

THE 2012 BUDGET SPEECH, DELIVERED TO THE KWARA STATE
HOUSE OF ASSEMBLY, BY HIS EXCELLENCY, ALHAJI ABDULFATAH
AHMED, THE EXECUTIVE GOVERNOR OF KWARA STATE ON
MONDAY, DECEMBER 19TH 2011

Mr Speaker Sir, Honourable members of the Kwara State House of Assembly, I thank you for admitting me into to this great legislative chamber for the second time in the life of my administration. Indeed, I am delighted to present the 2012 Appropriation Bill to this esteemed house for consideration and approval as it forms the comprehensive framework for the development of this state in the next 12 months and beyond. Mr Speaker, let me restate here that our people have high aspirations of this administration. These aspirations have not only been shaped by deep social and economic problems that confront our country but also by the laudable programs in our party's manifesto.

Distinguished members, permit me to use this forum to reassure the people of our great state that my administration intends to meet and exceed their aspirations for good governance by implementing people-focussed policies within the limits of available resources. The 2012 budget proposal is therefore hinged on the twin philosophies of resourcefulness and widespread prosperity for our state and its people.

Mr Speaker, you will recall that shortly after my assumption of office, I forwarded a draft supplementary budget proposal to you for approval in order to address new priority areas not anticipated in the 2011 budget. Since then, we have made significant progress in our determined effort at effective governance. These include the provision of 2000 youth jobs, extensive roads works including federal roads, renovation of educational and health infrastructure, provision of increased access to portable water, as well as rural and urban electrification.

In addition, following extensive consultations with key stakeholders, we have outlined priority policy strategies in education, agriculture, health, energy, solid mineral development, environment and security. Therefore, the 2012 Budget has been formulated to enhance the well-being of our people based on these seven priority areas.

THEME OF 2012 BUDGET

Mr Speaker, before delving into the specific objectives and details of the budget proposal, let me intimate you with its theme: Consolidation and Development. Our seven-point agenda and indeed the proposals contained in this budget are designed to consolidate on the laudable achievements of the previous administration in order to ensure continuity in governance.

Furthermore, the budget seeks to use the identified successes as the framework for the integrated development of our state. Our aim is to use these successes as the foundation for long-term growth while delivering the benefits of development to our people on a timely and efficient basis.

Essentially, the 2012 budget is hinged on four main pillars. These are to consolidate on the policy thrust of the previous administration, focus on urgent needs of our people, ensure efficiency in the management of resources, as well as guarantee cost effectiveness in the execution of our various people-oriented programmes. As a first step towards the realisation of these objectives, the Government has articulated potent and workable policies, programmes and strategies in the 2012 Budget, which I now have the honour to present to this Honourable House.

THE 2012 BUDGET:

The objectives of the 2012 BUDGET are as follows:

- (i) Expansion of the productive base of the state economy through increased agricultural and industrial production;
- (ii) Development of new infrastructural facilities and rehabilitation of existing sectoral projects;
- (iii) Stimulating economic development through a systematic implementation of this administration's interlinked 7-point agenda;

- (iv) Job and wealth creation through human capital development, investment promotion, and development of micro, small and medium scale enterprises.

With the broad policy objectives as outlined above, I shall now proceed to highlight the salient features of the 2012 Budget. The proposals comprise four major components that make up the Recurrent and Capital Budget Estimates of the Kwara State Government. These components are:

- (i) Total Recurrent Revenue: Sixty billion, nine hundred and sixty one million, five hundred and eighty thousand, seven hundred and thirty Naira;**
- (ii) Recurrent Expenditure: Forty seven billion, nine hundred and eleven million, nine hundred and fourteen thousand, eight hundred and seventeen Naira;**
- (iii) Capital Receipts: Forty three billion, ninety five million, two hundred and ten thousand and forty six Naira**
- (iv) Capital Expenditure: Forty three billion, ninety five million, two hundred and ten thousand and forty six Naira**

One of the main focuses of this administration is to boost internally generated revenue. This is essentially to forestall over dependence on statutory allocation from Federation Account. Consequently, effective internally generated revenue machinery has been put in place to attain this lofty goal.

In the 2012 budget, the difference between the total Recurrent Revenue and total Recurrent Expenditure, known as Recurrent Budget Surplus and totalling **Thirteen billion, forty nine million, six hundred and sixty five thousand, nine hundred and thirteen Naira** is to be transferred to Capital Development Fund. Equally, there is a total Capital Expenditure of **Forty three billion, ninety five million, two hundred and ten thousand and forty six Naira**. Consequently, the year 2012 budget is a balanced Budget.

Mr Speaker, and Honourable members, a comparative analysis of the Year 2012 Budget, vis-à-vis that of 2011 shows that the total Budget size for 2012 as proposed is **Ninety one billion, seven million, one hundred and twenty four thousand, eight hundred and sixty three Naira** as against **sixty four billion, one hundred and sixty one million, four hundred and seventy nine thousand, four hundred and sixty eight Naira** for 2011. This shows an increase of 42 per cent.

The detailed Recurrent expenditure profile is as shown below:-

1. Personnel Cost: **Eight billion, nine hundred and seventeen million, four hundred thousand and seventeen Naira only.**
2. Overhead Cost: **Fourteen billion, six hundred and twenty one million, eight hundred and eighty eight thousand, eight hundred Naira;**
3. Consolidated Fund Charges: **Twenty four billion, three hundred and seventy two million, six hundred and twenty six thousand Naira;**

4. Total Recurrent Expenditure: **Forty three billion, ninety five million, two hundred and ten thousand and forty six Naira**
5. Transfer to Capital Development Fund: **Thirteen billion, forty nine million, six hundred and sixty five thousand, nine hundred and thirteen Naira. (Recurrent Surplus)**

Similarly, the proposed Capital expenditure for 2012 financial year is **Forty three billion, ninety five million, two hundred and ten thousand and forty six Naira**. This is as against **Twenty billion, six hundred and sixty four million, ninety four thousand, seven hundred and fifty six Naira** for 2011, an increase of 109 per cent. This increase reflects inflationary pressures and my administration's increased emphasis on infrastructural development and human capital development.

This sectoral breakdown is as follows:-

1. Road Development: **Eleven billion, five hundred and sixty three million, one hundred and six thousand, seven hundred and twenty two Naira;**
2. Water Supply: **Two billion, seventy four million, five hundred thousand Naira**
3. Education and Human Capital Development: **Eight billion, five hundred and five million, five hundred and fifty thousand, one hundred and sixty three Naira.**

4. Energy: **One billion, eight hundred and thirty seven million, ninety nine thousand, one hundred and four Naira**
5. Health: **Three billion, eighty one million, seven hundred thousand Naira;**
6. Agriculture Development: **Two billion, six hundred and eight million, four hundred and twenty thousand, two hundred and ninety two Naira;**
7. Sports and Youth Development: **Two hundred and fifty five million Naira**
8. Housing: **One billion, three hundred and seventy three million, six hundred and three thousand and sixty seven Naira**
9. Commerce and Cooperatives: **Three hundred and eighty six million Naira**
- 10 . Information and Communications: **Four hundred and forty three million, nine hundred and eighty thousand, nine hundred and seventy three Naira.**
11. Environment and Forestry: **Two hundred and forty two million, five hundred thousand Naira**
10. Other Sectors: **Ten billion, seven hundred and twenty three million, seven hundred and forty nine thousand, seven hundred and twenty five Naira.**

Total: Forty three billion, ninety five million, two hundred and ten thousand and forty six Naira

SECTORAL PROGRAMMES:

I now proceed to highlight some salient features of the sectoral programmes contained in the Budget.

ECONOMIC SECTOR:

AGRICULTURE:

As you are aware, agriculture is the bedrock of the national economy. This is because it provides employment for about 70 per cent of our people, food for the growing population and raw materials for our industries. Indeed, it is the basic structure on which the industrial and manufacturing super-structures are built. The policy thrust of this administration in this sector is to facilitate greater participation of private investors in commercial farming and agro- allied industrial businesses. In line with this, enabling conditions and conducive environment will be created to drive the growth of agricultural produce and related agro-allied industries as well as support small holding farmers to boost food production and enhance food security.

Towards this end, the sum of Three hundred and fifteen million Naira has been earmarked for land development services in 2012. In order to completely eliminate incessant crises and clashes between crop farmers and herdsmen, the

State Government would provide grazing reserves in strategic locations and other incentives like milking parlours so that they can continue to live together in peace and harmony. A total sum of One Hundred Million Naira has been earmarked for the project.

For effective extension service delivery, especially in rural areas, Government intends to rehabilitate eleven (11) Agriculture Area Offices and construct new ones across the sixteen (16) Local Government Areas. To this effect, the sum of Thirty nine million, five hundred thousand Naira has been set aside for the accomplishment of these projects. Furthermore, Government will continue to make improved seeds available for sale to farmers in 2012 for enhanced bumper harvest, to promote self-sufficiency in food production, employment generation and provision of raw materials for our industries. To achieve this, the sum of One Hundred and eighty three million, three hundred thousand Naira has been earmarked.

In the same vein, Government also intends to make significant commitments in the areas of harvesting/processing of cassava, rice, maize, and soya beans, grains buffer stock, and cash crops production. These projects are expected to cost five hundred and seven million Naira, Twenty five million Naira and Ten million Naira respectively in the 2012 fiscal year. To ensure rice production in the state, using irrigation scheme, Government would spend the sum of seventy five million Naira for the reconstruction and de-silting of lakes and canals. In

anticipation of increase in crop production, pesticides and herbicides for the protection of farm crops worth eighty one million, nine hundred thousand Naira will be made available to farmers in the 2012 fiscal year.

In view of our desire to facilitate and guarantee the emergence of home grown successor generation of commercial farmers, the Integrated Youth Farm Training Centre at Malete and Fish Farming Training Programme at New Yidi would be vigorously pursued. To enhance long term sustainability of these centres, the State Government would enter into partnership with interested agricultural institutions to enable them benefit maximally from various agricultural support schemes.

WORKS AND TRANSPORT:

The Transport sub- sector will receive the required boost in the coming 2012 Financial Year. This is in line with the policy thrust of this administration to sustain the provision and maintenance of good motorable roads and reduce traffic congestion in the state. To this end, the completion of all on-going road projects embarked upon by the immediate past administration would be pursued with greater zeal in 2012. Pursuant to this, a sum of Three billion, Two hundred million Naira has been provided for this sector in the coming fiscal year. Similarly, attention would be paid to the construction and rehabilitation of new

state and rural roads across the length and breadth of the state. To this end, a total sum of Six Billion, Six hundred million Naira will be committed to this project with a share of Four billion, six hundred million Naira and Two Billion Naira for state and rural roads respectively in 2012.

The Kwara State Road Maintenance Agency (KWARMA) will be strengthened to maintain our roads throughout the State and ensure that they are motorable all year round. To facilitate its work, a sum of Three Hundred and Sixty Million Naira has been provided.

Similarly, the Kwara Road Traffic Management Authority (KWARTMA) will be enhanced in the 2012 fiscal year. This is to strengthen our hold on the roads, create orderliness and ensure free flow of traffic. Toward this end, a sum of N100 million has been earmarked for the purchase of heavy and light towing trucks. Besides, the State Government intends to construct Bus depots and Lay-bys in the coming year to ensure orderly bus mass transit services in the state capital.

To combat fire disasters headlong, the state fire services would be strengthened to ensure that lives and properties are well preserved. To this end, fire fighting activities would be extended to the Local Governments with the construction of 3 proto-type fire stations in Bode-Saadu, Kosubosu and Lafiagi. Furthermore, fire fighting equipment would be acquired to enhance effective

and efficient performance of the State Fire Service. A sum of Sixty million Naira has been earmarked for this purpose.

COMMERCE & COOPERATIVES:

The major role of government in this sector is stimulation of industrialization through the promotion, development and encouragement of strong and organised Small and Medium Scale Industrial Activities. In this regard, Government has resolved to facilitate access of Small and Medium Scale Enterprises and cooperative groups to debenture funds in the 2012 fiscal year. The sum of Three Hundred and Eighty Six Million Naira has been set aside for this purpose.

ENERGY

The State government is working towards ensuring improved power supply in the state in the 2012 Financial Year. In this regard, efforts will be geared towards the completion of all on-going power projects in the state and commencement of other key priority power projects. Communities that are yet to be connected to the national grid would be considered under the 2012 electrification project. Similarly, we will upgrade injection sub-stations and continue the provision of traffic and street light in Ilorin metropolis and Local Government Headquarters. A sum of One billion, eight hundred million Naira has been earmarked for this sector.

SOCIAL SECTOR:

EDUCATION

Education and Human Capital Development will continue to enjoy this administration's priority attention. Towards this end, improvements in the infrastructural facilities of our educational institutions at all levels will be accorded the necessary boost in order to create a conducive learning environment. Consequently, to facilitate the resuscitation of technical education in the state, we will rehabilitate three technical schools: one per senatorial district in the first phase. A sum of Fifty seven million, five hundred thousand Naira has been earmarked for this purpose.

Similarly, the State government intends to commence comprehensive rehabilitation of six schools at two per senatorial district, out of which two will be rehabilitated in the incoming year at a cost of One hundred and fifty million Naira per school. In the annual school census conducted by the Ministry of Education and Human Capital Development in the current year, a total number of 900 classrooms were identified as unusable. Out of these, 200 classrooms were renovated in the current year. The state government plans to renovate additional 200 classrooms in the 2012 financial year at a cost of One Hundred Million Naira.

To enhance Science Education, the State government intends to convert six Secondary Schools to Science Schools in the 2012 fiscal year at a total cost of One Hundred Million Naira. In line with our emphasis on human capital development, vocational education has been introduced in our schools in tandem with the new curriculum on entrepreneurship. Under this scheme, each school will teach three trades for their students to acquire the necessary skills for self-employment on graduation. A budgetary provision of One Hundred Million Naira has been made for this purpose.

Furthermore, construction work will commence at the International Vocational Centre, Ajasse-Ipo in the 2012 financial year at a cost of One billion Naira. When completed, the centre will provide internationally-recognised and market relevant vocational training for our youths. In addition, the upliftment of the State Education Resource Centre to cope with the present day challenges of providing modern instructional materials to our science schools and other institutions is of great concern to us. A total sum of Fifteen million Naira is proposed for the purchase of new equipment and upgrading of the centre's facilities in the 2012 financial year.

Furthermore, the State Bursary and Scholarship programs will be sustained in order to assist needy families and students. Towards this end, a sum of One Hundred Million Naira and Forty Five million Naira respectively have been earmarked for this purpose in the 2012 financial year.

Tertiary Institutions:

In the 2012 financial year, a total sum of Two billion, six hundred million Naira has been earmarked for the Kwara State University to meet its accreditation requirements and other infrastructural developments. For Kwara State Polytechnic and our Colleges of Education, their physical structural developments will cost a total sum of Fifty million Naira and Two hundred and fifty four million Naira respectively in the 2012 financial year.

HEALTH

Our seven-point agenda accords high-priority attention to health care delivery to our citizenry within the context of the state's strategic health development plan. To this end, Government will, in the 2012 financial year, provide affordable, efficient and effective health care services to Kwarans and also ensure prompt response to all disease burdens. In our bid to wage total war against malaria, a total sum of One Hundred Million Naira has been earmarked to eradicate this health challenge. Furthermore, investments will be channelled towards the development of our primary, secondary and tertiary healthcare institutions across the state. To this end, the on-going rehabilitation of the three tertiary health facilities in the state has been allocated the sum One Hundred and Fifty Million Naira in the 2012 fiscal year. Furthermore, Specialist hospitals in Sobi, Jebba and Oke-Ode will be given the deserved facelift with a budgetary provision of Fifty Million Naira.

In similar vein, a sum of One billion, three hundred million Naira has been set aside for the rehabilitation of General Hospitals across the state. Also, 20 Comprehensive Health Centres will be constructed in the incoming year with the sum of N500 million. Another allocation of N25 million has been earmarked for the purchase of Hospital beds and beddings for the Comprehensive Health Centres.

To improve teaching and learning at the College of Nursing and Midwifery, Ilorin, and College of Health Technology, Offa, the sums of Fifty million Naira and Thirty million Naira have respectively been allocated for the provision of necessary infrastructure at these institutions. A budgetary provision of One Hundred Million Naira has also been made for the provision of infrastructure and equipment at the newly established School of Nursing, Oke-Ode.

INFORMATION & COMMUNICATION

This administration recognises adequate and timely information dissemination as one of the most potent tools of development. Consequently, we plan to pay special attention to the development of programs that will enhance information through the use of electronic and print media. We are also committed to providing efficient broadcasting services state-wide to inform, educate and entertain the general public. Accordingly, major projects to be implemented include the purchase of A3 colour separation machine and 250 KVA generator for the Government Press, Purchase of Audio-Visual equipment as well as the

establishment of State Archives for the Information Department. A total sum of Two hundred and eighty seven million Naira has been set aside for this purpose.

SPORTS AND YOUTH

It is pertinent to express this administration's commitment to sporting activities as means of promoting healthy and physically fit citizenry, and as a tool of national unity. Accordingly, government will address the issue of sports development with a view to preparing our sportsmen and women for participation in national and international sporting activities. Government will also continue to support Kwara United Football Club and Kwara Football Academy with grants with a view to giving them the necessary encouragement to enhance their performances. Furthermore, government will accord priority attention to Youth Development through economic empowerment of the Youth in order to reduce unemployment.

WATER SUPPLY

The major objective of government policy in this sector is to supply adequate and safe water for domestic and industrial use and make water available all year round in our urban and rural areas. In the 2012, fiscal year, government intends to consolidate on the gains of the previous administration by advancing swiftly towards attaining 500 meters radius water accessibility. To this end, government intends to complete the on-going Ilorin pipe network project at a sum of One

Billion Naira. When the project is completed, the domestic and commercial demand for water in the state would be successfully met.

Apart from the reticulation project, 36 water schemes would be rehabilitated and upgraded to full capacity during the 2012 fiscal year. The sum of Four Hundred and Nine Million, Five hundred thousand Naira has been earmarked for these purposes. A total sum of Two Hundred Million Naira has equally been voted for the procurement of water treatment chemicals. Under the Rural Water Scheme, a total sum of Two Hundred and Twenty Five Million Naira would be expended on the procurement of geophysical survey instruments, bulk purchase of borehole materials, drilling of hand-pumps and motorized boreholes and maintenance of rigs. In the same vein, provision of model toilets and other sanitation programs, including advocacy is expected to cost Fifty One Million Naira. Also, the Rural Water Supply Sanitation Agency (RUWASSA), will be strengthened and repositioned to enable it function efficiently through a take-off grant of Five Million Naira.

LAND AND HOUSING

As part of the strategy for the overall development of the state, my administration will continue to encourage private initiative by making well-serviced residential, commercial and industrial plots readily available to the people. Government will ensure that a greater percentage of revenue realised from land transactions is ploughed back into further land development.

In 2012, we shall focus on the development of the Greater Ilorin Master plan to ensure that development and expansion of the capital city in the future is carefully controlled. The Housing Corporation will also be strengthened through capital grant for efficient and effective performance.

Government intends to embark on neighbourhood upgrading towards slum reduction and control of haphazard development. The street naming component of this program will equally assist law enforcement agents in reducing crime. To this effect, an estimated sum of Sixty million Naira is provided for the execution of the project in the 2012 financial year.

ENVIRONMENT AND FORESTRY

The problem of climate change has brought to the fore the need for tree and forestry preservation as well as conservation. Consequently, in the 2012 financial year, effort would be intensified on sensitisation programs on forest resources management through acquisition of 2 hectares of land per LGA through the Bureau of Lands for conservation and development. The state government intends to liaise with the private sector to raise 2 million seedlings for planting in the state's forest reserves. In the 2012 financial year, the state government shall sustain the drive towards ensuring that the savannah regeneration programs and communal woodlots projects are embarked upon.

As a measure to ensure the attainment of our goals in this direction, government would also ensure that at least 3 major roundabouts in the state capital are rehabilitated. In the same vein, the City beautification project would be expanded to cover four more additional routes in the state capital. In the forthcoming year, waste management in the state shall be further enhanced through private participation. Government will also strengthen the Kwara State Environmental Protection Agency (KWEPA) with equipment and necessary facilities in order to enhance its efficiency and reposition it as a revenue generating agency. A total of Two Hundred and Forty Two Million, Five Hundred Thousand Naira has been earmarked for the sector.

GENERAL ADMINISTRATION

The major focus of government in this sector is the provision of adequate infrastructural facilities, equipment and training of personnel to cope with challenges of present day development. Towards this end, a total sum of Six billion, six hundred million Naira has been earmarked for projects in this sector in the 2012 financial year. In a bid to create a reliable economic database for planning and decision making in the state, a Bureau of Statistics is to be established for enhanced data gathering, analysis and management.

CONCLUSION

Mr Speaker, Honourable Members of the House, I hope that government's revenue and expenditure portfolio for the 2012 Fiscal Year as presented in this draft proposal provides a vivid picture of our passion for developing the state. Finally, I wish to thank our traditional rulers and the entire people of Kwara State for their enthusiastic support for this administration since inception. I hope I can continue to count on you all for the success of the programs and policies of this administration as clearly enunciated in this budget speech. Mr Speaker, Honourable Members of this House, I thank you for your attention and pray the Honourable members to pass the 2012 Appropriation Bill into Law.

Thank you and God bless.