

Your Excellency, The Deputy Governor,
The Right Honourable Speaker,
The Deputy Speaker,
Principal Officers of the Benue State House of Assembly,
Honourable Members of the Benue State House of Assembly,
Members of the State Executive Council,
Permanent Secretaries,
Clerk of the House
Gentlemen of the Press,
Distinguished Ladies and Gentlemen.

I am delighted to perform this important constitutional requirement by laying before you the Benue State Government 2017 Budget Estimates for your consideration and approval. The budget for this fiscal year is christened "***Budget of Rural Transformation.***"

2. Mr. Speaker, Honorable Members, let me remind you that when I presented to you the 2016 Budget Estimates, it was the foundation for the implementation of my our Blueprint "Our Collective Vision for a New Benue". In line with the rules of economic planning, our Blueprint has been captured into a ten-year Development Plan to move the State to another level of development. The absence of planning, it is said, is a clear recipe of planning for failure. Our government is working closely with many local and international development agencies who are encouraged by our target oriented plans. The State has been applauded by our International partners for the preparation of a Development Plan and effective implementation of Sustainable Development Goals (SDGs). It was for this reason that I was privileged to be invited by the United Nations Headquarters in New York earlier this year to present a paper and share my experiences, lessons and best practices about SDGs implementation in Benue state. It was a good outing and an opportunity for the world to learn lessons from our humble success story in Benue state of Nigeria.

3. Hon. Speaker and members, the budget I now present to you is drawn from our strategic Plan document intended to boost economic development, especially in the agriculture sub-sector, job creation and rural transformation. You will also notice that our 2017 Budget Estimates have been prepared in conformity with the approved International Public Sector Accounting Standards (IPSAS) format. This will ease accountability and transparency in budget implementation and monitoring.

REVIEW OF THE 2016 BUDGE

4. Speaker, Honourable Members, the 2016 Budget was the first that our administration prepared. Its implementation was obviously affected by the global economic recession coupled with the vandalization of oil installations in the South-South and insurgencies such as Herdsmen/Farmers crises. These challenges gave rise to unfavourable exchange rate which aggravated the already bad situation.

5. Last year you approved the sum of **One Hundred and Fifty Billion, Seven Hundred and Forty-Two Million, Eight Hundred and Seventy-Four Thousand, Fifty-Two Naira** (N150,742,874,052.00) only, as the 2016 Budget. This was made up of **Sixty-Six Billion, Five Hundred and Ninety-Three Million, Nine Hundred and Ninety-Six Thousand, Four Hundred and Seventy Naira** (N66,593,996,470) only, as Recurrent Expenditure representing 44.18% of the budget while **Eighty-Four Billion, One Hundred and Forty-Eight Million, Eight Hundred and Seventy-Seven Thousand, Five Hundred and Eighty-Two Naira** (N84,148,877,582.00) only, was approved as Capital Expenditure representing 55.82% of the budget.

6. Out of the projected Revenue of **One Hundred and Fifty Billion, Seven Hundred and Forty-Two Million, Eight Hundred and Seventy-Four Thousand, Fifty-Two Naira** (N150,742,874,052.00) for 2016, the State realized the sum of **Fifty-Two Billion, Three Hundred and Ninety Million, One Hundred and Forty-Eight Thousand, Forty-Five Naira** (N52,390,148,045.00) representing 35% of the total budget by the third quarter of the year. **Eighteen Billion, One Hundred and Thirty-Seven Million, Five hundred and Thirty-Two Thousand, Three Hundred and One Naira, Thirty-Two Kobo** (N18,137,532,301.32) or 12% was from FAAC receipts. The sum of **Five Billion, Forty-Four Million, Seven Hundred and Eighty-One Thousand, One Hundred and Fifty-Eight Naira, Thirteen Kobo**(N5,044,781,158.13) only or 3% was Internally Generated Revenue (IGR).The sum of **Four Billion, One Hundred and Seventy Million Naira**(N4,170,000,000.00) was from Budget Support Funds. Ten percent (10%) of the amount **Fifteen Billion, Five Hundred Million Naira** (N15,500,000,000.00) was from Domestic Loans.

7. Mr. Speaker, Honourable Members, the 2016 Budget had Recurrent Expenditure of **Sixty-Six Billion, Five Hundred and Ninety-Three Million, Nine Hundred and Ninety-Six Thousand, Four Hundred and Seventy Naira** (N66,593,996,470.00) representing 44.18% of the total budget and Capital Expenditure of **Eighty-Four Billion, One Hundred and Forty-Eight Million, Eight Hundred and Seventy-Seven Thousand, Five Hundred and Eighty-Two Naira** (N84,148,877,582.00) representing 55.82% of the total budget. The Recurrent Expenditure was further broken down into Personnel Cost of **Forty-Five Billion, Nine Hundred and Thirty-Four Million, Three Hundred and Sixty-One Thousand, Six Hundred and Ten Naira** (N45,934,361,610.00) and Overhead Cost of **Twenty Billion, Six Hundred and Fifty-Nine Million, Six Hundred and Thirty-Four Thousand, Eight Hundred and Sixty Naira** (N20,659,634,860.00).

8. As at the end of the 3rd Quarter of 2016 **Thirty-Four Billion, One Hundred and Twenty-Six Million, Three Hundred and Fifty-Three Thousand, Five Hundred and Eighty-One Naira** (N34,126,353,581.00) only was spent on Recurrent Expenditure. This indicated performance of 23% of the total budget. The sum of **Ten Billion, One Hundred and Twenty-One Million, Three Hundred and Eleven Thousand, Five and Ninety-Four Kobo** (N10,121,311,005.94) only was expended on Capital Development, representing 7% of the total budget within the period under review.

9. Highlights and achievements of the 2016 budget include the on-going construction and renovation of over 700 primary schools, provision of school furniture, boreholes and instructional aids to primary schools across the State. The schools of Nursing and Midwifery has been resurrected from the dead. It has now been given accreditation by the Nursing and Midwifery Council of Nigeria. Health Instructors have been hired and appropriate equipment put in place. Nursing and midwifery students will be admitted soon. A Primary Health Care Board has been put in place and over 25 Primary Health Care Centers are being built

and equipped to ensure improved medical care at the grassroots. Government has also made deliberate effort to ensure stability at the Benue State University where four sets of medical students that were unable to graduate for 12 years are now graduates and are serving as qualified doctors.

10. Critical Infrastructure such as rural access roads are being opened in all parts of the state and fertilizers and other farm inputs are being made available to farmers at subsidized rates. This has given rise to appreciable increase in food and cash crop production in the State. In the near future, we can beat our chest as Benue citizens to announce that we are indeed the **Food Basket of the Nation**. Eleven roads abandoned by the former administration have been revived.

11. Conflicts between farmers and herdsmen have been reduced and a new framework to restore peace is being implemented. Our Amnesty program which was made up and the carrot and stick approach had been successful and has brought in stability as we are steadily moving from the carrot to stick approach. Benue state is also experiencing peaceful labour relations due to our transparency and engagement with labour unions as well as the openness of government in the use of scarce resources.

12. In the course of the year, I put in place an Economic Team and assigned to it the duty of ensuring that we realize our well planned economic strategy enshrined in "Our Collective Vision for a new Benue.

THE 2017 BUDGET PROPOSALS

13. Mr. Speaker, Honorable Members, the objective of the 2017 budget is to continue with the implementation of our five point agenda as encapsulated in our Blueprint "**Our Collective Vision for a New Benue**" which is further developed into **The Benue State Development Plan**. The five point agenda which you are now familiar with include, Good Governance and Revenue Security, Agriculture-driven Industrialization, STEAM based education and health services, provision of Critical infrastructure and focus on gender, women, Youth Sports and People with disabilities.

REVENUE PROJECTION

14. The 2017 Budget estimates have been put together to ensure full implementation. Revenue sources which, hitherto, were not adequately reported by MDAs are being identified. The Executive will also propose amendments to the 2015 Tax Law to make it more people friendly. The 2017 Revenue Estimates have also included the refunds from Paris and London Clubs approved for states by the Federal Government. Grants and Aids to Benue State may increase in 2017 and will provide a platform for our Development Partners to support our service delivery efforts. Even those development partners that had left Benue State due to government attitude and inability to pay counterpart funding have expressed interest to return.

15. The total Revenue Proposals for 2017 is **One Hundred and Sixty-Three Billion, Nine Hundred and Ten Million, Six Hundred and Seventeen Thousand, Seven Hundred and Forty-Two Naira** (N163,910,617,742.00) only, which is broken down as follows:-

i)	Government Share of FAAC	-	N48,000,000,000
ii)	Tax Revenue	-	N11,108,100,000

iii)	Non-Tax Revenue	-	N29,878,083,688
iv)	Aid/Grants (Domestic/Foreign)	-	N21,711,693,997
v)	Capital Development Fund Receipts	-	N1,116,986,588
vi)	Domestic Borrowing	-	<u>N35,057,743,294</u>
TOTAL			= <u>N163,910,617,742</u>

THE 2017 EXPENDITURE PROPOSAL

16. The 2017 Budget has a total projected expenditure of the sum of **One Hundred and Sixty-Three Billion, Nine Hundred and Ten Million, Six Hundred and Seventeen Thousand, Seven Hundred and Forty-Two Naira** (N163,910,617,742.00) for the year. This is made up of Recurrent Expenditure of **Sixty-Six Billion, Three Hundred and Forty-Eight Million and Thirty-Three Thousand, Three Hundred and Fourteen Naira** (N66,348,033,314.00) representing 40% of the total budget and Capital Expenditure of **Ninety-Seven Billion, Five Hundred and Sixty-Two Million, Five Hundred and Eighty-Four Thousand, Four Hundred and Twenty-Eight Naira** (N97,562,584,428.00) representing 60% of the total budget. The Recurrent Expenditure is comprised of Personnel Cost of **Forty-Three Billion, Three Hundred and Forty-Seven Million, Four Hundred and Fifteen Thousand, Five Hundred and Forty-Nine Naira**(N43,347,415,549.00) and Overhead Cost of **Twenty-Three Billion, Six Hundred and Seventeen Thousand, Seven Hundred and Sixty-Five Naira** (N23,000,617,765.00).

PROPOSED SECTORAL ALLOCATION

17. Mr. Speaker, Honourable Members, the sectoral allocation of the 2017 Budget Estimates is carefully prepared to reflect our social and economic policies. The N88.9 Billion in the economic sector is consistent with our desire to stimulate the economy and create jobs. The N48.4 Billion voted in the social sector is aimed at cushioning the harsh effect of economic recession while Good Governance, Law and Justice are allocated N23.1 Billion and N3.3 Billion respectively.

i)	Administration	-	N23,190,326,647
ii)	Economic sector	-	N88,979,011,320
iii)	Social sector	-	N48,415,504,473
iv)	Law and Justice	-	N3,325,775,304
TOTAL			<u>N163,910,617,742</u>

Good Governance/Administration Sector

18. Mr. Speaker, Honourable Members, the 2017 Budget Estimates seek to minimize waste and improve efficiency which is why we adopted the principle of Zero Based Budgeting. In line with this principle, I have reduced my entitlements and allowances and those of the Deputy Governor. I have also reduced overseas travels by all Public Officers, centralized expenditures for control purposes, adopted Treasury Single Account (TSA) on revenue and reduced overhead spending. The budget has also maintained the basic building block for development in favour of Capital Expenditure. This ratio advantage will be invested in infrastructure

development, agriculture-driven industrialization, procurement of agricultural equipment, rural electrification, opening up of more rural roads, access to education, job creation and increased security. This sector has a total allocation of ***Twenty-Three Billion, One Hundred and Ninety Million, Three Hundred and Twenty-Six Thousand, Six Hundred and Forty-Seven Naira*** (N23,190,326,647.00).

Social Sector

Education

19. Emphasis shall be placed on the development of primary and secondary education through the renovation and construction of both Primary and Secondary Schools. New methods of supporting private and mission schools will be introduced as government hands over schools back to their proprietors. Illegal schools and magic centres will be closed and those behind them prosecuted.

20. In Collaboration with the Federal government's social intervention program, we will introduce school feeding program to boost Primary School enrollment across the state. STEAM-based education will be boosted with renovation and equipping of science laboratories and supply of reagents and chemicals. New Government science secondary schools will be opened in each zone and others will be upgraded to become specialist science colleges.

21. Funding of education will be improved through a new Benue Peoples Education Project (BEPEP) that will be charged with the responsibility of sourcing funding and support for education projects. The Akawe Torkula College of Advanced and Professional Studies (ATCAPS) will be converted into a State Polytechnic.

22. Last year, I instructed all students in the State to plant at least one economic tree. I assume that more than 800,000 economic trees have been planted. As I continue to reflect, I see the need to bring back the old good days, and hereby direct all primary and secondary schools as well as tertiary institutions in Benue state to start school or college farms. The Akperan Orshi College of Agriculture Yandev will collaborate with the Ministry of Agriculture to provide required extension services and improved seedlings to ensure high yield.

23. In collaboration with the Federal Government, the Social Investment Program is being introduced in the State. It is intended to provide conducive environment to support Home Grown School Feeding Program, Job Creation & Youth Empowerment. Conditional Cash Grant Transfer Program, Enterprise and Empowerment Program are all intended at job creation in line with my campaign promises to create jobs for our teeming youths. The objective of the program is to provide social safety net, reduce poverty through the provision of small scale loans to market men and women, artisans and small businesses. It will also create employment, develop human capital to achieve financial independence and sustainability of income for the poor and less privileged.

Health

24. Government will consolidate on gains and improvements at the Schools of Nursing and Midwifery as well as College of Health Technology at Agasha. We will ensure that only qualified candidates are

admitted and trained at the reopened schools. Good and qualified nurses can obtain employment in any country in the world. We plan to renovate and equip our general hospitals to bring both primary and secondary health care closer to the people. More attention will be given to the Benue State University Teaching Hospital because of its significant role as our emerging Centre of medical research and training.

25. Primary health care services will be strengthened with the provision of structures, staff and equipment. The fight against HIV/AIDS will continue through BENSACA. Awareness creation and treatment and support services for people infected and affected by AIDS will continue. Our efforts to bring health services closer to our people are deliberate and well planned. The newly established Primary Health Care Management Board will be funded to ensure effective supervision and delivery of medical and health services at the lower level. This is intended to have positive implications on the health status of women, children and rural dwellers. **Forty-Eight Billion, Four Hundred and Fifteen Million, Five Hundred and Four Thousand, Four Hundred and Seventy-Three Naira** (N48,415,504,473.00) only is allocated to the social sector.

Economic Sector.

26. It is the policy of our administration to continue with the completion of all the abandoned road projects since they will contribute to the economic development of the State. The administration will continue to embark on the construction of new roads to link up the various communities for easy transportation and evacuation of farm produce. This is to make travelling easy for citizens and investors. Power generation will be boosted by the establishment of a Power Plant at the Industrial Layout through a PPP arrangement.

27. Bureau of Lands and Survey will develop and manage a centralized Electronic Land Registry to provide Marketable Titles for all Land Owners including Farmers. This will raise significant revenue from ground rent, land use charges and title fees for the benefit of the State. New layouts are being planned to open up the cities and develop housing scheme.

28. Government will establish a Produce Processing hub at Daudu, close to the Cargo Airport to ease export and local distribution of farm produce. Benue is the home of many precious solid minerals which are yet to be harnessed for economic development. Consultants will be engaged to carry out geophysical survey of solid minerals to encourage exploration.

Rural Transformation

29. The focus of Government in 2017 will be rural transformation. Government will embark on massive construction of rural access roads. Our desire is that, at the end of four years, every rural community in Benue State should be connected to another through planned rural access roads. This will be done along with rural electrification to boost economic activities within the State. Government will continue to make deliberate efforts to encourage cluster settlements in Village Cluster Development Program in the State in order to facilitate the provision of essential services and improve on security of the citizens.

Agriculture

30. The heartbeat of our economic agenda is linked to improved agriculture. We intend to make agriculture attractive to Benue youth, men and women, young and old. With value addition through processing of agricultural produce, agriculture will become attractive business. Fortunately, God has given us great fertile land, abundant rain and sunshine. We have two great rivers and water to support all kinds of farming all year round. In 2017 we will embark on clearing and mechanization for effective use of tractors.

31. At least 21,000 hectares of land will be cleared at various locations to make it accessible to farmers. Tractors will be procured and made available to farmers to buy at 30% subsidized prices to encourage mechanization. Government will revamp Agricultural Service Centres and upgrade them to One-Stop shop centres; where agricultural inputs, Agric mechanization and Agric extension services will be provided at the rural areas. Government will encourage dry season farming and construct several dams across the state and also develop other irrigation facilities to encourage all year round crop production. We shall introduce Greenhouse Technology where vegetables and other crops will be produced for exportation and other uses.

32. Government will also create an enabling environment for the establishment of a Marketing Board to check post-harvest losses and stabilize prices of farm products.

33. Government will continue to subsidize agricultural inputs particularly fertilizer at 38% and ensure early distribution of the commodity to farmers. We will revamp the Livestock investigation and Breeding Centre at Raav to enhance availability of protein and provide more farming options for citizens of Benue State. We will facilitate the enrollment of Benue farmers in the CBN Anchor Borrowers program, Government has signed MOU with Bank of Industry to make N2billion available for farmers and other entrepreneurs at only 5% interest rate.

Works, Energy, Industry and Investment

34. Government has made deliberate efforts to collaborate with the private sector through the Public Private Partnerships (PPP) arrangements in a bid to fast track the development of the State. This has already started yielding fruits with the ground breaking ceremony of the Makurdi Cargo Airport where Benue state has 15% equity. However, the investors will bear total cost of construction and Benue state government equity contribution will be paid from the proceeds of the project after completion in 36months. The ground breaking was performed earlier this year and the foundation laying ceremony of the project will be in the first quarter of 2017. When completed the Cargo airport will promote Agric-business, improve the earning of farmers and employ more than a 2000 skilled workers. The Cargo Airport Company has planned other activities that will boost the economy of the state.

35. The Benue State Government is working with the Federal government represented by NNPC and with other investors to start a Ethanol Plant in 2017. It is another job creation and economically viable platform that will produce bio-fuel, generate electricity, produce beverages, provide agricultural inputs

(such as animal livestock feeds). It will generate massive employment for the indigenes of the State. More of such collaborations are expected in the 2017 fiscal year. The Economic sector has a combined sum of **Eighty-Eight Billion, Nine Hundred and Seventy-Nine Million and Eleven Thousand, Three Hundred and Twenty Naira** (N88,979,011,320.00) only.

Law and Justice

36. My emphasis on transparency and accountability will be consolidated with a credible and independent Judiciary that dispenses speedy justice irrespective of class, religion and ethnicity. The Judicial arm of government will be strengthened with renewed emphasis on the welfare of judicial workers. Major renovation of the Ministry of Justice and Courts will be undertaken.

37. I have given attention to this crucial third tier of government by ensuring that the Judiciary is given the desired support to operate as an independent arm. Accordingly, I have made a provision in the 2017 appropriation of the total sum of **Three Billion, Three Hundred and Twenty-Five Million, Seven Hundred and Seventy-Five Thousand, Three Hundred and Four Naira** (N3,325,775,304.00) only.

Conclusion

38. I deeply appreciate the cooperation of the Honourable Speaker and all distinguished members of the Benue State House of Assembly, as well as the Chief Judge of Benue State and the entire judiciary. With your cooperation we have formed a veritable triangle of change, progress and development. We can only continue to strengthen this worthy partnership in order to deliver good governance for the good of our people.

39. Finally, Mr. Speaker, Honorable Members, let me assure all that this 2017 Budget has been prepared with every sense of commitment and patriotism. With this budget I move change from the state of campaign slogan to positive, practical and touchable change affecting all Benue citizens.

40. The 2017 budget brings us Change that affects our men, women and youth. Change that affects farmers, teachers, civil servants, and the private sector. Change that will affect pensioners and those unemployed. Change that will affect the rich and the poor. Change that will affect rural and urban dwellers. Change that will unite us and transform Benue State. Change that collectively takes us closer to "Our Collective Vision of a new Benue" of our dream. I therefore urge you to speedily consider and pass it for implementation.

May I also inform you that we have a supplementary budget which I will place before you as well.

Long Live Benue State

Long Live the Federal Republic of Nigeria

In God we trust

Thank you and God bless us all.

DR. SAMUEL ORTOM
EXECUTIVE GOVERNOR OF BENUE STATE.