

2009 Budget: Cross River Gives Analysis (9/1/09)*C Rivers*

A week after Governor Liyel Imoke of Cross River State signed the 2009 Appropriation Bill into Law, Dr. Peter Akpa Oti, the Special Adviser on Budget, Monitoring and Evaluation has made available the budget analysis.

While addressing newsmen, Wednesday, Oti said the State is getting familiar and stronger with the implementation of Medium Term Expenditure Framework (MTEF) and its budgeting system has the potentials to lift Cross Riverians to higher grounds because it insists on prioritizing, transparency, accountability and strategic flexibility, adding that the new system has been identified as a key tool which will enhance the State's effort to accomplish its goals.

Oti noted that as a requirement of MTEF the State has carefully studied the fundamentals and its budget for 2009 is in tandem with and based on the Millennium Development Goals (MDGs), its Seven-Points Agenda, CRSEEDS and Economic Blueprint, emphasizing that the State has set achievable milestones in terms of prioritization of expenditure to address the challenges of poverty and dilapidating infrastructure in its core development sectors.

He said the issue of sanitation and environmental degradation has also been given a good measure of attention as in the analysis, the State has adopted the option of sectoral structuring while laying emphasis on its priorities.

With a budget size of N107,041,984,521.00 for 2009 shows that the State has an increase of N4,833,854,552.00 or 4.73% over last year.

According to Oti, the Economic sector is given top priority, with a provision of N46,715,088,141.00 or 43.64% of the budget, explaining that the reason for the huge allocation is that the economy has a direct bearing on the State's vision and secondly, the success of the State Economic sector would have a multiplier effect which will enhance its effort and realization of its goals and objectives in other sectors.

Oti disclosed that "in line with our vision and aspiration, the social service sector is accorded its proper position in our programme line-up, with a provision of N25,149,908,449.00 or 23.5% as its total budget; N14,287,092,790.00 or 56.81% of the sector budget is set aside for capital expenditure".

Regional Development has a total provision of N14,131,698,755.00 and General Administration N21,045,288,176.00 as Oti explained that inspite of the bleak future of the national economy the State's focus on the economic sector is accentuated by an increase of 7.7% over 2008 provision.

The Special Adviser disclosed that the seeming drop in Education and Health care delivery allocations are as a result of phased programmes to upgrade schools and health facilities respectively, adding that these sub-sectors' budget performance did not meet the criteria for higher allocations in 2009 as a result of the slow pace of project execution which was largely hinged on procurement processes though the slight drop has not in anyway changed its focus on access to quality education and improvement in Health Care delivery system.

The General Administration was dropped by 3.64% which was done by significant reduction of overheads, in favour of Regional Development sub-sector.

He remarked that the budget is made up of N37,747,118,144.00 for Recurrent Expenditure and N69,294,866,377.00 for Capital Expenditure to be financed from Recurrent Revenue of N61,409,455,700.00 or 57.37% and Capital Receipts of N45,632,528,821.00 or 42.63%.

Internally Generate Revenue is N6,029,671,692.00, Ministerial Revenue N61,409,455,700.00, Capital Receipts N45,632,528,821.00.

Oti averred that the 2009 budget is different from that of 2008 in many respects, but of paramount significance is the fact that while 2008 started with enormous hope, the 2009 financial year is starting with a bleak future due to the global economic melt-down.

According to the Special Adviser, this situation is a signal for Cross Riverians to be inward-looking and take firm change of situations they can control, stressing that this means that, if inflow from the Federation Account cannot be fully relied on, they must make effort to step up the State machinery for Internally Generated Revenue.

“It takes the participation and cooperation of all of us to succeed. As citizens we need to study the budget, take advantage of situations offered by Government activity and endeavour to discharge our civic and corporate social responsibility” he said.

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