



YOBE STATE GOVERNMENT OF NIGERIA MINISTRY OF BUDGET AND ECONOMIC PLANNING

GOVERNOR'S OFFICE, P.M.B. 1015, DAMATURU, YOBE STATE

Our Ref: MBEP/ES/S/20/VOL.I/ Your Ref: _____ Date: 27/8/2021

CALL CIRCULAR FOR 2022 BUDGET PREPARATION

It is my pleasure to inform All Accounting Officers of Ministries, Departments and Agencies (MDAs) to prepare their 2022 proposed budget and strictly adhere to the guidelines and formats as per attached.

2. Furtherance to this, MDAs are further advised to come up with proposals that will complement the developmental efforts of His Excellency, Governor Mai Mala Buni's Administration. They are to carefully study the call circular and comply with all the provisions and requirement contained herein. For further enquiries and clarification, do not hesitate to contact the phone numbers mentioned in the attached guidelines.
3. Your submission is expected to reach us not later than Tuesday, 12th October 2021.
4. While anticipating your timely response, accept my warmth regards.

Hon. Muhd Garba Gagiyo
Honourable Commissioner,
Min. of Budget & Economic Planning



YOBE STATE GOVERNMENT OF NIGERIA

CALL CIRCULAR

FOR

2022 BUDGET PREPARATION

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1 Introduction

Preparation of annual budget is a constitutional requirement under section 121 (1) of the 1999 constitution of the federal government of Nigeria as amended which states that “the Governor shall cause to be prepared and laid before the State House of Assembly at any time before the commencement of each financial year estimate of revenues and expenditure of the state for the next following financial year.” The 2022 Budget Call Circular sets out the requirements and instructions that MUST be satisfied and followed in the preparation of the Yobe State Government Budget proposal.

Thus, all Ministries/Chief Executives/Accounting Officers and other officers responsible for the budget preparation are advised to read this Budget Call Circular carefully and strictly adhere to these guidelines and instructions.

- 1.1 All revenue generating Ministries/Departments and Agencies (MDAs) are enjoined to use and not limit themselves to the attached list of expected revenue sources.

The preparation of the budget estimate of all MDAs should take into consideration the policies/strategies contained in the State Development Plan and try to link same into their 2022 budget proposals. In order to discourage the practice of regular incremental budget adjustment, all Ministries, Departments and Agencies (MDAs) are to carefully scrutinize and justify their projects and programmes for which resources are to be allocated in line with the immediate needs of the state as well as governments development priorities.

- 1.2 The policy thrust of the state government in the 2022 fiscal year is the completion of all ongoing legacy projects as attention will not be given to a new capital-intensive project.

2 Background

Review of 2021 Budget.

- 2.1 The key underlying assumptions of the 2021 budget are as follows:

- Oil Price benchmark US\$ 40pb
- Oil Production benchmark 1.86 MBPD
- Exchange rate ₦379/US\$
- Inflation rate (%) 11.95
- GDP Growth rate (%) 3.0

- 2.2 Based on these assumptions and taking into cognisance the budget performance for the pass six (6) years i.e. 2015 – 2020, the aggregate

revenue of ₦106.898 billion consisting of FAAC Revenues, Grants, Loans, Other capital receipt and opening balance was projected to fund the 2021 expenditures. Thus:

- (i) Personnel (including CRF charges) - ₦30.331 billion
- (ii) Overheads - ₦24.601 billion
- (iii) Social benefits - ₦ 4.511 billion
- (iv) Grants and Subsidies - ₦ 0.522 billion
- (v) Debt Service - ₦ 3.995 billion
- (vi) Capital Expenditure - ₦42.938 billion

2.3 Summary of Revenue Performance 2021

ECON CODE	DESCRIPTION	2021 APPROVED BUDGET	TOTAL ACTUAL JANUARY-JUNE	PERF	BALANCE
		₦	₦	%	₦
TOTAL REVENUE		106,898,499,776	60,917,262,559	56.99%	45,981,237,217
11	FAAC REVENUE	56,298,013,247	26,675,450,204	47.38%	29,622,563,043
11010100	Statutory Allocation	35,383,273,429	14,897,885,100	42.10%	20,485,388,329
11010200	Share of VAT	15,914,739,818	10,262,751,896	64.49%	5,651,987,922
11010300	Excess Crude	2,201,000,000	1,107,457,028	50.32%	1,093,542,972
11010400	Other FAAC Revenues	2,799,000,000	407,356,179	14.55%	2,391,643,821
12	INTERNALLY GENERATED REVENUE	9,200,486,529	3,781,824,642	41.10%	5,418,661,887
12010100	Tax Revenue (Pay-As-You-Earn) - General	3,955,875,000	3,352,200,549	84.74%	603,674,452
12020100	Licences - General	80,438,154	39,310,580	48.87%	41,127,574
12020400	Fees - General	803,230,000	119,447,603	14.87%	683,782,397
12020500	Fines - General	64,050,000	11,092,267	17.32%	52,957,733
12020600	Sales - General	1,008,350,000	58,504,449	5.80%	949,845,551
12020700	Earnings - General	389,293,000	9,257,184	2.38%	380,035,816
12020800	Rent on Govt Buildings - General	57,000,000	5,210,000	9.14%	51,790,000
12020900	Rent on Land & Others - General	2,436,030,375	36,075,479	1.48%	2,399,954,896
12021000	Repayments - General	403,220,000	150,726,532	37.38%	252,493,468
12021100	Investment Income	3,000,000	-	0.00%	3,000,000
13	GRANTS	10,000,000,000	7,470,700,000	74.71%	2,529,300,000
13020300	Domestic Grants	3,250,000,000	6,476,000,000	199.26%	3,226,000,000
13020400	Foreign Grants	6,750,000,000	994,700,000	14.74%	5,755,300,000
14	CAPITAL RECEIPTS	16,500,000,000	7,458,199,801	45.20%	9,041,800,199
14020200	Other Capital Receipts	5,100,000,000	-	0.00%	-
14030100	Domestic Loans/Borrowings Receipts	11,400,000,000	7,458,199,801	65.42%	3,941,800,199
31	CURRENT ASSET	14,900,000,000	15,531,087,913	104.24%	631,087,913
31010100	Treasury Opening Balance	14,900,000,000	15,531,087,913	104.24%	631,087,913

2.4 Summary of Expenditure Performance 2021

EXPENDITURE PERFORMANCE					
	2020 Actuals	2021 Budget	Actuals (Jan-June)	Variance	%
Fiscal Items					
Personnel	26,273,945,690	30,330,107,733	14,113,602,833	16,216,504,900	46.53%
Overhead	17,038,470,772	19,204,464,034	11,662,972,796	7,541,491,238	60.73%
CRF Charges	4,464,696,483	4,511,000,000	2,108,153,782	2,402,846,218	46.73%
Public Debt Services	3,479,466,753	9,915,000,000	5,049,534,854	4,865,465,146	50.93%
Capital	37,165,206,542	42,937,928,009	21,895,419,701	21,042,508,308	50.99%
	88,421,786,240	106,898,499,776	54,829,683,966	52,068,815,810	51.29%

3 The 2022 Budget Framework

In line with the global and domestic economic outlook, the key parameters as well as other Macro-economic projections driving the Medium-Term Revenue and Expenditure Framework (MTEF) 2022 – 2024 used by the Federal Ministry of Finance and National Planning is adopted by the State Budget Working Group (BWG) in the preparation of the State Medium Term Expenditure Framework (MTEF) 2022 -2024.

Macro-Economic Framework

Item	2022	2023	2024
National Inflation	13.00%	11.00%	10.00%
National Real GDP Growth	4.20%	2.30%	3.30%
Oil Production Benchmark (MBPD)	1.8800	2.2300	2.2000
Oil Price Benchmark	\$57.00	\$57.00	\$55.00
NGN:USD Exchange Rate	410.15	410.15	410.15
Other Assumptions			
Mineral Ratio	30%	30%	30%

Fiscal Framework

Item	2022	2023	2024
Opening Balance	3,500,000,000	3,500,000,000	3,500,000,000

Recurrent Revenue			
Statutory Allocation	38,643,642,465	43,886,794,111	41,989,736,547
VAT	20,525,503,792	20,525,503,792	20,525,503,792
IGR	20,180,802,773	15,180,802,773	15,180,802,773
Excess Crude/Other FAAC Revenue	2,982,338,710	2,982,338,710	2,982,338,710
Total Recurrent Revenue	82,332,287,740	82,575,439,386	80,678,381,822

Recurrent Expenditure

Personnel Costs	30,618,548,584	32,149,476,013	33,756,949,814
Social Contribution and Social Benefit	3,792,324,605	3,792,324,605	3,792,324,605
Overheads	26,330,466,900	26,593,771,569	27,125,647,000
Grants, Contributions and Subsidies	21,614,940	24,857,181	28,585,758
Public Debt Service	21,152,874,393	10,576,437,196	6,345,862,318
Total	81,915,829,422	73,136,866,565	71,049,369,495

Transfer to Capital Account

	3,916,458,318	12,938,572,821	13,129,012,327
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Capital Receipts

Grants	28,000,000,000	22,300,000,000	22,300,000,000
Other Capital Receipts	15,000,000,000	5,000,000,000	5,000,000,000
Total	43,000,000,000	27,300,000,000	27,300,000,000

Reserves

Contingency Reserve	0	0	0
Planning Reserve	4,291,614,387	4,303,771,969	4,208,919,091
Total Reserves	4,291,614,387	4,303,771,969	4,208,919,091

Capital Expenditure

Discretionary Funds	47,624,843,931	40,934,800,852	41,220,093,236
Non-Discretionary Funds	25,624,843,931	18,934,800,852	19,220,093,236
	22,000,000,000	22,000,000,000	22,000,000,000

Financing (Loans)

	5,000,000,000	5,000,000,000	5,000,000,000
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Total Revenue (Including Opening Balance)	133,832,287,740	118,375,439,386	116,478,381,822
Total Expenditure (including Contingency Reserve)	133,832,287,740	118,375,439,386	116,478,381,822

4 Guidelines for Budget Preparation

4.1 General Instruction

All spending agencies are advised to adhere strictly to the following INSTRUCTIONS in the preparation of their 2022 budget proposals.

- (i) Every spending entity is advised to ensure that all liabilities and other relevant activities considered important in 2022 fiscal year are included in their proposed budget;
- (ii) Articulate their budget against the background of the overall goals of YOSERA V and the Sustainable Development Goals;
- (iii) Ensure the link between MTSS and the annual budget;
- (iv) Report on the revenue and expenditure performance of the current year January – June MUST be attached.
- (v) Inputs from the citizens' collected during the Public Consultations (Budget Dialogue) meetings at the Headquarter of the three (3) senatorial district should form part of the 2022 budget proposals.
- (vi) Ensure that budget estimates are within the ceiling provided and use of appropriate budget classification and codes.
- (vii) To liaise with their respective departments and unit in coming up with their budgetary proposals.
- (viii) In allocating capital budget resources, MDAs are enjoined to accord priority to ongoing projects, especially those nearing completion that fit into government's current priorities. MDAs may not be allowed to initiate new projects/programmes unless they can demonstrate that adequate provisions have been made for ongoing projects;
- (ix) MDAs are required to provide full information on the projects that require counterpart funding (see Annex II). Counterpart funds will be available to any MDAs that justify the projects and make necessary provisions in their budgets;
- (x) All MDAs are required to prepare and submit their 2022 budgets online using the SIFMIS platform;
- (xi) All MDAs are advised to adopt a balanced framework that promotes inclusive growth, equality and security as ensuring a life of dignity to all Yobeans through the budget;
- (xii) Ensure consistency with sector strategy;
- (xiii) Ensure that the appropriate forms and formats are used.

5 Internally Generated Revenue

5.1 All Accounting Officers may wish to note that: -

- Our continuous dependence on Federation Account implies that our internally generated revenue is nothing to write home about, it is therefore imperative for all MDAs to remain steadfast and prudent in revenue collection and curb imminent leakages;
- The budget classification and chart of account has comprehensive list of sources which could be used by all generating institutions;
- MDAs are advised to open more windows and initiate for more sources of generating revenue in addition to the ones provided refer to Annex I

6 Grants and Loans

MDAs are expected to clearly indicate expected grants and loans, if any from federal, local government, international development organizations, non-governmental organizations etc. to form part of their capital program using Annex II

7 Recurrent Expenditure

It is expected that each organization will aim at reducing wastages and eliminating flows to curtail overblowing the budget with over costed material. Agencies are therefore advised to study the attached annex carefully, putting more emphasis on public accountability and prudent spending of public funds.

- I) Staff list
Refer to Annex III, you may wish to liaise with other department in order to obtain adequate information on each category of staff.

- II) Personnel cost
Refer to Annex IV, your organization is to work within the sum of
 =N= _____ 2022
 =N= _____ 2023
 =N= _____ 2024 as the allocated ceiling
 for the personnel cost

- III) Overhead Cost
Refer to Annex V. Your organization is to work within the sum of
 =N= _____ 2022
 =N= _____ 2023
 =N= _____ 2024 as the allocated ceiling
 for your organization operating cost. i.e., fixed and other recurrent services.

8 Capital Expenditure

All accounting officers are reminded to strictly observe the following: -

- (i) Priority must be given to all ongoing projects and payment of liabilities
- (ii) You may need an expert to assist in estimating the cost of the project in order to achieve the loadable programs of this administration
- (iii) The ceilings allocated for your capital expenditure are as follows:

2022 _____
 2023 _____
 2024 _____

You are to work within these parameters and also note that the ceilings given include payments of liabilities and the completion of ongoing projects, refer to Annex VI & VII

9 Submission and Defence of Budget Proposals

All MDAs are required to submit their budgets online using the State Integrated financial Management Information System (SIFMIS) later than Tuesday 12 October, 2021. Upon submission of MDAs proposals, they would be reviewed for compliance with this circular, subsequently, bilateral meetings will be scheduled for MDAs as may be determined by the Ministry of Budget and Economic Planning. The objectives are to critically evaluate the submissions and finalise MDAs 2022 budget before the presentation of the proposed 2022 budget to the State Legislature by His Excellency the Executive Governor of the State, Hon. Mai Mala Buni (Chiroman Gujba).

10 Information on who to contact for further clarification or support

For enquiries and further clarifications, contact the following:

- 08062154168
- 09123544944
- 08037179745

YOBE STATE GOVERNMENT OF NIGERIA PROPOSED RECURRENT REVENUE PROFILE 2022

Annex I

ADMIN CODE: _____

Sn	ECON CODE	DESCRIPTION	APPROVED	REVISED	ACTUAL REVENUE 2021	PROPOSED BUDGET 2022
			₦	₦	₦	₦

**YOBE STATE GOVERNMENT NIGERIA
PROJECTS WITH EXTERNAL FINANCE (GRANTS/LOANS) 2022**

Annex II

ADMIN CODE:

S/N	ECONS CODE	PROJECT TITLE	PROJECT DESCRIPTION	DONOR AGENCY	DURATION	TOTAL PACKAGE	DRAWDOWN 2020	DRAWDOWN JAN-AUG 2021	APPROVED REVISED ESTIMATE 2021	AMOUNT REQUIRED		
						₦	₦	₦	₦	2022	2023	2024
		Loans										
		From International Sources										
		From Foreign Govt										
		From other Govt Agencies										
		From Financial Institution										
		From Individuals										
		From NGO										
		WB Drawdown										
		ADB Drawdown										
		JAICA Drawdown										
		Good Governance										
		Other loans										

**YOBE STATE GOVERNMENT
COMPREHENSIVE STAFF LIST 2021**

Annex III

ADMIN CODE:

S/N	Name	GL/STEP	ID No.	Rank	Date of 1st Appointment	Date of last Promotion

YOBE STATE GOVERNMENT
PROPOSED PERSONNEL COST 2022

Annex iv

ADMIN CODE:

ECONOMIC CODE	GL	ACTUAL NO. OF STAFF 2020	ACTUAL SALARIES JAN- DEC 2020	APPROVED REVISED ESTIMATES 2021	ACTUAL SALARIES JAN- AUG 2021	PROPOSED ESTIMATES 2022	PROJECTION 2023	PROJECTION 2024
			₦	₦	₦	₦	₦	₦
	1							
	2							
	3							
	4							
	5							
	6							
Total 01-06								
	7							
	8							
	9							
	10							
	12							
	13							
Total 07-13								
	14							
	15							
	16							
	17							
Total 14-17								
Total 01-17								
Hon. Commissioner								
Perm. Sec								
Total								
Leave Transport Grant								
Allowance								
Total Staff & Personnel Cost								

YOBE STATE GOVERNMENT
PROPOSED OVERHEAD COST 2022

Annex v

ADMIN CODE:

ECONS CODE	DESCRIPTION	FUND CODE	FUNCT CODE	LOCATION CODE	PROG. CODE	APPROVED REVISED BUDGET 2021	ACTUAL 2021	PROPOSED BUDGET 2022	PROJECTION 2023	PROJECTION 2024
						₦	₦	₦	₦	₦

YOBE STATE GOVERNMENT
ON-GOING CAPITAL PROJECTS 2021

Annex vi

ADMIN CODE:

ECONS CODE	DESCRIPTION	FUND CODE	FUNCTIONAL CODE	LOCATION CODE	PROG. CODE	APPROVED REVISED BUDGET 2021	ACTUAL AMOUNT EXPENDED	BALANCE	LEVEL OF WORK
						N	N	N	

YOBE STATE GOVERNMENT
 PROPOSED CAPITAL PROJECTS 2022

Annex vii

ADMIN CODE:

ECONS CODE	DESCRIPTION	FUND CODE	FUNCT CODE	LOCATION CODE	PROG. CODE	APPROVED REVISED BUDGET 2021	PROPOSED BUDGET 2022	COMPLETION PERIOD	REMARKS
						₦	₦	-	