

**2021 BUDGET SPEECH OF HIS EXCELLENCY, THE
EXECUTIVE GOVERNOR OF OYO STATE, GOVERNOR 'SEYI
MAKINDE DELIVERED AT THE OYO STATE HOUSE OF
ASSEMBLY ON MONDAY, 23RD NOVEMBER, 2020**

*The Rt. Hon. Speaker of Oyo State House of Assembly,
Distinguished Honourable Members of the House,
Members of the Oyo State Executive Council,
The Chief Judge,
Respected Leaders of our great party, the People's Democratic Party,
Our Highly Revered Royal Majesties and other Traditional Rulers,
Gentlemen of the Press,
Distinguished Ladies and Gentlemen,*

It is with utmost delight and gratitude to God Almighty that I present Year 2021 Budget Proposals for Oyo State to the Speaker and Honourable Members of this hallowed Chamber.

2. Before I proceed, let me express my profound gratitude to the Distinguished and Honourable members of this House of Assembly for your unstinted supports and cooperation which has enabled us to impactfully implement the Accelerated Development RoadMap of this administration for the betterment of our people and overall development of Oyo State.

3. I would like to submit with all sense of modesty that we have recorded very significant progress in the last one year in pursuit of our cardinal objectives of Economy, Education, Health and Security. It is noteworthy and unprecedented that we introduce Alternative

Project Funding Approach to provide necessary infrastructure despite COVID-19 pandemic. The sustained peace and security in the State especially with the provision of security apparatus and our light up project has brought about substantial inflow of private investments to the State.

4. Mr. Speaker, it is not an understatement to say that the outgoing year economic environment remains very challenging, globally due to COVID pandemic, coupled with dwindling Statutory Allocation from the Federation Accounts as a result of sharp reduction in global commodity prices and its concomitant effects on the price of crude oil.

5. There is high propensity that the Internally Generated Revenue may still slide further owing to the disruption of economic activities as a result of COVID-19 and END SARS protest which may affect the profits of many organizations. However, we are going to take very decisive and pragmatic steps to ensure that our resources' potentials and opportunities are well unlocked and optimally harnessed to deliver maximum benefits to our people. The contents and components of this proposal are therefore designed to capture our vision for the next fiscal year.

REVIEW OF 2020 BUDGET PERFORMANCE

6. Mr. Speaker, it is on record that this administration has significantly changed the rhetoric by ensuring substantial improvement in our fiscal operations and budget performance. When

we got the mantle of leadership in May 29, 2019, we observed that the budget figure of ₦285 billion naira was quite unattainable coupled with the emergence of COVID-19 pandemic in February, 2020, we had to reviewed the budget downward to N176 billion which resulted in 46.2 % budget performance.

7. In fact, Government continues to make people the centre piece of our administration's development agenda through strengthening of citizens' participation in public policy processes and implementation of people-centered programs and projects. Mr. Speaker and Distinguished Honourable members, I seek your permission to briefly highlight the performance of the Year 2020 budget.

8. As at September 2020, the State's actual aggregate revenue was N80.4 billion. This revenue performance is only 46.16% percent of the 2020 Budget's target due to economic shock occasioned by COVID-19 pandemic. Specifically, on total revenue, the sum of ₦25.6 billion representing 31.88% was realized as the Internally Generated Revenue (IGR) while Statutory Allocation from Federation Account Allocation was N54.1 billion representing 67.30%. The balance of 0.82% was Capital Receipts. This implied that the State still depended largely on External Sources for its Revenue.

9. Similarly, expenditure performance stood at 50.32% as against the expected performance of 75% on approved Budget. The total expenditure was N87.6 billion. However, sectoral analysis on Capital

Expenditure revealed that the sum of 29.94B was expended with the Economic Sector gulping 15.88b, Social Sector 12.29b, Law and Justice, 0.071 and General Administration 1.69b. During the year, preference was given to the completion of ongoing infrastructure development projects. This was in consonance with our commitment to prudently manage State's resources and ensure that earlier expenditure on physical infrastructure did not go down the drain. I will now highlight some of the achievements of our cardinal objectives during 2020 fiscal year.

SECURITY

10. In line with the resolve and determination of this Administration to ensure peace and tranquility in the State, I am pleased to report that our efforts in this regard has continued to yield positive results, in terms of improved peace and security of lives and properties in the State, we enhanced the performance of the Police, and other security agencies across the State through procurement of JAC Pick-Up Vans to Enhance Security in the State. Government also established Amotekun Security Agency with employment of N1,500 personnel besides the installation of CCTV gadgets in strategic areas and light up project to ensure effective security network in the State. All these have prompted an enabling environment for the businesses to thrive while contributing in no small measure to the ease of doing business.

In addition, we have upgraded and strengthened the Fire service department to an agency and procured four Fire Fighting Trucks for the Agency.

ECONOMY

11. Towards fulfilment of our desire to expand the State economy and enshrine good governance, we have fostered strategic alliances and collaborative partnership with different but key stakeholder groups. This has produced an enduring support by development partners and non-governmental organizations for people-oriented projects and programmes capable of improving livelihood and economic status of our people.

12. Incidentally, we have initiated a bilateral agreement with the International Institute of Tropical Agriculture (IITA), Ibadan on the Start Them Early Programme (STEP) in Agricbusiness for the benefit of our youth and development of agricultural sector. We have also successfully transformed and strengthened our investment cum public-private institution to facilitate both foreign and local partnership. Through this approach, we have resuscitated some moribund State enterprises including Asphalt company in Akinyele, Juice factory in Surulere and Agbowo Shopping Complex in Ibadan North Local Government Area among others. All these would help to

accelerate the pace and level of socio-economic development of the State.

13. Furthermore, in a determined bid to expand the state infrastructure network to feed the State economy, we have procured and installed All-In-One Solar-Powered Street Lights for the illumination of major Markets, Palaces, selected hospitals and other public places across the geopolitical zones of the State to extend the business hours and thereby engender sustained livelihood for the populace. Similarly, we have approved the construction of a 21km Airport Road- Ajia- New Ife Express Road with a spur to Amuloko through Alternative Project Funding on Design-Build and Finance basis to facilitate strategic road network and stimulate economic growth. Also, as part of efforts to turn sport into economic activity and eliminate youth restlessness, the State Government has continued to encourage sports and sporting activities. We have embarked on the remodeling of Lekan Salami Stadium, Adamasingba to make sport the larger contributor to the GDP.

14. We recently launched a home charter scheme to enable people get Certificate of Occupancy in 45 days and to improve the state Internally Generated Revenue. In the same vein, I am happy to inform this Honourable House that we have commenced the preparation of the State Development Plan after several years of planning without an overarching document. The plan when completed will herald a new course and facilitate speedy socio-

economic development. Let me use this opportunity to solicit the support of the Honourable members on the State Development Plan.

15. In the meantime, we have put in place a structure that will facilitate Public Private Partnership (PPP) in Solid Waste Management in the State. We envisage that in few years from now, Government will no longer spend public money on refuse collection in the State. This is one of the outcomes of our partnership with private investors.

EDUCATION

17. Mr. Speaker, to consolidate our efforts at providing free and qualitative education, we have been much committed to the payment of counterpart contribution for UBE programme. We also procured textbooks in core subject areas for the pupils and students of primary and secondary schools respectively. In addition, we massively embarked on the construction and rehabilitation of schools as well as production of school furniture across the state to promote conducive learning environment.

18. It must also be mentioned that Government is ensuring that the Teaching Service is not depleted. As such, in addition to the previous appointments made into other cadres in the civil service, additional 7,500 teaching and non- teaching staff are being employed into the State Teaching Service.

HEALTH

19. Mr. Speaker and distinguished Honourable members, provision of qualitative health services constitutes a major priority of this administration. Towards ensuring improved access to high quality and affordable health services to the people, especially the vulnerable groups, Government conducted Free Health Mission across the state and procured medical equipment and Drugs for the Mission. We also procured 10 units of Ambulance and CT-SCAN with Transport Incubator for State Hospitals.

20. With the emergence of COVID-19 pandemic, Government established State Emergency Operation Centres and procured PPE, Digital Thermometer & Medical Scrub for the Centres

2021 BUDGET
Mr Speaker, after the review of 2020 budget performance, I humbly present to you the proposed a total Budget of the sum of **Two Hundred and Sixty-Six Billion, Six Hundred and Forty-Four Million, Two Hundred and Seventy-Three Thousand, Three Hundred and Five Naira, Four kobo (₦266,644,273,305.04)**. which is an increase of the sum of **₦92,556,820,063.58** representing **53.16%** over the 2020 Budget of **₦174,087,453,241.46** It must be emphasized that the tenets of the Federation's Fiscal Sustainability Plan (FSP) and other developments aspiration were as much as practicable adhered to as guide in the preparation of the 2021 Budget. The highlight of the budget is as follow

(A) TOTAL REVENUE:

	TOTAL REVENUE	APPROVED 2020 ₦	PROPOSED ESTIMATE 2021 ₦	% OVER TOTAL Estimat

				e
	Recurrent			
1.	Internally Generated Revenue:			
	(i) MDAs	19,812,562,098.00	45,787,179,248.80	17.17
ii.	(ii) B. I. R.	33,850,000,000.00	57,037,027,964.66	21.39
	Sub-Total	53,662,562,098.00	102,824,207,213.46	38.56
2.	Statutory Allocation	58,294,582,762.46	84,523,000,000.00	31.69
3.	Loan	31,325,306,339.00	43,001,056,081.58	16.12
	Total	143,282,451,199.46	230,348,263,295.04	86.39
4.	Capital Receipts	30,805,002,042.00	36,296,010,010.00	13.61
	Total Revenue	174,087,453,241.46	266,644,273,305.04	100

(B) TOTAL EXPENDITURE:

	TOTAL EXPENDITURE	APPROVED 2020 ₦	PROPOSE ESTIMATE 2021 ₦	% OVER TOTAL Estimate
1.	RECURRENT			
	(i) Personnel Cost	54,553,196,033.00	65,309,529,289.41	24.50
	(ii) Overhead Cost	18,013,918,682.00	30,318,460,720.00	11.37
	(iii) Consolidated Rev. Fund Charges	36,337,984,916.46	40,635,000,000.00	15.24
	Sub-Total	108,905,099,916.46	136,262,990,009.41	51.11
2.	Capital Expenditure	65,182,353,610.00	130,381,283,295.63	48.89
	Total	174,087,453,241.46	266,644,273,305.04	100

The fund to finance the proposed budget shall be sourced from:

(i) Internally Generated Revenue,

(ii) Statutory Allocation,

(iii) Capital Receipts

The 2021 proposed budget reflects the priority accorded various sectors which is hoped will bring development to the State. The sectorial allocations are as follow.

- a. Economic sector **N64,877,353,947,31** or **49.76%**
- b. Social sector **N38,089,329,348.22** or **29.21%**
- c. Law and Justice **N280,000,000. 00** or **0.21%**
- d. Administration **N27,134,600,000.00** or **20.81%**

The priority of this government is to pursue people-centered projects, hence the allocation of **78.97%** of the total budget to Economic and social sectors.

EDUCATION

The budgetary allocation to Education sector is **N56,348,375,635.55** which is **21%** of the total budget.

HEALTH

There is provision of **N13,292,525,429.28** or **4.9%** allocated to this sector.

AGRICULTURE

To underscore the importance of Agriculture to our economy, a sum of **N9,575,049,923.14**, which is **3.6 %** of the budget size.

INFRASTRUCTURE

If our economy is to be improved, there is a need to grow the infrastructure, arising from this a total sum of **N46,067,695,661.13**

Let me assure you that the proposed budget is not just allocation of figures, but a document that was put together after a rigorous exercise and proper analysis of the previous year's performance and evaluation of the

critical needs of the citizen based on the available resources, with the aim that there would be at least 75% budget

44. Mr. Speaker and Honourable members, as I have presented this budget to this Honourable House, I wish to appeal to all the House Members, Public Servants, and actors in the private sector and Civil Society Organizations, to play their respective roles towards its successful implementation for a better Oyo State.

I also wish to register my sincere appreciation for the wonderful support that my administration has enjoyed from every credible, objective and progressive segments of the State. These range from our highly revered traditional rulers to community, political and opinion leaders, professional and trade groups, civil societies and non-governmental organizations for their steadfast and their commitment to our dear State.

Finally, I am grateful to the good people of Oyo State for their understanding and their appreciation of the noble intention of this administration to uplift them politically, socially and economically.

God bless Oyo State