



## **STATE DEBT SUSTAINABILITY ANALYSIS (STATE DSA)**

**DEVELOPED BY THE**

**ADAMAWA STATE DEBT MANAGEMENT AGENCY (DMA)**

**IN COLLABORATION WITH**

**THE WORLD BANK**

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## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background

A State's Debt is said to be sustainable when the Government is able to meet its Debt service obligations without recourse to extreme financing.

Debt sustainability is done to determine the extent of robustness of the state's current and future revenues in meeting these Debt service obligations.

The Debt Sustainability Analysis analyzes the trends and patterns in the State's public finances during the period 2015 - 2019, and evaluates the debt sustainability in projected period 2020 - 2029 (the long-term). The analysis highlights recent trends in revenue, expenditure, and public debt, and the related policies adopted by the State. A debt sustainability assessment is conducted, including scenario and sensitivity analysis, in order to evaluate the prospective performance of the State's public finances.

#### 1.2 Summary of Findings

The State shows a medium debt position that appears sustainable. The medium debt position results from the State's average performance in terms of mobilizing IGR. The State controls its recurrent expenditure growth and reduces the level of its public debt. Given the State's own forecasts for the economy and reasonable assumptions concerning the State's revenue and expenditure policies going forward, the long-term outlook for the public debt appears sustainable.

#### 1.3 Overall Result

The overall result of Adamawa State Debt Sustainability analysis shows a sustainable level in the economic activities of state which include the revenue, expenditure, public debt and other related policies introduced by Adamawa State.

## **CHAPTER TWO**

### **THE ADAMAWA STATE FISCAL AND DEBT FRAMEWORK**

#### **2.1 Fiscal reform in last 3 - 5 years**

Adamawa State fiscal policy measures have been driven by objectives such as promoting rapid growth of the State, the need to promote macro-economic policy objectives, such as promoting rapid growth of the state, generating employment and maintaining price levels. Although policy measures change frequently, these objectives have remained relatively constant.

The reform of revenue administration is ongoing, with implementation of Treasury Single Account (TSA), IGR projection in the immediate term are expected to surpass 2020 approved estimates. However, actual collections are largely expected to rise due to blockage of leakages. It is believed that current effort to establish taxpayer database by BIR, perfection of the TSA and technical support from development partners towards harmonization/review of tax rate and other efforts focused on blocking leakages and dealing with the phenomena of tax avoidance/evasion, collection will improve. Also, the Board of Internal Revenue has introduced more revenue sources intended to boost inflows such as ground rent etc. therefore IGR is expected to grow annually in 2021 up to 2029.

#### **2.2 Medium-Term Expenditure Framework and Fiscal Strategy Paper (MTEF/FSP) 2021 - 2023 and 2020 Appropriation Act (Budget)**

The main features of the 2020 Amended Budget in terms of fiscal outcomes for FY2020 and the fiscal policy strategies of the 2021 Budget and the 2021 - 2023 MTEF, regarding the revenue, expenditure and debt forecasts for the next years is in line with the Adamawa State Policy Statement which is based on its fiscal responsibility law which advocates “sound public expenditure and financial management in the state, ensure strict adherence to due process in budget execution as well as accountability, transparency and prudence in the entire public financial management process.

## CHAPTER THREE

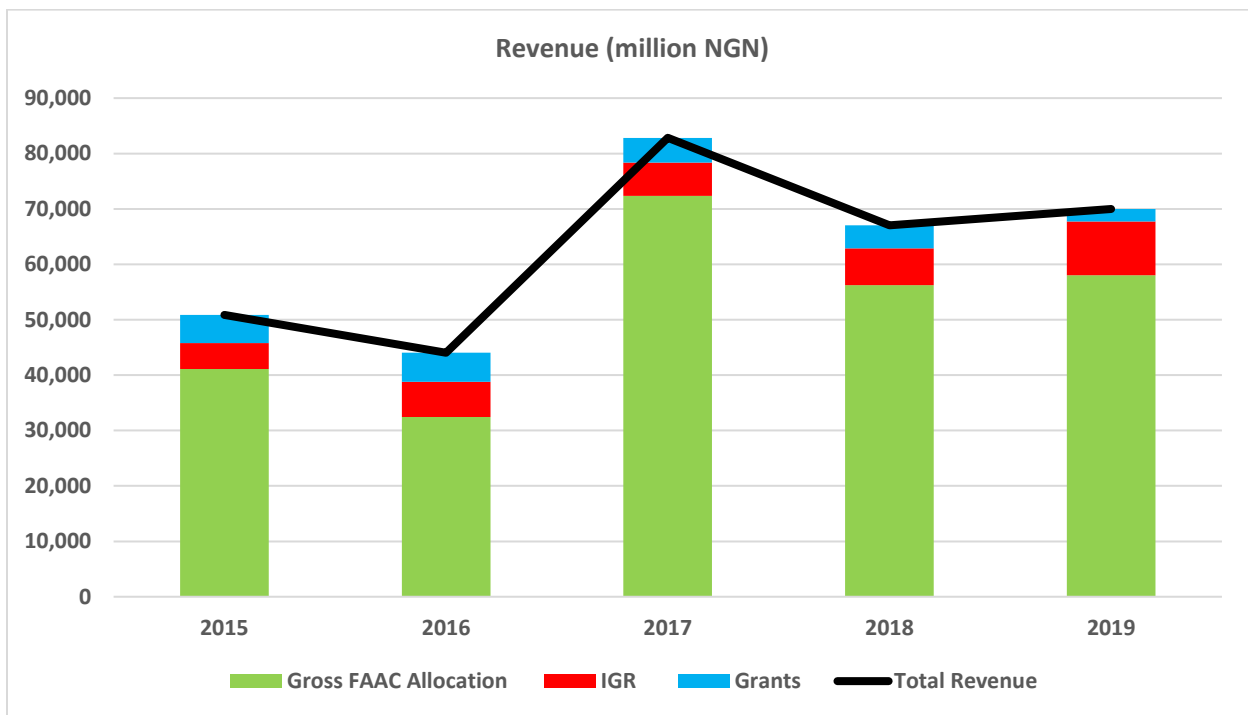
### The Adamawa State Revenue, Expenditure, and Public Debt Trends (2015-2019)

#### 3.1 Revenue, Expenditure and Fiscal Outturns, 2015-2019

The revenue of Adamawa State squarely depends on the State's share of Statutory Allocation from the Federation Account, Value Added Tax (VAT) and to some extent Internally Generated Revenue. Other sources like excess crude oil, ecological and stabilization funds are not regular. The State also gets substantial amount on capital receipts.

The actual revenue earned by Adamawa State Government for the period 2015 - 2019 are shown and explained in Chart 1, while the actual expenditures incurred by the State are shown in Chart 2.

Chart 1: Revenue



The Gross FAAC Allocation accounts for 83% performance to total recurrent revenue of the state in 2015 but slightly went down to 73% as a result of the impact of economic recession experienced in the country in 2016. However, 2017 the economy picked up as a result of Federal Government Recovery Interventions and remain stable up to 2019 (2017,2018, 2019 with percentage performance of 87%, 84%, 83% respectively).

The average performance of the Internally Generated Revenue (IGR) from 2015 to 2019 was N6,681.89b and the contribution of IGR to total recurrent revenue over this period is averagely 10.94% (9.18%, 14.4%, 7.3%, 9.86% and 13.87% for 2015,2016,2017,2018 and 2019 respectively). However, with the recent Tax Administration Reform by the state which includes

the Introduction of Land Services, Automated Tax Collection of all forms, Treasury Single Account (TSA), etc., there will be tremendous improvement in the performance of the State IGR.

Chart 2: Expenditure

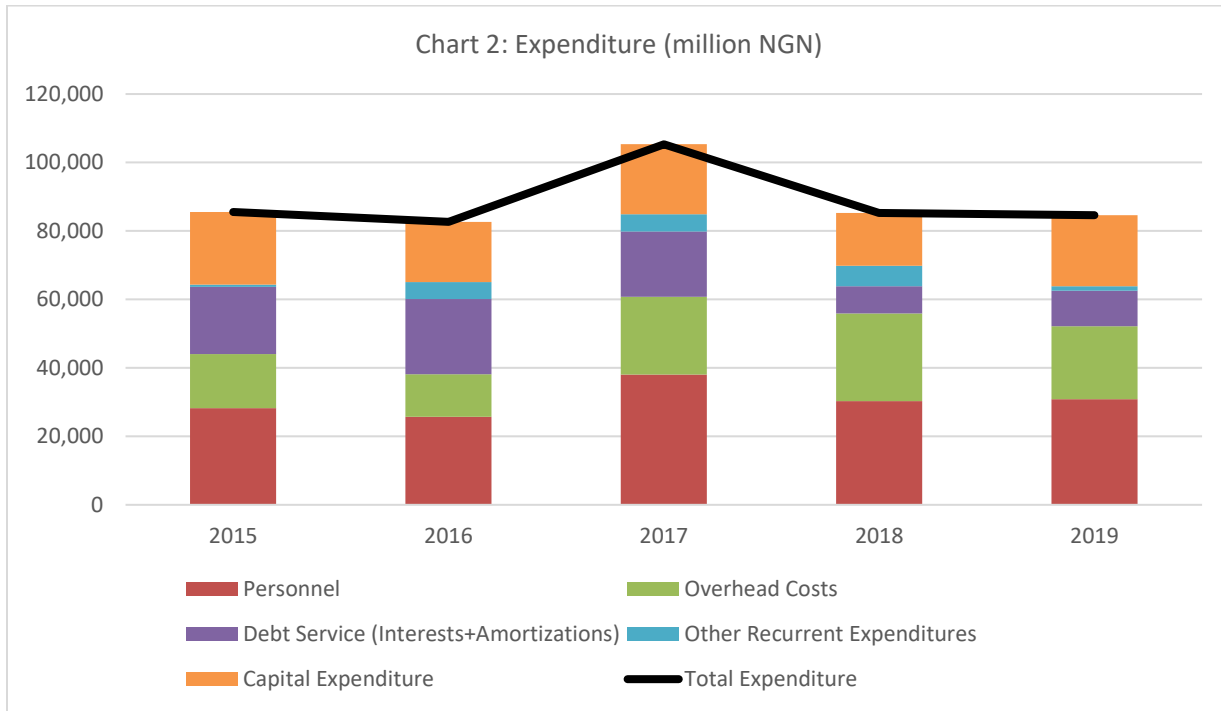


Chart 2 above depicts total government expenditure i.e recurrent and capital expenditures. The recurrent expenditure includes Personnel Cost, Overhead Cost, Debt Service (Principal and Interest) and Consolidated Revenue Fund Charges (CRFC); while the capital expenditure is the total expenditure incurred on infrastructural development of the State.

The personnel cost consists of salaries and allowances of all Ministries, Departments and Agencies as well as public and political office holders' emolument. The average performance of personnel cost to total expenditure from 2015-2019 is 34.4%. Overhead expenditure entails the cost of maintenance and operation of Government activities, even though it has been relatively volatile over the period 2015-2019. However, the average percentage of overhead to total expenditure stands at 22.10%

Capital Expenditure includes the main investment and implementation of programmes and projects of government. The capital expenditure for the period (2015 – 2019) has been highly unstable, with the actual capital expenditure deviating significantly from the budget performance during this period, only performing above 50% in 2015, 2016 and 2019. The trend expectation for budgeted and actual capital expenditure has been linear, with actual falling as budgeted figure declines. Over the period 2015-2019, the average percentage of capital expenditure to total expenditure stands at 34%.

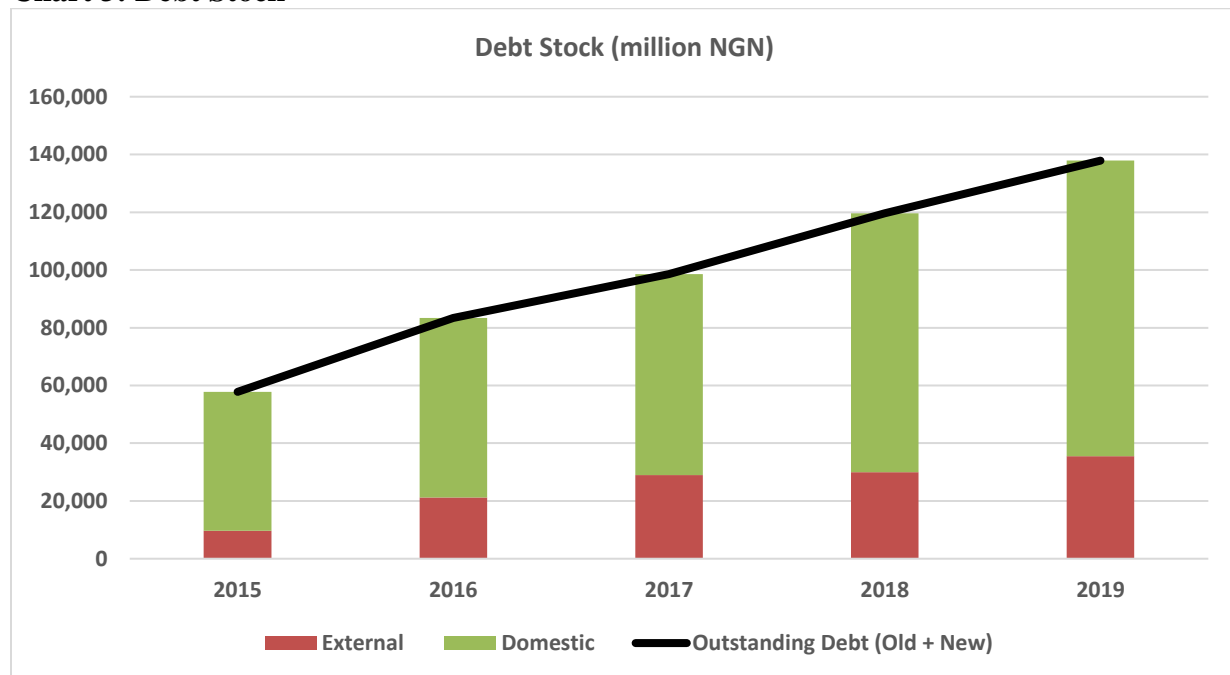
The debt services include the interest paid and principal repayment, where the debt service for the period have been unstable. The average percentage of debt services to total expenditure for the period stands at 17.82%.

### 3.2 Adamawa State Debt Portfolio, 2015-2019

The public debt includes the explicit financial commitments (loans and securities) that have paper contracts instrumenting the government promises to repay. The trend of public debt service is highlighted in Chart 3 below:

	2015	2016	2017	2018	2019
OUTSTANDING DEBT	57,794	85,291	104,430	119,573	132,459
EXTERNAL	9,640	21,192	28,927	29,976	35,469
DOMESTIC	48,154	64,099	75,502	89,598	96,991

**Chart 3: Debt Stock**



The state Debt stock is profiled into two categories which include the external Debt and domestic Debt.

The state public debt as at 2019 ending stands at (₦132.5 billion) constituting (₦35.5 million) external debt and (₦96.9 billion) as domestic debts while the state public debt amounted to (₦132.5 billion) at the end of 2019 and has been increasing since the collapse of oil prices. The state debt portfolio largely consists of domestic debt with 73% and external debt stood at 27% of

the total debt stocks as at the end of 2019. Domestic debt is projected to increase by 75% while the external is expected to reduce to by 25% at the end of 2020.

The state holds a medium-cost and medium-risk debt portfolio carried an average interest payments represented just 5% of the total expenditure in the year 2019. In addition, the debt portfolio is narrowly exposed to currency rate interest and rollover risk.

The State holds a medium-cost, and medium-risk debt portfolio. The debt portfolio carried an average, interest payments represented just 4.3 percent of total expenditure. In addition, the debt portfolio is narrowly exposed to currency, interest rate, and rollover risks. Most external loans are fixed, thus not affected by changes in interest rates. As these loans have maturities running from 1 to 6 years and include financing from the Federal Government and multilateral organizations, rollover risk associated with potential deterioration of domestic financial conditions is negligible



## CHAPTER FOUR

### Concept of Debt Sustainability, Underlying Assumption, Result Analysis, and Findings

#### 4.1 Introduction- Concept of Debt Sustainability

The concept of debt sustainability refers to the ability of the government to fulfil its future financial obligations without recourse extreme financing (additional borrowing). Since policies and institutions governing spending and taxation largely determine such obligations, debt sustainability ultimately refers to the ability of the government to maintain sound fiscal policies over time without having to introduce major budgetary or debt adjustments in the future. Conversely, fiscal policies are deemed unsustainable when they lead to excessive accumulation of public debt, which could eventually cause the government to take action to address the unwanted consequences of a heavy debt burden (World Bank, 2020).

#### 4.2 Debt Sustainability indicators and thresholds

The given Debt Sustainability ratios were as follows: GDP figures for the State were not computed.

WITH INDICATIVE THRESHOLD	WITHOUT THRESHOLDS
Debt / Revenue - 200%	Interest payment/ Revenue
Debt Service / Revenue – 40%	External Debt Service / Revenue
Personel Cost / Revenue – 60%	

The threshold for Debt to Revenue given was 200%, while the average Debt to Revenue of Adamawa State for the period 2015 to 2029 is 159.5%. The result of Adamawa State Debt to Revenue is favorable as it's below the given threshold.

The Debt Service to Revenue threshold given was 40%, where the average Adamawa State Debt Service to Revenue for 2015 to 2029 was 34.0%. The average Debt Service to Revenue is favorable but adverse in some period 2015 to 2019.

Finally, the threshold of Personnel cost to Revenue given was 60% and the Adamawa State average percentage of Personnel cost to revenue was 49.8%. Therefore, the result found for Personnel cost to revenue is favorable.

#### 4.3 Medium-Term Budget Forecast

The State's medium-term debt sustainability is predicated upon a gradual recovery of the Nigerian economy that will increase FAAC statutory allocation. According to the Federal Government and State's own forecasts, the Nigerian economy is expected to gradually recover in the period 2020-2023, with real GDP expanding at an average annual rate of 3% and domestic inflation decreasing below 10% by 2023. Such a moderate recovery will be supported by higher oil prices in global markets, an increase in domestic production, prudent fiscal policy, and the stabilization of the exchange rate relevant for international public-sector financial transactions at

its current level. Oil and gas revenue, as well as shared resources such as custom duties and VAT, would then increase relative to the depressed levels observed in 2020, thus improving the State’s revenue position.

Debt sustainability analysis is also predicated on the continuation of recent efforts to mobilize local revenue sources, and on unchanged policies concerning personnel and other operating expenses. At local level, the tax administration reforms adopted by the State Government to strengthen resources provided by IGR, are expected to continue in the next few years and will benefit from the overall economic recovery. On the other hand, no new policies are anticipated with regard to personnel and overhead costs, which are thus likely to preserve their historical trends.

The IGR of the state is expected to grow in the next few years and this will benefit the state towards overall economic recovery i.e. Debt sustainability.

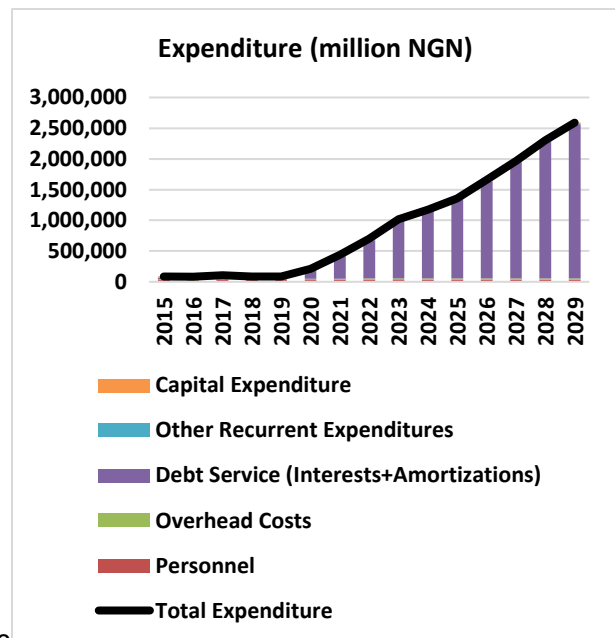
**4.4 Borrowing Assumptions**

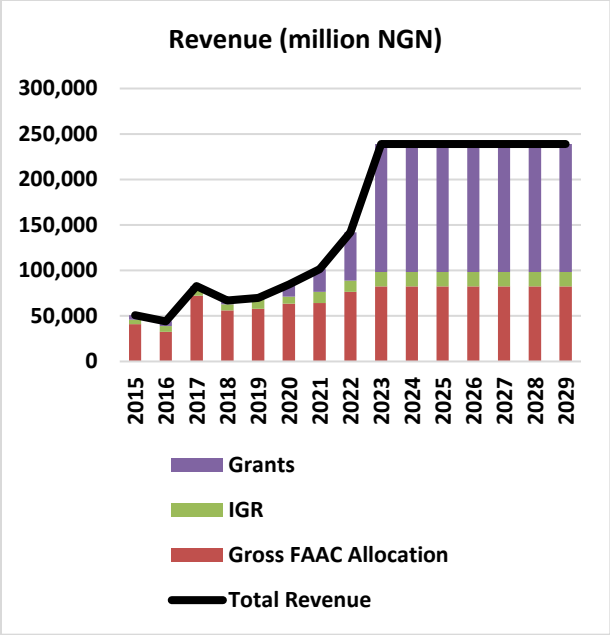
Adamawa state Government intends to finance its new Borrowing with the sum (₦30.3 Billion) from 2020-2029 mainly through commercial bank loans (maturing 1-5 years) with an average of (1%), commercial bank loan (maturity 1-6 year and above) estimated at (1%). State bonds (maturing 1-5 years above) at (33%) and state bond (maturing 6 years above) at (48%) over projection period compared with external financing estimate at (7%). For external financing was due to limited funding envelopes from the external borrowing with long processing time required loans from multilateral and bilateral sources.

**4.5 Simulation Result and Findings**

The main findings and result of the baseline scenario in terms of projected revenue, expenditure, primary and overall balance; and debt service indicators and thresholds are shown in the following charts below:

**Chart 16 and 17: Revenue and Expenditure**



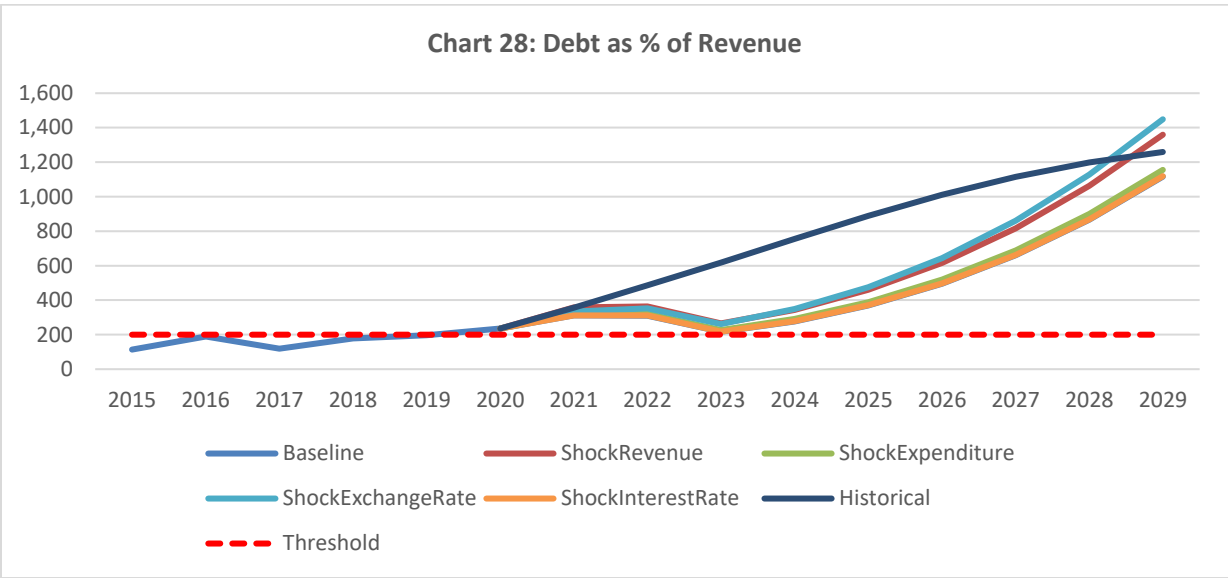


In the Baseline Scenario, the State preserves debt sustainability. Total revenue (including grants and excluding other capital receipts) is projected to increase from N69,979 million in 2019 to N238,964million by 2029 (Chart 16). Total expenditure will expand from N84,608 million in 2019 to N2,590,325 million by 2029 (Chart 17). Therefore, the fiscal deficit (computed as the difference between revenue and expenditure) is expected to remain within a range of N48, 069 million to N77, 142 million in nominal terms, compared to the 2019 deficit of Gross FAAC Allocation of N57, 412 million in 2019 to N81,909 million by 2029, IGR of N6,832 million in 2019 to N12,502 million by 2029 and Grants of N0 million in 2019 to N17,950 million by 2029”.

As a consequence of the modest increase in investment and external borrowings, the public debt will decline and the State’s repayment capacity will rise pari passu (Charts 22). Debt is projected to fall from N23,303 billion as of end-2019 to N12,394 million by 2029. However, relative to the State’s repayment capacity, the public debt position will improve: it is expected to increase from 157 percent of the Revenue in 2019 to 200 percent by 2029. As the fiscal deficit stabilizes in nominal terms over the next few years, and the public debt ratio improves, the analysis of the Baseline Scenario suggests the State will be able to preserve the sustainability of its debt in the medium-term.

**4.6 DSA Sensibility Analysis (Shock Analysis)**

This section explains the Shock analysis of the DSA which include four shock scenario (Shock revenue, shock expenditure, shock exchange rate, shock interest rate) and one historical scenario. The main features of the other five scenarios (four shock scenarios and one historical scenario) in terms of its deviation from the baseline scenario is to plan for the future flexibility (unforeseen circumstance) of revenue, expenditure, exchange rate, and interest rate. the following charts below explain the shocks scenarios:



The State’s debt sustainability is expected to largely deteriorate if the revenue shock was to occur, as a result of both excessive deficits and diminished repayment capacity. The projected fiscal deficits have exceeded the threshold in the year 2020 onward systematically going forward and even fluctuates moderately but steadily, the imbalance is expected to grow by 2020 in the shock Scenario. In addition, the public debt ratio grows up to 236% in year 2020 as against threshold of 200%, but this shows that revenue is at sustainable level (-36% Shock). Notably, therefore, a major risk for debt sustainability is the implementation of the reforms of the State’s successful revenue mobilization efforts and to maintain current patterns of expenditure growth.

The Adamawa State debt sustainability would deteriorate moderately if the exchange rate shocks materialize, mainly as a consequence of a diminished repayment capacity. On the other hand, the public debt ratio to revenue will deteriorate to 169% shock of Total Revenue by 2025. This implies that, the State’s public debt position and a build-up of fiscal stability in the long-term is needed

**Annexes**

**Annex I: Table Assumption**

		<b>Projection Methodology</b>	<b>Source</b>
<b>Assumptions:</b>			
<b>Economic activity</b>	State GDP (at current prices)	The price of 40 dollars per barrel from 2021-2023 was adopted	
<b>Revenue</b>	<b>Revenue</b>		
	1. Gross Statutory Allocation ('gross' means with no deductions)	FAAC statutory allocation is based on an elasticity forecast taking into consideration the macro-economic framework and the mineral assumptions in the FGN MTEF/FSP 2021-2023	Transferred from Federation Account distributed to all three tiers of accounts
	of which Net Statutory Allocation ('net' means of deductions)		
	of which Deductions		
	2. Derivation (if applicable to the State)	Not applicable	Not applicable
	3. Other FAAC transfers (exchange rate gain, augmentation, others)	Budgeting for other FAAC receipts should be done more conservatively due to their ad-hoc nature while the assumptions around them need to be addressed in the fiscal risks section	Other FAAC receipts include all FAAC distributed revenue accruing from other sources such as Excess crude, exchange gains, refunds from NNPC and FIRS, augmentation and any other excesses
	4. VAT Allocation	VAT is based on elasticity forecast using the combined change in GDP and inflation rate	VAT are received from 7.5% of goods and services
	5. IGR	IGR estimation is based on own percentage taking into consideration the economic activity of the state, reform of revenue administration and	IGR should be sourced through traditional source such as PAYE, fees, fines etc

		the impact of COVID-19	
	6. Capital Receipts		
	Grants	Internal grants are largely Local Government contributions to the state infrastructure and so call projects and UBEC	
	Sales of Government Assets and Privatization Proceeds		
	Other Non-Debt Creating Capital Receipts		
<b>Expenditure</b>	<b>Expenditure</b>		
	1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	Own percentage is used to estimate the personnel cost at 3% for 2021 to 2023	
	2. Overhead costs	Deliberate effort should be used to reduce cost of governance for capital investment from 2019 forward	
	3. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest Payments)		
	4. Capital Expenditure	Capital expenditure is based on the balance from recurrent account plus capital receipts. It is presented based in the form of discretionary and non-discretionary capital expenditure	
<b>Closing Cash and Bank Balance</b>	<b>Closing Cash and Bank Balance</b>		
<b>\Proceeds from Debt-Creating Borrowings</b>	<b>Planned Borrowings (new bonds, new loans, etc.)</b>		
	<b>New Domestic Financing in Million Naira</b>		

	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Inf Loans, and MSMEDF)		
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Inf Loans, and MSMEDF)		
	State Bonds (maturity 1 to 5 years)		
	State Bonds (maturity 6 years or longer)		
	Other Domestic Financing		
	<b>New External Financing in Million US Dollars</b>		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)		
	External Financing - Bilateral Loans		
	Other External Financing		
<b>Debt Amortization and Interest Payments</b>	<b>Debt Outstanding at end-2019</b>		
	External Debt - amortization and interest		
	Domestic Debt - amortization and interest		
	<b>New debt issued/contracted from 2020 onwards</b>		
	<b>New External Financing</b>	<b>No planned external borrowings for the periods in view</b>	
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)		
	External Financing - Bilateral Loans		

	Other External Financing		
	<b>New Domestic Financing in Million Naira</b>	<b>The expected new borrowing is 10,000 billion with maturity of 6 years and at expected interest rate of 12%</b>	
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Inf Loans, and MSMEDF)		
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Inf Loans, and MSMEDF)		
	State Bonds (maturity 1 to 5 years)		
	State Bonds (maturity 6 years or longer)		
	Other Domestic Financing		



**Annex II: Baseline Projections**

	Units	Scale	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>1. Information on State's Gross Domestic Product (See Note 1 in Guidance for Completing Data Request for State DSA)</b>																	
State GDP (at current prices)	Naira	Million	1,125,437	1,136,161	1,239,249	0	0	0	0	0	0	0	0	0	0	0	
Nation GDP (at current prices)	Naira	Million	93,497,948	101,253,016	114,004,750	127,736,828	144,210,492	139,517,516	142,694,417	146,794,565	151,464,432	151,464,432	151,464,432	151,464,432	151,464,432	151,464,432	
Exchange Rate NGN/US\$ (end-Period)			196	253	306	307	326	379	379	379	379	379	379	379	379	379	0
Present Value Factor (PVF)			0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	151,464,432
<b>Revenue</b>	Naira	Million	<b>74,870.28</b>	<b>62,022.10</b>	<b>71,938.61</b>	<b>89,182.22</b>	<b>104,198.93</b>	<b>103109.21</b>	<b>115779.13</b>	<b>113840.37</b>	<b>115336.93</b>	<b>9279.66</b>	<b>43841.28</b>	<b>16050.68</b>	<b>19923.26</b>	<b>14660.41</b>	<b>379</b>
1. Gross Statutory Allocation ('gross' means with no deductions; do not include VAT Allocation here)	Naira	Million	28,801.45	19,201.20	26,707.63	40,051.56	38,784.81	29,000.00	41,957.68	46,028.10	48,678.98	0.00	0.00	0.00	0.00	0.00	1.00
of which Net Statutory Allocation ('net' means of deductions)	Naira	Million	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
of which Deductions	Naira	Million	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2. Derivation (if applicable to the State)	Naira	Million	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. Other FAAC transfers (exchange rate gain, augmentation, others)	Naira	Million	1,597.98	21,569.21	12,567.00	10,181.29	7,686.84	7,686.89	7,686.89	7,686.89	7,686.89	0.00	0.00	0.00	0.00	0.00	
4. VAT Allocation	Naira	Million	7,365.63	7,578.07	9,073.34	10,145.74	10,940.65	11,500.00	12,606.24	14,044.87	15,543.39	0.00	0.00	0.00	0.00	0.00	0.00
5. IGR	Naira	Million	5,913.71	4,803.90	5,492.28	7,490.37	6,832.03	7,786.70	9,865.52	11,428.16	12,502.17	0.00	0.00	0.00	0.00	0.00	0.00

	Units	Scale	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
6. Capital Receipts	Naira	Million	28,535.73	4,253.84	12,940.24	11,814.29	28,395.49	47135.62	43662.80	34652.35	30925.50	9279.66	43841.28	16050.68	19923.26	14660.41	0.00
Grants	Naira	Million	0.00	0.00	408.69	3,593.03	47.95	12,250.00	20,850.00	17,950.00	17,950.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales of Government Assets and Privatization Proceeds	Naira	Million	0.00	0.00	0.00	0.00	5,358.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Non-Debt Creating Capital Receipts (BTL Receipt)	Naira	Million	2,655.78	4,615.88	4,749.43	5,905.94	6,153.16	0.00	5,300.00	5,800.00	6,450.00	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds from Debt-Creating Borrowings (bond issuance, loan disbursements, etc.)	Naira	Million	0.00	0.00	0.00	0.00	0.00	34885.62	17512.80	10902.35	6525.50	9279.66	43841.28	16050.68	19923.26	14660.41	0.00
of which Borrowings from Domestic bonds	Naira	Million	0.00	0.00	0.00	0.00	0.00										18039.02
of which Borrowings from Commercial bank loans	Naira	Million	0.00	0.00	0.00	0.00	0.00										0.00
of which Borrowings from External loans	Naira	Million	0.00	0.00	0.00	0.00	0.00										0.00
<b>Expenditure</b>	Naira	Million	<b>84,056.29</b>	<b>63,724.24</b>	<b>62,765.53</b>	<b>64,936.45</b>	<b>68,790.01</b>	<b>112834.32</b>	<b>115779.13</b>	<b>113840.37</b>	<b>115336.93</b>	<b>9279.66</b>	<b>43841.28</b>	<b>16050.68</b>	<b>19923.26</b>	<b>14660.41</b>	<b>0.00</b>
1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	Naira	Million	16,120.99	16,340.96	17,396.48	19,276.64	19,330.17	21,344.22	20,616.93	21,697.76	22,832.66	0.00	0.00	0.00	0.00	0.00	
2. Overhead costs	Naira	Million	15,046.60	11,842.98	13,872.07	19,876.85	18,715.96	15,024.48	18,615.55	18,633.63	18,735.98	0.00	0.00	0.00	0.00	0.00	
3. Interest Payments (Public Debt Charges, including interests deducted from FAAC Allocation)	Naira	Million	32,938.00	14,610.48	14,125.70	7.08	28.80	3661.70	2790.85	4591.87	5264.06	5586.10	6128.47	6644.93	7127.96	7908.62	
of which Interest Payments (Public	Naira	Million	0.00	0.00	0.00	0.00	0.00										

	Units	Scale	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Debt Charges, excluding interests deducted from FAAC Allocation)																	
of which Interest deducted from FAAC Allocation	Naira	Million	0.00	0.00	0.00	0.00	0.00										
4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest Payments)	Naira	Million	5,530.00	0.00	0.00	0.00	0.00	300.00	300.00	350.00	300.00	0.00	0.00	0.00	0.00	0.00	
5. Capital Expenditure	Naira	Million	14,420.70	20,929.82	17,371.28	25,775.88	30,715.08	56,956.61	57,908.49	59,587.15	63,774.23	0.00	0.00	0.00	0.00	0.00	0.00
6. Amortization (principal) payments	Naira	Million	0.00	0.00	0.00	0.00	0.00	15547.31	15547.31	8979.96	4430.00	3693.56	37712.81	9405.76	12795.31	6751.79	0.00
of which Amortization of Domestic bonds	Naira	Million	0.00	0.00	0.00	0.00	0.00										8533.07
of which Amortization of Commercial bank loans	Naira	Million	0.00	0.00	0.00	0.00	0.00										
of which Amortization of External loans	Naira	Million	0.00	0.00	0.00	0.00	0.00										
																	0.00
<b>Budget Balance (' + ' means surplus, ' - ' means deficit)</b>	Naira	Million	<b>555.13</b>	<b>-120.48</b>	<b>6,426.10</b>	<b>-1,484.42</b>	<b>2,691.74</b>	<b>-9725.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Opening Cash and Bank Balance</b>	Naira	Million	<b>1,657.04</b>	<b>2,212.17</b>	<b>2,091.69</b>	<b>8,517.79</b>	<b>7,033.37</b>	9,725.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Closing Cash and Bank Balance</b>	Naira	Million	<b>2,212.17</b>	<b>2,091.69</b>	<b>8,517.79</b>	<b>7,033.37</b>	<b>9,725.11</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Calculation of Financing Needs and Sources</b>																	
<b>Financing Needs</b>	Naira	Million						<b>34,885.62</b>	<b>22,812.80</b>	<b>16,702.35</b>	<b>12,975.50</b>	<b>9,279.66</b>	<b>43,841.28</b>	<b>16,050.68</b>	<b>19,923.26</b>	<b>14,660.41</b>	
i. Primary balance	Naira	Million											-4,474.64	-3,130.52	-3,281.44		

	Units	Scale	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
ii. Debt service	Naira	Million											18,039.02	9,694.06	9,279.66		
Amortizations	Naira	Million											9,505.95	4,430.00	3,693.56		0.00
Interests	Naira	Million											8,533.07	5,264.06	5,586.10		0.00
iii. Financing Needs Other than Amortization Payments (e.g., Variation in Cash and Bank Balances)	Naira	Million											0.00	0.00	0.00		
<b>Financing Sources</b>	Naira	Million											<b>18,039.02</b>	<b>12,975.50</b>	<b>9,279.66</b>		
i. Financing Sources Other than Borrowing	Naira	Million											0.00	6,450.00	0.00		
ii. Gross Borrowings	Naira	Million	34,885.62		17,512.80			10,902.35						43,841.28	16,050.68	19,923.26	<b>18,039.02</b>
<b>CONTROL: Financing Needs and Sources Must be Identical (i.e., no financing gap)</b>													<b>OK</b>	<b>OK</b>	<b>OK</b>	<b>OK</b>	0.00
<b>New Domestic Financing in Million Naira</b>				<b>Interest Rate (%)</b>	<b>Maturity (# of years)</b>	<b>Grace (# of years)</b>											18,039.02
Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, and MSMEDF)	Naira			0.00%	1	0				0.00	0.00	0.00					9,505.95
Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, and MSMEDF)	Naira			12.00%	6	0				0.00	0.00	0.00					8,533.07
State Bonds (maturity 1 to 5 years)	Naira			0.00%	1	0				0.00	0.00	0.00					0.00
State Bonds (maturity 6 years or longer)	Naira			0.00%	1	0				0.00	0.00	0.00					<b>18,039.02</b>
Other Domestic Financing	Naira			0.00%	1	0				0.00	0.00	0.00					0.00
<b>New External Financing in Million US Dollars</b>				<b>Interest Rate (%)</b>	<b>Maturity (# of years)</b>	<b>Grace (# of years)</b>											18,039.02
External Financing - Concessional Loans (e.g.,	US Dollars		0.00%	1	0					0.00	0.00	0.00	0.00				<b>OK</b>

	Units	Scale	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
World Bank, African Development Bank)																	
External Financing - Bilateral Loans	US Dollars	0.00%	1		0					0.00	0.00	0.00	0.00				
Other External Financing	US Dollars	0.00%	1		0					0.00	0.00	0.00	0.00				