scholarship comprising 25 MBBS students, 77 Msc and 22 PhD students to reputable universities across the world to acquire additional qualifications for the purpose of improving human capital of the state. The total sum of N960,000,000.00 is being expended under the Post Graduate Overseas Scholarship scheme.

Mr. Speaker, to address the manpower gaps in the education sector, the state government has employed additional 1,800 teachers at the basic education level and another 217 academic staff for the Kaduna State University last year. We are also appraising the critical manpower requirement of the sector as well as other areas of service delivery for immediate attention. We have equally sustained

collaboration with the National Teachers' Institute (NTI) and the Kaduna State University for the capacity building of teachers to upscale their skills and competence in English language and Mathematics.

The state had also collaborating with the British Council and the National Mathematical Institute who trained our teachers' in the new modules of teaching core subjects such as English Language, Mathematics, Physics, Chemistry and Biology. Mr. Speaker, I am happy to state that this approach is yielding positive results as Kaduna State emerged 3rd this year on the list of states with the highest number of students who passed the WAEC organized Senior School Certificate Examination (SSCE). This is indeed a positive indicator of the efficacy of our intervention in the sector.

HEALTH

In line with the policy of this administration of improving health care delivery system in the state, the sector enjoyed priority attention within the 2014 fiscal year. The Ministry of Health has an approved recurrent expenditure of N6,036,588,176.00 and capital expenditure of the sum of N10,358,958,095.00 in the year 2014 budget. Major ongoing works in the health sector are as follows:

- i) Construction of 300 Bed Ultra Modern Specialist Hospital in the New Millennium City, Kaduna. The movement of ABUTH Kaduna to Shika Zaria has created a critical vacuum in the provision of tertiary health care and referral network in the state. This, coupled with the capital flight arising from medical tourism, informed the need for a specialist hospital that will handle referrals from within and outside the country. Consequently, the contract for the construction of the facility was awarded in 2008 at the total cost of N4,002,498,369.70.

A component of the hospital, the oncology unit, was awarded separately in April 2010 at the contract sum of N292,156,603.21. The construction work of the facility is progressing appreciably with 64% performance achieved in the main building (civil works) and 25% at the oncology building. So far, the sum, of N2,281,608,043.29 and N107,237,442.16 have been paid for works done on the Main building and Oncology Unit respectively. As mentioned earlier, a loan facility in the sum of USD 43.15 million was secured from the Islamic Development Bank (IDB) for procurement and installation of medical and non-medical equipment at the hospital.

ii) Upgrading of Barau Dikko Memorial Hospital. This project comprises of the construction and equipping of an ultra modern Dialysis Centre, a modern Intensive Care Unit with life support ambulances and fully furnished academic complex. Work has reached an advance stage with the facility expected to be opened soon.

In other areas of healthcare delivery, this administration has also continued to sustain all the pro-poor programmes including:

- Free Medical Care for pregnant women and children under five years at 144 health facilities (both primary and secondary health facilities) selected to render these services. The sum of N510,000,000.00 was expended on providing these services within the year;
- Free surgeries to over 12,000 indigent citizens of the state across the 23 Local Government Areas. The sum of N88,000,000.00 was expended in the exercise;
- Training of 13,000 teachers in both public and private schools across the state on how to handle suspected cases of Ebola Viral Disease as well as providing them with kits at the total cost of N116,000,000.00 This included cost of provision of a Quarantine Centre to contain any eventuality;

- Sustenance of Antiretroviral Treatment (ART), Prevention of Mother to Child Transmission (PMCTC), HIV Counseling and Testing (HCT) and Tuberculosis and Leprosy (TBL) Programmes;
- Emergency Transport System (ETS) – over 1000 pregnant women in labour were transported free of charge to health facilities from March 2013 to date. This programme is in collaboration with PATHS-2 and the National Union of Road Transport Workers (NURTW);
- Deferrals and Exemptions (D&E). This programme caters for indigent patients and accidents victims;
- VVF repair, rehabilitation and empowerment of 232 women involved;
- Provision of immunization services, routine and immunization plus days/supplemental (IPDs); and
- Reproductive Health Services which entails provision of free family planning services, maternal newborn and child care services.

Mr. Speaker, the provision of immunization services, routine and immunization plus days/supplemental (IPDs) has translated into improved the indices of child health in the state, especially in the area of polio eradication.

It will interest Honourable Members to note that for the past 2 years (since November, 2012), Kaduna State has not recorded a new outbreak of polio infection. In recognition of this feat, the World Health Organisation (WHO) has recently issued a certificate of commendation to the state government for our efforts in the polio eradication.

WORKS AND TRANSPORT

Mr. Speaker, we have kept faith with our promise to complete all ongoing roads projects across the state i.e 18No. in Zone I worth N12bn, 29No. in Zone II worth

N20bn and 16No. in Zone III worth N17bn. In the out-going year we have paid the sum of N4,166,445,445.13 in respect of these contracts which brings the amount so far paid to the sum of N27bn. Some of the road projects completed and commissioned are Buks-Kwarin Ayuba- U/Yusi-Yan Karfe-Hanwa – 3.628km (Sabon Gari LGA), Likoro-Magadda- 6.8km (Kudan LGA), Zonkwa-Yarbuan – 5.5km (Z/Kataf LGA), Maraban Iddah – Bwari Junction, (Kagarko LGA) and Gidan Mana Township Road – 5km (Kachia LGA).

Other roads projects that have been completed and about to be commissioned are as follows; Garun – Kurama – Karau road – 2.5km (Lere LGA), Babban Dodo – Kasuwa – Kofar Kuyanbana road rehabilitation – 3.5km (Zaria LGA), Access/International roads at Mobile Police Squadron Base – 7.3km (Sabon Gari LGA), rehabilitation of roads at Ung Munchi, Ishaku road, U/Dosa, Market Road Kabala Costain, Abba Kyari Close 486m, Balarabe Musa Close and Charles Bonat Close 380m), - 8.55km (Kaduna North LGA), rehabilitation and construction of roads in Barnawa Central – 3km (K/South Local Government Area), Makera – Yam Market – Afaka roads 3.5km (Kaduna South Local Government Area), construction of Access road to proposed Thermal Power Point, Kaduna Industrial Area -. 7.3km,

Gwari road Sabon Tasha, Makarfi road, Narayi – 0.252km (Chikun LGA), Rigasa Tsangaya – Hayin Danmani - (Igabi LGA), Tum – Madakiya – 15.4km (Zangon Kataf/Kaura LGA), Argungu, Bida Road/Abeokuta Street – 1.2km (K/North LGA), Rigachikun Township – 5km (Igabi LGA).

Mr. Speaker, the World Bank in collaboration with the State Government has also constructed 464km length of roads under the Rural Access and Mobility Project (KADRAMP). This project comprise of 35No. rural roads and 144 river crossings in the 3 Senatorial Zones of the state at a total cost of N4,072,808,525.23. Out of this, the sum of N2,691,669,344.19 which represents 66.09% of the contract sum

was paid. The laterites road projects are located in the following areas:- Dogon-Dawa/Kwashi – 13.7km Laterite (Birnin Gwari LGA), Galadimawa/Gamba – 11kme (Giwa LGA), Kakangi – Karau-karau – 7.12km (*Giwa LGA*) Bugai - U/Alhaji Shehu – 12.73km (Birnin Gwari LGA), U/Liman – Fatika – U/Kanawa – 27.4km Surface Dressing (Giwa LGA), Gangara – Dandulus – 13.46km (Giwa LGA), Giwa Town – Yakawada – 12.7km (Giwa LGA). Other laterite roads completed in Igabi LGA are Gwada – S/Birni – 8.99km (Igabi/Zaria LGA), Kerawa – Gedage -6.53km, Dunki-Labar-Jaji -29.81km, Kerawa-Sako – 8.25km, Wazata-R/Yashi-Kugu – 3.38km, R/Chikun-Tami-B/Yaro – 9.83km, B/Yaro-Jura – 9.25km.

Furthermore, laterite roads have also been constructed in Amere-Gerti – 7.03kn (Jema'a LGA), U/Wakili-U/Rohogu-Takanai-Gora-Gwaza – 13.26km (Z/Kataf LGA), Awan-Gora -2.8km (Kachia LGA), Awan Road-U/Rimi – 1.41km (Kachia LGA), Kagarko-Kudiri-S/Gida – 12.84km (Kagarko LGA), Kubacha-Kukui-Kusam -14.2km (Kagarko LGA), Kabara-Aribi 7.68km (Kagarko LGA), Kenyi-Fai-U/Fari – 8.4km (Kagarko/Jaba LGA), Ruzai-K/Dangana – 3.65km (Kagarko LGA). Other laterite roads projects that reached 80% - 90% completion are Fadan Kagoma – Dalle – 15.62km (Jema'a LGA), Bakin Kogi-Dangoma -29.76km (Jema'a LGA), Jagindi Tasha – Kugu – 12.71km (Jema'a LGA), F/Kamantan-Yangal-Walijo – 21.84km Surface Dressing (Z/Kataf LGA).

Mr. Speaker, the Kaduna State Public Works Agency (KAPWA) has equally done well in the area of road maintenance in Kaduna Metropolis, Zaria and Kafanchan. Since our assumption of office, the Agency has rehabilitated a total number of 106 roads across the state: 74 roads in Kaduna Metropolis, 18 in Zaria and 14 at Kafanchan at the total cost of N814,331,695.75 Some of the rehabilitated roads are as follows:-

- KADUNA METROPOLIS; Abeokuta Street, Ibadan Street, Abuja/Sardauna Crescent, Broadcasting Road, Kano Road, Katsina Road, Gombe Road, Nupe Road (Doka), College Road, Ung/Dosa to Kawo (U/Dosa), Dutsinma Street, Musawa Road, Zango Road (T/Wada), Inuwa Wada Road, Yahaya Street, Tafawa Balewa Way, Rimi Drive, Dikko Road. (U/Rimi), Gwanja/Gwani Mukhtar Road, Sani Sami Road, Jaji Road (Malali), U/Baro – Ferero Road Road, U/Boro – U/Pama, U/Sunday main road (Television), Ahmed Makarfi Road, Rigasa Main Road, Abuja Road (Rigasa), NDA road (K/Mashi), Asikolaye road (Asikolaye), New Bida Road, M/Dori Road (T/Nupawa) Etc.
- ZARIA METROPOLIS; MTD Junction – Al Madina S/Gari, Tulip Police Headquarters – Nitel, Union Bank – IBB Way, Muchia Roundabout to Prince Road, Lagos Street, Club Street S/Gari, Depot – Maje Road, Congo First Gate to last Gate T/Wada, Banadeen, Waziri Road Gyellesu, Jushi Junction Ban Zazzau, Emir Palace etc.
- KAFANCHAN METROPOLIS; Funtsam road, Emir road, Bauchi road, Jama'a road, Kano road, Ibadan Street, Dan Hajiya road, Soba road, Hospital road, Bebeji road, Abuja road, Secretariat Road, and Ilorin Street.

In the area of construction of public buildings, this Administration has successfully completed and commissioned the new Executive Governor's Office Complex at Sir Kashim Ibrahim House, Kaduna. Mr. Speaker may recall that contract for the construction of Phase I of this Office Complex (Basic Structure only) was awarded to Messrs Julius Barger Nig. Plc in the year 2008 at the cost of N2,984,575,579.00.

The Phase II of this project (Infrastructure and other provision) was awarded to the same company on the 3rd September, 2009 at the total cost of N2,363,764,980.33. Furthermore, on the 3rd of March 2011, the State Government awarded the Phase III of the contract (Utility Compound) at the sum of N2,856,460,259.72. In the same year (12th March, 2012) it further awarded Phase IV of the contract which is a variations on Phase I & II at the total sum of N896,903,268.33. The variations were necessitated by, among other things, currency fluctuation, increase in quantity of items of works, lighting; penthouse terrace, additional food paths, kitchen and modification of Governor's Office.

Mr. Speaker, the present administration awarded the Phase V of the contract on 5th June 2013 which comprise of furnishing of the Governor's Office and other offices in the complex at the cost of N126,714,264.60 and N150,465,005.25 respectively. Equally, Phase VI (Sewage Treatment Plant) was awarded on the 10th June 2013 to Messrs Julius Berger at the cost N257,694,784.18. This phase of the contract is meant for the effective management of effluence from the newly completed office complex as well as for irrigation purposes within the Government House.

The final Phase of the contract which is Phase VII involved construction of the utilities at the total cost of N84,000,000.00.

Mr. Speaker, The total cost of the construction of the new Governor's Office Complex stands at N9,720,574,141.41. Out of this amount, the present Administration paid only the sum of N618,874,054.03 which translates to 6.37% of the total amount of the contract sum for Phases V, VI & VII earlier mentioned.

AGRICULTURE

Conscious of the place of agriculture in our quest to enhanced rapid economic development of our dear state, and enable the creation of employment opportunities, this Administration has continued to provide support to farmers in

the state through the provision of subsidy in respect to fertilizers, herbicides, pesticides and hybrid seedlings. The sum of N461,911,935.00 was provided for the Ministry as its recurrent budget in the year 2014 while N6,022,030,790.00 as capital was approximated for expenditure of Agriculture.

The State Government has also continued its participation in respect of the e-wallet fertilizer distribution policy of the Federal Government. Agricultural production in the state is also being boosted through farm mechanization. In this regard, the State Government has awarded contract for the procurement of 47Nos MF375 (75HP) Massey Ferguson Tractors and implements at the total cost of N385,400,000.00 in addition to the 340 units (7.6HP) walk behind tractors being procured at the cost of N74,613,000.00 to assist farmers across the state. These tractors will be sold to interested individuals, cooperative groups and institutions at subsidized rates. We are doing all these as a strategy to increase food production and economic well-being of our people in view of the fact that agriculture remains one of the most important economic activities engaged by majority of the people.

As a way of finding market outlets for our farmers, we have resuscitated the moribond Ikara Food Processing Company which had remained closed for about three decades until its recent reopening through the Public Private Partnership (PPP) policy of our Administration.

The Ikara Food Processing Company has an installed capacity for processing of 16,950 tons of tomatoes, 5,760 tons of mango, 5,120 tons of oranges and 780 tons of pineapple per annum which are to be sourced locally.

It is expected that thousands of our people will be gainfully engaged directly and indirectly through the operation of the Ikara Food Processing Company now being managed by an Indian Company – Messrs Springfield Agro Limited.

LANDS, SURVEYS AND COUNTRY PLANNING

Mr. Speaker, the long awaited review of the Kaduna Master Plan which was awarded to a consortium of consultants in 2009 has been completed. The Master Plan will guide all land use planning in Kaduna metropolis and environs for the next 30 years. To address congestion in the metropolis, we are opening up new layouts for allocation to beneficiaries. We have commenced implementation of the long awaited Millennium City Layout TPO 833A. Already, the government had allocated 600 residential plots to beneficiaries. We have also opened up Unguwan Hazo Resettlement Layout TPO 748B for the resettlement of people affected by the revocation of Trade Fair plots due to the development of the Petroleum Training Institute. All the people affected have been given alternative plots at the new layout, thus resolving the five year long conflict. Other new layouts opened during the outgoing year are:

i. Kudendan Power Plant Resettlement Scheme TPO 934

The Federal Government Power Plant Project being constructed at Kudendan had generated problems in which the local community continue to threaten the government if alternative plots were not provided. Finally, the Ministry prepared a layout in one of the forest reserves at Kakau TPO 934 and allocated plots to the community.

ii. In the same vein, the Ministry of Lands, Surveys and Country Planning had successfully provided plots to the communities affected by the Zonkwa post 2011 election violence. The layout TPO 969 had been approved and offer of grants had been given to the beneficiaries.

iii. Other layouts successfully completed and offer of grants issued to beneficiaries are at the BATC Zaria plan TPO 964, Barewa College Layout Plan TPO 931 and Kabala West Layout plan TPO 1002.

All the layouts had been provided with laterite roads at the total cost of N153,000,000.00 (One Hundred and Fifty Three Million Naira).

RURAL & COMMUNITY DEVELOPMENT

Mr. Speaker and Honourable Members, in spite of the dwindling revenue accruing to the state in the outgoing year, the present administration remains resolute in actualizing its commitment to the welfare of our people residing in the rural communities. In the year 2013, over twenty (20) communities had benefitted from government's rural electrification policy. In the outgoing year, eighteen (18) additional rural electrification projects were completed under the Ministry of Rural and Community Development.

These projects are located at Bomo Arewaci, (Sabon Gari LGA), Dankwairai, (Makarfi LGA), Kankanki, (Ikara LGA), Dallatu/Fangamu, (Zaria LGA), Tudun Gaude, (Zaria LGA), Dogon-Dawa/Ung Donko, (Birnin Gwari LGA), Runji, (Zangon Kataf LGA), Dutsen Bako, (Z/Kataf LGA), Isa Junction, (Kagarko LGA), Gora-Gan/Gora Bafai, (Z/Kataf LGA), Tabanni, Dogon-Dawa, Sako of (B/Gwari, Kudan and Makarfi LGAs), Ung Ruhogo/Madauchi, (Z/Kataf LGA), Durum Kolo, (Makarfi LGA), Ung Makera, Binna and Karofi, (Zaria LGA).

Mr. Speaker, the present Administration had also procured and installed transformers in 15 locations across the 3 senatorial zones. We have also rehabilitated 33KV ITC lines in communities such as Ung Wakili – Ung Ruhogo of Zangon Kataf Local Government Area, Gure – Kahugo, (Lere LGA) and Idon – Iri Station (Kajuru LGA).

In the area of provision of rural feeder roads, in addition to the eleven (11) rural feeder roads completed in the year 2013, the government has completed eight (8) additional joint feeder road projects in the outgoing year. These rural roads projects are located at Gidan Dutse – Tudai (Lere LGA), Wazabin Gashi – Dan Makuku,

(Kubau LGA), UNTL – Ung Mission/Faskari, (K/South LGA), Maraban Isa – Kwasere, (Kagarko LGA), Ankung B-C, (Jaba LGA), Kurmin Goro – Titi-Sabon Gida, (Sanga LGA), Hawan Mai Mashi – Mazara, Sabon Gari – Doka (Kudan LGA), Gamagira – Bandi (Kauru LGA). Out of the 19 completed rural roads, the government has selected 8 roads to be either surface-dressed or asphalted.

The roads to be asphalted are Yoruba Road (Kaduna North LGA), Pouwa Road (Kaduna North LGA) and UNTL – Ung. Mission/Faskari Close Road (Kaduna South LGA). The 5 Roads proposed for surface dressing are Rafin Yashi – Kwaba (Zaria LGA), Hawan Maiyashi – Mazara (Kudan LGA), Afana – Katsit (Zangon Kataf LGA), Kurmin Goro – Titi – Sabon Gida (Sanga LGA) and Ankung B – C (Jaba LGA).

Mr. Speaker, this administration will continue to give necessary attention to the provision of basic social amenities to rural areas to make life more meaningful to our people. It is our objective to increase economic opportunities in the rural areas, through provision of electricity, good roads, health care facilities and employment opportunities. Our ultimate goal is to reduce the rate of rural urban migration by making the rural areas attractive, especially to our youths.

WATER SUPPLY

In our determined effort to complete all ongoing water projects in the state to improve the provision of clean and hygienic water supply in urban and semi urban towns, government has continued to accord priority attention to the completion of rehabilitation works and network distribution in Kaduna, Zaria, Kafanchan/Kagoro, Zonkwa and Saminaka Water Supply.

It may be recalled that the African Development Bank (AFDB) facility was launched on November 14th, 2013 at Zaria for the development of expansion network distribution and provision of sanitation facilities in schools and other public places for Zaria and six (6) neighbouring Local Government Areas.

Furthermore, facility from the Islamic Development Bank (IDB) is being utilized to construct reservoirs in Zaria and six (6) other LGAs that would benefit from the Zaria Water Project. Mr. Speaker, work has reached about 97% for the construction of the 150 Million Litres Daily (MLD) Zaria New Water Treatment Plant. The project is intended to serve 2.2 million people residing in 23 communities in 7 LGAs of Kaduna State by the year 2025.

In the area of provision of rural water supply, the state government approved the construction of 40No. solar powered boreholes and 680No. hand pump boreholes. This is an intervention measure to further address the scarcity of water in some communities. In addition, work is ongoing on the contracts awarded for the drilling of 20No. hand pump boreholes in each of the 34 constituencies of the state and at least one solar powered borehole in each of the 23 LGA. The approved capital budget of the Ministry in the 2014 budget was N23,944,775,305.00 and the sum of N1,710,344,306.36 expended, representing a 7% performance.

CULTURE AND TOURISM

Mr. Speaker, the realities of today's economic situation in the country make it imperative for the state to diversify its revenue generation outlets to cope with the numerous development challenges facing us in terms of provision of basic infrastructures and services to our people. Consequently, the present administration is giving the culture and tourism sub-sector the attention it deserves in view of the

recognition of its crucial role as one of the veritable ways to reposition the economy of the state.

If our numerous tourism potentials scattered across the state are effectively harnessed, the much needed positive turn around in our Internally Generated Revenue will be achieved. In this regards, we have stepped up our collaboration with development partners like the Frankfort University Archeological Centre, Germany to explore the rich Nok Terracotta Civilization that spans across the sub-saharan and sahel zones. We have also leased out our hotels to reputable private sector operators for efficient management as well as enhanced revenue. We are confident that with effective management, the hotels and motels would be sources of employment to our teeming unemployed youths.

Mr. Speaker, in line with the National Tourism Development Master Plan, this administration is ready to partner with the private sector in harnessing all tourism potentials in the state. Accordingly, the Ministry of Culture and Tourism has opened discussion with private operators to develop projects such as;

- The Kangimi Holiday Resort (Fifth Chukker) at Mararaban Jos, Igabi LGA;
- The Kagoro Holiday Resort, Kaura LGA;
- The Zaria Holiday Resort in Zaria LGA;
- General Hassan Usman Katsina Park (Construction of a mini zoo)
- The development of Queen Amina Archeological Site at Turunku, Igabi LGA;
- The ruins of Zaria City Walls, (rehabilitation), Zaria LGA; and
- The development of Nok Archaeological site at Nok, Jaba LGA.

ENVIRONMENT AND NATURAL RESOURCES

Mr. Speaker, we have observed that over the years, many parts of the state had been ravaged by ecological problems like flood and erosion resulting in serious damage to buildings, infrastructures and farmlands. To reverse the ugly trend, a

provision of N2,000,000,000.00 (Two Billion Naira) was made in the 2014 budget of the Ministry to address critical ecological problems in the state.

The Ministry of Environment and Natural Resources had engaged consultants who have identified, assessed and costed some ecological problems site in seventeen (17) of the affected areas.

Consequently, contracts have been awarded for the execution of two (2) projects in each of the 3 Senatorial Zones of the State at the total cost of N1,992,841,718.55. The locations of the projects are in Ikara, Zaria, Igabi, Kaduna South, Jema'a and Kauru LGAs. I have recently inspected one of the sites at Rigasa and I am happy with the progress of work on the project.

Furthermore, in our determined effort to ensure a serene and clean environment which is imperative to a healthy population, the state government is continuing with its refuse evacuation programme which now covers ten (10) Local Government Areas of Kaduna North, Kaduna South, Igabi, Chikun, Zaria, Sabon Gari, Jema'a, Kaura, Kagarko and Kachia. The sum of N107 million is being spent monthly on refuse evacuation in the state.

We are also partnering with private operators of solid waste management through Public Private Partnership (PPP) to ensure cost effectiveness. In this regards, contract for the procurement of assorted receptacles ranging from metallic receptacles (1.100 litres), plastic receptacles (240 litres) and branded nylon bags at the total cost of N74,490,000.00 have been awarded through the Ministry of Environment and Natural Resources to facilitate the effective implementation of the Public Private Partnership (PPP) arrangement.

Mr. Speaker, we have also commenced the process of exploring various minerals deposits which abound in the state, as a way of boosting our revenue base and reduction of over dependence on oil revenue. Consultants engaged by the Ministry

of Environment and Natural Resources have identified Ten (10) target areas with high-to-very high minerals prospect out of which contract for the detailed exploration project in these sites have been awarded to Messrs National Steel Raw Materials Exploration Agency (NSRMEA) at a total cost of N53,000,000.00.

These are:

- i) Gold site in Birnin Gwari Local Government Area;
- ii) Graphite site in Saulawa, Ikara Local Government Area;
- iii) Cassiterite site in Banki, Kubau Local Government Area; and
- iv) Silica sand site in Kagoro, Kaura Local Government Area.

SURE-P IMPLEMENTATION

The Kaduna State Government has continued to use its Subsidy Reinvestment Programme (SURE-P) funds to alleviate poverty, enhance transportation system and tackle the issue of poor infrastructural and instructional facilities in the education and health sectors.

In the Education Sector, the present administration has utilized the sum of N110,561,332.92 to improve infrastructural and instructional facilities in the education sector, and N120,933,250.00 in capacity building for teachers. The sum of N960,000,000.00 have also been invested in the provision of overseas scholarships.

Our experience in youth and women empowerment programme has shown that Government and other key players in the private sector must, of necessity, collaborate to empower our teeming youths with gainful and self employable skills. This has become imperative in order to raise their economic status in the society and reduce their proclivity to resorting to acts of criminality.

Mindful of this fact, government has trained 7650 youths and women in 32 different trades early this year under the SURE-P empowerment programme with the total sum of N149,512,450.00 spent in the training of the youths and another N660,852,237.50 for the provision of starter packs and take-off grants.

From the evaluation report presented on the programme, most of the beneficiaries are doing very well in their chosen trades. Encouraged by this success story, the government has commenced the training of one thousand of our unemployed graduates in Vocational and Entrepreneurship Skills (GVEST) in partnership with the Small and Medium Enterprises Development Agency (SMEDAN). At the end of the training, funding windows to source for finances would be provided to participants to enable them set up their business. It is envisaged that additional 4000 jobs will be created by this arrangement. Already, the state government has disbursed the sum of about Fifty-Five Million Naira (N55,000,000.00) for the take-off of the programme.

Furthermore, the state government in collaboration with the Federal Government SURE-P has invested the sum of N240,000,000.00 to augment the monthly allowance payable to 2000 unemployed graduates from the state under the Graduate Internship Scheme (GIS). Presently, the Federal SURE-P has started posting participants of the scheme to serve in relevant organizations for a period of one year after which they may be given permanent appointment based on their performances.

Mr Speaker, just yesterday, we launched another strategy of engagement under the youth and women empowerment scheme. Under this programme a total of 2,550 youths; ten (10) from each of the 255 wards of the state have been engaged to provide social services within their respective wards. These youths are being paid a monthly allowance of N10,000.00 totaling N300,000,000.00 per annum from SURE-P Funds beginning from October 2014.

Mr. speaker, sequel to the ban on operation of commercial motorcycles in Kaduna metropolis and some Local Government Areas in the state, the State Government procured and distributed 1000 units of tricycles at the total cost of N523,000,000.00 (inclusive of insurance cover, registration, painting and branding). This is in addition to the 700 Tricycles, 40 Nissan buses, 35 taxis and 15 Tata luxurious buses purchased at the total cost of N967,981,312.94 All the vehicles and tricycles have been distributed to beneficiaries at 50% subsidy with a repayment plan of between 12 to 24 months. These interventions by the state government are all aimed at reducing poverty amongst our people as well as ensuring sustainable peace.

COMMERCE AND INDUSTRY

As part of measures to diversify the economy of the state, the present administration has repositioned the Ministry of Commerce and Industry to ensure that it effectively executes its mandate. Equally, government has also approved the restructuring of some state government-owned companies into a holding company to optimize performance as well as to create better synergies and help the state achieve its developmental objectives. The companies being restructured are the Kaduna Industrial and Finance Company (KIFC), Kaduna State Development and Property Company Ltd (KSDPC), Kaduna State Transport Authority (KSTA), Kaduna State Market Development Company Ltd and Kaduna Leasing Company.

Similarly, based on the Public Private Partnership policy of the present administration, the state government has adopted the option of leasing its moribund companies and discussion with investors on the leasing of Zaria Pharmaceutical Company, Kachia Ginger Company and Kafanchan Flour Mills have advanced. Under this arrangement, the Ikara Food Processing Company Ltd now being managed by Messrs Springfield Ltd has started test running its operations and would commence full production early next year after about 30 years of comatose.

Mr. Speaker, we are also resuscitating the current operating status of all state government owned hotels, motels and parks with a view to harvesting the full revenue potentials of the investment either through direct management or leasing out such facilities. With the envisaged resuscitation of commercial activities, the state government has signed a Memorandum of Understanding (MoU) with the CBN for the provision about N2 billion facilities to be accessed by Micro, Small and Medium Scale Enterprise (MSME).

Mr. Speaker, the Inland Container Dry Port established in Kaduna State is meant to bring port services closer to the people as well as eliminate the hardships being faced by importers in transporting their cargos from Lagos. This facility apart from boosting the Internally Generated Revenue of the state will be a source of employment to our teeming unemployed youths.

For the effective operations of the Inland Container Dry Port, the state government has budgeted the sum of N600,000,000.00 for the upgrade of roads, water system and power.

PUBLIC SERVICE

Mr. Speaker, the present administration is convinced that without a well-motivated Public Service all the lofty programmes and activities of government cannot be effectively implemented. It is in recognition of this fact that in the past two years we have sustained the tempo of implementation of reforms in the Public Service designed to, amongst other things, improve the capacity of the workforce to effectively deliver services to the people by removing all institutional impediments that inhibit effective service delivery. The reforms are being implemented with the technical assistance of the DFID funded partners as well as the World Bank.

Already, the Public Service has developed its Vision and Mission statements; mandates of MDAs have been clarified thus removing overlaps and redundancies;

performance management is being entrenched to address the lethargy associated with the Public Service; Service Charters have been developed and are being applied in pilot MDAs such as the State Ministries of Health, Education, Water Resources as well as the Board of Internal Revenue. The objective of the Service Charter is the entrenchment of the culture of excellence in service delivery.

Mr. Speaker, Honourable Members to improve on transparency and accountability of the staff in financial management, as well as prompt rendition of financial reports, bills on Public Procurement, Fiscal Responsibility and Public Finance Act are being considered by stakeholders for adoption in the Public Service. New Charts of Accounts are guiding the production of financial reports which have considerably improved in recent years.

Mr. Speaker, we have also commenced the Phase II of the Public Sector Governance Reform and Development Project. The objective of this programme is to enable the state use its financial and human resources more transparently, accountably and efficiently to attain developmental priorities, alleviate poverty and achieve the Millennium Development Goals.

More specifically, the project seeks to strengthen the capacity of the state for multi-year fiscal planning, expenditure policy and budgeting. As a result of the appreciable progress being recorded in all fronts, all the Donor Partners have signed a Development Cooperation Framework (DCF) with Kaduna State Government to enhance understanding of the various interventions and minimize duplication of functions. We have also continued the funding of the Bureau of Public Service Reforms which was established as an Institutional framework to facilitate the institutionalization of reforms in the Public Service.

TRAINING AND RETRAINING OF PERSONNEL:

Mr Speaker, Honourable Members, in order to upscale the skills and competencies of civil servants, as a strategy of enhancing Public Service delivery, this Administration had spent the total sum of Eighty One Million, Three Hundred Thousand Naira (N81,300,000.00) for various capacity building workshops in the year 2013. 1,780 civil servants of various categories benefitted from the training in the following areas:-

- Work Ethics and Attitudinal change;
- Leadership Skills Enhancement;
- Productivity Improvement and the Public Service;
- Pre-Retirement Policies and Techniques;
- Performance Management Improvement and Target Setting; amongst many other modules specifically tailored to address identified areas of capacity gaps in the service.

The sum of Fourteen Million Naira (N14m) was also spent on the payment of in-service allowance in respect of 625 staff on In-service training. In the outgoing year, approvals have been granted for the conduct of the following workshops:-

- Workshop on Asset Declaration by Code of Conduct Bureau at a the cost of N30.9 Million
- Security Awareness Workshop at the cost of N21 Million.

While we are providing critical infrastructure, our administration is also mindful of the importance of human capital development and welfare of our people. On assumption of office, we met a back log of unpaid gratuity and death benefits to retirees and next of kin of deceased workers with some of them as far back as 2006, especially in respect of staff of the Unified Local Government Service. Mr. Speaker, we have intervened to reverse this ugly situation. From January to October 2014, the State Pension Bureau had spent the sum of N6,697,058,678.22

to settle pension and gratuity of retirees. In the year 2013, it had disbursed the sum of N4,553,093,179.93 for the same purpose.

In the same vein, from January – October, 2014, the Local Government Pension Bureau had expended the sum of N3,098,818,356.18 in the settlement of pension liabilities of 555 staff of the Unified Local Government Service. This is apart from the sum of N1,569,814,702.89 it disbursed for the same purpose in the year 2013 in respect of 1,181 staff. The Bureau currently has 6,394 pensioners on its payroll with an average monthly pension of N145,569,758.50 being paid monthly.

The administration has also sustained the Civil Servants Micro-Credit Loan Scheme to assist Civil Servants with loans in the area of housing and vehicle refurbishing. In the year 2013, the sum of N145 million was disbursed by both the Senior and Junior Civil Servants Committees. Arrangements have been concluded to disburse another N165 million to beneficiaries. The Administration has also ensured that monthly staff salaries are being paid as and when due.

DONOR SUPPORT

Mr. Speaker, permit me to extend the appreciation of the government and people of Kaduna State to our development partners, the DFID funded partners, World Bank, UNICEF, UN Systems and Development Partners who have continued to demonstrate keen interest in the development of the state by supporting us which contributed in no small measure to the success we have recorded during the outgoing year.

It needs to be reiterated that our administration is committed to embracing reforms and other programmes that would improve service delivery and general welfare of our citizens. We would continue to meet all counterpart funding arrangements to

see to the timely execution of programmes under the Development Cooperation Framework.

2015 BUDGET

Mr. Speaker, Honourable Members, the 2015 budget is tagged “Budget of Consolidation and Continuity” based on our determination to ensure the completion of all ongoing projects in the state. In the coming year, priority attention would be giving to projects that have been rolled over, especially from the 2014 budget which we have pledged to complete and are committed to keeping our promises to the people of Kaduna State.

REVENUE AND EXPENDITURE ESTIMATES OF THE 2015 BUDGET

The 2015 budget is based on a total recurrent revenue projection of N106,274,182,372 (One Hundred and Six Billion, Two Hundred and Seventy Four Million, One Hundred and Eighty Two Thousand, Three Hundred and Seventy Two Naira). The Recurrent Revenue comprises Opening, Internally Generated Revenue (IGR), Statutory Allocation from Federation Account.

Mr. Speaker, Honourable Members, in view of the dwindling statutory allocation as a result of external shocks in the market of crude oil being experienced globally due to fall in prices of the commodity, the revenue projection in the 2015 budget has been made lower than that of the 2014 budget.

We have however adopted a similar projection of the Internally Generated Revenue (IGR) like that of the year 2014 in view of the overwhelming un-realized commitments in the 2014 budget which have to be rolled-over to 2015 budget.

The Breakdown of the Recurrent Revenue Projection for the 2015 fiscal year is as follows:

- Opening Balance..... N 10,908,192,592
 - Internally Generated Revenue (IGR)..... N 27,319,086,867
 - Statutory Allocation from FG Account N 68,046,902,913
- N106,274,182,372**

Mr. Speaker, the total Recurrent Expenditure Estimate for 2015 is N72,788,841,776 (Seventy Two Billion, Seven Hundred and Eighty Eight Million, Eight Hundred and Forty One Thousand, Seven Hundred and Seventy Six Naira only).

The Recurrent Expenditure Estimates for 2015 are as follows:

DETAILS	Draft Estimates 2015	Approved Revised Provision 2014
Personnel Cost	32,273,556,508	29,898,385,511
Overhead Cost	28,241,917,730	31,137,475,088
Public Debt Charges (Repayment)	10,729,000,000	8,085,713,139
Consolidated Revenue Fund Charges	544,367,538	6,119,321,212
10% to Local Govt. Joint Councils	1,000,000,000	1,000,000,000
Totals	72,788,841,776	76,240,894,950

Mr. Speaker, there are also transfers to Capital Budget put at a total of N33,485,340,596.00 (Thirty Three Billion, Four Hundred and Eighty Five Million, Three Hundred and Forty Thousand, Five Hundred and Ninety Six Naira). This comprises of:

- Recurrent Revenue.....N106,274,182,372

- Less Recurrent Expenditure.....N 72,788,841,776
- Balance **N 33,485,340,596**

Mr. Speaker, Honourable Members, we have clearly thought out the revenue prospects to fund various critical projects that have been earmarked in this proposed budget.

The total capital expenditure for the 2015 fiscal year is estimated at the sum of N130,912,013,495.00 (One Hundred and Thirty Billion, Nine Hundred and Twelve Million, Thirteen Thousand, Four Hundred and Ninety Five Naira).

The projected sources of Capital Accounts Funds for 2015 are as follows:

- Transfer from Recurrent Budget Surplus....N33,485,340,596
 - Value Added Tax (VAT)..... N12,626,460,737
 - Infrastructure Survey& Demarcation for Layout N 300,000,000
 - Development Levy by Allottees..... N 300,000,000
 - Proceeds from Sales of Fertilizer..... N 1,440,000,000
 - Excess Crude N 3,075,012,312
 - Internal Loans N40,600,741,422
 - External Loans N16,602,480,748
 - Internal Grants N20,325,977,680
 - External Grants N 2,156,000,000
- N130,912,013,495**

Mr. Speaker, the total budget estimates for 2015 is N203,700,855,271 (Two Hundred and Three Billion, Seven Hundred Million, Eight Hundred and Fifty Five Thousand, Two Hundred and Seventy One Naira).

As part of our efforts at prudent management of resources, we have ensured that bulk of the revenue accruable to the State is channeled to infrastructural development for improvement of the overall living conditions of our people.

In that regard, Recurrent Expenditure is pegged at N72,788,841,776 (Seventy Two Billion, Seven Hundred and Eighty Eight Million, Eight Hundred and Forty One Thousand, Seven Hundred and Seventy Six Naira). This represents 35.72% of the total budget.

While the Capital Expenditure estimate is put at a total sum of N130,912,013,495 (One Hundred and Thirty Billion, Nine Hundred and Twelve Million, Thirteen Thousand, Four Hundred and Ninety Five Naira only). This translates to 64.28% of the budget.

BORROWING AND REPAYMENT PLANS

Mr. Speaker, the State will carry an internal loan position of N40,600,741,422 and External loan position of N16,602,480,748. These loan positions have become necessary to enable the State to meet its contractual obligations in respect of ongoing roads and water infrastructure development projects across all parts of the State.

We have also earmarked the sum of N10,729,000,000 (Ten Billion, Seven Hundred and Twenty Nine Million Naira) for debt repayment.

SECTORAL BREAKDOWN OF THE 2015 CAPITAL BUDGET

Mr. Speaker, the Capital Expenditure for 2015 is categorized into four (4) broad sectors including;

Economic Sector – allocated N42,741,440,735.00 (forty two billion, seven hundred and forty one million, four hundred and forty thousand, seven hundred and thirty five naira)

Social Sector – N37,527,103,840 (Thirty Seven Billion, Five Hundred and Twenty Seven Million One Hundred and Three Thousand, Eight Hundred and Forty Naira),

Regional Sector N23,124,954,255 (Twenty Three Billion, One Hundred and Twenty Four Million , Nine Hundred and Fifty Four Thousand, Two Hundred and Fifty Five Naira) and finally

General Administration with an allocation of N27,518,514,695 (Twenty Seven Billion, Five Hundred and Eighteen Million, Five Hundred and Fourteen Thousand, Six Hundred and Ninety Five Naira) bringing the total to N130,912,013,495.

SECTORAL BREAKDOWN OF THE 2015 CAPITAL EXPENDITURE

DETAILS .	DRAFT ESTIMATES 2015	APPROVED REVISED ESTIMATES 2014
ECONOMIC SECTOR	42,741,440,735	48,046,067,265
SOCIAL SECTOR	37,527,103,840	35,093,615,910
REGIONAL SECTOR	23,124,954,225	32,377,351,300
GENERAL ADMINISTRATION	27,518,514,695	19,566,164,380
GRAND TOTAL	130,912,013,495	135,083,198,855

THE DETAIL BREAKDOWN OF 4 BROAD SECTORS:

Sector	Draft Estimates 2015	Percentage of Allocation	Approved Revised Estimates 2014	Percentage of Allocation
SECTOR: ECONOMIC				
Agriculture	7,174,402,435	5.48%	7,479,400,920	5.54%
Livestock	47,246,830	0.04%	47,246,830	0.03%
Fisheries	18,158,280	0.01%	28,052,920	0.02%
Cooperative Supply & Commerce and Industry	1,220,520	0.0009%	1,220,520	0.00%
Tourism	307,113,395	0.23%	751,926,410	0.56%
Manufacturing	150,000,000	0.11%	-	0.00%
Power	4,934,829,100	3.77%	6,555,852,185	4.85%
Transport	29,438,470,175	22.49%	31,842,367,480	23.57%
TOTAL-ECONOMIC SECTOR	42,741,440,735	32.65%	48,046,067,265	35.57%

SECTOR: SOCIAL

Education	20,569,487,905	15.71%	21,180,615,055	15.68%
Health	12,258,916,525	9.36%	10,580,127,595	7.83%
Social Development	912,367,980	0.70%	774,955,500	0.57%
Information	3,786,331,430	2.89%	2,557,917,760	1.89%
TOTAL FOR SOCIAL SECTOR	37,527,103,840	28.67%	35,093,615,910	25.98%
SECTOR: REGIONAL				
Urban Dev't	3,568,228,690	2.73%	3,459,480,095	2.56%
Housing	-	-	-	0.00%

Environment	2,162,785,000	1.65%	4,162,607,580	3.08%
Community	567,440,215	0.43%	555,256,225	0.41%
Water Supply	16,826,500,320	12.85%	24,200,007,400	17.91%
TOTAL FOR REGIONAL SECTOR	23,124,954,225	17.66%	32,377,351,300	23.97%

SECTOR: ADMINISTRATION

General Admin./Executive	9,695,062,510	7.41%	12,516,385,195	9.27%
Legislature	197,000,000	0.15%	250,000,000	0.19%
Judiciary	536,075,610	0.41%	576,070,610	0.43%
Gov. & Institutional Reforms	17,090,376,575	13.05%	6,223,708,575	4.61%
TOTAL -ADMIN. SECTOR	27,518,514,695	21.02%	19,566,164,380	14.48%
GRAND TOTAL	130,912,013,495	100%	135,083,198,855	100.00%

CAPITAL BUDGET OF SOME KEY SUB-SECTORS

- Education N20,569,487,905
- Health N12,258,916,525
- Water Supply N16,826,500,320

- Works and Transport N29,438,470,175
- Agriculture N 7,174,402,435

TARGET GOALS IN MAJOR SUB-SECTORS

1. EDUCATION

Mr. Speaker, Honourable Members, education remains our priority with a huge percentage of government revenue allocated to the sector towards improving teaching and learning environments in the state. The sector has been allocated N20,569,487,905 (Twenty Billion, Five Hundred and Sixty Eight Million, Four Hundred and Eighty Seven Thousand, Nine Hundred and Five Naira).

In the coming year, Government intends to deepen the scope of rehabilitation and expansion of infrastructures in existing schools. Various ongoing projects at the State University, the Nuhu Bamalli Polytechnic and the State College of Education will also receive adequate attention.

Mr. Speaker, we have deliberately designed an expenditure plan in the education sector that would guarantee conducive environment for imparting quality education in the state.

As part of our commitment to maintaining the standard of education, especially at the elementary level N500,000,000.00 (Five Hundred Million Naira) has been earmarked in this budget for maintenance of schools under the State Universal Basic Education Board (SUBEB).

2. HEALTH

Mr. Speaker, in the health sub-sector, we remain focused in our determination to complete all ongoing rehabilitation, expansion and remodeling of health facilities

at all levels such as the Intensive Care Unit (ICU) at the Barau Dikko Specialist Hospital, (BDSH) with a provision of N912,947,530.00, the 300 bed Specialist Hospital at the Millennium City, Kaduna with a provision of N976,446,025.60 and a provision of N465,905,000.00 for the Rehabilitation of Hajia Gambo Sawaba General Hospital, Zaria.

Furthermore, provision of N100,000,000.00 have been made for FMCH subventions to hospitals across the state, the sum of N253,072,655.00 have also been provided in the budget 2015 for the completion of the upgrade of PHC Fadan Kagoma to Rural Hospital.

Mr. Speaker, we have also made provision for medical care for some ailments such as tuberculosis, leprosy and HIV/AIDS as well as for Malaria Control Programme. It is also important to note that two key health care agencies namely; the Kaduna State Primary Health Development Agency (KSPHDA) and the Drug Management Agency (DMA) have commenced full operation and funds have also been proposed for their operations.

3. RURAL AND COMMUNITY DEVELOPMENT

Mr. Speaker, in our avowed commitment to opening up rural communities by improving the living conditions of rural dwellers, we have made provision to complete several ongoing projects embarked upon by various communities that will impact positively on the lives of our people. These projects include Special Intervention/Completion of Self Help Projects across the state with a provision of N348,816,010.00 as well as assistance to Community Development Associations which has a provision of N200,000,000.00 in the budget. We believe this support will further engender the communities to participate fully in our efforts to develop the state rather than leaving the task only to government.

4. AGRICULTURE

Mr. Speaker, we have continued with the transformation of the agricultural sector, to make farming more economically viable and more beneficial to both government and the people. To achieve this, the 2015 budget is to address some of the key challenges in agricultural practices such as enhancing farming techniques and mechanization. We have made provision of N386,015,920.00 for procurement of tractors and other farm tools to further enhance modern methods of farming in the state, N3,600,000,000.00 was provided for Growth Enhancement Support Scheme, and N1,000,000,000.00 for Commercial Agriculture Credit Scheme (Bank of Agriculture), Agriculture Enhancement Programme has provision of N139,392,500.00 amongst others.

5. WORKS AND TRANSPORT

Mr. Speaker, Honourable Members, completion of all ongoing roads projects in 2015 is our number one priority in this sector as doing so will facilitate the movement of goods and people for the economic growth of our dear state. These ongoing road projects located in both urban and semi-urban areas of the state are at various levels of completion some of these roads are Garu Kurama-Kurandai-Lere-Baudu-Kasuwa – 21.7km (Lere LGA)-60% completion, Hayin Jirgi – Bomo road-3.7km (Sabon Gari LGA)-52% completion, Igabi-Turunku road-8.5km (Igabi LGA)-75% completion, Farar Gada – Yakawada-Iyawata-28km (Giwa LGA)-48% completion, construction of road from Zonal Police Headquarters Kafanchan to Kaduna State University Campus Kafanchan Phase I (Jema'a LGA)-96% completion, Kwasam_Kushere-Geshere-45km (Kauru LGA)-24%,

Kwoi –Dura-Ankung-13km (Jaba LGA)-52% completion, Kwagiri-Kussom-Was-24km (Jema'a LGA)-35% completion, Gantang-Bahago- 3.7km (Kachia LGA)-52% completion, Sakaru-Bagaldi 9km (Soba LGA)-17% completion, Kagoma Township roads-8.7km (Jema'a LGA)-37% completion, Ung. Idi – Kusheka-5km

(Kauru LGA)-60% completion, Kagoro – Manchok – Mabushi road-34km (Kaura/Z.Kataf LGAs)-75% completion, Jere – K/Jibrin – Kwoi – Kafanchan road-63/44km (Kagarko/Jaba/Jema’ a LGAs)-75% completion.

To address the situation of some roads within Kaduna Metropolis, we have made provision for rehabilitation of several link roads within the capital as well as rehabilitation of those that are in bad shape. The sum of N26,897,244,345.00 have been provided and the proposed 2015 budget for the completion of various road projects and river crossings in the state.

6. WATER RESOURCES

Mr. Speaker, provisions have been made for the completion of various water projects across the state such as the remaining phases of the Zaria Regional Water Scheme, which, as you are aware, is partly being funded by external loans from both the Islamic Development Bank (IDB) and the African Development Bank (AfDB). Other water supply projects that have been addressed in the 2015 Budget include, the Emergency Water Supply Programme with a provision of N800,337,540.00, Fadan Kagoma Water Supply Scheme (Design and Construction supervision) with a provision of N76,000,000.00, Rehabilitation of Materi Dam in Soba Local Government Area with a provision of N76,908,690.00, Kachia Water Supply Project (Design) N166,000,000.00, Consultancy Services and Construction of tube wells Birnin Gwari Water Supply Scheme N152,000,000.00 Water Reticulation within new Housing Estate N320,729,415.00 as well as completion of 680No. of Hand Pump Boreholes (2012 Constituency Projects) with a provision of N736,017,480.00 amongst other numerous projects.

SUBSIDY RE-INVESTMENT PROGRAMME (SURE-P)

Mr. Speaker, Honourable Members, we intend to continue to ensure that funds accruing to the state from the Subsidy Re-investment Programme are channeled towards critical sectors of the economy. Mr. Speaker, Honourable Members and

Fellow Citizens of Kaduna State; these are just synopsis of what the 2015 budget seeks to achieve. We recognize the fact that effective management of scarce public resources constitutes one of the most fundamental responsibilities as well as challenges of government. We would therefore continue to judiciously apply funds to finance projects, programmes and activities earmarked in the budget in a transparent and accountable manner for the overall development and prosperity of our people.

CONCLUSION

Mr. Speaker, Honourable Members, let me at this point once again express our deep appreciation to this Honourable House for the continued support and cooperation we have enjoyed since our assumption of office. I believe that our working closely together as legislative and executive arms of government, will guarantee transparency and accountability in governance, which will help in not only ensuring delivery of democracy dividends to our people but will also deepen the process of representative governance. While urging this Honourable House to kindly consider and expeditiously pass these budgets to enable us commence implementation in earnest considering our relentless commitments to take our state to an enviable height. I wish to once more thank Mr. Speaker and all Members for availing us the opportunity to present this budget estimates today. I also thank you all most sincerely for your patience throughout the presentation. May we emerge victorious at the polls as we present our good selves to the electorate for election. I wish you Merry Christmas and prosperous New Year in advance. May God bless us all.