



**Kaduna
State
Budget**



2023 BUDGET

Budget of Continuous Growth & Development

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2023: Budget of Continuous Growth & Development

KADUNA STATE



KADUNA STATE

PLANNING AND BUDGET COMMISSION

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WHAT IS A BUDGET

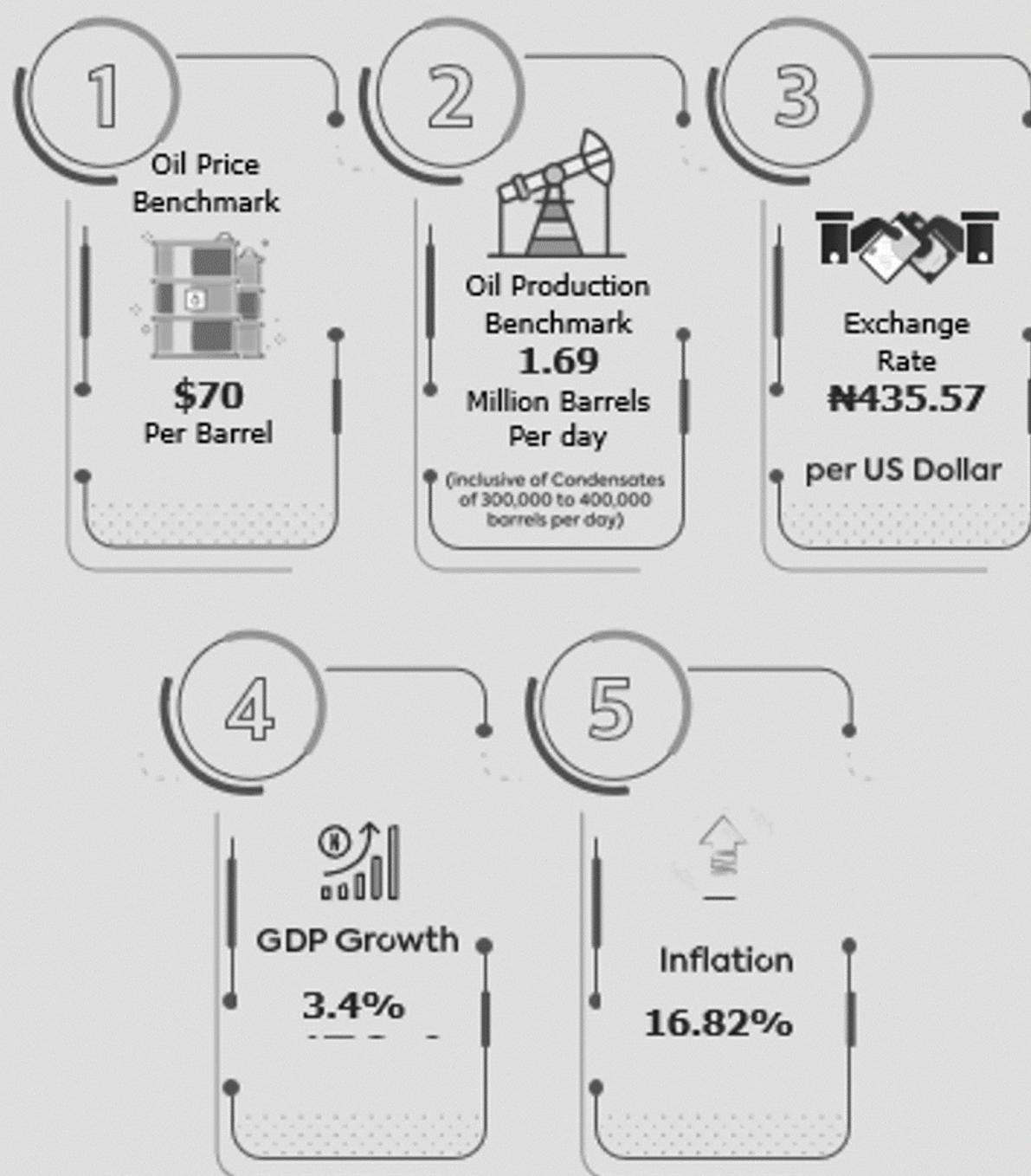
A Budget is like a plan; it shows what the government is expecting as income (popularly called revenue) and what the government plans to spend the money on, which is called expenditure.

A Budget is a document which also has details about how the government plans to spend your money. This money maybe your personal share of Nigeria's wealth which the Government has collected on your behalf: e.g revenue, or your contribution, which you pay as tax to the government. The Budget also contains other details: for instance, it will show whether the government intends to save or borrow money within the specified year.

Local Governments, State Governments, and the Federal Government all have Budgets. The Budget document is called an Appropriation Act. Appropriation is the legal authority granted to the Government to spend your money on your behalf. This is done by the Legislature - the National Assembly or State House of Assembly.

When you vote for anyone in an election, you are simply giving the person the legal authority to approve and spend money on your behalf.

MACRO-ECONOMIC ASSUMPTIONS





Budget Breakdown

2023 Budget of Continuous Growth and Development

Where Will the Money Go?



N240.97bn
64.01%
Capital Budget

N135.48bn
35.99%
Recurrent Budget

N376.45bn
BUDGET SIZE



Budget Breakdown

2023 Budget of Continuous Growth and Development

REVENUE



For the first time in the history of Kaduna State its IGR is surpassing Statutory Revenue.



Internal Grants

N62.76bn

External Grants

N20.99bn

An illustration of a hand in a blue suit sleeve holding a large blue money bag. The bag is tied at the top and has the text "TOTAL GRANTS N83.75bn" written on it in white.

**TOTAL
GRANTS
N83.75bn**

GRANTS

Grants are non-refundable funds disbursed to the Government to execute projects. Grants are like gifts to the Government



PREVIOUS SAVINGS

The amount of money in a Government's account that is brought forward at the start of the fiscal year.

Opening Balance





Total Loans

N61.66bn





2023 Spending Plan

N376.45bn



N43.84bn

Overhead Cost



N56.17bn

Personnel Cost



N240.97bn

Capital Projects

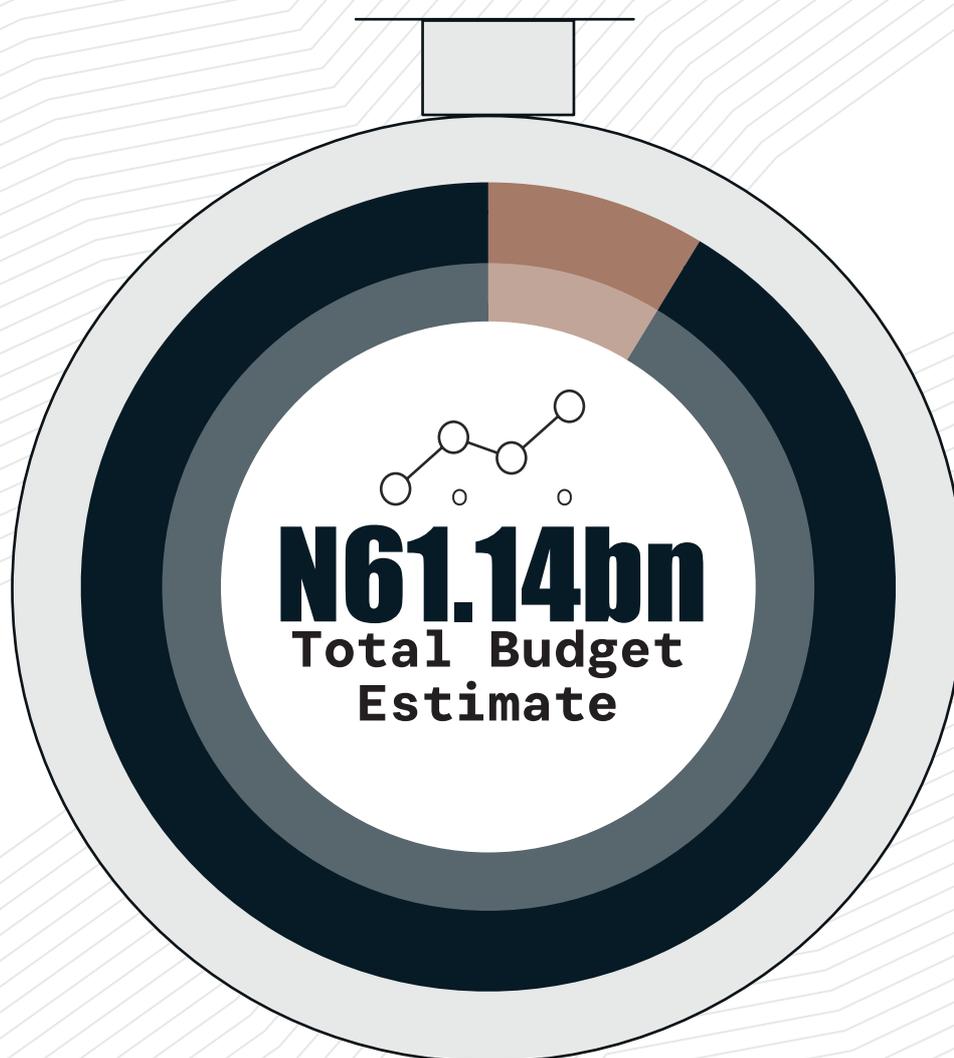
Public Debt Charges

N35.44bn



Economic Sector

2023 Budget of Continuous Growth and Development



N5.49bn
Recurrent

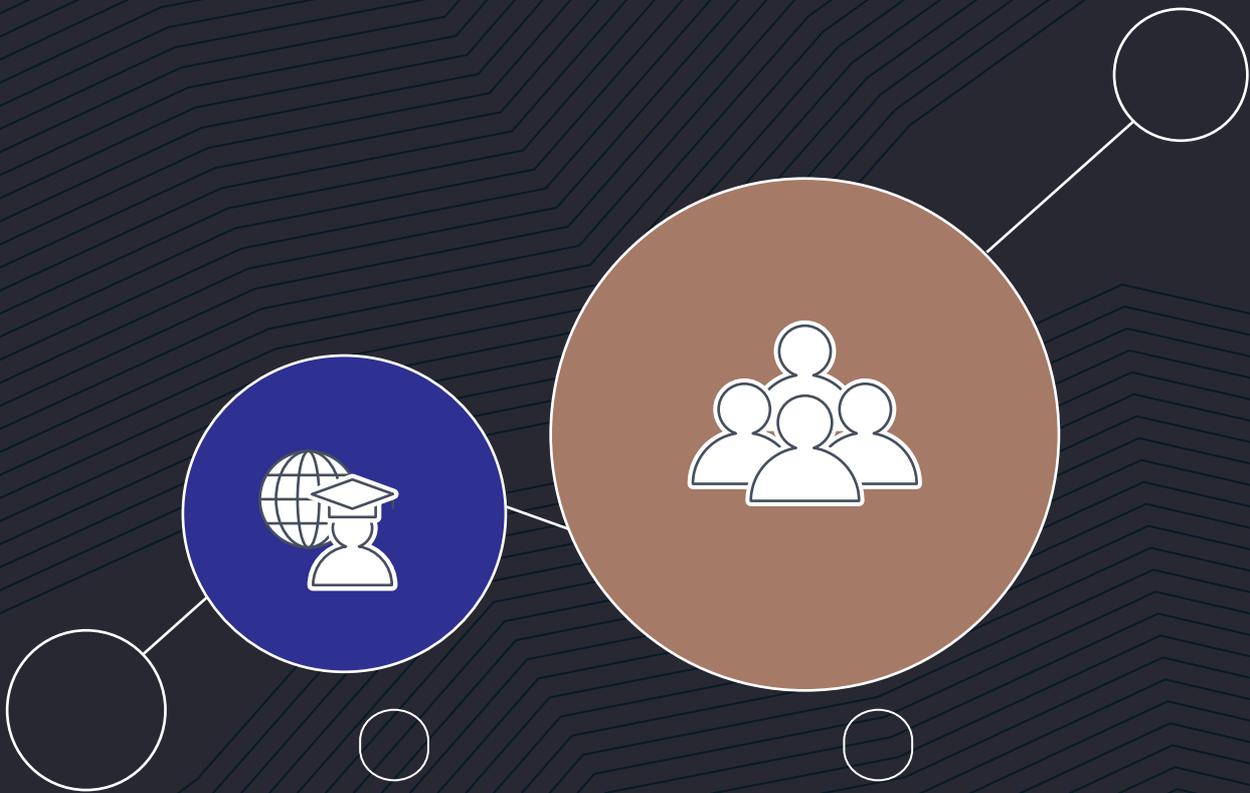
N55.64bn
Capital





Social Sector

2023 Budget of Continuous Growth and Development



N51.32bn

Recurrent Budget

N126.13bn

Capital Budget

N177.46bn

TOTAL BUDGET



Education Sub-sector

2023 Budget of Continuous Growth and Development



N76.42bn



N28.99bn

Recurrent Budget

Capital Budget

N105.42bn

TOTAL BUDGET



Health Sub-sector

2023 Budget of Continuous Growth and Development



N17.36bn

Recurrent Budget

N41.73bn

Capital Budget

N59.09bn

TOTAL BUDGET



Social Devt.

Sub-sector

2023 Budget of Continuous Growth and Development



N51.32bn

Recurrent Budget

N126.13bn

Capital Budget

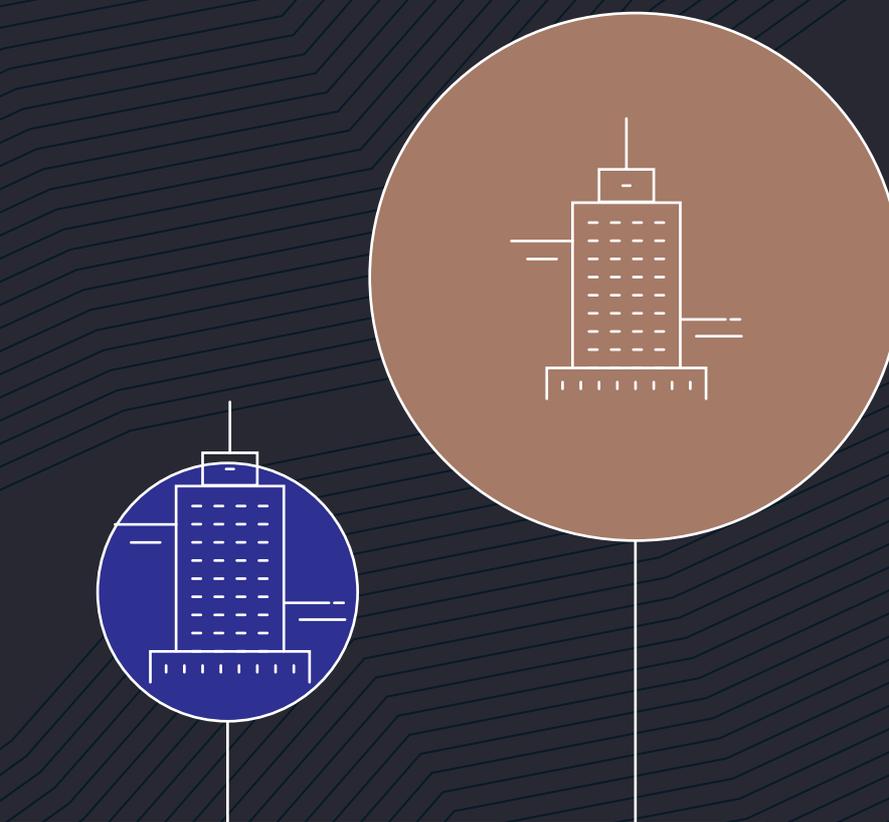
N177.46bn

TOTAL BUDGET



Regional Sector

2023 Budget of Continuous Growth and Development



N1.28bn
Recurrent Budget

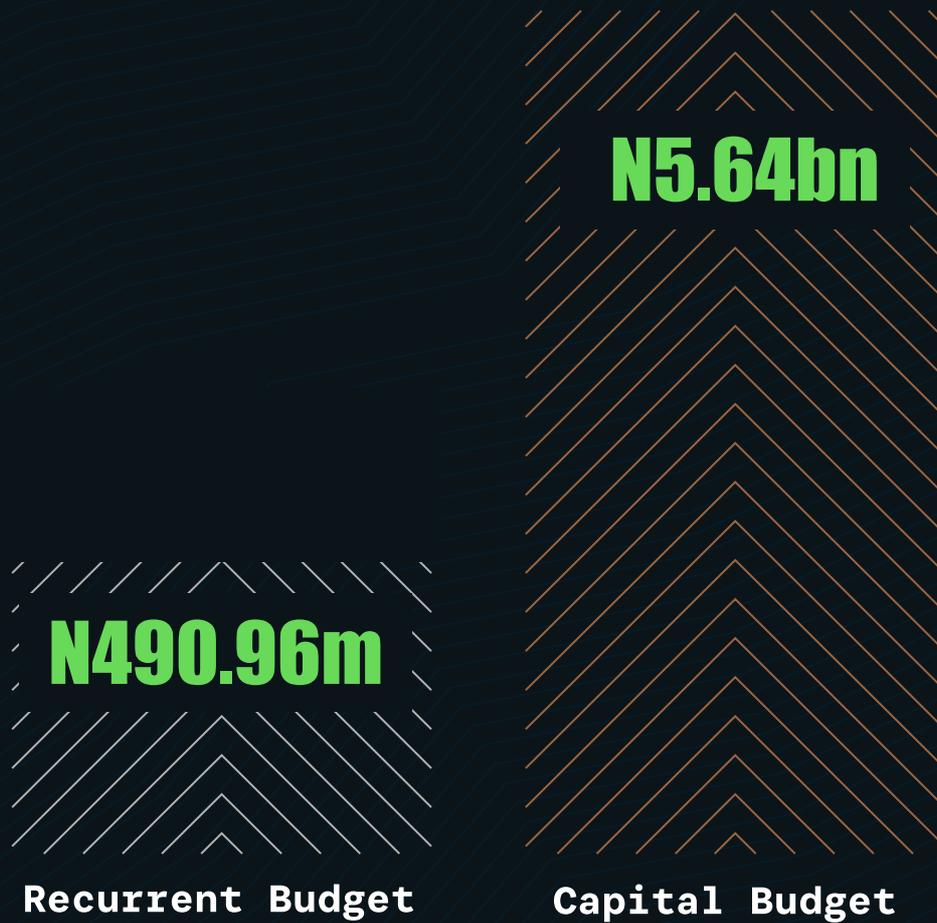
N18.60bn
Capital Budget

N19.88bn
TOTAL BUDGET



Zaria Metropolitan Authority

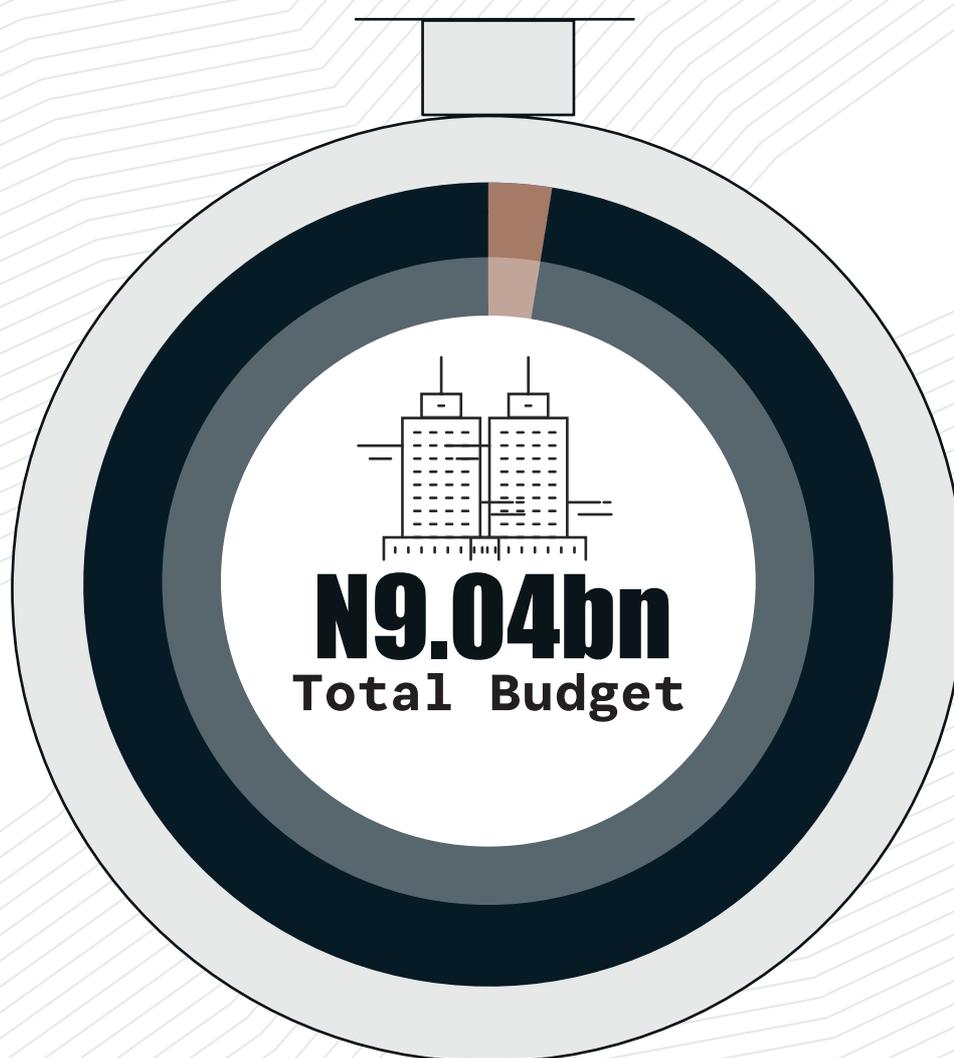
2023 Budget of Continuous Growth and Development





Kaduna Capital Territory Authority

2023 Budget of Continuous Growth and Development



N633.86m
Recurrent

N8.40bn
Capital



Kafanchan Municipal Authority

2023 Budget of Continuous Growth and Development

N4.55bn

N159.88m

Recurrent Budget

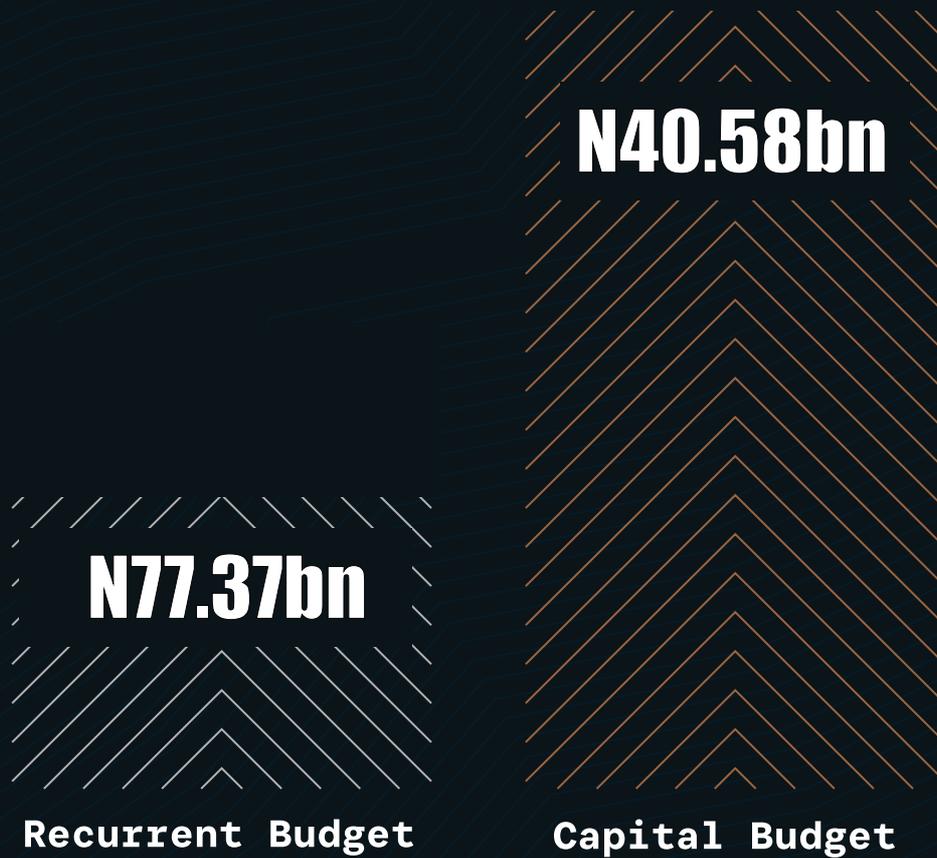
Capital Budget

N4.71bn
TOTAL BUDGET



Administrative Sector

2023 Budget of Continuous Growth and Development

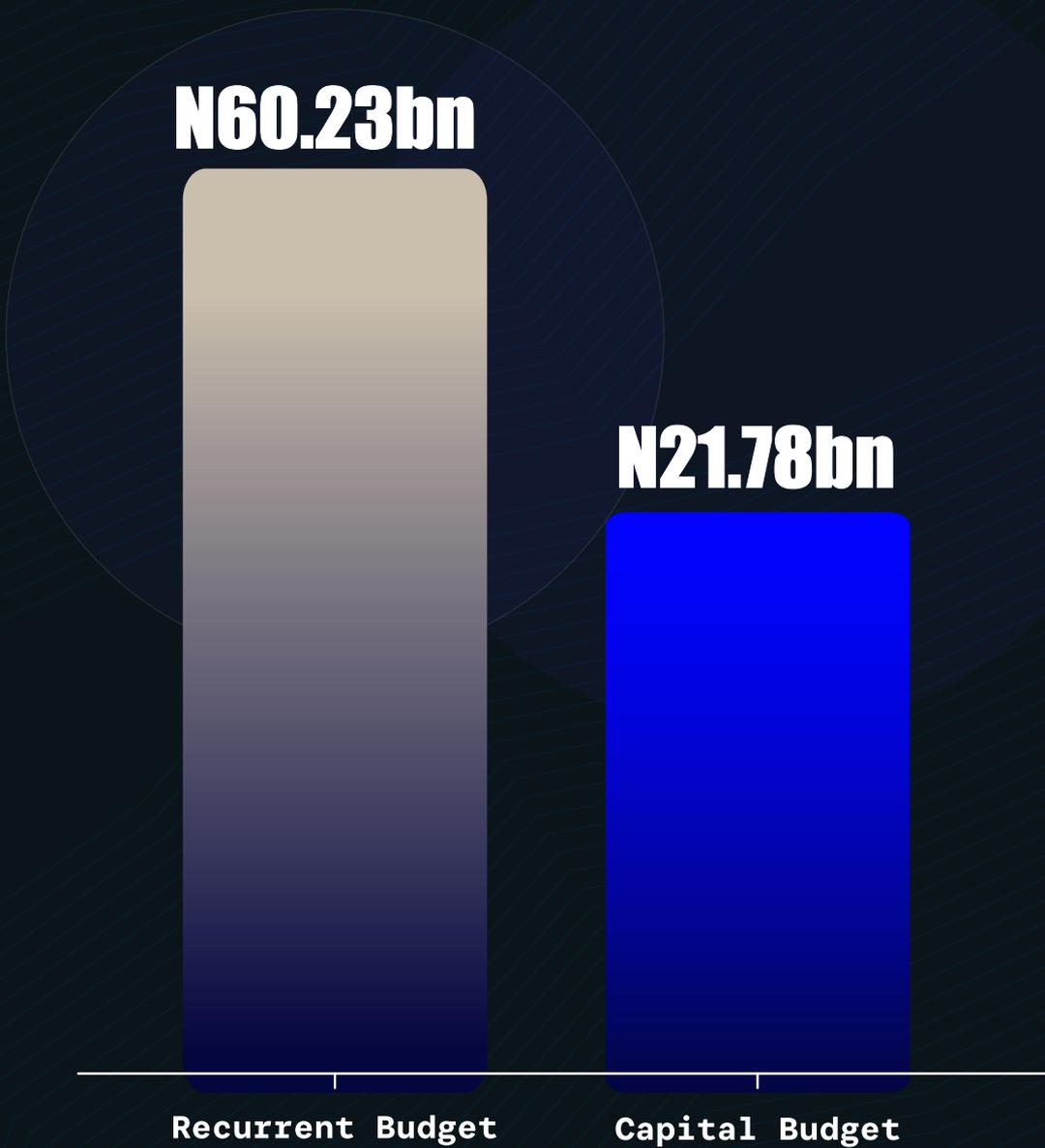


N117.95bn
TOTAL BUDGET



Executive Sub-sector

2023 Budget of Continuous Growth and Development

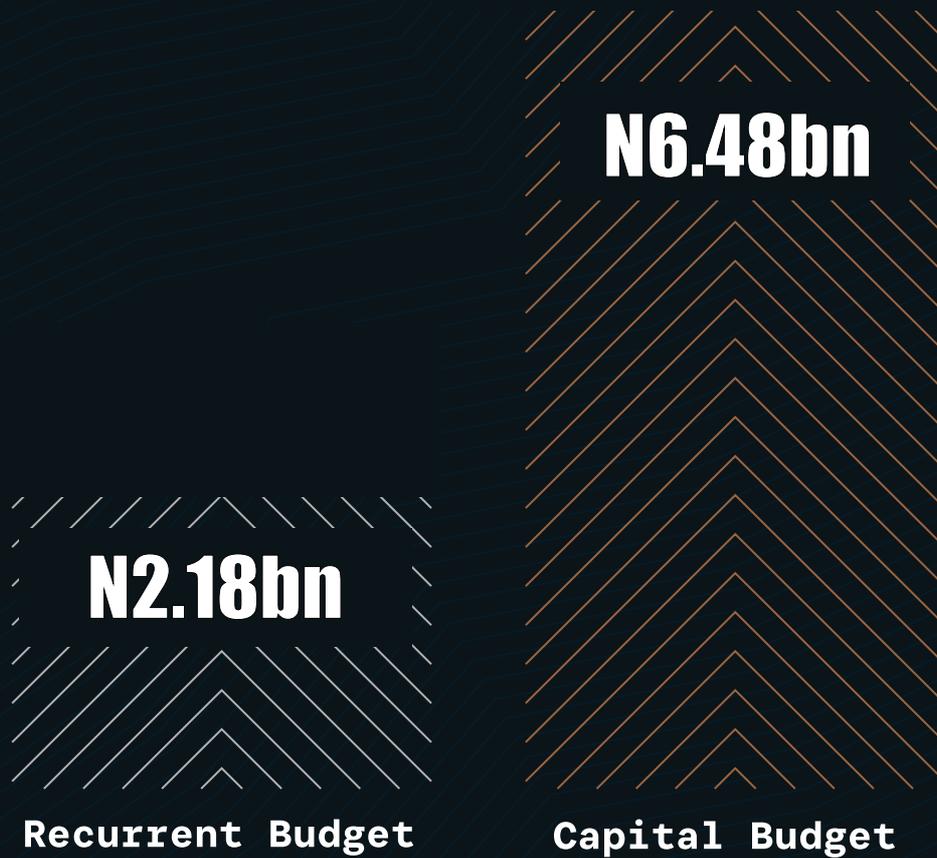


N82,01bn
TOTAL BUDGET



Governance Sub-sector

2023 Budget of Continuous Growth and Development

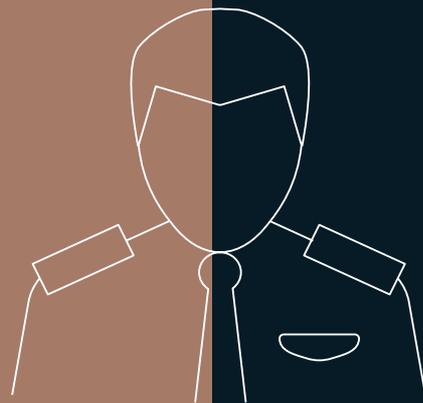


N8,67bn
TOTAL BUDGET



Security Sub-sector

2023 Budget of Continuous Growth and Development



N4.14bn
Recurrent

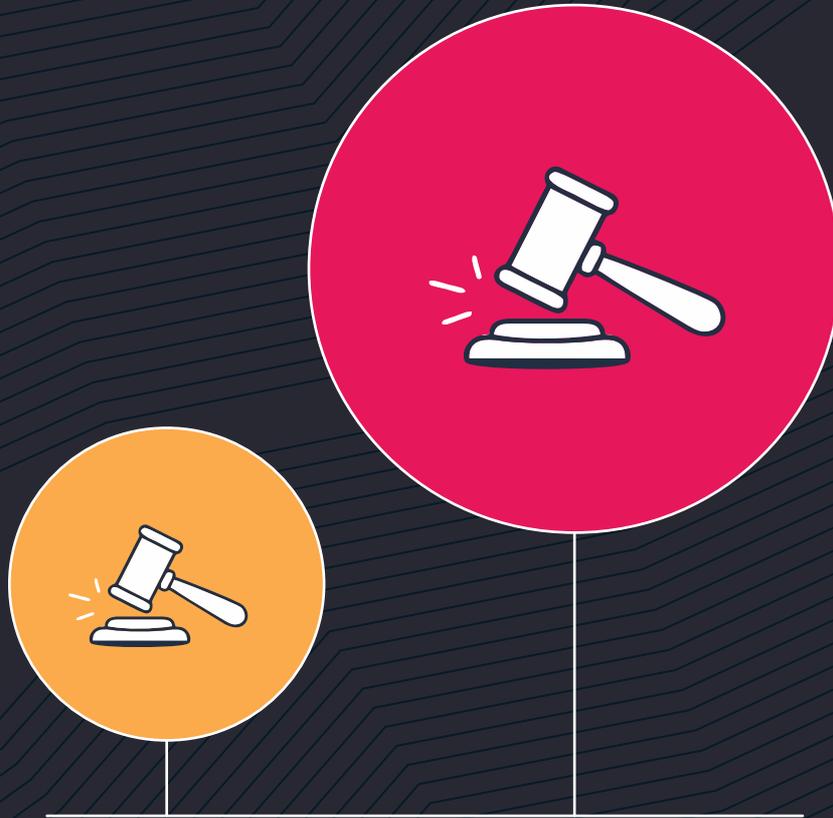
N4.18bn
Capital

N8.32bn
TOTAL BUDGET



Judicial Sub-sector

2023 Budget of Continuous Growth and Development



N3.41bn
Recurrent Budget

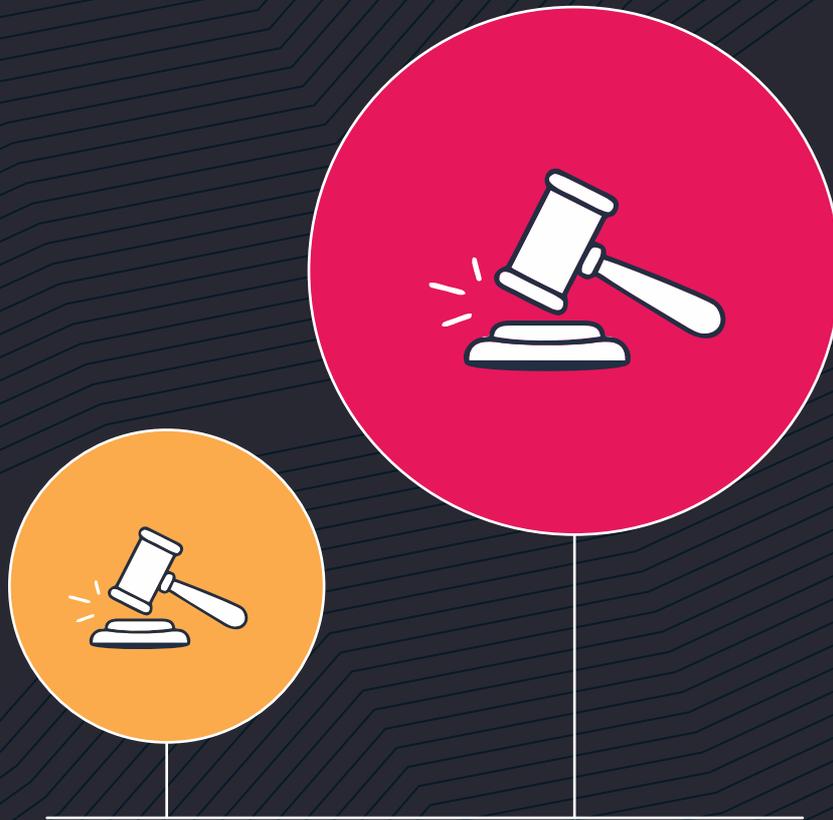
N3.56bn
Capital Budget

N6.98bn
TOTAL BUDGET



Legislative Sub-sector

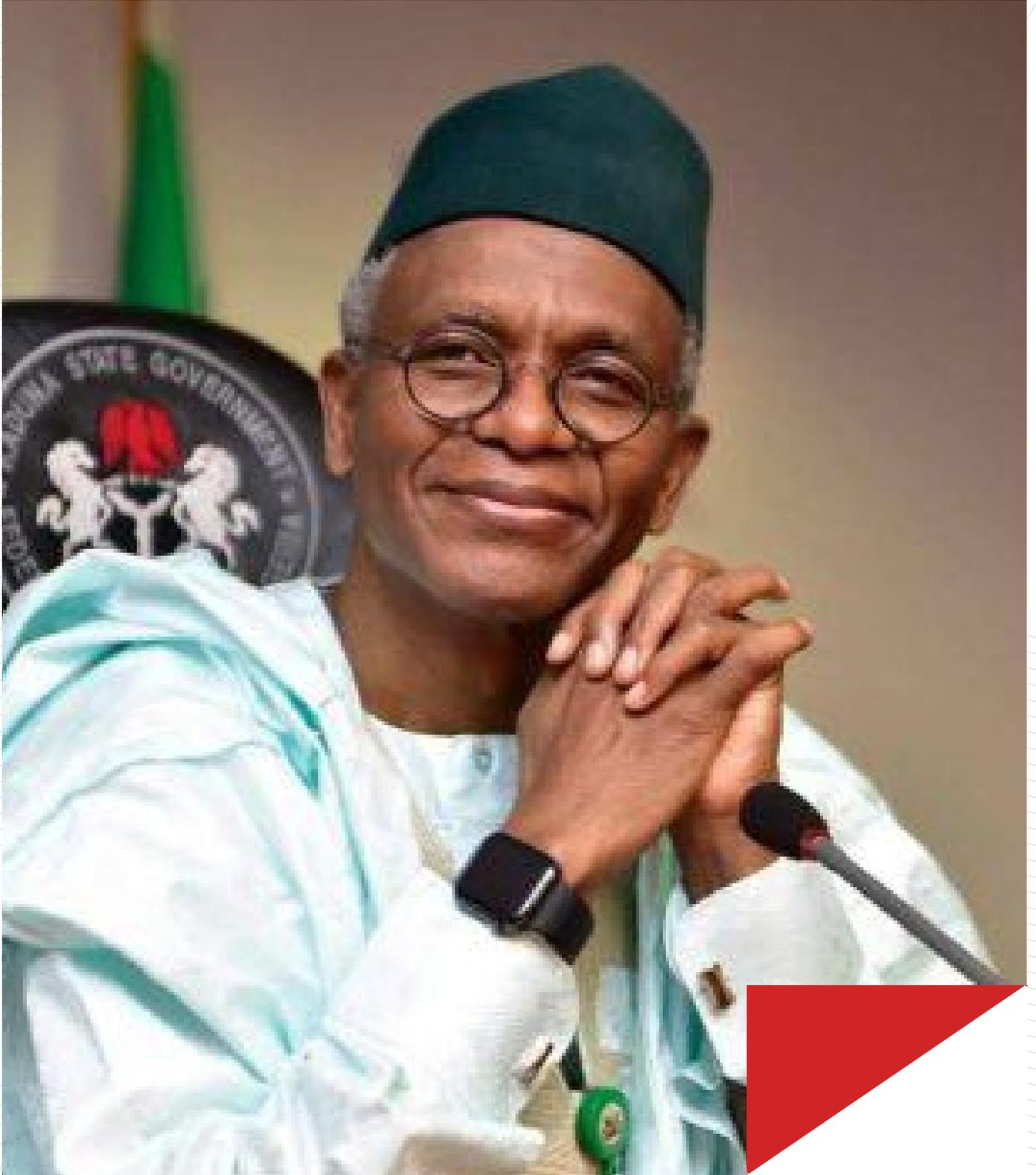
2023 Budget of Continuous Growth and Development



N3.41bn
Recurrent Budget

N3.56bn
Capital Budget

N6.98bn
TOTAL BUDGET



Nasir Ahmad El-Rufai, OFR
Governor of Kaduna State



GOVERNOR'S SPEECH

Remarks by Malam Nasir El-Rufai, Governor of Kaduna State, at the presentation of the 2023 Draft Estimates of Revenues and Expenditure to the Kaduna State House of Assembly, on Tuesday, 18 October 2022.

1. Let me begin by expressing my profound gratitude to the Honourable Members of the Kaduna State House of Assembly for the opportunity to address you today. I recall vividly the warmth of the reception when I first entered this chamber as governor on June 10, 2015, less than two weeks after we took office.
2. During that first visit, I was able to update this House on the preliminary findings from the briefings we began receiving from ministries, departments, and agencies in our first week in office. I concluded my update by requesting a constructive partnership between the three arms of the Kaduna State government in the important task of improving the wellbeing of our people and delivering progressive outcomes for them.
3. Speaker, I am glad to say that the Kaduna State House of Assembly has been a positive partner in the last seven years. There may have been a few storms and stresses along the way. But the honourable members of this House have been supportive of our efforts to reform governance and build the foundations for a new era of progress and development in Kaduna State. We have sent many executive bills over the last seven years, and this House has commendably discharged its duty of enacting vital legislation. I wish to register the gratitude of the government for the 140 laws so far enacted by this House.
4. I stand before this House for the final time as governor with immense gratitude to Almighty Allah for the work He has enabled us to do to uplift Kaduna State. We have since May 2015 erected the platform for Kaduna State to takeoff. Rooted firmly in new laws and a robust approach to governance, our reform efforts have been about putting people first. That is by prioritising the delivery of public goods that build human capacity, that improve public wellbeing and that promote equality of opportunity for all the residents of our dear state.
5. In 2015, we committed ourselves to develop human capital by investing in education, healthcare and social welfare; institute a good governance system that is founded on a competent and responsive public service; foster security; maintain, rebuild and expand Infrastructure (including water supply, electricity and road networks) to accelerate economic growth that will create jobs, jobs and more jobs; promote agriculture and food security and reform land administration as a basis for wealth creation and capital formation, while preserving and enhancing environmental management.
6. We have been successful in accomplishing much of our governance agenda. Our governance attainments were achieved amidst considerable hurdles. Fiscal challenges threatened our ambitions, but we tapped into other funding sources to enable us implement some of our projects. Security challenges and the consequences of a pandemic and two



national recessions have also proven to be severe limiters, but we have persevered in doing the work needed to make the future of Kaduna State more glorious than its past.

7. This government has worked to make healthcare more accessible. Each of our 255 wards now has a staffed and equipped primary health care centre. We have installed solar power in some of them, enabling those ones to offer 24-hour services. All our Primary Health Centres are run by the same board to help standardise the level of care that residents can expect.
8. We have upgraded secondary health facilities and rural hospitals and staffed them. We made the necessary investments to secure accreditations for Barau Dikko Hospital as a teaching hospital and for the clinical programme of KASU. This enabled KASU to begin graduating medical doctors, rather than having to send medical students elsewhere for clinical training.
9. These improvements in health care have helped to make pregnancy less hazardous for mothers and children alike. We are reducing maternal and infant mortality and enabling more women to give birth with trained personnel in attendance. Immunisation coverage has been expanded to protect more children against vaccine-preventable diseases.
10. We have supported the Kaduna State Health Supplies Management Agency (KASHMA) to provide our health facilities with the required medicines and other consumables. Hard to reach areas are already being served through delivery by drone, courtesy of our partnership with Zipline. The contributory health insurance scheme we introduced in 2018 is helping enrollees to access healthcare without incurring out of pocket expenses.
11. Speaker, I am delighted to inform you that Kaduna State is poised for recognition as a centre for specialist medical services, including cancer treatment. We have signed an agreement for an international firm to manage the 300-bed specialist hospital which is nearing completion. We have persuaded the Islamic Development Bank to provide funding for a cancer centre there, and we have no doubt that this will help reduce medical tourism.
12. This government has undertaken similar efforts to expand access to education. We introduced free basic education for the first 12 years of schooling, from Primary 1 to the completion of SS3. We launched a programme to renovate schools, provide furniture and sanitation, increase the number of classrooms, and build new schools where necessary. We have not reached all the 4,250 public primary schools in the state, but we have mitigated the worst instances like in Rigasa where in one primary school over 20,000 pupils were being taught in tents.
13. We are consistently trying to improve teacher quality and teaching standards in our public schools to ensure that pupils graduating from our schools have the skills and knowledge to enable them to successfully climb the ladder of opportunity and social mobility.
14. Speaker, this focus on human capital development explains why education and health have consistently had the highest allocations in all the budget estimates we have presented to this honourable House. We have accompanied this with social welfare initiatives like the Kaduna State Women Empowerment Fund (KADSWEF), the Kaduna State Start-up Entrepreneurship Fund (KADSTEP), the school feeding programme, and collaboration



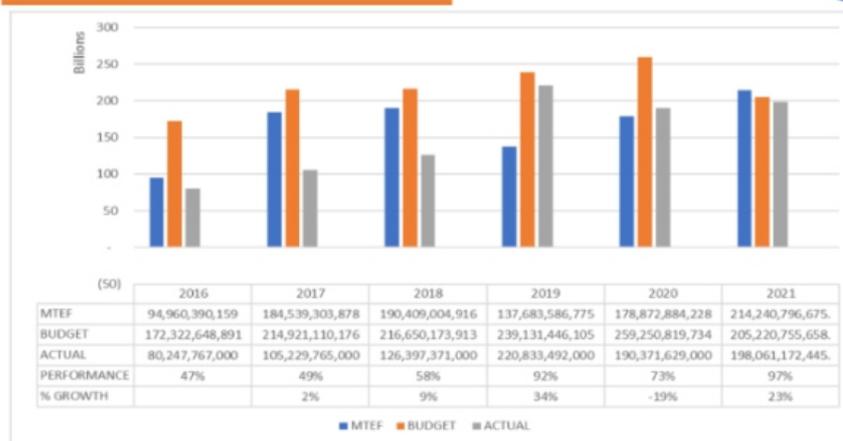
with the Federal Government through our Social Investment Office on various social programmes. Kaduna State has so far enrolled into the state social register almost 3m poor and vulnerable persons from 778,662 households.

15. Our programme to register the residents of Kaduna State has so far registered 5.3m persons. This is slightly more than half of the estimated population of Kaduna State, but it is one of the highest rates of identity registration in the country.
16. Speaker, we are especially delighted that our investment drive has been successful in bringing new businesses to the state. Private investors have poured billions of dollars into our state in businesses like hatchery and feed mill, livestock ranching and dairy iron and steel, tomato processing, fertilizer blending, pharmaceuticals, automobile assembly, ICT, housing, shopping malls and markets. These businesses are creating direct and indirect jobs and bringing new skills to the state.
17. As you are aware, the African Development Bank has selected Kaduna as one of the eight states in which a Special Agro-Processing Zone will be built and run. This will help to further leverage on our endowments in agriculture in developing our state.
18. This investment drive has been accompanied by massive investments in infrastructure to improve the wellbeing of residents and encourage economic competitiveness. The urban renewal programme we launched in 2019 is an unprecedented investment in infrastructure upgrade and expansion in our three major cities: Kaduna, Kafanchan and Zaria. Many of the urban renewal projects have been completed and commissioned. Several other projects await completion, and we seek the cooperation of this House to enable the completion of as many of them as we can.
19. With the support of this House, we have enacted laws to create metropolitan authorities to manage each of these three major cities as organic entities, maintain the municipal infrastructure and build more as required. The urban renewal programme extends the investments in rural trunk and feeder roads we made in the first term.
20. Speaker, we have completed the Zaria Water Project. We have signed an MoU with the Federal Government for the Greater Kaduna Water Supply Project. This entails the FG building the Itisi Dam, while KDSG will build the water treatment plant and the infrastructure to deliver the treated water to homes and businesses.
21. We hope to complete an 84MW thermal power plant before leave office next year. The two gas turbines required for the project are being expected from the UAE. Kaduna State is also part of the project to build 100MW solar power plant in each of the 19 northern states and the FCT.
22. One of our earliest decisions was to establish the Kaduna State Geographic Information Service (KADGIS) to land administration in the state. KADGIS has digitised the land registry, and enabled residents to get valid land titles through systematic property registration and the recertification programme. The work done by KADGIS has enabled me to sign over 50,000 certificates of occupancy since 2016.



23. We have done all these in an environment that has compelled us to spend more money on security than a subnational would under normal circumstances. It is our earnest hope that ongoing military operations will be sustained to enable our people to live in peace, farm in peace, do their business in peace, worship in peace and relax in peace.
24. As a progressive government, we have promoted women and young people into positions of responsibility. Our State Executive Council has more female commissioners than men. We have enacted laws for child welfare and protection, initiated public service reforms, paid inherited arrears of gratuity and death benefits and tried to run a decent contributory pension scheme. We are the first government to pay the new national minimum wage following which we also raised to N30,000 the minimum monthly pension for retirees on the old defined benefit system.
25. Our government has structured a mortgage and foreclosure system for the state. We are implementing an unprecedented transfer of wealth to traders at the Sheikh Gumi market. Across the state, we are building new markets and empowering traders with single-digit interest mortgages to pay for them.
26. Speaker, a review of budget performance since our first full budget in 2016 indicates that the 2021 budget performed at 97%. This is the highest ever in the history of the state. In fact, our second term budget performance has not been less than the 73% recorded in 2020. Budget performance was 92% in 2019, dipped to 73% in 2020 due to Covid-19, before recovering to 97% in 2021.

Budget Performance 2016 - 2021



The Draft 2023 Budget of Continuous Growth and Development

27. Uncertainties persist in the global economy. Promising signs of a sustained recovery from Covid-19 have been replaced by fears of inflation and recession in the major economies. This economic climate may affect demand for Nigeria's main export, petroleum, with consequences for the exchange rate, prices and general economic performance. The proposed 2023 budget estimates assume that crude oil prices will stabilise around USD70 per barrel and that the official exchange rate will be around N435.57 to the dollar. Considering these economic parameters, the draft 2023 estimates are based on the following considerations:



- Making provisions for funding of ongoing vital infrastructure projects.
- Maintaining the minimum budgeting baseline model of 60:40 ratio of capital to recurrent.
- Education and Health sectors holding a minimum of 26% and 15% of the total proposed budget respectively.

28. Speaker, Honorable Members, as we present for your consideration our eight and final draft budget, it is with a consciousness that this government will continue to discharge its responsibility to the people of this state as vigorously in these final months as we did at inception.

29. The revenue and expenditure estimates that we present today for your consideration conforms to the governance agenda that we have expounded since 2015. The draft 2023 budget prioritises the Education and Health of our people. It maintains the capacity of the government to fund significant infrastructure to improve citizen wellbeing and retain economic competitiveness.

30. The proposed 33bn 2023 Draft Budget is a 21.82% increase from the 2022 revised appropriation of N303.99bn. The sum of N242.21bn is proposed as capital expenditure, and N127.7bn as recurrent expenses in the 2023 estimates. The capital to recurrent ratio of 65.5% to 34.48% reflects our consistent commitment to investment over consumption.

31. The 2023 estimates maintain our focus on human capital development. Our proposal allocates 45.34% of the budget to Education and Health. The allocations of 29% to the Education sector and 16.05% to Health leave no doubt about our abiding commitment to human capital development.

32. Speaker, Honourable Members, permit me to present the detailed summary of the recurrent and capital allocations, and to outline the proposed allocation to each sector:

33. GENERAL SUMMAR

The summary of the 2023 – 2025 Draft Revenue and Expenditure Estimates are as follows:

1. Recurrent Revenue Projections 2023

2.	Internally Generated Revenue	₦93,277,209,534.01
4.	Others (Exchange Gains, Excess Bank Charges, Equalization Funds and Ecological Funds)	₦ 3,442,854,825.50
	TOTAL	₦192,739,841,880.68

2. Recurrent Expenditure Estimates 2023

	Overhead Cost	₦79,140,347,747.93
	NET RECURRENT REVENUE	₦65,035,396,405.02



3. Transfer to Capital Budget 2023

Less Recurrent Expenditure	₦127,704,445,475.67
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4. Capital Accounts Funds 2023

Recurrent Budget Surplus	₦65,035,396,405.02
Internal Loans and Credit	–
External Loans	₦61,662,182,999.07
Sales of Government Assets	₦4,000,000,000.00

5. Capital Expenditure Estimates 2023

The sum of ₦242,217,212,999.45 has been allocated as Draft Capital Estimates across sectors as follows: –

Agriculture	₦750,417,543.75
Housing and Urban Development	₦7,389,719,950.74
Total for Sub-Sector: Economic	₦56,733,789,850.94

Sub-Sector: Social	
Health	₦44,109,545,330.71
Total for Sub-Sector: Social	₦131,953,005,430.15



Sub-Sector: Regional	
Kaduna Capital Territory Authority	₦8,813,025,792.19
Total for Sub-Sector: Regional	₦19,344,175,792.19
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Sub-Sector: General Administration	
Governance	₦6,488,342,954.91
Legislature	₦2,561,633,780.50
Grand Total	₦242,622,658,791.64
Kafanchan Municipal Authority	₦4,553,850,000.00
Executive	₦24,476,472,669.75
Law and Justice	₦1,065,238,313.19
Total for Sub-Sector: Gen. Admin	₦34,591,687,718.36

34. Speaker, the 2023 budget estimates make provisions for continued pro-poor interventions in nutrition, health care, skills acquisition and empowerment funds for women, youths, and vulnerable groups. Along with provisions for the Social Investment Programme, these pro-poor interventions are costed at N11.32bn, representing about 3% of the proposed budget size.

35. Speaker, we shall shortly be forwarding the Finance Bill for 2023, to reflect proposed amendments to the Tax Code. The Finance Bill is a flexible mechanism to enable annual adjustments for raising revenues that would be required to implement the Budget. Its



enactment does not require a reenactment of the Tax Consolidation and Codification Law.

36. This final budget concludes eight years of determined effort to make lives better by putting people first. We have implemented empowerment policies, respecting people our enough to free them from dependence on those who insert themselves between the treasury and the people. We have diligently sought to promote equal opportunity, improve human capital development, build infrastructure, attract new businesses, support existing ones and run a system that promotes the ease of doing business. We have reformed government, while celebrating what was good in the past, honouring people and completing inherited projects. We have done our best amidst the continuum that disciplined governance should be.
37. Speaker, our governance journey since 2015 has had smooth phases as well as rough junctions. We have been sustained in sadness and joy by faith and our commitment to our sacred oath to do our best for the people of Kaduna State. We are proud of our record of governance. We have charted a new path forward. We will be leaving it to our successors to further extend, build on and expand our efforts to deliver progressive outcomes for our people. The roadmap is clear, anchored on the State Development Plan and a relentless focus on robust policies and capacity to implement through an efficient public service.
38. Speaker, I am delighted to inform you that we shall be proceeding to commission the OCP fertiliser blending plant after the budget presentation today. This will improve fertilizer availability for our farmers. It will also enable us to resume the partnership with OCP that helped us exit the inefficient fertilizer subsidy regime in 2016.
39. We have made Kaduna State better and giving our successors a strong base from which to carry the baton still further to achieve more for our people.

Thank you for listening.

Nasir Ahmad El-Rufai, OFR
Governor of Kaduna State
18th October 2022

