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Chat

DR PAUL OYARENUA (Dir of Finance) from CONGOS

From Evans to Everyone

pst Evans Ehiremen, (congos member)

From Dr PAUL OYARENUA to Everyone

I am requesting this documents be sent to the organizations

From Rev. David Ugolor to Everyone

I am Rev.David Ugolor, Executive Director, ANEEJ.

From Josephine Anenih to Everyone

joanenh@yahoo.com

From Evans to Everyone

evans2us@yahoo.com

From Braimah Bawa Peter Akeem to Everyone

apffhecod11@gmail.com

Send to: Braimah Bawa Peter Akeem

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From Comrade abiola daisy to Everyone

Comrade ABIOLA DAISY
President,
CONFERENCE OF NON-GOVERNMENTAL
ORGANISATIONS (CONGOs)
cuedevdevelopmentinitiative@gmail.com
0814 459 6471.

From Comrade Austin to Everyone

Austin Osakue

ED, Foundation for Good Governance and
Social Change

08065629955

From Infinix HOT 5 Lite to Everyone

DR PAUL OYARENUA (Dir of Finance) from
CONGOs

From Evans to Everyone

pst Evans Ehiremen, (congoss member)

From Dr PAUL OYARENUA to Everyone

I am requesting this documents be sent to

Send to: Braimah Bawa Peter Akeem

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Chat

From Clement Ighodaro to Everyone

Clement Atewe Ighodaro; 07033102860;
clemigho2006@yahoo.com; Dept of
Economics, UNIBEN

From Jude Unuebho to Everyone

Good afternoon all..

Unuebho Jude Ekata
Ministry of Budget and Economic
Planning, Edo State Government
unuebhojude@gmail.com
08076568004

From PS Budget - Iserhienrhien Efe to Everyone

Iserhienrhien Efe, Functioning Permanent
secretary, Edo State Ministry of Budget
and Economic Planning, Benin City.
edaise2003@yahoo.com, 08023360248.

From Josie Ogedegbe to Everyone

Hon (Bldr) Dr. Josie Ogedegbe (JP).
Executive Chairman, Igueben Local Govt.,
Igueben. josieogedegbe@yahoo.com.
08033067882.

Send to: Braimah Bawa Peter Akeem

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**EDO STATE GOVERNMENT
2020 PROPOSED REVISED BUDGET
FRAMEWORK**

Welcome.....



EDO STATE GOVERNMENT

Citizens Consultation on the 2020 Revised Budget

On Wednesday, 8th July, 2020

Kindly introduce yourself in the chat box please: (Name, Organisation, Designation, email and phone number.



Content



- ❑ Assumptions underpinning the Revised Budget
 - ❑ Macro Economic Assumptions
 - ❑ Key Assumptions

- ❑ 2020 Revised Budget Proposal

- ❑ COVID 19 Responsive Expenditure



2020 REVISED BUDGET PROPOSAL

| Details | Proposed 2020 Budget(N) | Approved 2020 Budget | Approved 2019 Budget(N) |
|--------------------------------------|----------------------------|-------------------------|----------------------------|
| Budget Size | <u>128.6bn</u> | <u>179.2bn</u> | 183.7bn |
| Revenue from Federal | 60.4bn | 83.1bn | 99.4bn |
| IGR | 26.3bn | 40.3bn | 42.7bn |
| Opening Bal & Ecol. Funds | 6.0bn | 3.0bn | 3.0bn |
| External Loans | 16.1bn | 31.1bn | 25.9bn |
| Domestic Loans | 2.5bn | 1.5bn | 1.5bn |
| Grants | 17.3bn | 18.6bn | 9.3bn |
| Personnel Cost (Salaries & Pensions) | 43.8bn | 48.7bn | 48.1bn |
| Overheads | 17.8bn | 26.3bn | 21.7bn |
| Debt Service | 16.8bn | 10.5bn | 11.0bn |
| Total Capital Exp | 49.1bn | 92.7bn | 102.9bn |
| Total Recurrent Exp | 79.4bn | 86.5bn | 80.8bn |

COVID 19 RESPONSIVE EXPENDITURE

| S/N | Expenditure | Implementing MDA | Sector | Nature of Expenditure | Amount |
|-----|--|---------------------------------------|----------------|-----------------------|-------------------|
| 1 | PUWOV training; hazard allowances & information dissemination/advocacy | Directorate of Central Administration | Administration | Recurrent | 200,000,000.00 |
| 2 | Personnel Costs (all health workers have been trained and expected to serve as frontline response team members). | Ministry of Health | Social | Recurrent | 5,060,000,000.00 |
| 3 | Health insurance (to facilitate PHC operations and access to medicare for low income and lower middle | Ministry of Health | Social | Recurrent (CRF) | 1,000,000,000.00 |
| 4 | Personnel cost for the staff of the State Health Insurance Commission | Ministry of Health | Social | Recurrent (CRF) | 10,000,000.00 |
| 5 | Overhead Cost (serve as running cost for PHCs and the general hospitals | Ministry of Health | Social | Recurrent | 291,000,000.00 |
| 6 | Palliatives, hazard allowances, advocacy, etc..... | Governor's Office | Administration | Recurrent | 1,000,000,000.00 |
| 7 | Medical equipment for Covid-19 treatment; PPEs | Governor's Office | Administration | Capital | 2,500,000,000.00 |
| 8 | Capital expenditure (targeted at PHC infrastructure and general hospitals with a view to supporting Covid-19 Response Teams at LG level) | Ministry of Health | Social | Capital | 3,601,000,000.00 |
| 9 | Basic Education Capex [though schools were closed during the lockdown, SUBEB developed an online portal through which teachers were delivering lessons to pupils. Then capex programs will continue albeit reconfigured to ensure compliance with Covid-19 containment guidelines] | SUBEB | Social | Capital | 5,000,000,000.00 |
| | Total | | | | 18,662,000,000.00 |

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| | Total | | | | 18,662,000,000.00 |

KEY ASSUMPTIONS

Recurrent Expenditure

1. Total Recurrent Expenditure

Total recurrent expenditure for 2020 was reviewed downward by 8% .

2. Personnel Costs

- Personnel costs reduced marginally by 10% from ₦48.7bn (initial budget) to ₦43.8bn (revised budget).
- The revised personnel cost figure, provides for salaries based on the new national minimum wage and also provides for the recruitment of 2000+ personnel under the Public Works Volunteers Scheme (PUWOV). PUWOV personnel (amongst other duties) facilitate enforcement of NCDC and EDSG guidelines on Covid-19.
- Salaries of medical personnel and other staff engaged as members of the frontline (Covid-19) response team are adequately provided for in the revised personnel cost budget (the figure amounts to ₦6.26bn)

KEY ASSUMPTIONS

Revenues/Receipts

3. Grants

| S/N | | INITIAL BUDGET | REVISED BUDGET |
|------------|---|--------------------------|--------------------------|
| 3.1 | Domestic Grants | | |
| 1 | SFTAS | 10,000,000,000.00 | 5,000,000,000.00 |
| 2 | SFTAS Additional Finance | - | 5,000,000,000.00 |
| 3 | FGN - Edo2020 Sports Festival (Refund) | - | 500,000,000.00 |
| 4 | Covid-19 Support – FGN | - | 1,000,000,000.00 |
| 5 | Covid-19 Support – Individuals/Corporate Institutions | - | 800,000,000.00 |
| 6 | UBEC | 4,000,000,000.00 | 3,500,000,000.00 |
| 7 | SDGs | 500,000,000.00 | - |
| 8 | SOML | 400,000,000.00 | - |
| 9 | IDEAS | 1,250,000,000.00 | - |
| | Total Domestic Grants | 16,150,000,000.00 | 15,800,000,000.00 |

| 3.2 | FOREIGN GRANTS | INITIAL BUDGET | REVISED BUDGET |
|-----|-----------------------------|-------------------------|-------------------------|
| 1 | UNICEF/WHO | 500,000,000.00 | - |
| 2 | ETAHT | 500,000,000.00 | - |
| 3 | SEEFOR/EU | 1,000,000,000.00 | 1,800,000,000.00 |
| 4 | MBEP/EU | 400,000,000.00 | - |
| | TOTAL FOREIGN GRANTS | 2,400,000,000.00 | 1,800,000,000.00 |

TOTAL GRANTS

External Grants N 1.8bn
 Internal Grants N 15.8bn
N 17.6bn



KEY ASSUMPTIONS

Revenues/Receipts

2. IGR

- Edo State's economy will follow the trajectory of the national economy in FY2020, we therefore anticipate a GDP growth of -4.42%.
- Part of EDSG's response to the economic impact of the Covid-19 pandemic will include tax incentives to both formal and informal sectors of the State. We anticipate that these tax incentives will reduce Tax-to-GDP ratio from 1.5% (in the initial budget), to 1.1% in the revised budget, informing a target IGR of ₦26bn (as outlined below:

| S/N | | INITIAL BUDGET | REVISED BUDGET |
|-----|--|----------------|----------------|
| | | N | N |
| 1. | IGR Baseline | 24,000,000,000 | 18,000,000,000 |
| 2. | IGR Growth (new PIT payers, consumption tax, produce grading fees, etc.) | 5,000,000,000 | 0 |
| 3. | Land Use Charge, Ground Rent & Other Land Admin revenues | 2,000,000,000 | 800,000,000 |
| 4. | MDAs – fees, rates, levies, fines, etc. | 5,000,000,000 | 3,000,000,000 |
| 5. | Back duty assessments, exceptional items, etc. | 4,300,000,000 | 4,300,000,000 |
| | | 40,300,000,000 | 26,100,000,000 |



KEY ASSUMPTIONS

Recurrent Expenditure

3. Overhead Costs

- We have reduced overhead costs by 32%, from ₦26.3bn (initial budget) to ₦17.8bn (revised budget), in consonance with the reduction in total recurrent revenue.
- ₦1.8bn in total overhead costs has been set aside for recurrent expenditure interventions and other support programs arising from the Covid-19 pandemic.

4. Capital Expenditure

- The provision for capital expenditure has reduced by 47% (to ₦49.15bn) in the 2020 revised Budget. The 47% reduction is a consequence of the fall in recurrent revenues and reduced receipts from grants and loans.
- Capital expenditures have been reprioritized to enable the State government respond adequately to the Covid-19 pandemic, whilst sustaining investments in key sectors, with a view to mitigating the impact of the downturn triggered by this pandemic. Against this background, the health sector capital expenditure provision has increased (relative to the total budget) from 3.8% (initial budget) to 7.5% (revised budget).

KEY ASSUMPTIONS

Revenues/Receipts

4. Loans

| | INITIAL BUDGET | REVISED BUDGET |
|----------------------------|--------------------------|--------------------------|
| World Bank P4R - Edo BESST | 14,900,000,000.00 | 12,900,000,000.00 |
| World Bank IDA - NEWMAP | 8,400,000,000.00 | - |
| World Bank IDA - RAAMP | 5,000,000,000.00 | 2,000,000,000.00 |
| World Bank IDA - NFWP | 1,000,000,000.00 | - |
| World Bank IDA - SEEFOR | 1,400,000,000.00 | - |
| World Bank IDA - CSDP | 500,000,000.00 | 550,000,000.00 |
| IFAD | 400,000,000.00 | 600,000,000.00 |
| CBN Loans | 1,500,000,000.00 | 2,500,000,000.00 |
| Total Loans | 33,100,000,000.00 | 18,550,000,000.00 |

Loan receipts in the revised budget will be used to fund socio-economic initiatives targeted at ameliorating the negative impact Covid-19 has had on households and MSMEs, and help lay a solid foundation for human capacity development.

- The ₦12.9bn loan will fund the Edo Basic Education Sector & Skills Transformation (Edo BESST) Project
- The Rural Access & Agricultural Marketing Project (RAAMP) is targeted at establishing value chains for key cash and food crops, with a view to enhancing the incomes of value chain actors and create jobs. The ₦2bn loan will be invested in rural/feeder road infrastructure, agricultural processing infrastructure/systems, and agri commodity marketing systems
- The ₦550m loan to CSDP is targeted at livelihood restoration initiatives for rural based households
- The ₦600m loan from IFAD will stimulate production and enhance yield for small holder farmers
- The ₦2.5bn loan is designated for health intervention by CBN. We will use these funds to scale up our investments in medical equipment critical to the treatment of Covid-19 and other medical conditions that carry similar risks.





END



Destiny Enabufele

