



*Text of the Address Delivered by
His Excellency*

Mr. Biodun Oyebanji

Governor, Ekiti State, Nigeria

at the

EKITI STATE HOUSE OF ASSEMBLY COMPLEX

At the Presentation of 2023 Budget Proposal

ENTITLED: BUDGET OF STRONG BEGINNING

Ado-Ekiti | Thursday | November 3, 2022

PROTOCOLS:

1. I am very delighted to stand before you to perform my first budget presentation duty in this hallowed legislative chamber of Ekiti people. Today's ceremony is epochal for me, as it represents the first major step in the actualisation of our dreams for a prosperous Ekiti.
2. It is indeed a rare privilege for me to have the honour of standing before you venerable members of this hallowed House to perform this sacred democratic responsibility as the fourth elected Governor and Head of Government of our dear State.
3. Before I proceed, let me use this occasion to commiserate with this House members and the entire Ekiti people on the sudden and painful exit of our illustrious son, the late Speaker of Ekiti State, Rt. Honourable Funminiye Afuye. His unexpected demise is not only devastating, it is a colossal loss to Ekiti State and humanity in general. He was a diligent, passionate and dependable leader of our dear State. We have lost a rare gem and a priceless treasure at the time he is most needed for his wisdom



and experience. I therefore want to humbly request you to observe a minute of silence in his honour. May soul rest in peace.

4. Mr. Speaker and the Honourable members, exactly eighteen days ago, I was sworn in as the Governor of our dear State. In the brief period, I must state here that the goodwill of Ekiti Kete has been tremendous and overwhelming. I am sincerely grateful to the Almighty God and our people for the invaluable support I have received. This support I must admit, is accompanied with high expectations from us as Government. As a result, I have hit the ground running in an attempt to fast-track the process of actualizing our collective dream of accelerated development for our State.
5. At my inauguration, I informed Ekiti Kete that my vision is for Ekiti State to be a land of prosperity, opportunity, peace and progress. We want Ekiti to be one of the destinations of choice for work, leisure and residence. This is the task we had set for ourselves in the next four years. We shall run this vision within the framework of our six-point agenda as well as the Ekiti State Development Plan.
6. One major instrument of bringing about development is the annual budget. I am pleased to inform you that the proposed budget has been developed in line with our six (6) strategic pillars upon which we based our campaign promises upon. For the avoidance of that, the six pillars are:
 7.
 - (i) Youth Development and Job Creation,
 - (ii) Human Capital Development,
 - (iii) Agricultural and Rural Development,
 - (iv) Infrastructure and Industrialization,
 - (v) Arts, Culture and Tourism, and
 - (vi) Governance.



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8. These pillars highlight our priorities as an administration. Our goal is to safeguard our people's lives, livelihoods, well-being and future. It is to create shared prosperity for all and to grow the economy, equip our people with valuable skills, create jobs, and expand the range of opportunities available for everyone. It is to create a conducive environment for investors to thrive in our economy, and to make Ekiti State the preferred destination to live, work, and invest.
 9. It is no longer news that many economies around the world are contending with fiscal instability and economic challenges. Since Ekiti State's economy is not isolated from national and global economy, the ripples effect of the economic downturn is palpable in our State. The 2023 proposed Budget is, therefore designed to address these challenges and position Ekiti State on a solid foot.
 10. Distinguished parliamentarians, it is instructive to note that the 2023 Budget preparation process was conducted with respect to our avowed principle of inclusive participation. I undertook Citizens' Engagement across the three senatorial districts to collate and articulate the needs of our towns and communities for consideration in the 2023 Budget. Many of the inputs obtained during the engagements have been incorporated into this proposal in fulfilment of our bottom-up approach to government policy formulation and implementation.
 11. There is no denying the fact that successive administrations have made impressive achievements in the development of our State. With all sense of humility, I acknowledge the solid foundation made by the immediate past administration in the quest to develop Ekiti State. The numerous legacy projects executed by the administration have undoubtedly, laid a solid foundation for our administration to leverage on.
 12. As a government we have the responsibility to build upon the good foundation, advance the vision and bring accelerated development



to our people. We have therefore tailored this budget to completing the ongoing projects and inaugurating some new ones geared towards our goal of accelerated development for our dear state. In doing these, we shall be guided by the principles of fiscal discipline, transparency and accountability.

13. As a responsible Government, I am irrevocably committed to openness, transparency and accountability as I will ensure fiscal discipline in my conduct as the Governor of Ekiti State. These underlying principles shall always occupy the front burner in the formulation, preparation and implementation of Ekiti State Budgets as entrenched in Section 121(1) of the 1999 Constitution of the Federal Republic of Nigeria (as amended, 2011).
14. Mr. Speaker and Honourable members, you would recall that the immediate past government unveiled the first long-term development plan named: **Ekiti State Development Plan (2021-2050)** aimed at engendering a sustainable development of our dear State. Consequently, our Medium-Term Expenditure Framework (MTEF) and the annual budget target and goals shall evolve from the 30 years Development Plan.
15. You would recall that I had earlier forwarded the 2023-2025 Medium Term Expenditure Framework (MTEF), which is the forerunner of the 2023 Fiscal Estimate to this distinguished House. The MTEF relies on both domestic and global economic parameters, variables and key indicators to make reasonable forecast for 2023 – 2025. The process also considered the requirements of the State Fiscal Transparency, Accountability and Sustainability (SFTAS) and the latest template from the Nigeria Governors' Forum.

REVIEW OF THE 2022 BUDGET

16. Honourable Members, before I proceed to the summary of what I have for the good people of Ekiti in the next fiscal year, it is imperative that I look at the outgoing year in retrospect. Let me



undertake a review of the performance of the 2022 Budget which was christened '**Budget of Legacy and Consolidation**'. The review of the Budget will not only guide us as a State but will also help to streamline the direction and the implementation of the year 2023 Budget. You will recall that the 2022 Approved Budget was **One Hundred Billion, Seven Hundred and Fifty-three Million, Nine Hundred and Ninety-three Thousand, Two Hundred and Forty-one Naira and Sixty Kobo (₦100, 753,993,241.60) only.**

17. Revenue and Expenditure performance of the 2022 approved Budget is shown in the Table below:

2022 REVENUE PERFORMANCE

REVENUE SOURCES	APPROVED BUDGET 2022 ₦	ACTUAL REVENUE JAN-SEPT ₦	% Perfor manc e As at Q3
Opening Balance	7,200,000,000.00	8,351,267,792.00	116
Government share of FAAC (Statutory Revenue)	49,790,099,639.85	43,232,747,461.48	86.8
Independent Revenue	14,238,877,715.98	9,129,622,962.70	64.1
RECURR ENT REVENUE	64,028,977,355.83	52,362,370,424.18	81.8%
CAPITAL RECEIPT S			



Aid and Grants	19,525,015,885.77	13,934,857,245.71	71.4%
Capital Development Funds	10,000,000,000.00	12,150,224,069.00	121.5%
TOTAL REVENUE	100,753,993,241.60	86,798,719,530.89	86.1%

18. The total proposed Revenue as at 30th September, 2022 was **₦75,565,494,931.20** while the actual Revenue was **₦86,798,719,530.89** which represents 86% performance. The performance in the Statutory Allocation and Internally Generated Revenue could be attributed to the improved price of Crude Oil in the global market as a result of the war between Russia and Ukraine and improved economic activities as a result of conducive environment created by the immediate past administration.

19. However, the effect of unprecedented increase in the petroleum subsidy expenditure and the hyper-inflation impacted negatively on the gains of the increase in Statutory Allocation. Also, the zero remittance to the Federation Account by the Nigerian National Petroleum Corporation Limited (NNPC Limited) impacted the revenue that accrued to the State from the Federation Account.

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2022 EXPENDITURE REVIEW

DETAILS OF EXPENDITURE	APPROVED BUDGET 2022 N	EXPENDITURE JAN-SEPT N	% performance
PERSONNEL COST	27,125,686,432.54	21,030,953,473.4	77.5
OTHER			



RECURRENT COSTS			
<i>breakdown of other Recurrent cost</i>			
OVERHEAD COST	20,950,350,573.35	18,386,472,099.9 6	87.8
OTHER RECURRENT	12,610,877,223.33	18,268,676,883.2 9	144.9
	60,686,914,229.22	57,686,102,456.6 7	95.1
CAPITAL EXPENDITURE	40,067,079,012.38	14,026,226,845.9 9	35.0
TOTAL EXPENDITURE	100,753,993,241.60	71,712,329,302.66	71.2

21. Distinguished Honourable members, as at the end of September, 2022 a total sum of ₦71,712,329,302.66 was expended on both Capital and Recurrent Expenditure as against the sum of **₦75,565,494,931.20** earmarked which represents 71.2% performance. Out of the Total Expenditure incurred, the sum of **₦14,026,226,845.99** was expended on Capital Expenditure, while a sum of ₦57,686,102,456.67 was expended on Recurrent Expenditure.

22. In the third quarter of year 2022, the expected revenue from Capital Receipts soared. The collaborative efforts of Government with the development partners yielded some results as Grants were received from Innovative Development Effectiveness in Acquisition of Skills (IDEAS), Immunization Plus and Malaria Progress by Accelerating Coverage and Transforming Service (IMPACT) projects and the Nigeria Erosion and Watershed Management Project (NEWMAP), among others. Also, the FGN



promised to make refund on Excess Crude. These, among others necessitated a Supplementary Estimate in the Q3. The 2022 Supplementary Appropriation Bill has been passed by this Honourable House of Assembly.

2023 BUDGET IN FOCUS

23. To ensure value for money and a departure from the conventional incremental Budgeting where non-performing estimates were replicated in the annual Budget, we have adopted Zero-Based Budgeting (ZBB) approach in the preparation of 2023 Estimates in line with the Global best practice.

OBJECTIVES OF THE 2023 BUDGET

24. The focus of 2023 Budget is to improve on the Internally Generated Revenue to reduce the dependence of the State on Federal Allocation. In broad terms, the objectives of the Budget shall be as follows:
- i. to establish a framework consistent with Government Fiscal policy in the proposed 2023 Budget;
 - ii. to maintain and improve on the development of Agriculture and Small and Medium Scale Enterprises (SMSEs) in the State towards rapid job creation for the teeming youths;
 - iii. To ensure speedy completion of any on-going developmental projects initiated by the immediate past administration (if not completed) through equitable and prudent distribution and allocation of the available resources and priority;
 - iv. To further widen the revenue sources for the State with a view to reducing the pressure and dependence on Federal Allocation;
 - v. To sustain the ease-of-doing business by creating enabling environment for socio-economic activities in the State and build the trust and attract more domestic and Foreign Investors;
 - vi. To facilitate programmes tailored towards widening Human Capital Development and capacity building in the State



- through strategic investments in Information Communication and Technology (ICT), Agribusiness, etc;
- vii. To promote good governance through Budget discipline, probity, accountability and Transparency in the allocation and utilization of public funds;
 - viii. To increase the Gross Domestic Product (GDP) by harnessing all the economic potentials of the State;
 - ix. To strengthen security apparatus of the State and create an enabling environment for socio-economic activities which will in turn increase the Gross Domestic Product (GDP) of the State; and
 - x. To improve well-being and deliver sustainable growth for the populace.

THE MACROECONOMIC FRAMEWORK FOR 2023 BUDGET

25. Taking our cue from the Federal Government, the Parameters, Assumptions and Indicators used to prepare the Estimates are based on the following macro-economic predictions:

S/NO	ITEM	PREDICTIONS
I	Crude oil price benchmark (PB)	\$70.00
Ii	Oil production benchmark (MBPD)	1.699
Iii	NGN:USD Exchange rate	\$435.57
Iv	Inflation rate	17.5%

2023 REVENUE PROJECTION

26. To sustain economic growth of the State, we have proposed a Total Revenue of **N113, 572,718,523.82** comprising revenue from Federal Allocation, Internally Generated Revenue (from MDAs and Tertiary Institutions), Value Added Tax, International Donor Agencies and other sundry income sources.

S/NO	REVENUE SOURCES	APPROVED ESIMATE 2023	% DISTRIBUTION
1	Federal Allocation	41,500,000,000.00	37
2	Internally Generated	22,542,117,000.00	20



	Revenue (MDAs)		
3	Internally Generated Revenue (Tertiary Institutions)	16,320,461,854.09	14
4	State Fiscal Transparency and Accountability and Sustainability (SFTAS)	3,000,000,000.00	3
5	External Grants (Draw Down)	15,210,139,669.63	13
6	Loan Plan	5,500,000,000.00	5
7	STATE CARES	4,500,000,000.00	4
8	Others: Transfer from prior year	5,000,000,000.00	4
	TOTAL	113,572,718,523.82	100

27. Distinguished Honourable members, as you are no doubt aware, the Nigerian National Petroleum Corporation Limited (NNPC Limited) has been incorporated as a going concern. The implication is that the Corporation now makes zero remittance to the Federation Account. This will unarguably affect the revenue accruable to the State from Federal Government.

28. To cushion the effect and withstand possible revenue shock, it is imperative we look forward to improving our Internally Generated Revenue (IGR). As you may be aware, the IRS has been granted autonomy. We work to ensure that the benefits of the autonomy are achieved in no distant time. We will support the Board by providing them with the necessary resources that can help them to function more effectively and efficiently. I enjoin all Institutions of Government to cooperate with the Internal Revenue to improve our IGR and reduce our dependence of the Federal Allocation.



29. RECURRENT EXPENDITURE

S/NO	EXPENDITURE	APPROVED 2023	ESIMATE
1	Personnel	22,500,000,000.01	
2	Statutory Transfer (Personnel Legislature)	524,853,390.68	
3	Overhead	35,652,852,070.52	
4	Statutory Transfer (Overhead Overhead)	1,694,512,053.47	
5	Social Benefits	7,794,360,102.74	
6	Grants and Subsidies	9,101,305,171.27	
7	Statutory Transfer (Grants to Judiciary)	1,937,750,270.20	
8	Debt Service	305,000,000.00	
9	Transfer to Capital Account	851,945,795.40	
	TOTAL	80,362,578,854.29	

30. I have observed with concern, the huge cost of administration in our overhead cost. While it is of necessity that the engine of government must be oiled through overhead expenditure, the time demands that we bring the cost of administration to the barest minimum. I have therefore directed that MDAs should desist from sponsoring conferences, workshops and trainings that add little or no values to the development of the State.

CAPITAL EXPENDITURE PROJECTION

31. As I have stated earlier, the 2023 Budget is development focused. Our capital outlay is woven around our six pillars. The Capital budget will attract a sum of **₦34,062,085,464.93** in the 2023 fiscal year. This amounts to 30% of the total Budget size and is allocated among the six pillars of the administration.



S/N	PILLAR	AMOUNT	% DISTRIBUTION
I	Youths Development and Job Creation	808,331,750.40	2.4
II	Human Capital Development	3,569,720,415.82	10.5
III	Agriculture and Rural Development,	1,431,348,161.78	4.2
IV	Infrastructure and Industrialization	15,737,282,055.83	46.2
V	Arts, Culture & Tourism	133,343,934.83	0.4
VI	Governance	12,382,059,143.32	36.4
	TOTAL	34,062,085,464.93	100

CLASSIFICATION BY SECTORS

32. Beside our six pillars, the capital expenditure can be classified further around the traditional budget sectors as follows:

(A) ECONOMIC SECTOR

	SUB SECTOR	AMOUNT N	% DISTRIBUTION
1	Agriculture, Rural & Community Development	1,231,348,161.73	3.6%
2	Finance	6,297,529,149.36	18.5%
3	Small and Medium Scale Enterprise (SMEs)	2,212,086,272.40	6.5%
4	Job Creation	283,000,000.00	0.8%
5	Infrastructure	12,916,301,533.82	37.9%
6	Arts, Culture and Tourism	133,343,937.83	0.4%
	SUB-TOTAL		67.7%



		23,073,609,055.14	
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(B)SOCIAL SECTOR

	SUB SECTOR	AMOUNT ₱	% DISTRIBUTION
1	Youth Development	182,331,750.40	0.5%
2	Gender Development	343,000,000.00	1.0%
3	Education	2,449,473,325.10	7.2%
4	Environmental Development	808,894,249.61	2.4%
5	Health	1,120,247,090.72	3.3%
	SUB-TOTAL	4,903,946,415.83	14.4%

(C)LAW AND JUSTICE

	SUB SECTOR	AMOUNT ₱	% DISTRIBUTION
1	Law and Justice	566,741,341.13	1.7%
	SUB-TOTAL	566,741,341.13	1.7%

(D) REGIONAL SECTOR

	SUB SECTOR	AMOUNT ₱	% DISTRIBUTION
1	Regional Development	49,500,000.00	0.1%
	SUB-TOTAL	49,500,000.00	0.1%



(E)ADMINISTRATIVE SECTOR

	SUB SECTOR	AMOUNT N	% DISTRIBUTION
1	Governance	5,468,288,652.83	16.1%
	SUB-TOTAL	5,468,288,652.83	16.1%

	AMOUNT N	% DISTRIBUTION
GRAND TOTAL (A+B+C+D+E)	34, 062, 085, 464:93	100%

32.1 ECONOMIC SECTOR

The Economic Sector is made up of Agriculture and Food Security, Rural Development, Small and Medium Enterprises (SMEs), Poverty Reduction Programmes, Arts, Culture and Tourism and Infrastructure. The Sector plays a critical role in boosting economic activities to enhance the well-being of the populace. The sum of **N23,073,609,055.14** has been projected for the Sector in the 2023 Budget, representing 67.7% of the total Capital budget.

32.2 ARTS, CULTURE AND TOURISM

This is one of the priorities of our Administration. Our Cultural Heritage and Tourist centres shall be promoted to international standard. This shall be achieved through Public Private Partnership. The State has comparative advantage in the area of culture and tourism. Thus, investing in the sector shall be a veritable source of revenue to the State. It will inspire creativity and stimulate entrepreneurship among our youthful population. We



have therefore earmarked the sum of ₦61, 406,517.16 in the 2023 Budget for the development of Arts and Culture in the State.

32.3 INFRASTRUCTURE

As an administration, we are irrevocably committed to the infrastructural development of dear State. We are of the firm conviction that infrastructure is a catalyst to socioeconomic development. To this end, the State Government will pay more attention to infrastructural development in 2023. There shall be an increased allocation of resources to the critical areas of infrastructure such as Water Supply, Electricity, Housing, improved Road Network and provision of other infrastructural facilities across the Sixteen LGAs in the State.

Some of the projects to be executed are:

- i. Ado Township road
- ii. Construction of Atlas -Ajebamidele-Deeper Life -Alasia - Shepherd- Omisanjana road
- iii. Ikere – Ilawe road, Itapa – Omu- Ijelu etc roads
- iv. Completion of the phase II of New Iyin road
- v. Rehabilitation of Igede – Ilawe – Road
- vi. And other intercity roads.

32.4 SOCIAL SECTOR

Health care, education, youth development, gender empowerment come under this sector. Job creation for our teeming youths shall be a major priority of my administration. While white collar jobs will be de-emphasized, empowerment programmes, creation of enabling environment and development of Micro, Small and Medium Enterprises shall be accorded topmost priority. The State shall commence the construction of ultra-modern Library in 2023.

32.5 REGIONAL SECTOR

I am quite aware of the impact of erosion and environmental degradation in some parts of our State in 2022. The major Federal roads linking Ekiti were badly affected as a result of erosion. We



are already engaging the Development Partners and the Federal Government on how to quickly address some of these environmental related infrastructural degradation.

33.6 EMERGENCY AND WASTE MANAGEMENT

This sector shall receive sufficient attention in the 2023 Budget. The Agency saddled with the responsibility of waste disposal, sewage and hygiene will be reorganised, revitalised and strengthened in 2023 for optimum performance.

32.7 JUDICIARY AND LEGISLATIVE ARMS OF GOVERNMENT

In preserving the tenets of separation of powers, my Government will accord necessary respect to the Judiciary and the Legislature as separate arms of Government, respectively. I am, no doubt, aware of the independence of these two Arms of Government. Much as they are independent, it is also of necessity that they are interdependent in the service to our people. It is still one Government and not separate one. We therefore work for the furtherance of the existing harmonious and mutual collaboration. We are all partners in the development of our State. The past administration enacted the Judiciary Funds Law and the Legislative Funds Law which conferred autonomy on the two Arms. My Administration will uphold this tenet and strengthen the institutions for better performance. As such, necessary provision has been made for statutory transfer to these two Arms of Government.

32.8 INTERNAL SECURITY

Our security architecture has been threatened in the past. It is my mandate to secure lives and property of our people as the Chief security Officer of the State. I will pay necessary attention to this sector by working with all the security sector stakeholders including our traditional institutions for a more robust security system.

CONCLUSION.



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33. Mr. Speaker and Honourable members of this Distinguished House, Ladies and Gentlemen, let me assure you that the Budget I just presented represents the plan, policies and programmes designed by our Administration to achieve the collective aspirations of the good people of this State in my first year in Office. While I am in a hurry to develop all sectors of our economy, I am mindful of the challenge of limited resources. However, the pact I signed with Ekiti State is four years in the first instance.
 34. My administration will make concerted efforts to touch and transform every sector of the economy as we journey in my tenure as your Governor. All the lofty ideas I have conceived cannot be realized without your support. Having been building on the foundation laid by my predecessor, it is my honour and pleasure to present the 2023 Budget Estimate which I have christened **'BUDGET OF STRONG BEGINNING'**. We are starting strong because we are not starting afresh.
 35. As I conclude, let me reiterate my earlier call to investors, Development Partners and Ekiti Kete all over Nigeria and in the Diaspora to make Ekiti their destination of choice for business and pleasure. Ekiti is very open to business, and has an enabling policy and institutional framework that will ensure prudence, transparency and accountability in all obligations.
 36. On a final note, may I express my profound gratitude to the Distinguished Honourable members for your cooperation and support to the Executive in the last four years and since I assumed office. Without any fear of contradiction, Ekiti State House of Assembly is the most peaceful in Nigeria. The peace and harmonious relationship between the Executive and the Legislature is a product of the mutual understanding between the two Arms, that Ekiti project is greater than any sectional or selfish interest.
 37. I sincerely appreciate our revered royal fathers for gracing this occasion. We are very appreciative of all your sacrifices and we



remain committed to your welfare. I count on your support and prayers as usual to move Ekiti State forward. I also appreciate members of the State Executive Council here present (both past and present). To the Gentlemen of the Press, we count on your cooperation and support as we labour to move our dear State forward.

38. As the year moves to a glorious end, it is my sincere hope that the year 2023 shall be our year of Strong Beginning as a State. I enjoin you all to join hands with us as we strive to move the State forward. It is my prayer that God, in His infinite Mercy will bless us with favourable international and national economic outlook to actualise and surpass our plans in the year.

39. *Let's work together to keep Ekiti Working*

40. Thank you and God bless.

Biodun Oyebanji

Governor

Ado-Ekiti | November 3, 2022.