



Presentation of the Year 2017 Appropriation Bill to the Jigawa State House of  
Assembly by His Excellency, Muhammad Badaru Abubakar, MON, mni –  
The Executive Governor of Jigawa State  
Tuesday, 20<sup>th</sup> December, 2016

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The Honorable Speaker,  
Other Principal Officers and Honorable Members,  
Distinguished Ladies and Gentlemen,

Assalamu Alaikum, Warahamatullahi Ta'ala Wabarakatuhu

I stand before you once again to present the 2017 Appropriation Bill which outlines our fiscal and socioeconomic development plans for the next twelve months as we take another step in the actualization of our medium term development plan.

2. We give thanks to Allah for seeing us through a very tough year characterized by fiscal uncertainties and the attendant budget implementation challenges that characterize a recessionary economic environment. It has not been easy but with the support of the honorable members of this house who have shown uncommon commitment to working with the

executive in finding solutions and adapting to the sharp decline in revenue, we have seen modest achievements especially in key sectors that have received priority in fiscal allocations.

3. The diligent exercise of your oversight functions and prompt attention given to legislative affairs have been very helpful in ensuring that we remained focused and responsive to the aspirations of our people. You will find that as usual, the contents of the Appropriation Bill I am presenting to you is in the context of a medium-term package aimed at creating and sustaining a socioeconomic landscape that will create financial independence for our dear state and create wealth for the majority of our hard working citizens.

4. Before presenting the 2017 Appropriation Bill, permit me to very briefly review the implementation of the 2016 Budget which we rightly tagged the “Budget of Change and Sustainable Transformation”.

## **Brief Review of 2016 Fiscal Year**

5. Honourable Speaker, you would recall that during my presentation of the 2016 Appropriation Bill, I clearly spelt out the major policy thrust of our Government which in the medium to long term seeks to create a self-sustaining local economy with agriculture playing a leading role. I took time then to elaborate on the rationale of our development strategy which takes into account not just our local potential and comparative advantage, but also other global developments that made it imperative for us to pursue diversified and inward-looking economic growth models. To complement the anticipated economic growth, we also considered human capital development as a top policy priority under which we planned to deliver key human development services in the areas of access to quality education, affordable, effective and efficient healthcare services and across the board provision of safe drinking water and sanitation as well as targeting youths and women for poverty reduction through a revolving and sustainable empowerment strategy for which we have already began seeing positive results.

6. Law No. 6 of 2016 appropriated the sum of ₦137.23 billion for the financing of all our expenditure plans for the year. Preliminary assessment of the budget performance indicated that, despite the economic recession that hit the Nigerian Economy earlier in the year, we have made very appreciable progress towards the attainment of our objective of entrenching an inward-looking, self-sustaining State Economy. As we all know, the seeds of the 2016 economic recession were long ago sown, nurtured and cultivated by an era of waste, profligacy and misplaced priorities and the global recession which dealt a heavy blow on oil producing countries.. Despite the enormous challenges posed by the negative growth environment characterized by dwindling revenues, high inflation, low-level of economic activity in a number of sectors and inability of the economy to absorb more labor, I am glad to tell you that the numbers have shown that we have weathered the storm in many respects. Our approach to financial management which places high premium on prudence, value-for-money and fiscal discipline has helped us to achieve relative resilience to the economic shocks that have continued to bedevil many other States.

7. Honourable members may recall that the 2016 Budget was to be financed with incomes to be derived from various sources, mainly Internal Revenue, Statutory Federal Transfers, Loans and Grants. While performance of these various revenue sources varied, on the whole, the sum of about ₦97.6 Billion has accrued into the Consolidated Revenue Fund of the State as at the end of November. This is equivalent to about 75% of the pro-rated full year revenue flows envisaged to be in the region of ₦102.5 Billion. In a period of economic recession, this could be adjudged as being satisfactory.

8. The same could be said in relation to internal revenue estimates of ₦14 Billion out of which an actual of ₦8.3 Billion was achieved representing a performance of about 60%. An ongoing review of the revenue laws, automation of collection systems and the implementation of the SLTR initiative will go a long way towards improving the IGR performance in the coming years.

9. With regards to expenditure performance, preliminary assessment indicated a total projected actual expenditure by the end of the year amounting to about ₦83.5 Billion representing an overall expenditure performance of about 61%. As I earlier mentioned, despite the recession and the numerous challenges we inherited, implementation of the 2016 budget indicated a significant level of fiscal resilience and satisfactory outcomes. The performance across the various expenditure components is as follows:

**Personnel Cost** – The sum of ₦36.23 Billion was earmarked for payment of personnel emoluments during the 2016 Fiscal Year. The records indicated that almost ₦34.3 Billion would be the total payment by the end of the year. This represents about 85% of the approved estimates. It is indeed, pleasing to say that not only have we been able to pay staff salaries and allowances as and when due throughout the year including pensions and gratuities, we have in addition paid the promised 5% Leave Grant bonus as was the case last year. To free up resources and curb fraudulent practices, we will sustain the pay-roll cleansing

process and extend it to the Local Government and LEA payroll system to ensure constant and vigilant monitoring of our salary process which we cannot afford to allow to be plundered taking into account the high ratio of our recurrent expenditure to overall resources.

**Overhead Cost** – The amount appropriated for overhead cost was about ₦22.6 Billion including the components of first charges on the Consolidated Revenue Fund. Actual expenditure up to the end of the year is projected to be almost ₦17.0 Billion amounting to 75% of the approved estimates. our policy of ensuring effectiveness, efficiency and economy in overhead cost spendings has ensured that public service delivery is maintained at optimal levels. For instance, against all odds and escalating diesel prices, we have ensured that the operations and maintenance of over six-hundred motorized water schemes as well as the operations and maintenance of street lights in twenty-eight urban areas were not adversely affected. There has been consistent settlement of boarding school feeding which was about ₦150 Million monthly which has now escalated to

~~₦~~250 Million owing to review of contractor rates and increase in intake. In the same vein all scholarship liabilities have been paid to the scholarship board and settlement of beneficiaries is ongoing.

**Capital Development** – ~~₦~~71.81 billion was earmarked for capital development in the 2016 Fiscal Year equivalent to about 52% of the total budget. Almost all of this was to be devoted to the continuation or completion of ongoing projects and payment of inherited capital expenditure liabilities. It is worthy of note that despite securing discounts averaging 17% on all of the contracts awarded by the previous administration, the volume of outstanding works and the amount required to complete all the projects, some of which had remained unpaid from 2013, is still staggering. Notwithstanding, I am pleased that, in consultation with the major contractors, we have carefully planned and agreed on how to go about completing the projects in good time taking our revenue flows into account. Total actual expenditure so far is reported to be about ~~₦~~32.23 billion representing only about 45% of the approved



estimates. Within the context of an ongoing economic recession that has taken a huge toll on resource inflows, we consider this an “above average” performance especially when considered alongside the budgetary outputs and the fact that in some less fortunate states capital expenditure is not even on the drawing board as salary arrears stretch to several months.

10. In line with our topmost priority of developing a dynamic and internally sustainable economic growth model, I am happy to say that, so far our efforts to align the state’s economy with its comparative advantage in agriculture, to mobilize investments, to empower the people and to promote entrepreneurship has been very successful. Permit me at this stage, to briefly highlight further on some of the major accomplishments in this respect.

a) **Agriculture** – Consistent with our commitment to transform the State’s economy based on our natural resource endowment, this sector was allocated the sum of ₦7.4 billion in the 2016 Budget which was the highest

allocation ever to the Agricultural Sector in any previous appropriation. Our strategic objective is for this sector to play a leading role in our quest to institute sustainable economic growth and development, achieve food security, create jobs and generate wealth. As we all know, the strategic approach towards the attainment of these objectives is by addressing the whole range of the agricultural-value chain beginning with cluster farming which places high-premium on farmer aggregation to provide **adequate** and **timely** access to **quality** inputs and effective extension services. Our initial target of achieving a simple across-the-board productivity improvement that is at par with global average has been achieved. Reports of crop yields from government-supported clustered farms indicate unprecedented improvements in yield. For some of priority crops being supported by the Government, the results indicated an average of almost 7.5 tons per hectare for rice; 0.6 tons per hectare for sesame; and 1 ton per hectare for groundnuts. With our resolve to sustain and scale-up interventions through the cluster farming approach and

support to other aspects of the agricultural-value chain, we would continue to experience greater performance by Allah's Grace. Most importantly we have developed a growing army of business minded farmers that have surpassed subsistence levels and are ready for participation in the myriad of multi billion Naira federal agriculture intervention schemes, so there will be less sectoral pressure exerted on scarce state resources and that is why as you will see, there was actually a slight drop in the agriculture budget for 2017;

b) **Roads & Transport Development** – While we have been able to settle a significant proportion of the liabilities, work is going on in earnest on the projects and a number of them have been completed and commissioned while many others are at an advanced stage. Completed road projects include Roni – Bashe - Kaya -Amaryawa - Tuntube - Gora – Gada; Andaza – Tsirma – Damatawa – Gadewa phase 1; Phase I of Western by-Pass from Maigatari to Galadi; Kyarama – Gaskole – Sankara – Amaguwa; Spur Road connecting Gerawa to Kagadama; Babaldu – Wurno;

and Sukullufi – Kala – Gunka - Dare - Doro – Harbo - Tsakuwawa . All these have been completed with some of them commissioned already. Second phase of the eastern by-pass and Phases I and II of Roni – Gada have also been slated for commissioning in the coming weeks. These roads alone go through several local governments and criss-cross multiple senatorial zones .When combined with feeder and access roads that directly service hitherto inaccessible agricultural communities, the impact on the value-chain through market access is going to be a game changer for the rural farmer; Several other ongoing roads consisting of regional, township and feeder will be continued in 2017.

c) **Economic Empowerment** – Creating opportunities for self-actualization through targeted women and youth empowerment programmes is one of the cardinal principles of our sustainable growth and development agenda. In addition to the women and youth empowerment initiatives integrated into cluster farming and women empowerment interventions under Ministry of Women Affairs, the 2016

Budget earmarked ~~₦~~1.2 billion for the implementation of other targeted programmes by the Economic Empowerment Agency. It is heartwarming that so far over 10,000 youths and women have benefited from our various empowerment programs which include agri-business skills and entrepreneurship development on apiculture, fisheries, poultry production and horticulture; youth internship scheme; goat breeding and rearing programme; small farm implements utilization training on rice, wheat, sesame and groundnut value chains. Our empowerment interventions are demand driven and guaranteed to ensure that participation is fair, balanced and open to serious minded youth who share in our vision of self-development;

d) **Human Development Services** – The two key human development sectors comprising education and health were allocated over ~~₦~~20.5 billion for capital investments. Our focus was to address the issue of the grim human development indicators in the State such as the high incidence of infant, child and maternal mortality, literacy and educational attainment. Key accomplishments in this

respect include massive renovation and improvement of structures at the basic education level as well as primary and secondary healthcare facilities; Huge investments are still required to develop our stock of human capital which I believe is our most valuable asset;

e) **Land, Urban and Regional Development** – The major achievements in this area include improved access to safe drinking water to the populations through the massive rehabilitation programmes we embarked upon since last year. This includes rehabilitation of 50 existing motorized and solar-powered schemes, construction of seventy-two new schemes across the state, conversion of twenty-five motorized schemes to solar-powered and provision of 1,200 hand pumps in rural areas. Another very important accomplishment is with regards to Land Administration where we began the scale-up of the Systematic Land Titling Registration exercise in five Local Governments. As we are aware, the Land Titling initiative is meant to empower land and property owners, ease access to land as an economic asset and promote investment.

f) **General Administration** – This sector aims to provide and maintain institutions and to pursue institutional and governance reforms. The objectives include improved public service delivery, sustained improvements and promotion of good governance in all three arms of Government. I am glad to state that, over the last year, we have been able to complete some of the inherited ongoing projects including Governor’s and Deputy Governor’s lodges in Abuja, several ongoing projects in the judiciary and the expansion of the State Manpower Development Institute here in Dutse which is almost completed.

11. Mr. Speaker, that was a brief review of the outgoing fiscal year. Even as we are optimistic of better days ahead, our policy of financial prudence and strategic prioritization in public expenditure programming would be sustained to continuously build our resilience to fiscal shocks while at the same time, meeting the developmental aspirations of the citizenry.

## **Second Edition of State Comprehensive Development Framework [CDF II]**

12. Mr. Speaker, as you are aware, the State has a development policy document that serves as a planning blueprint called The Jigawa State Comprehensive Development Framework which was first published in 2009. The first edition of the CDF Document was due to be revised and updated last year but was delayed due to strategic reasons bordering on the distortion of the economic landscape occasioned by the economic shocks trailing the crash in oil prices.

13. I am now pleased to submit the final draft of this very important document CDF II, along with the 2017 Appropriation Bill for legislative endorsement. Preparation of the document was through an all-inclusive process involving wide spectrum of stakeholders including the Public Sector Agencies, Civil Society Organizations and grassroots-level focus group discussions before its endorsement by the Economic Planning Board and the State Executive Council. The document broadly provides the Socioeconomic



Development and Reform Agenda of the State with a clearly defined Vision, Mission, Overall Strategic Priorities and Policy Objectives. It outlines for almost all sectors what policy objectives and targets are to be pursued over the medium-term and the underlying strategies for their attainment. The CDF is essentially a medium term development policy document, but also provides a long term perspective to the development of the State. Very importantly, the document recognizes the imperatives of Governance and Institutional Reforms as central to attainment of our development objectives such as in the areas of public expenditure & financial management and public service management reforms.

14. Consistent with the state vision, the strategic objective to be pursued under CDF II is to “sustainably secure the socioeconomic wellbeing of the people” to be achieved through the pursuit of policies that guarantee economic growth and ensure sustained progress in the improvement of basic human development indicators. This involves addressing critical areas of human development and opening

up new frontiers for inclusive economic growth. Achieving these strategic objectives would also require the attainment of higher growth rates in the outputs of the 'real sectors' of the State's economy particularly agriculture and small and medium scale enterprises. At the core of CDF II, are the Sustainable Development Goals (SDGs) which were appropriately integrated into most of the sector policies. Implementation of the CDF is largely through the Medium-term Sector Strategies (MTSS) which, in turn, provides the context for annual budgeting. It is worthy of note that preparation of both the 2017 – 2019 Medium Term Sector Strategies and the 2017 Budget was based on the strategic focus provided by CDF II.

### **2017-2019 Medium Term Fiscal Framework Objectives & Fiscal Projections.**

15. Preparation of MTEF is part of the annual budget and planning process which is important in providing a medium-term outlook to our fiscal plans and ensuring realism and strategic prioritization in resource allocation. In line with our overall development objectives and priorities, both the 2017 – 2019

medium terms plans and the 2017 budget were prepared to propel the State towards the attainment of the following objectives and priorities.

- a.** Promoting rapid growth of the real sectors of the state's economy notably agriculture and Micro, Small and Medium Scale Enterprises both of which are critical in jobs & wealth creation and sustainable reduction in poverty among the populace;
- b.** Continuous improvements in Human Development Services and ensuring that more people are socioeconomically empowered to live a dignified and decent life;
- c.** Improvement in the Business Environment and Investment Climate to engender an expanded role for the private sector in growing the state's economy;
- d.** Pursuit of targeted youths and women empowerment and other poverty reduction programmes in a socially inclusive matter;
- e.** Pursuit of governance reforms to deepen transparency, accountability and effectiveness of public institutions;

16. While pursuing these objectives and in line with the philosophy of our development strategy, the 2017 proposed budget will continue to focus on that objective of sustainably securing the socioeconomic wellbeing of our people. Indeed, I am pleased to say that we have proactively acted to ensure that our fiscal plans are crafted in such a way that they are aligned with and supportive of the economic recovery and growth plan of the Federal Government. While ensure continuity in fiscal prudence and cost containment, a major focus would be towards stimulating and accelerating growth in key areas that support economic diversification and self-sufficiency.

17. Before giving the highlight of the proposed budget, it would be instructive to mention that the fiscal projections in the MTEF were based on certain macroeconomic parameters as reflected in our Fiscal Strategy Paper largely adopted from the Federal MTEP with very slight variations. These include an Oil Price Benchmark of about US\$42.5 per barrel; crude Oil Production level of 1.8 million barrel per day; growth and

inflation rates of about 3% and 12.9% respectively and an average exchange rate of ₦300 to a US dollar. Based on these and other considerations, total non-discretionary fund for 2017 was projected to be over ₦85 billion. To this would be added other capital receipts, grants and matching funds to arrive at the total proposed budget for the new fiscal year.

### **The 2017 Appropriation Bill**

18. Honourable Members, having presented the background to the 2017 – 2019 medium term fiscal plans and policy thrusts, it is now my honor and privilege to provide you with the highlights of 2017 Proposed Budget called ***"The Budget of Economic Diversification and Self-sufficiency"***. Based on the consolidated position of the revenue projections, the 2017 Appropriation Bill is proposing the sum of **₦127.87 Billion** as the total amount to be derived from various incomes sources and expended on the various expenditure components of the budget. This is below the 2016 Approved Estimates by almost 7% which was explained by the macroeconomic assumptions in the MTEF. Taking into account the sums of ₦800 million set aside for Stabilization

and Contingency Funds, we have a total retained revenue of **₦127.07 Billion** shared among the recurrent and capital expenditure components. Breakdown of the major revenue sources from which to finance the budget are provided as follows:

<b>(i)</b>	Internally Generated Revenue	₦12,439,000,000
<b>(ii)</b>	Statutory Allocation and Value Added Tax	₦45,908,000,000
<b>(iii)</b>	Local Government Contributions for Primary Education Personnel and Primary Healthcare Staff	₦17,417,000,000
As usual, this is in respect of primary school teacher's salaries under the State Universal Basic Education Board and 60% of the total salary of Primary Healthcare Staff transferred to the PHCDA from the Local Governments.		
<b>(iv)</b>	Opening Balance for 2016 Fiscal Year (including funds in project accounts such as the Universal Basic Education Grant)	₦19,066,000,000
<b>(v)</b>	Internal and External Loans	₦9,150,000,000
These include the budget support loan from the Federal Government and external loans from the World Bank, IFAD and Islamic Development Bank all of which would be used in the implementation of various agricultural development projects and programmes.		
<b>(vi)</b>	Other Capital Receipts, Grants and Reimbursements	₦23,890,000,000
These include grants from various sources including UBEC, UNICEF, African Development Bank, Joint Projects Capital Contributions, Tertiary Education Grants, Capitalized Revenues by Government Parastatals and other miscellaneous receipts all of which are clearly defined in the details to be provided.		

19. A few observations on the revenue estimates would be instructive. The total amount proposed to be generated from recurrent sources including Internal Revenue and Statutory Transfers fall short of the 2016 estimates by only 2% which is based on an objective appraisal of current trends and medium-term expectations. As I mentioned earlier, we are presently in the process of a developing a State Taxpayers' Database with the support of an EU/World Bank Funded Project which would potentially lead to greater performance in internal revenue generation. Indeed, with improved economic prosperity that will come with most of economic the growth programmes we are pursuing, we believe IGR collection would continue to improve over time especially when the automated cashless collection initiative kicks off early next year.

20. On the Capital Receipts side, the total amount envisaged from all sources is about ₦52.1 billion expected to finance over 80% of the total Capital Investments. This is about 13% less than the amount approved in 2016. As mentioned earlier, this amount includes our 2017 Opening Balance of

over ₦19.0 Billion which means over 37% of the expected accruals into the Capital Development Fund for 2017 is already secured so the budget should hit the ground running during the First Quarter of 2017.

21. It is worthy of note that for several months, we have diligently pursued a number of reimbursements from the Federal Government and other sources following which the President has approved the refund of funds inappropriately deducted from the State's Statutory Allocation as part of external loans repayments spanning back several years. It is the draw down from the first trench of the Presidential approval which was received few weeks ago that partly accounted for the over ₦19.0 Billion opening balance.

22. Breakdown of the proposed expenditure for the 2017 Fiscal Year is given as follows:

(i)	Consolidated Revenue Fund Charges	-	₦ 5, 760,000,000;
(ii)	Personnel Cost	-	₦37,527,000,000;
(iii)	Overhead Cost	-	₦17,783,000,000;
(iv)	Capital Expenditure	-	₦66,000,000,000;
(v)	Stabilization & Contingency Funds	-	₦ 800,000,000;



23. Mr. Speaker, permit me to briefly expatiate on some of these expenditure components starting with the Consolidated Revenue Fund Charges. The amount earmarked for CRF majorly includes public debt charges with respect to both internal and external loans for which the sum of about ₦3.5 billion is proposed. Other key elements of this component include recurrent expenditure of the Judiciary with an allocation of almost ₦1.4 billion; Pensions and Gratuities with ₦675 million – this is largely for pensioners still on the pay-as-you-go pension payroll separate from Government Contribution to the Contributory Pension Scheme for which over ₦1.0 billion is separately provided. Total recurrent expenditure constitutes less than 48% of the total budget and is slightly below the 2016 approved estimates by 3%. While this reflects our continuing desire to be more frugal in the management of public resources, most critically, it is also in tune with our medium-term fiscal sustainability plan which aims to devote more resources towards the much needed capital investments that would accelerate growth to diversify the state's economy; create jobs; generate wealth; and ensure

more investments in economic empowerment and human capital development.

24. A four-percentage point drop in Personnel Cost was achieved despite the provision of about 4,000 establishments in various agencies for recruitments in critical areas during the new fiscal year particularly in the education and health sectors. This also reflects the extent of leakages that were plugged in the system. Even though overheads were generally reduced by as much as 11% this does not affect critical service delivery areas in any way, as for instance the recurrent expenditure in the education and health sector alone amounted to about N38.8 billion accounting for over 60% of the total recurrent budget.

### **Capital Development Programmes**

25. Mr. Speaker, the proposed capital investments for the 2017 Fiscal Year is exactly ~~N~~66 billion which is equivalent to about 52% of the total proposed budget. Relative to the preceding year's estimate, there is an eight percent in the size of the capital budget - which is explained by resource constraints and our commitment to budget realism as well

as the imminent completion of several multi billion Naira road projects we inherited and committed to finishing. As earlier mentioned, the major focus of the proposed budget is to promote rapid growth of the real sectors of the state's economy notably agriculture and MSMEs and to ensure continuous improvements in key human development services. Permit me at this point, to expound further on the sectoral allocations of the proposed capital investments.

### **Economic Sector**

26. With ₦30.3 Billion representing almost 46% of the total proposed capital investments, the economic sector clearly constitutes the main pillar of our growth and diversification strategy. This is intended to build on ongoing interventions that would deliver our positive change and sustainable development initiatives in the area of Agriculture, Critical Infrastructure, Commerce & Investment and Economic Empowerment. Allocations to the key components of the sector includes

Agriculture and livestock development	-	<del>₦</del> 6.15 billion
Roads & Transport Development	-	<del>₦</del> 21.2 billion
Commerce & Investment	-	<del>₦</del> 1.92 billion
1. Economic Empowerment	-	<del>₦</del> 0.73 billion
Rural Electrification & Alternative Energy-		<del>₦</del> 0.30 billion

27. The Agriculture sector is still the backbone of our economic transformation agenda despite the slight drop in allocation compared to the current fiscal year. Our major goal here is to sustain the far reaching reforms we have introduced in the sector and bring more farmers into the cluster arrangement. We have at least two large scale private agricultural investments taking off in the budget year that will leave a large footprint in 2017. What we have witnessed in the last farming season exceeded our expectations with average farm yield almost doubling in some cases. Our target is to achieve a minimum average of 40% growth in yield for major crop production including rice, sesame, wheat, groundnut, maize and cassava as focal crops, and the fringe cultivars like vegetables and fruits.

28. Clustering has enabled us to build a huge database of “actual” farmers and with the introduction of precision Agriculture utilizing improved extension and quality input supply we have actually witnessed a decline in demand for critical and costly inputs like fertilizer since racketeering and side selling have been all but eliminated. When taken with the adoption of a no subsidy policy on inputs, the justification in the reduced sectoral allocation becomes more apparent. Moreover since we are pushing for a business approach to farming, input purchase and supply on a cost recoverable basis is primarily handled by JASCO, our agricultural supply outfit so the direct expenditure burden is taken off the budget.

29. Having improved the output of our farmers and upgraded their competitive advantage we intend to fully mobilize them to participate in the various agricultural interventions by the Federal Government like the Anchor borrower programme, Commercial Agriculture Credit Scheme (CACCS) and the Nigeria Incentive-based Risk

Sharing Agricultural Lending (NIRSAL) initiative since their repayment capacity is now assured. This means the amount expended this year on cluster formation, input supply, extension outreach and post-harvest mechanization will now be absorbed by these programs as promised by the CBN Governor when he appraised our efforts some time ago.

30. There are also several external programs and interventions that have a direct bearing on the Agricultural sector such as the ongoing project on Transforming Irrigation Management in Nigeria (TRIMIN) under which the Federal Government would rehabilitate the entire Hadejia River Valley Irrigation Project and the ADB Agricultural Transformation Agenda Support Project (ATAPS) which will rehabilitate and expand about 11 other irrigation projects in other parts of the State.

31. It is worthy of note that an allocation of ₦730 million for economic empowerment programmes in 2017 has been made which would largely be tailored towards complementing initiatives in the agricultural sector to further

engender job creation particularly among youths and women. These include implementation of various economic empowerment programmes for individuals and cooperative groups in the areas of agricultural mechanization that addresses the high-level of drudgery in production, small agricultural equipment leasing and development of agricultural value chains involving crop processing and value-addition.

32. With over ₦21 Billion, the Roads Sector accounts for almost one-third of the total proposed capital expenditure. Our plan in this respect is to complete a number of the ongoing road projects most of which were inherited at their take-off stage as well as commence some new ones including the construction of rural feeder roads that support agriculture. Projects slated for hundred percent completion during the year include Limawa – Warwade; Phase II of Baturiya – Abunabo; Galadi – Digimsa; Damatawa – Aujara; Amaguwa – Doko; and Bamaina – Zazuka. The allocation also include continuation and completion of some of the township roads project presently ongoing in Hadejia,

Kazaure, Kaugama, Maigatari, Guri, Kafin Hausa, Mallam Madori, Sule Tankarkar and Roni. There are also new ones to be embarked upon a number of which are currently going through the tender process including Kila – Budinga; Gagarawa - Bosuwa; Tsheguwa - Guri Asphalt Overlay; Kwanar Dudu – Bulangu; Phase II of Jahun Township Roads; as well as Miga, Babura and Gumel Township Roads. Other projects going through tender process includes 12No. Rural Feeder Road projects for Shuwarin – Wurma – Abaya; Chamo – Isari; Garki – Fagen Gawo – Kore; Dolen Kwana – Batu; Jigawar Dan’Ali – Maitamiya – Dandgwanki – Dankumbo; Kude – Ruru – Dantauya – Sakwaya; .Majingini – Maimazari – Dantuwo - Hannun Giwa; and Manga – Takwasa.

33. One of our key objectives is to improve the business environment in the state in order to promote commerce and industry by mobilizing private sector investment and provision of an enabling environment for the development of micro, small and medium-scale enterprises. Honourable members will recall that earlier this year, I assented to the



law establishing the State Investment Promotion Agency. I believe this one-stop-shop would help develop an investor-friendly atmosphere in the state in terms of policies and processes that should ensure speedy actualization of investment proposals. As a former National President of the Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA), I have already brought my wealth of experience and network in promoting and developing industry and commerce and during the year, Jigawa State successfully hosted the annual conference of the Chamber and as a follow up to that, we are now working closely with the State Chamber to support the select, but very significant investments we have been able to attract despite the adverse economic environment.

### **Social Services Sector**

34. The Social Service sector essentially focuses on initiatives geared towards human development and its projects and programs seek to continuously improve the quality of human capital which is our most valuable asset. With a sectoral provision of ₦23.58 billion, it is planned that this

sector will consume almost 36% of the total capital investments during the year, broken down as follows:

- i. Education - ₦16.4billion
- ii. Health - ₦6.53 billion
- iii. Information, Youths, Sports & Culture- N450 million
- iv. Women and Social Development - ₦ 200 million

35. Capital investments in education sector alone is earmarked ₦16.4 billion which in absolute terms surpasses the 2016 approved provision by almost ₦3.0 billion. I met several times with the education sector planning team to develop a change agenda that should bring lasting improvements to all its segments. The major thrust of this agenda is to *facilitate the provision of qualitative and functional education to the people of Jigawa State in an equitable manner with* lasting improvements in the teaching and learning outcomes. We need to produce functionally literate citizens with potential for self-actualization and the capacity to contribute positively to the socioeconomic development of the State. We intend to step-up efforts

aimed at addressing those challenges that have bedeviled the sector for decades including poor learning outcomes at all levels, gender and rural-urban disparities, poor pedagogical skills among teachers, and inadequate educational infrastructure and facilities. Specific areas where much of the earmarked resources would be deployed include:

school “decongestion” programme that will involve establishment of additional schools at both the basic and senior secondary education levels equipped with all the necessary infrastructure and facilities;

upgrading some schools to what we call “effective schools” in all 287 wards of the state with a full complement of requisite infrastructure and facilities to deliver the desired learning outcomes;

upgrading of some schools to educational centers of excellence at the senior secondary level to be fully equipped with state-of-the-art technologies in knowledge transfer and high-level teacher proficiency

35. In the health sector, we also intend to step-up efforts towards achieving universal healthcare for all which we are aware, is a herculean task in terms of available human and material resources. With the recent establishment of the State Primary Healthcare Development Agency, we intend to pursue the policy initiative of primary-healthcare-under-one-roof to ensure effective integration of all primary care services in the health sector. This will also ensure an effective referral system between and across the different levels of care. The budget also seeks to upgrade and strengthen some of the existing primary healthcare centers in the state. This is what informed the provision of ₦6.53 billion to the health sector which is more than 10% increase over last year's approved capital estimates. Other budgetary outcomes we hope to achieve with this provision include:

Achieving substantial progress with ongoing work in the new school of nursing at Hadejia to get the necessary accreditation to commence training before the end of the budget year;

Collaboration with the Federal Government to fully implement the save-one-million-lives initiative;

Continuation of free maternal and child healthcare programme;

Concluding arrangements for legislation on state public-sector health insurance programme – which is one of our strategies for universal healthcare coverage;

Upgrading of Garki, Buji and Guri PHCs to General Hospital status;

Establishment of a new health training institution for community midwives at Babura; and

Completion of ongoing repairs and renovation of up to 12 general hospitals across the State

Ongoing repairs and renovation of major health centers in Birnin Kudu and Kazaure

Ongoing construction of Basic Healthcare Centers (BHC) towards achieving the goal of one BHC per ward;

Continuation of Specialist Hospital Projects in Birnin Kudu and Hadejia;

Increased funding for nutrition activities including establishment of additional centers for community management of acute malnutrition and procurement of Ready-to-Use Therapeutic Food (RUTF)

36. As earlier mentioned, the Women & Social Development sector is allocated the sum of ₦200 Million while Information, Youths, Sport & Culture gets ₦450 Million for programme extension in 2017

### **Urban and Regional Development**

37. The sum ₦8.7 billion is allocated to this Sector which consists of Water Supply & Sanitation, Housing, Land Administration and Environmental protection and development all of which are critical to the attainment of our strategic development objectives. Specific allocations are given as follows:

i. **Water Supply** has been allocated the sum of ₦6.3 billion which is an increase of over 60% compared to the 2016 approved estimates. The sector has recently received a big

push through our partnerships with some development partners particularly UNICEF, DFID and EU which are presently intervening in several Local Governments supporting rural water supply and sanitation.

ii. **Housing** – ₦640 has been budgeted for the provision of residential houses in all three arms of Government. In addition, Government is taking a contingent liability of over ₦1.0 billion supporting the State Savings and Loans Limited to go into a contractual arrangement with the Federal Mortgage Bank for the provision of mass housing projects across all the 27 Local Governments in the State. The Federal Government, through the Federal Ministry of Finance and Federal Ministry of Housing, is also embarking on a mass housing programme starting from the State Capital and eventually extending to all Local Governments;

iii. **Land Administration and Urban Development** – the sum of ₦1.5 billion is proposed which will be used for the scale-up of the ongoing Systematic Land Titling & Registration to all Local Governments and farm holdings

under the cluster farming arrangements and payment for land and property compensations in respect of acquired lands or properties affected by development projects. The provision also includes the sum of about ₦550 million for the completion of ongoing urban street light projects in Dutse, B/Kudu, Mallam Madori and Karkarna and new ones at Dutse, Gujungu and Zandam Nagwaggo

iv. **Environmental Protection and Development** –

This has a proposed budgetary provision of ₦260 million to be expended on erosion control in critically affected areas, forest shelter-belt expansion and natural forest reserve development, control of desertification and production of at least 2.5 million assorted economic tree seedlings including industrial crops such as jatropha and gum arabic.

**General Administration**

39. Capital investments in this Sector are targeted at the provision and maintenance of institutional structures and facilities and ensuring that structures of governance and



public service delivery in all the three arms of Government are functioning effectively. The amount allocated to the sector is ₦3.42 billion proposed to be expended in the following areas:

- Procurement of Official and Utility Vehicles for Government Agencies.
- Outstanding payments and furnishings for the recently completed expansion of the Manpower Development Institute;
- Improvement and expansion of structures under the State Judiciary;
- Completion of ongoing community-based supported religious affairs projects;
- Provision for the counter-funding of development assistance; and
- Implementation of EU and World Bank Supported State & Local Governance Reform Program;

40. Mr. Speaker and other Honorable Members, that was the outline of the Proposed Budget of the State Government for which I submit the 2017 Appropriation Bill for your consideration. We believe the proposed budget is very realistic and coherently linked with our development agenda as encapsulated in the new CDF which is concurrently being submitted.

### **The Local Government Budget**

41. Mr. Speaker, as usual, I am presenting the 2017 Appropriation Bill with the consolidated budgets of the 27 Local Government Councils in the State. I believe this is in line with our comprehensive approach to development which seeks to ensure proper alignment and harmony between the respective fiscal plans of all the Local Governments with that of the State Government. It is worthy of note that, I personally have presided over a session to review the proposed budgets of the Local Governments during which some adjustments were made to avoid duplications and ensure that resources are strategically aligned with state priorities.

42. The consolidated income and expenditure position of all the 27 Local Government Councils indicate that about ~~₦~~49,686 billion would accrue into their Consolidated Revenue Fund to finance the various expenditure components. The proposed expenditure breakdown is given as follows:

- Personnel Cost - ~~₦~~ 24,069 billion
- Overhead Cost - ~~₦~~ 11,455 billion
- Capital Expenditure - ~~₦~~ 13,352 billion
- Contingency Provision - ~~₦~~ 810 million

43. The overhead cost estimates includes Local Government contribution to LEA Education personnel cost and 60% of PHC Personnel captured in the State Budget. It also includes other statutory deductions such as 5% deduction for Emirate Councils. The Capital Expenditure Estimates in respect of each LGA has provisions that are complementary to some of the projects and programmes in the State budget. These

include joint project implementation; ward-level effective school programme of the Ministry for Education; and the implementation of rural water supply and sanitation programmes.

## **Conclusion**

44. In conclusion, I would like to reiterate that, even as the nation is experiencing a recession, it is our firm belief that there are grounds for optimism. As stated by the President during his budget presentation to the joint session of the National Assembly some few days ago, the national budget of recovery and growth has come up with a “clear road map of policy actions and steps designed to bring the economy out of recession and onto a path of steady growth and prosperity”. Again, as evident during the last session of the National Economic Council, I think for the first time, there is strong consensus among all the States in the Federation to align our fiscal plans with that of the Federal Government so as to accelerate growth, achieve self-sufficiency in the basic needs of the national economy, cut costs and wasteful

expenditure and above all, pursue fiscal reforms centered around transparency, accountability and efficiency.

45. I therefore urge Honourable Members to give the proposed budget an accelerated hearing and ensure that, the inbuilt realism and potency to address our development objectives and priorities are strengthened by your inputs.

46. Before I end this presentation it is only fitting that I take the opportunity to express the appreciation of The Jigawa State Government to our Development Partners. You will have noticed that several times during the presentation a number of collaborative programs and initiatives between the State and our friends in the development community were highlighted. In particular, I would like to acknowledge the continued support of the United Kingdom Department for International Development which is funding the implementation of various reform and service delivery programmes in the State including the Child Development Grant Programme, Women for Health, Maternal & Child Healthcare Programme, GEMS-3 and the new governance

reform programme called ARC – Accountability, Responsiveness and Capabilities. I also wish to thank UNICEF for championing the cause for children and women in the State especially through the numerous nutrition and rural water supply and sanitation programmes it has been implementing in collaboration with DFID and the European Union.

47. We remain positively optimistic that these partnerships will continue to produce positive results in their areas of intervention and provide a platform for sustained expansion.

48 Finally, I pray that Allah, the Beneficent and the Merciful will continue to guide and protect us all, bless our modest efforts and ease the harsh environment that has prevailed since we assumed control of our State's affairs.

49. Thank you very much. Long Live Jigawa State;  
Long Live the Federal Republic of Nigeria.

50. Wassalam Alaikum.