



Oyo State

2023 CITIZENS' BUDGET

Oyo State Government



THE PACESETTER STATE

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**2023
CITIZENS'
BUDGET**

Oyo State Government



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Oyo State, Nigeria**

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Opening Hours of the Ministry:

Mon - Fri: 8.00 am. - 4.00 pm.

Introduction



2023 Budget Speech of His Excellency Seyi Makinde, the Executive Governor of Oyo State, Delivered at the Oyo State House of Assembly on Thursday, November 3, 2022.

It is that time of the year again. During this period, for the past three years, we have come before this Honourable House to present our budget for the next fiscal year for approval.

But this year, it is not business as usual.

Three years ago, when we made our first full budgetary presentation to you, we came with a budget that would support accelerated development in Oyo State. That budget required a huge investment in infrastructure that would

Our total capital budget for that billion naira (100,000,000,000), the total proposed budget for In 2020, we returned with the Consolidation. In that budget, thirty billion naira proposed for capital to build on our plans for Last year, we moved from the Consolidation to the 2022 Opportunities. And for the first expenditure, slightly below recurrent expenditure. It was in the right direction.

Mr Speaker, Sir, Honourable these are not just figures.

We have moved our people

In the last three years, every zone of Oyo State has been touched with development projects that reflect our focus on the four pillars of Education, Economy, Healthcare and Security.

In education, we have consistently maintained an 18-22% budgetary allocation. Through this, we have regularly paid the Universal Basic Education Commission (UBEC) counterpart funding and received matching grants, enabling us to execute numerous projects in the education sector. Through the Oyo State Universal Basic Education Board (Oyo SUBEB), we completed 56 model schools and constructed and renovated over 700 classroom blocks across Oyo State among other projects.

We have grown our Internally Generated Revenue (IGR) by over 90% through partnerships with the private sector and development agencies. We ensured that the only business the Oyo State Government got involved in, is the business of creating an enabling environment for the private sector



HIS EXCELLENCY
ENGR. SEYI MAKINDE
THE EXECUTIVE GOVERNOR OF OYO STATE

quickly grow our economy. year was over one hundred just a little below 48% of the 2020 fiscal year.

2021 Budget of Continued over one hundred and (130,000,000,000) was expenditure. Our goal was accelerated development. Budget of Continued Budget of Growth and time, our proposed capital 53%, was more than our clear that we were moving

Members of the House,

from poverty to prosperity.

Introduction [cont'd]



to thrive.

We focused on our comparative advantage in agribusiness to grow our economy. We attracted private investments in Oyo State of over twenty-six billion naira (26,000,000,000) and over one hundred and twenty-five million dollars (125,000,000) in development partners' blended funds.

Our pilot Agribusiness Industrial Hub at Fasola, Oyo West Local Government Area, is nearing

completion. At the same time, we just signed a thirty-seven million dollars (37,000,000) investment in developing a Special Agro-Industrial Processing Zone (SAPZ) with the support of the African Development Bank (AfDB) in Akinyele Local Government Area. We have 30% of the budget for that project



included in this 2023 budget proposal.

We also concentrated on reducing our

infrastructural deficit. Infrastructure has received the highest chunk of our budgetary allocation for the past three years. Today, we can say with pride that our dear state is interconnected through

road constructions and rehabilitations.

From Ibadan to Iseyin through the 65 km Moniya-Ijaiye-Iseyin Road; from Oyo to Iseyin through the 34.85km Oyo-Iseyin Road; From Iseyin to Ogbomoso

through the 76.67km Iseyin-Fapote-Ogbomoso Road and from Ibadan to Eruwa through the soon to be flagged-off 58km Omi Adio-Ido- Eruwa Road. We have also started the construction of the bridges and interchanges on the 32km East-Wing of the Ibadan Circular Road.

We have delivered two of the proposed four bus terminals in Ibadan at Challenge and Ojoo. We have delivered the main bowl of the Lekan Salami Sports Complex, Adamasinbga. And I am delighted to report that for the first time in 28 years, we brought back international football to Ibadan when the Olympic Eagles played against Tanzania last Saturday. Of course, our Nigerian team made it more historic by winning two-zero against their opponents.

Also, as promised in our 2019 budget presentation, we are well on our way to having one Primary Healthcare Centre (PHC) per ward in

Introduction [cont'd]



Oyo State. As of the last count, 206 PHCs have been completely renovated, and we have already started equipping them.

Secondary and tertiary healthcare facilities were not left out. So far, we have renovated and upgraded six secondary healthcare facilities at Tede, Ibadan, Saki and Igbo-Ora, giving more of our people access to quality healthcare. I must mention the Renal Dialysis Centre at Ring Road State Hospital, Adeoyo, which can cater to nine patients simultaneously and the soon-to-be-completed eye centre at Ogbomoso. The

intervention at the Ladoke Akintola University of Technology Teaching Hospital (LAUTECH TH) includes the installation of a High Dependency Unit and other facilities.

We also carried out several free health missions across the state. So far, we

have reached over one million three hundred thousand (1,300,000) of our people who are underserved with free medications, surgeries, eyeglasses, cataract extractions and dental care. These health missions have been a major highlight of the year for our people, especially in the rural areas as they eagerly look forward to it.

Mr Speaker Sir, Honourable Members of the House, our security architecture in Oyo State, is wearing a new look. We have moved from

hearing stories of farmers fleeing from their villages because of clashes with herdsmen to our farmers returning to their farms and increasing productivity. In the past three years, our farmers have increased the farm sizes for the top five crops in Oyo State by over 95,000 hectares.

We operationalised the Oyo State arm of the Western Nigeria Security Network codenamed Amotekun with 1,500 personnel. We are presently increasing that number by 500. We

gave them operational vehicles – just recently, we handed an additional 100 vehicles in one go to them - and procured other



necessary equipment for their use, including firearms, bulletproof vests and communication equipment.

We continued working with the Nigeria Police, Oyo State Command to secure our people. We have supported them with operational vehicles, communication gadgets and welfare packages.

We also ensured that our people benefited from 253 kilometres of the 'Light-up Oyo' project. You will agree with me that the 'Light up Oyo' project has certainly contributed its quota to the about

Introduction [cont'd]



25% drop in crime rate in Oyo State in the last three years.

We must never forget that just a little over six months after we came into office, the COVID-19 pandemic struck, and the world went into lockdown mode. As you already know, here in Oyo State, we opted for a partial lockdown. We also developed our healthcare sector instead of creating temporary isolation centres. It was with focused leadership and our commitment to basing all our decisions on data, science and logic that we were able to come out of the pandemic stronger, with a more resilient economy while other states are still struggling.



Mr Speaker, Sir, Honourable Members of the House, it has been a great journey.

Time will fail me if I go into the details of all other actions that we took, the policies and programmes we carried out and the projects we embarked on that led to our going from a monthly IGR of about one point seven billion naira (1,700,000,000) in 2018 to a monthly average of about three point three billion naira (3,300,000,000) and five point one billion naira with special items (5,100,000,000) in 2022.

But as our people will say 'eni to ba foriti dopin ni a o gbala'.

Mr Speaker Sir, Distinguished Members of the Oyo State House of Assembly, let me at this time,

share with you our budget performance up to the third quarter of the year 2022.

We may not have attained our projected budgetary performance of 70 to 75%, but we have doubled the performance from the years before we came into office. So far, we have achieved a revenue performance of 59.78% and

an expenditure performance of 54.88%. Of course, we expect to go above the 60% mark at the close of the year.

We believe that our people deserve good governance and that we must deliver good governance to them to the very end of our

tenure. So, just as we did in 2020 and 2021, we held town hall meetings in all seven geopolitical zones to get the input of the good people of Oyo State into this budget. Again, we have a budget which reflects the wishes of our people.

Mr Speaker Sir, Honourable Members of the House, I have the honour of presenting the proposal for the Three Hundred and Ten Billion Naira **(310,000,000,000)** 2023 Budget of Sustainable Development.

So, with this budget, we are moving from accelerated to sustainable development. Sustainable development means that we aim to meet the needs of the good people of Oyo State on this side of the transition without



Introduction [cont'd]

compromising the ability of the next administration to meet their own needs.

Mr Speaker Sir, Honourable members of the Oyo State Ninth Assembly permit me to share with you the details of our 2023 budget proposal. This budget proposal is premised on the following revenue streams; proposed IGR of eighty-three billion, five hundred and four million, five hundred and eighty-four thousand, eight hundred and eighty-one naira, seventy-eight kobo (83,504,584,881.78). Our statutory allocation is capped at fifty billion naira (50,000,000,000) while our VAT is capped at sixty billion naira (60,000,000,000). We also have other revenue streams as contained in the detailed budget proposal.

As mentioned earlier, we do not plan to burden the next administration with a budget they cannot work with or force them to embark on any projects that they might have no interest in pursuing and thus, shortchange the good people of Oyo State. It is on this premise that we are prioritising the completion of outstanding capital projects.

And so, one hundred and fifty-four billion, three hundred and forty-eight million, eight hundred and sixty-six thousand, nine hundred and sixty-five naira, sixty-two kobo (**154,348,866,965.62**) is proposed as capital expenditure for the 2023 fiscal year. This represents 49.79% of the total budget proposal. This is a marginal drop over last year's 52.97%

because, as mentioned earlier, our focus is on completing projects that we have already started rather than on starting new ones.

Our proposed recurrent expenditure stands at 50.21%, that is, one hundred and fifty-five billion, six hundred and fifty-one million, one hundred and thirty-three thousand and thirty-four naira, thirty-eight kobo (**155,651,133,034.38**). We have continued to use the tenets of the Federation's Fiscal Sustainability Plan (FSP) as a guide in preparing our budget.

For this budget, we have continued to prioritise the four pillars of our Roadmap to Accelerated Development in Oyo State 2019-2023.



27.65% of this budget proposal has been allocated to Infrastructure. This is eighty-five billion, seven hundred and thirty-seven million, four hundred and eighty-seven thousand, two hundred and fifty-eight naira, ninety-seven kobo



Introduction [cont'd]

(85,737,487,258.97). This is not unexpected. As I stated earlier, we have always allocated more funds to infrastructure as a sure path to accelerated development, and we are continuing in that stride for sustainable development.

Education has the second largest allocation with fifty-eight billion, two hundred and thirteen million, nine hundred and eighty-one thousand, two hundred- and sixty-seven-naira, eighty-seven kobo **(58,213,981,267.87)**. We have maintained our record of allocating funds for education that conform to UNESCO standards of 15-20% of the budget. This time, Education is 18.78% of the total budget proposal.

Our Healthcare budget proposal for the 2023 fiscal year is thirty-six billion, three hundred and fifty-eight million, fifty-eight thousand eight hundred and eight naira **(36,358,058,808.00)**. This is 11.73% of the total budget. You may notice that our allocation for healthcare is about a 100% increase over last year's allocation. The reason for this is the 22 billion naira (22,000,000,000) concessionary loan from the French Government. This loan will be used for upgrading our primary and secondary healthcare facilities.

I cannot end the highlights of this Budget of Sustainable Development without mentioning our proposed allocation to Agriculture of eleven billion, one hundred and ninety-eight million, four thousand nine hundred and thirty-seven naira **(11,198,004,937.00)**, which is 3.61% of our budget. With the support of development agencies in the form of grants and very low-interest loans, we can continue to sustain the accelerated development in the agricultural

sector in Oyo State.

Mr Speaker Sir, Honourable Members of the House, we remain firm in our resolve to continue to deliver good governance to our people. We believe that this Budget of Sustainable Development is just what we need as we navigate the final days of our first tenure in office.

Thank you again for the opportunity to make this budget presentation to you. We expect the usual timely consideration of our budget proposal that has become the hallmark of this Ninth Assembly.

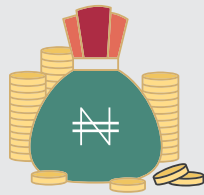
I am speaking into existence the expectation that we will see you again in the Tenth Assembly as we, by God's grace, continue to engineer a modern Oyo State.

God bless the Federal Republic of Nigeria.

God bless Oyo State.

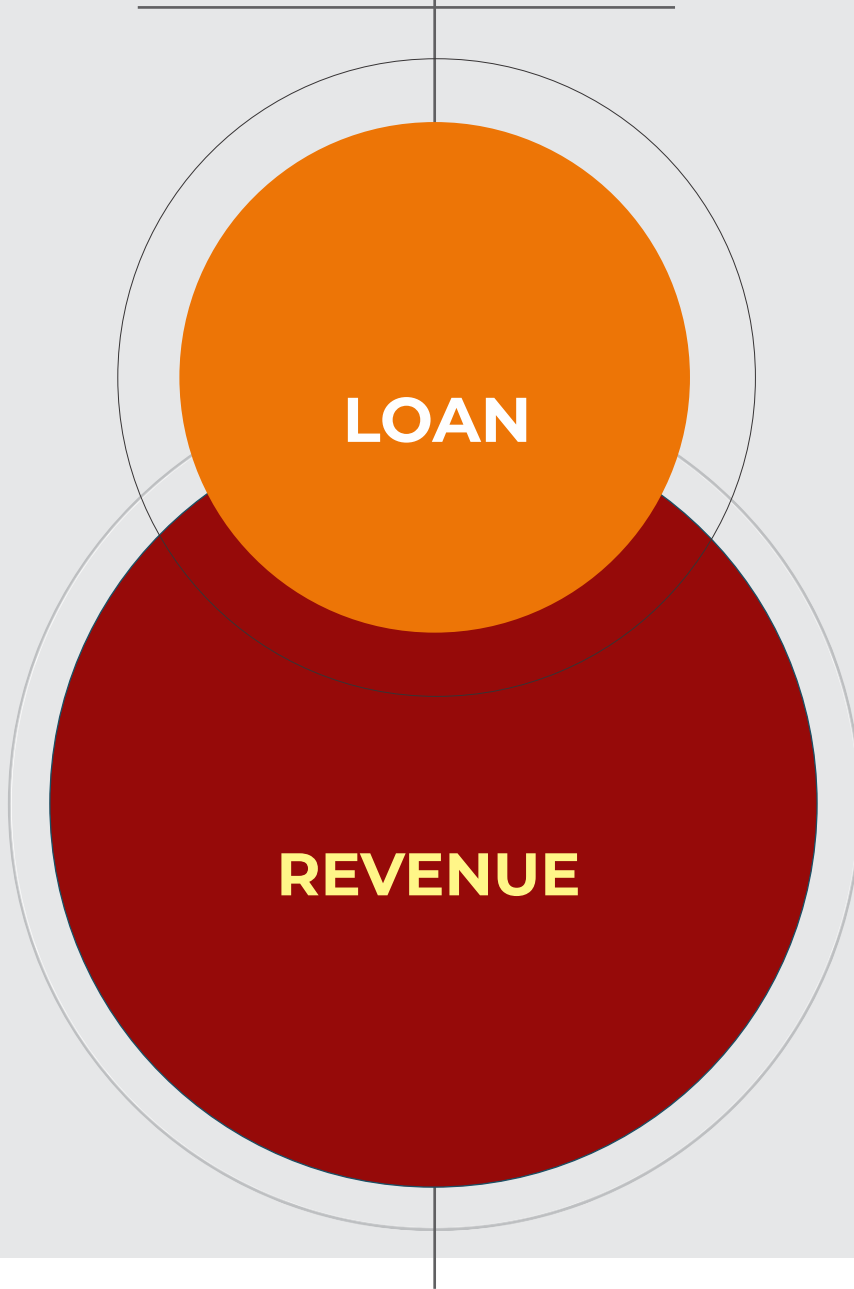
HIS EXCELLENCY
ENGR. SEYI
MAKINDE
THE EXECUTIVE GOVERNOR
OF OYO STATE





N310.43 bn

Total Budget Expenditure





N310.43 bn

Budget Size

50.2%



N155.7 bn

Recurrent Expenditure

Capital Expenditure

N154.8 bn



49.8%



KEY ASSUMPTIONS

Exchange Rate
N435.57



Crude Oil Price
in US Dollar
\$70/barrel

Inflation Rate
17.16%



VAT
7.5%

IGR will reach
the projected
optimum
point



Allocation
release will
be stable
FAAC

Monetary Policy
Rate (MPR)

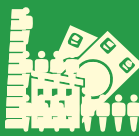


Oil GDP
11.46tn

Revenue Breakdown




N110bn
FAAC



N60bn
VAT



N44bn
Statutory
Revenue

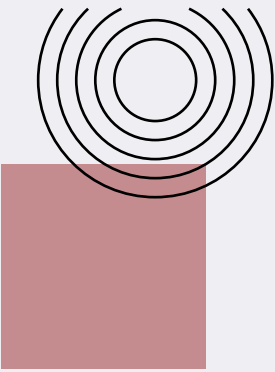


N6bn
Other
FAAC
Revenue

Breakdown of Selected Total Expenditure by MDAs



Total Expenditure by Administrative Classification



N141.1bn

N111.5bn

Economic Sector

N45bn

Social Sector

N8.8bn

Administration Sector

Law & Justice Sector



Total Expenditure by Administrative Classification

Total Expenditure by Administrative Classification



**Ministry of
Finance**

N38.8b



**Ministry of
Budget &
Economic
Planning**

N1.6b



**Ministry of Trade,
Industry, Invest-
ment and
Cooperative**

N277.5m



**Ministry of Public
Work, Infrastructur
and transport**

N45.4b



**Ministry of Edu
Science &
Technology**

N3.1b



**Ministry of
Health**

N23.16b



**Ministry of
Environment
& Natural
Resources**

N1.7b



**Agency for
Adult and
Non-formal
Education**

N85.5m



**Office of the
Executive
Governor**

N26.51b



**House of
Assembly**

N244.6m



**Ministry of
Information,
Culture & Mass
Mobilization**

N210m



**Ministry of
Justice**

N1.1bn

Expenditure by MDAs



Expenditure by MDAs

N58.2bn
Education Sector



N36.4bn
Healthcare
Sector



N85.7bn
Infrastructure Sector



N11.2bn
Agric Sector



Education



N58.2bn

Education Sector

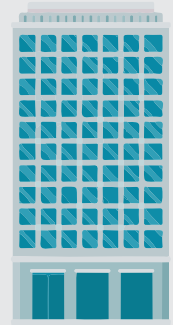


Education is

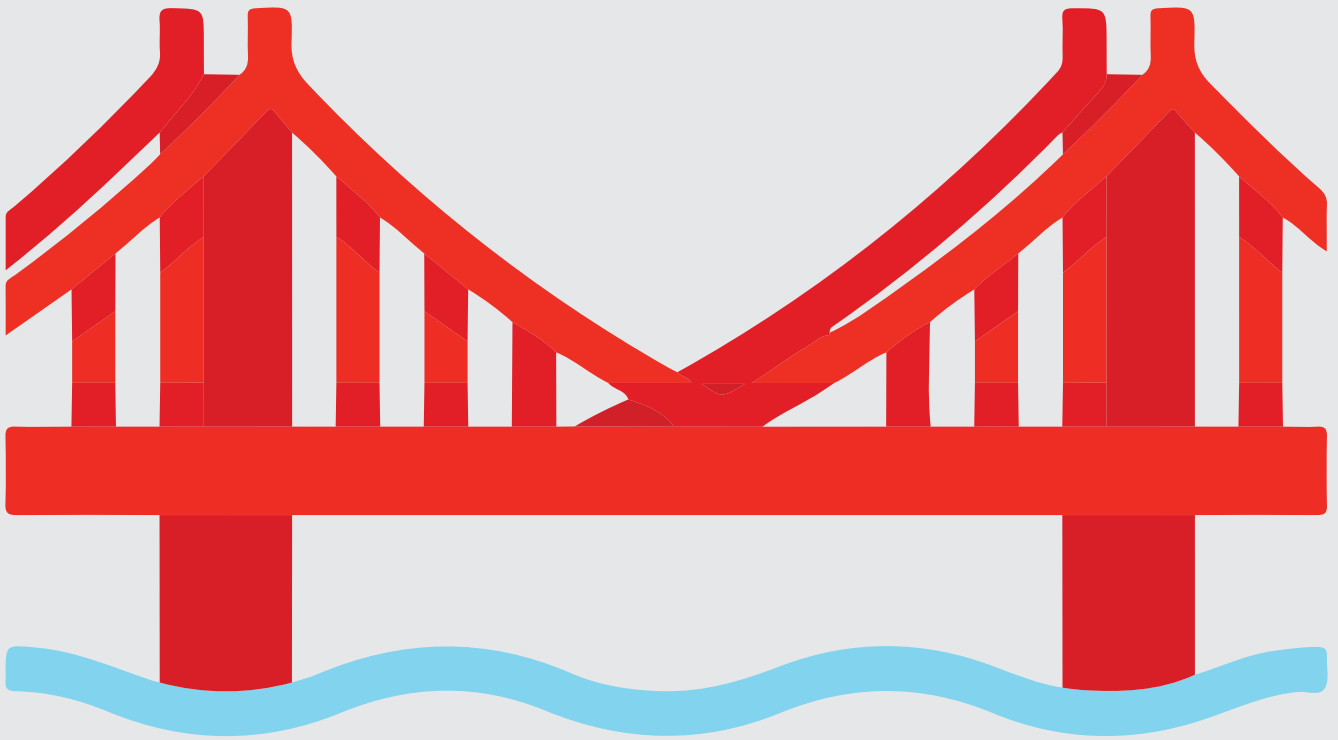
18.74%

of the total Budget of Oyo State for 2023

Infrastructure



N85.7bn
Infrastructure Sector



Infrastructure is

27.61%

of the total Budget of Oyo State for 2023



N36.4bn
Healthcare
Sector

Health is
11.73%
of the total Budget of
Oyo State for 2023



N11.2bn
Agric Sector

Agric is
3.6%
of the total Budget of
Oyo State for 2023



For Feedback and Inquiries



Who we are

In 1999, the State Planning Commission (SPC) was created from the Ministry of Finance, Budget and Planning by the Alhaji Lamidi Adesina Administration. Later on in 2003, during the Senator Rashidi Adewolu Ladoja Administration, the State Planning Commission transformed to Ministry of Special Duties, after which the State Planning Commission from the Ministry of Special Duties was formed by the Otunba Adebayo Alao Akala administration.

In 2007, there was a merger of the State Planning Commission with Ministry of Finance, Budget and Planning by Senator Rashidi Adewolu Ladoja's Administration.

In 2008, Otunba Adebayo Alao Akala separated the State Planning Commission from the Ministry of Finance, Budget and Planning. Three years later in 2011, there was the merging of the State Planning Commission into Ministry of Economic Planning and Budget by immediate past governor, Late Senator Abiola Ajimobi. Afterwards, in 2016, the State Planning Commission was resuscitated by the Late Senator Abiola Ajimobi. In 2019, the State Planning Commission was upgraded into Ministry of Budget and Economic Planning by His Excellency, Oluseyi Makinde.

Vision

To be the most efficient budget planning outfit that provides world-class policy framework and plans that respond to the socio-economic challenges of the State.

Mission

To constructively drive the economic policy direction of the State essential for the growth, development, and well-being of the citizenry.

Contact us:

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OYO STATE CITIZEN BUDGET

We believe it is the **RIGHT** of every citizen to have access to, and also understand, public budgets. We also believe budgets must be efficiently implemented for the good of the **CITIZENS**.

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 Oyo State Government

