



**KWARA STATE GOVERNMENT**



**UNVEILING KWARA STATE  
INTERNALLY GENERATED REVENUE POTENTIALS:  
A COMPARATIVE ANALYSIS**



# VISION: Looking to the future

**This is in line with the vision of HE, Bukola Saraki, Executive Governor of Kwara State “to build a lasting Legacy that would lay the foundational framework for the Kwara State Government to achieve Fiscal Autonomy, Build a Strong 2<sup>nd</sup> Tier of Government, Practice True Federalism , and building a sustainable democracy in an effective, efficient, honest and transparent manner in the interest of the electorates”.**



## **GAP ANALYSIS**

### **"Helping State Governments in closing the Gap**

**According to the “Gap Analysis” focused on State Governments conducted by IdeaEdge Consulting on 18 States during the NGF Peer Review; the following were revealed:**

**GAP1-The people:** States are a combination of complex “**people-to-people**” configurations that always require home-grown, grassroots and native-intelligence to succeed.

**GAP2-The Economy:** IGR enhancement is the only sure future for State Governments to meet developmental goals and also ensure rapid economic growth without increasing the taxpayers burden.

**GAP3-The Political Equation:** States are faced with the challenges of meeting the needs of impoverished and uneducated electorates alongside achieving modernization goals for becoming a civilized society.





# RATIONALE

- 1) Fiscal Autonomy for State & Local Governments which shall Deepen and Strengthen our Federalism System.
- 2) Diversification of other Sources of Revenue Generation within the Value Chain for Resources Mobilization and Allocation without increasing the taxpayers burden.
- 3) Empowerment and Integration of the Informal Sector into the Taxpayers Database Management system.
- 4) Installation of a robust Financial Management Infrastructure for IGR enhancement.

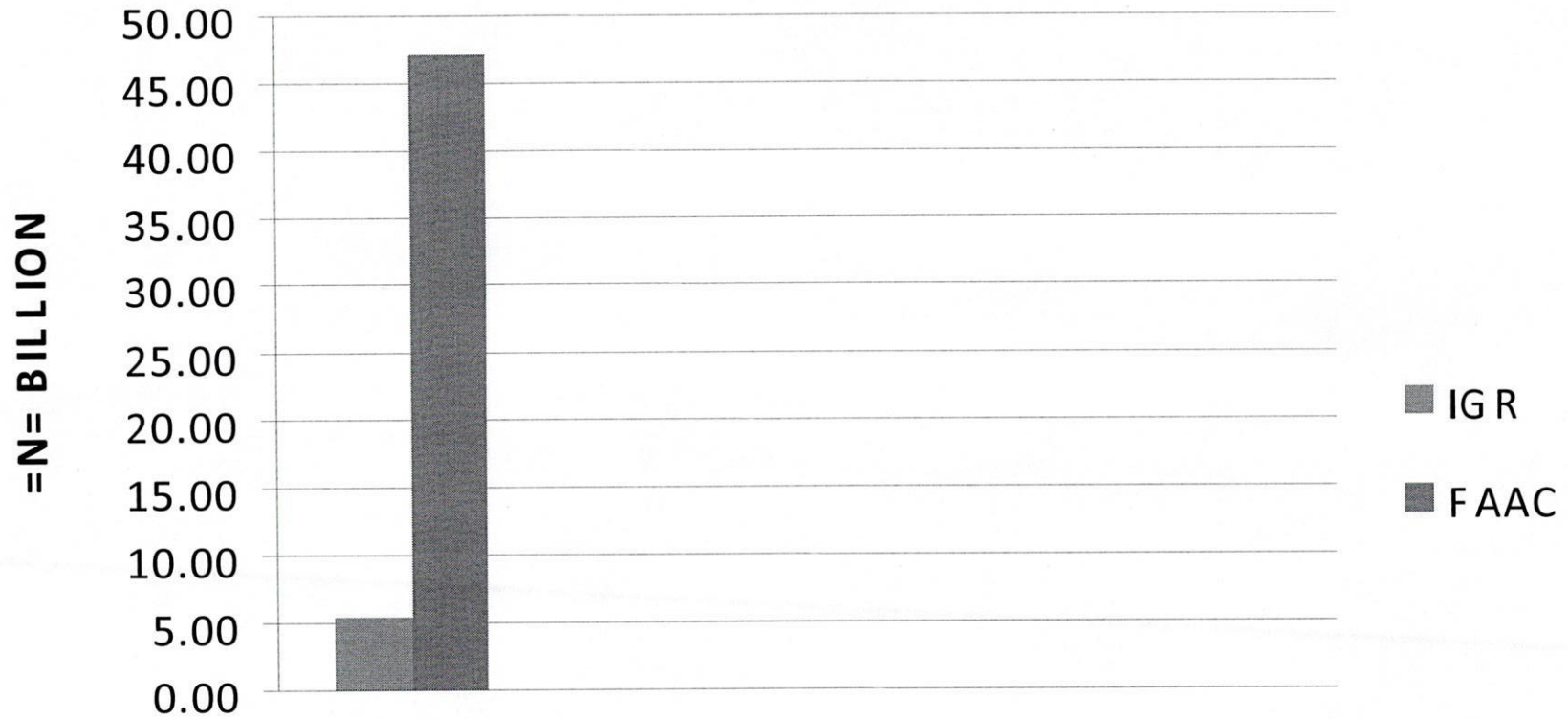


# DATA

- The following are data used in generating the chart below;
- Federation Account (FAAC): 2008
- Internally Generated Revenue (IGR): 2005-2009
- Recurrent Budget: 2008
- Capital Budget: 2008
- Budget Total: 2008
- External Debt Deductions: 2008.



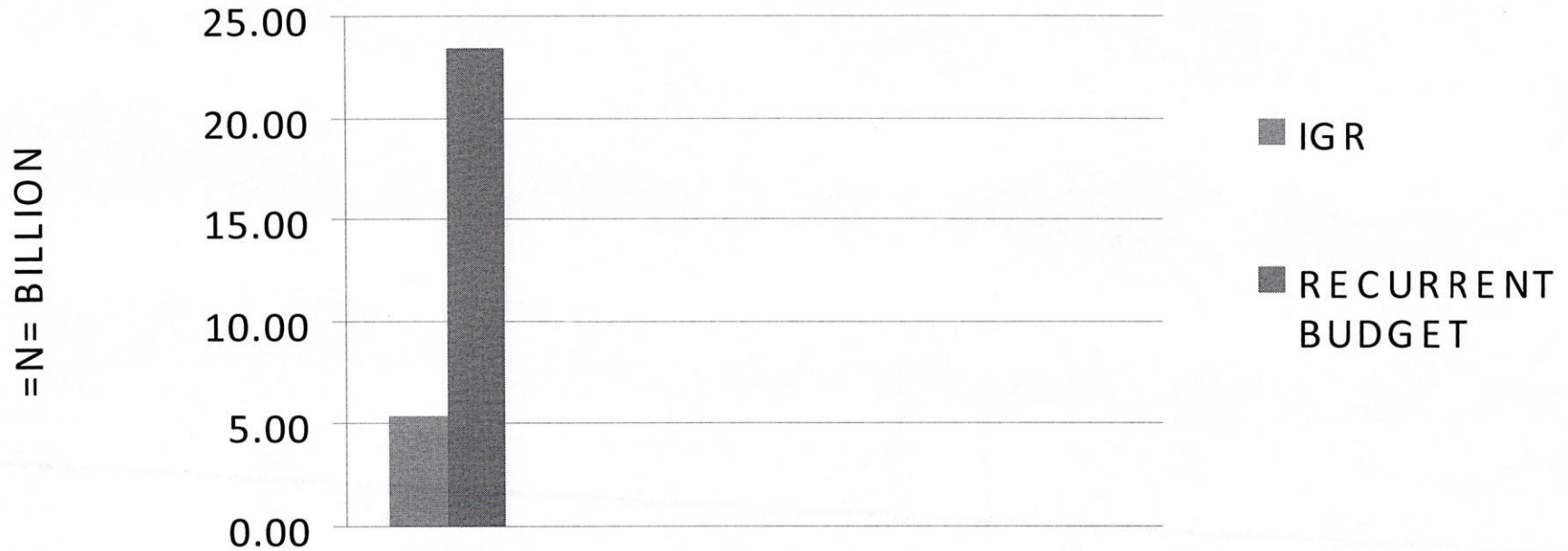
# IGR : FAAC



**NOTE: FAAC is 8times Greater than IGR**



# IGR : RECURRENT BUDGET

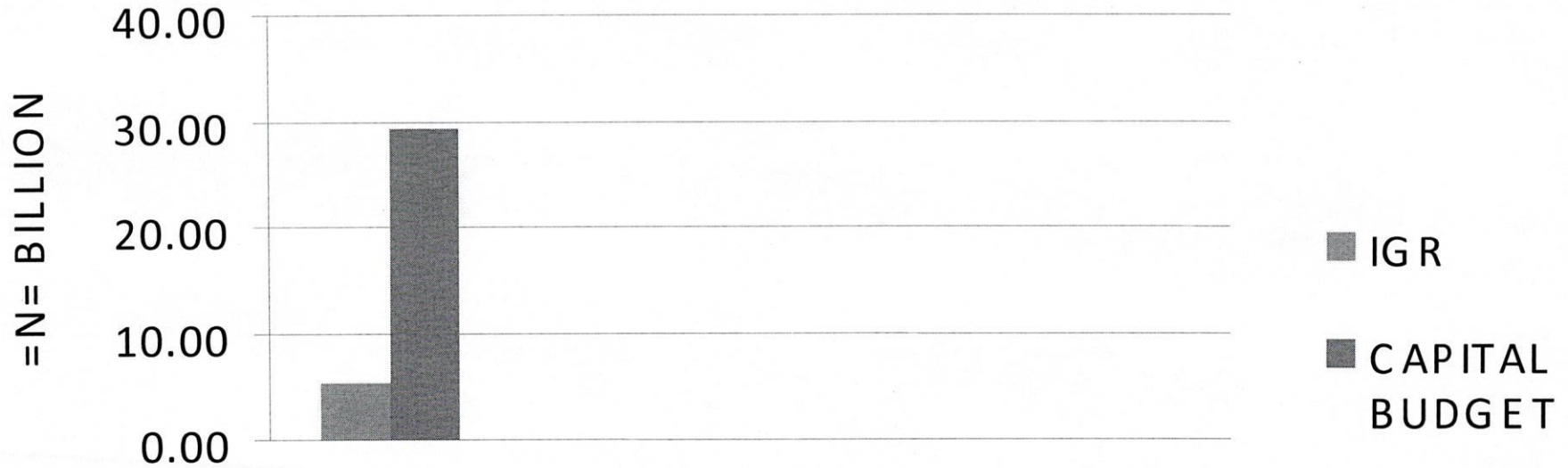


**Note : IGR has to increase Four (4) times to Defray Budgeted Recurrent Expenditure**





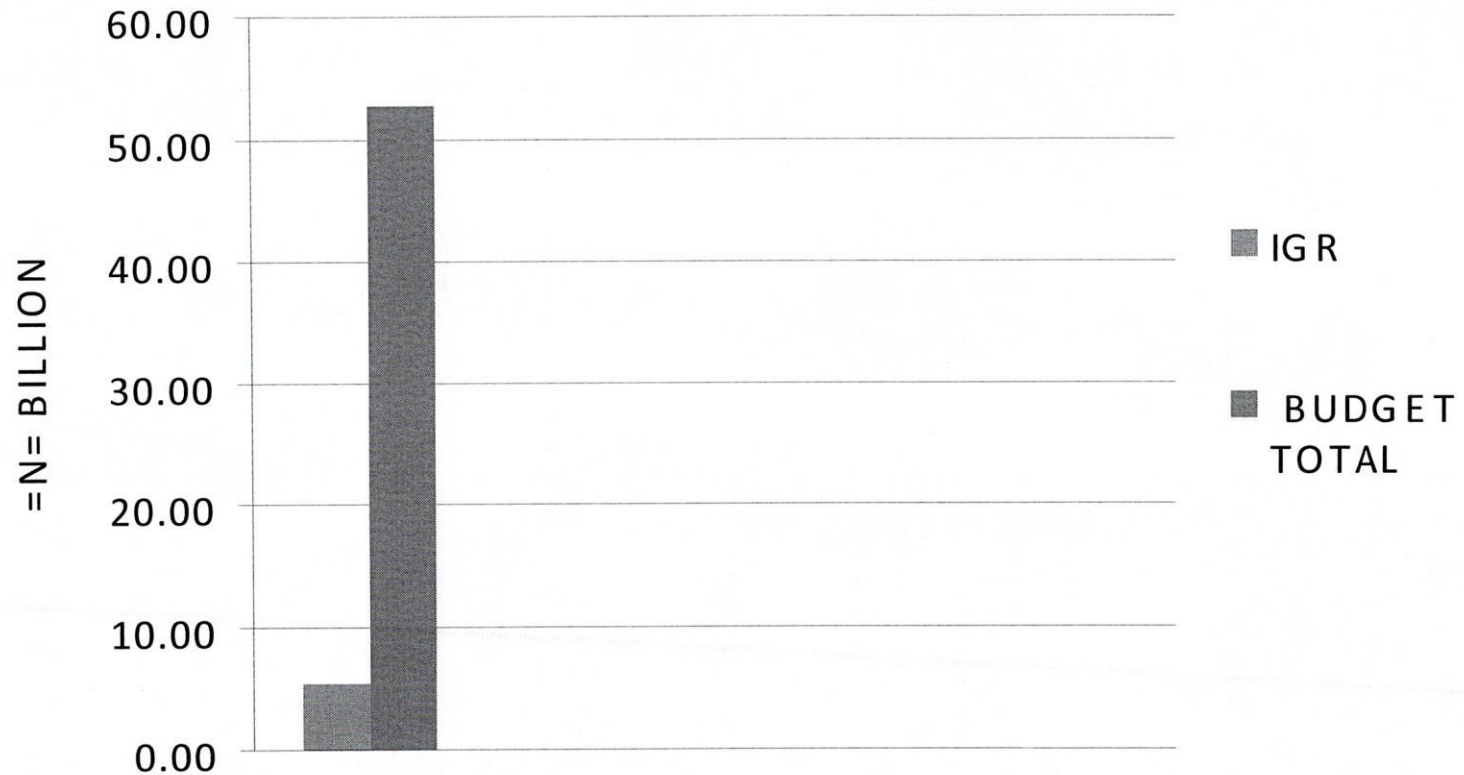
# IGR : CAPITAL BUDGET



**Note : *IGR needs to increase Five (5) times to meet budgeted Capital Expenditure***



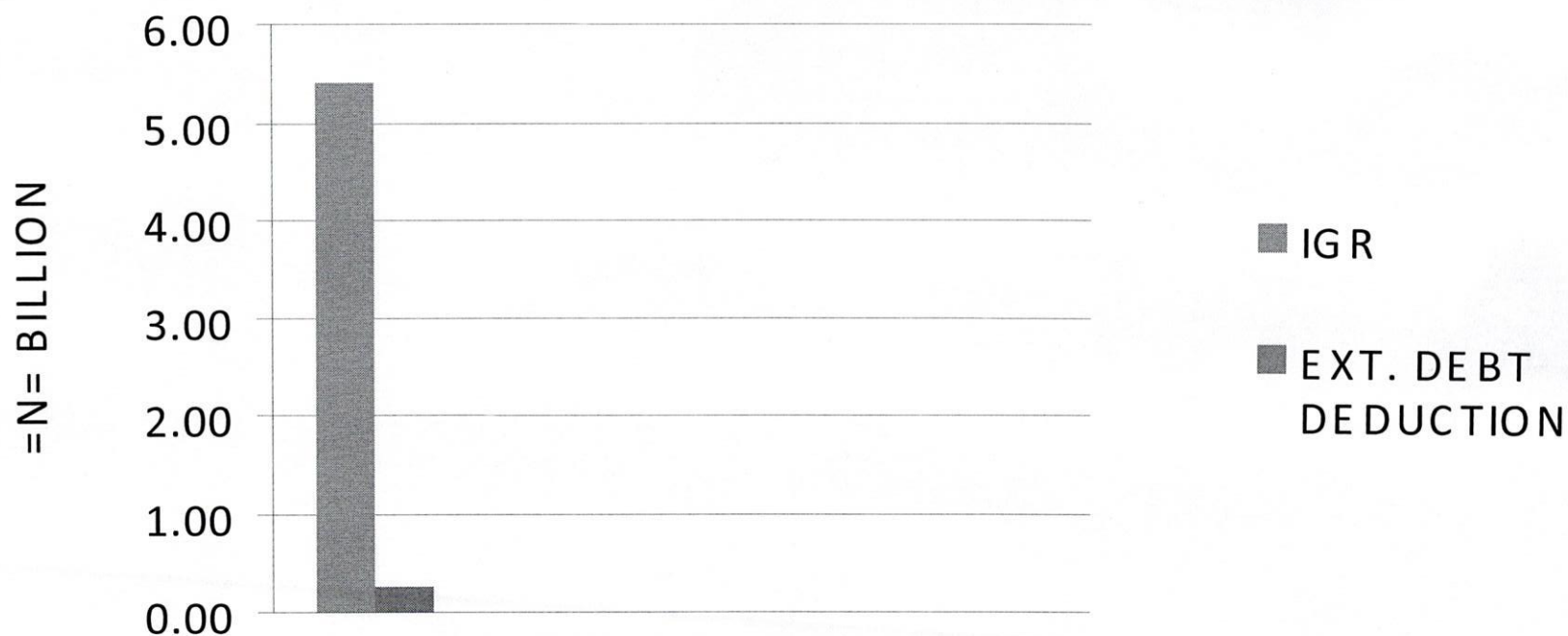
## IGR : BUDGET TOTAL



**Note : IGR has to increase about Nine (9) times to finance the state 2008**



# IGR : EXTERNAL DEBT DEDUCTION



**Note : IGR is sufficient to service External Debt Deduction for about twenty one (21) times.**



## IGR PERFORMANCE (2005 -2008)



***Note : Highest IGR performance was in 2008 which shows that there is a great increase in IGR in 2008 compared to other years.***





## IGR COMPARATIVE PERFORMANCE 2008 Vs 2009



**Note : IGR is higher in JAN-SEPT 2009 when compared with JAN-SEPT 2008**



## SUMMARY OF ANALYSIS

- FAAC is greater than IGR by 8times
- For IGR to meet the Recurrent Budget Expenditure then it has to increase by approximately 4times the current IGR
- For IGR to meet the Capital Budget Expenditures, then it needs to increase by approximately 5times the current IGR
- IGR has to increase by approximately 9times the current rate in order to meet the State Expenditures
- It is shown in the above chart that IGR is sufficient to service the External Debt Deductions for about 21times



## SUMMARY OF ANALYSIS – Cont'd

- The highest IGR performance is in 2008 with about 47.5% increase as compared to 2007, and it can also be seen that IGR has been increasing over the years.
- There was a 1.04% increase in IGR in JAN-SEPT 2009 as compared to JAN-SEPT 2008



# CONCLUSION

Though IGR has increased over the years but the increase is not sufficient enough to service the State's expenditures.





## CONTACT INFORMATION

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