



JIGAWA STATE GOVERNMENT

2026-2028

Medium Term Expenditure Framework [MTEF]

Economic and Fiscal Update (EFU),
Fiscal Strategy Paper (FSP) and
Budget Policy Statement (BPS)

Prepared By:
Ministry of Budget & Economic Planning
Jigawa State

© July 2025

Document Control	
Document Version Number:	Final Draft Version
Document Prepared By:	Ministry of Budget and Economic Planning
Document Approved By:	Jigawa State Government
Date of Approval:	29 th August, 2025
Date of Publication:	15 th September, 2025
Distribution List:	

Table of Contents

Section 1: Introduction and Background	6
1.A Introduction	6
1.A.1 Budget Process.....	6
1.A.2 Summary of Document Content	7
1.A.3 Preparation and Audience	7
1.B Background	7
1.B.1 Legislative and Institutional Arrangement for PFM	7
1.B.2 Overview of Budget Calendar	9
Section 2: Economic and Fiscal Updates	10
1.C Economic Overview.....	10
1.C.1 Global Economy	10
1.C.2 Africa	13
1.C.3 Nigerian Economy	14
1.C.4 Jigawa State Economy.....	15
1.D Fiscal Update.....	17
1.D.1 Historic Trends	17
1.D.2 Debt Position.....	30
Fiscal Strategy Paper	31
1.E Macroeconomic Framework	31
1.F Fiscal Strategy and Assumptions.....	31
1.G Indicative Three-Year Fiscal Framework.....	32
1.G.1 Assumptions.....	32
1.G.2 Fiscal Trends.....	33
1.H Local Government Estimates	36
1.I Fiscal Risks.....	39
Budget Policy Statement	40
1.J Budget Policy Thrust	40
1.K Sector Allocations (3 Year)	40
2 Considerations for the Annual Budget Process.....	42
Summary of Key Points and Recommendations	44
Annex 1 Detailed Capital Receipts	45

List of Figures

Figure 1: MTEF Process.....	Error! Bookmark not defined.
Figure 2: Statutory Allocation.....	Error! Bookmark not defined.
Figure 3: Derivation	Error! Bookmark not defined.
Figure 4: VAT.....	18
Figure 5: IGR	18
Figure 6: Other Federation Account.....	19
Figure 7: Grants	19
Figure 8: Other Capital Receipts.....	20
Figure 9: Loans/Financing.....	21
Figure 10: Personnel.....	22
Figure 11: Social Contributions and Social Benefits	23
Figure 12: Overheads.....	23
Figure 13: Grants, Contributions, Subsidies, Transfers	24
Figure 14: Public Debt Service.....	24
Figure 15: Capital Expenditure	25
Figure 16: Recurrent: Capital Expenditure Ratio.....	26
Figure 17: Jigawa State Macroeconomic Framework	31
Figure 18: Jigawa State Revenue Trend.....	34
Figure 19: Jigawa State Expenditure Trend	35

List of Tables

Table 1: Budget Calendar	Error! Bookmark not defined.
Table 2: Real GDP Growth - Selected Countries.....	Error! Bookmark not defined.
Table 3: Inflation (CPI) - Selected Countries	Error! Bookmark not defined.
Table 4: Nigeria Key Macroeconomic Indicators.....	Error! Bookmark not defined.
Table 5: Nigeria Mineral Statistics.....	Error! Bookmark not defined.
Table 6: Sector Expenditure – Personnel - Budget Vs Actual	28
Table 7: Sector Expenditure – Overhead - Budget Vs Actual	28
Table 8: Sector Expenditure – Capital - Budget Vs Actual	29
Table 9: Debt Position as at 31st December 2021	30
Table 10: Jigawa State Medium Term Fiscal Framework	32
Table 11 Local Government FAAC and State IGR Share Estimates 2023-2025	36
Table 12: Fiscal Risks.....	39
Table 13: Indicative Sector Expenditure Ceilings 2023-2025 – Personnel (Salaries and Allowances)	40
Table 13: Indicative Sector Expenditure Ceilings 2023-2025 – Overhead (Account Class 2202).....	41
Table 13: Indicative Sector Expenditure Ceilings 2023-2025 - Capital	41

List of Abbreviations

Acronym	Definition
BPS	Budget Policy Statement
CDF	Comprehensive Development Framework
CSOs	Civil Society Organizations
EFU	Economic and Fiscal Update
ExCo	Executive Council
FAAC	Federation Allocation Accounts Committee
FGN	Federal Government of Nigeria
FRL	Fiscal Responsibility Law
FSP	Fiscal Strategy Paper
GDP	Growth Domestic Product
IMF	International Monetary Fund
JGSG	Jigawa State Government
LGs	Local Governments
MBDP	Barrels Per Day
MBEP	Ministry of Budget & Economic Planning
MDAs	Ministries, Departments and Agencies
MEO	<i>Macroeconomic Performance and Outlook</i>
MPC	Monetary Policy Committee
MPR	Monetary Policy Rate
MTBF	Medium Term Budget Framework
MTEF	Medium Term Expenditure Framework
MTFF	Medium Term Fiscal Framework
MTSS	Medium Term Sector Strategies
NEMA	National Emergency Management Agency
OPEC	Oil Producing Countries
PAYE	Pay As You Earn
PFM	Public Financial Management
SDRs	Special Drawing Rights
SHoA	House of Assembly
TETFunds	Tertiary Education Trust Funds
TSA	Treasury Single Account
UBEC	Universal Basic Education
WEO	World Economic Outlook

Section 1: Introduction and Background

1.A Introduction

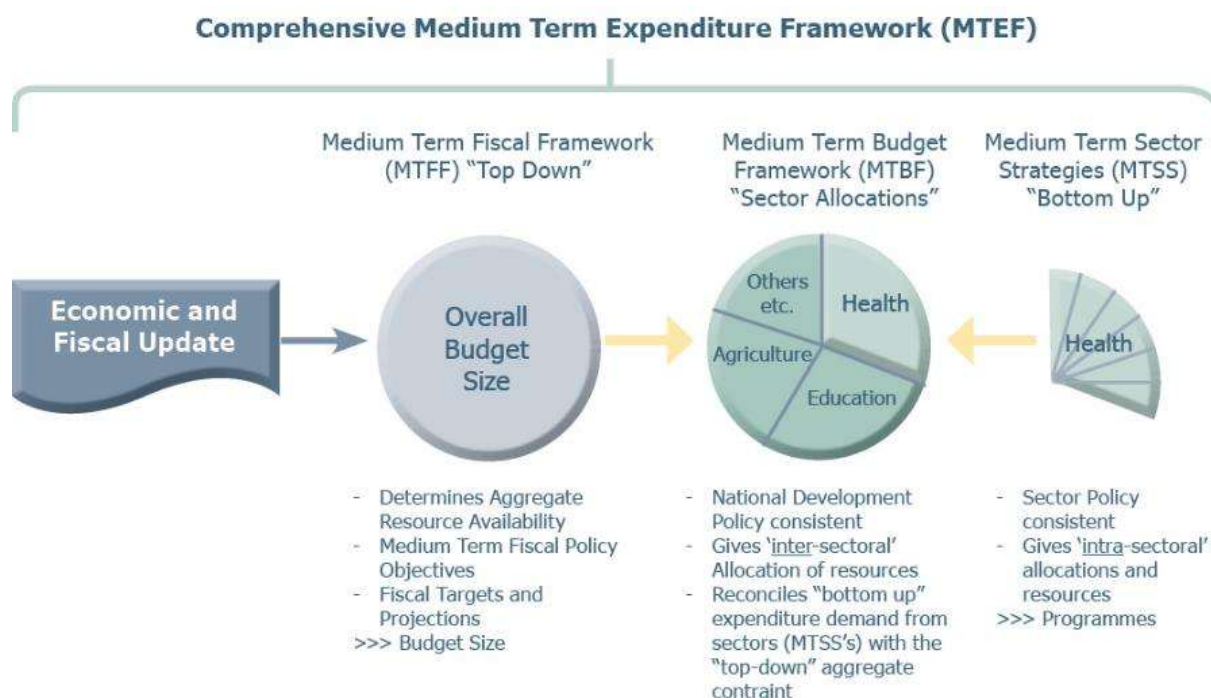
Like previous years, Jigawa State prepares 2026-2028 Medium-Term Expenditure Framework (MTEF) which is anchored under three-in-one document as highlighted below.

1. Economic and Fiscal Update (EFU) which provides economic and fiscal analyses that form the basis for the budget planning process. As a top-down component, it is aimed primarily at keeping policy-makers and decision-takers in Jigawa State Government well-informed of what had transpired from the review & analysis of economic and fiscal trends. It also provides an assessment of budget performance (both historical and current) and highlights significant factors affecting the implementation.
2. Fiscal Strategy Paper (FSP) and Budget Policy Statement (BPS) on the other hand, are key elements in Medium-Term Expenditure Framework (MTEF) and annual budget process, which determine the resources available to fund Government projects and programmes to achieve fiscal sustainability objectives.
3. In line with provision of Public Expenditure and Financial Management Law No. of 2019, PART II section 6 (1 – 3), Jigawa State Government prepares the 2026-2028 MTEF to pave ways for smooth implementation of economic and fiscal policy framework. This is done every year to essentially assist in decision making over resource allocation and prioritisation of activities in accordance with national and state level development plan objectives. The rolling iteration process for this year covers 2026 – 2028 medium-term period.

1.A.1 Budget Process

4. The budget process describes the budget cycle in a fiscal year and its commencement is informed by the MTEF process which has three components. These are:
 - Medium Term Fiscal Framework (MTFF);
 - Medium Term Budget Framework (MTBF);
 - Medium Term Sector Strategies (MTSS).
5. It starts from the conception through preparation, execution, control, monitoring and evaluation and goes back again to conception for the ensuing year's budget.
6. The MTEF process is summarised in Figure 1 below:

Figure 1: MTEF Process



1.A.2 Summary of Document Content

7. The development of MTEF which is three-in-one document that combined Economic and Fiscal Update (EFU), Fiscal Strategy Paper (FSP) and Budget Policy Statement (BPS), is the first step in the budget preparation cycle adopted by for Jigawa State Government (JGSG). The preparation of MTEF is in practise for more a decade and the same is maintained for the 2026-2028 medium-term period.
8. In a summarize form, the purpose of this document includes:
 - a) To provide a backwards looking summary of key economic and fiscal trends that will affect the public expenditure in the future;
 - b) To set out medium term fiscal objectives and targets, including tax policy; revenue mobilisation; level of public expenditure; deficit financing and public debt; and
 - c) To provide indicative sector envelopes for the period 2026-2028 which constitute the Medium-Term Budget Framework (MTBF) which has direct implication in policy implementation.

1.A.3 Preparation and Audience

9. This document is consciously prepared to inform the 2026 budget preparation cycle for the benefit of all major stakeholders and audience. These include the following:
 - State House of Assembly (SHoA);
 - Executive Council (ExCo);
 - Ministry of Finance;
 - Ministry of Budget & Economic Planning;
 - Jigawa State Economic Planning Board;
 - Office of the Accountant General;
 - Office of the Auditor General;
 - Due Process & Project Monitoring Bureau;
 - Jigawa State Board of Internal Revenue;
 - Jigawa State Bureau of Statistics (SBS)
 - Ministry for Local Government & Community Development;
 - All Government Ministries, Departments and Agencies (MDAs);
 - Civil Society Organizations (CSOs).
 - Development Partners (DPs)
10. This document is prepared by Jigawa State Ministry of Budget & Economic Planning in collaboration with major Public Financial Management (PFM) Agencies that are respectively represented in the EFU-FSP-BPS Working Group. It is prepared prior to the commencement of annual budget preparation to guide process.

1.B Background

1.B.1 Legislative and Institutional Arrangement for PFM

11. The State has come up with some important legislations that provide legal basis and regulatory framework for the public expenditure and financial management system to effectively function and operate in line with best practice. Apart from the constitution, there are existing Laws that establish many of the Government Agencies which contain some provisions related to financial managements most specifically has to do with raising revenues and expenditure commitments. Some of the Jigawa State Laws that have direct influence on the annual planning and budget process include:

Table 1: PFM Institutions

S/N	Legislations	Remarks / Provisions
1	The Fiscal Responsibility Law, 2009	It provisions for the promotion and enforcement of best practice in public expenditure and financial management; and provides for multi-year fiscal planning, including aggregate revenue forecasts and expenditure estimates. It seeks to ensure strategic prioritisation and resource allocation through the budget process as well as the promotion of accountability, transparency and prudence in the entire PFM process.
2	The Jigawa State Internal Revenue Service Revenue Codification and Consolidation Law, 2017	It is aimed at improving the tax administration and enhancing internally generated revenue. It provides for the harmonization, consolidation and codification of all Jigawa State Internal Revenue Service Laws and restructures it for better performance.

3	Annual Appropriation Laws	Annual Appropriation Laws especially of the immediate past Fiscal Year. These contained revenue and expenditure estimates approved by the State House of Assembly in accordance with section 120 - 123 of the constitution.
4	Local Government Law No. ... of 2007 (as amended)	The Local Government Law of 2007 as amended provides guidance for the functions, administration and other related matters of the 27 Local Governments in the State
5	Economic Planning Board Law No. 8 of 2016	Basis for the establishment of this was Section 7(3) of the Constitution of the Federal Republic of Nigeria. Some of the functions of the EPB include: Provision of inputs into the short, medium and long-term development plans of the State and the Local Governments; examine the plans and budgets of the State and Local Government Councils for consistency with each other and with the State development objectives and priorities; examine and take appropriate actions on periodic reports on budget implementation and other similar reports from MDAs; monitor and ensure compliance with provisions of the Economic Planning and Fiscal Responsibility Law by the relevant Government Agencies.
6	Public Expenditure and Financial Management Law No. 2 of 2019	This covers public financial management in line with best practice, including preparation of medium-term fiscal framework, budget preparation, etc.
7	Jigawa State Audit Law No. 05 of 2019	This is established in compliance to section 125(1) of the constitution of the Federal Republic of Nigeria, 1999. The Law contains some provisions related to the establishment of the Office, appointment of Auditor General, functions, timeliness of submission of Audit report to the Public Account Committee of the State House of Assembly, etc.
8	Jigawa State Procurement Law 2019 Amendment	This covers provisions on General Rules on Public Procurement, Procurement Procedures of Goods, Works and Services, Restricted and Special Procurement Procedures, etc.

12. The PFM Institutions (MDAs) in Jigawa State are directly or to a certain extent involved in the preparation and implementation of public expenditure and financial management functions of Government. However, few Agencies provide coordination and leadership role and serve as institutional homes that define the institutional framework for the smooth PFM operation in the State as shown the table 2 below:

Table 1: PFM Institutions

S/N	PFM Related Agencies	Summaries of the Roles & Responsibilities
1	Ministry of Finance	The PFM functions of the Ministry of Finance are carried out by its Departments and Agencies under the leadership of the Honourable Commissioner. These include Office of the Accountant General and Board of Internal Revenue.
2	Ministry of Budget and Economic Planning	Coordinates the entire annual planning and budget process of the State beginning with preparation of Medium-terms Framework and Strategies; and the Annual Appropriation Law as major outputs.
3	Office of the Accountant General	Office of the Accountant General is where the financial management functions of the Ministry of Finance are mainly centred. It carries out general treasury operations for the government, including collection of revenues, expenditure / accounting controls and cash management. As the Head of the Treasury, the Accountant General exercises the general management and supervision of all the accounting operations of the State Government and serves as the Chief Accounting Officer of receipts and payments of the State Government in that respect. The Debt Management Office assists the AG in the debts matters. The major output of the annual operations of the Office of the Accountant General is the annual Financial Statements which it submits to the Auditor General for further action.
4	Jigawa State Internal Revenue Service,	The State Internal Revenue Service is headed by the Chairman under the supervision of the Commissioner for Finance. It has the major mandate of revenue collection and revenue administration including having an oversight function of monitoring revenue collection by other revenue generating agencies of the State Government. Some of the major functions JSIRS include providing general policy guidelines regarding the functions of the Service, ensuring the effectiveness and optimum collection of all revenues due to the State, supervising and monitoring all revenue collection from the state government agencies.

5	Directorate of Salaries and Pensions	The Directorate of Salaries and Pensions is headed by permanent Secretary and is under the supervision of the Head of the State Civil Service. It is responsible for the State's Computerised Payroll System. It undertakes the preparation of salaries and pensions for payment for all Agencies of Government including the Judiciary, the Legislative Arm and the Local Government Councils and compute the gratuities and pensions of retirees under contributory scheme.
6	Office of State Auditor General and Office of the Local Governments Auditor General)	The Office of Auditor General of the State audits all accounts of government. It posts auditors to all MDAs to undertake post payment audit of transactions. In addition, the Auditor General embarks on annual audits of public accounts prepared by the Accountant General and publishes audit reports. Whereas the Auditor General of Local Governments facilitates the audit of the financial statements of all LGs in the State and issues a report annually. Both the Auditor General of the State and the Auditor General of Local Governments report to the PAC Committee of State House of Assembly.
7	Due Process and Project Monitoring Bureau;	The Due Process and Project Monitoring Bureau regulates all procurement activities and carry out certification of transactions prior to payment of capital projects by the treasury.
8	Ministry for Local Government and Community Development	The Ministry for Local Government & Community Development supervises the Public Financial Management process of 27 Local Governments in the State. It ensures that Local Governments abide by the provisions of Financial Memorandum and all matters relating to local government finances. State Public Expenditure and Financial Management is also applicable to the Local Governments. For closer monitoring and supervision, the Ministry established 9No. Zonal offices across the State.

1.B.2 Overview of Budget Calendar

13. Section 10.5 of the Jigawa State Comprehensive Development Framework (CDF) provides a framework for Public Expenditure & Financial Management Reforms and presents a Generic Budget Calendar (GBC) within which the annual budget process is being pursued. While detail of stages is contained in the GBC, indicative Budget Calendar for Jigawa State Government is presented below:

Table 3: Budget Calendar

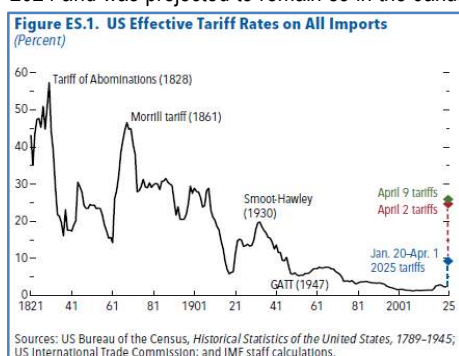
Stage	Date(s)	Responsibility
Preparation and Publication of EFU-FSP-BPS	May	MBEP
Update of MTSSs by Sectors	June	Sector MDAs
Preparation and Issuance of Budget Call Circular	July	MBEP
Preparation of MDA Budget Submissions	August	MDAs
Budget Negotiations	September	MBEP and MDAs
Compilation of Draft Budget	October	MBEP
Review and Recommendation of Budget by Economic Planning Board (EPB) and Executive Council	October	EPB / Exco
Review and Approval of Budget by SHoA	November	SHoA
Signing Appropriation Bill	December	Governor

Section 2: Economic and Fiscal Updates

1.C Economic Overview

1.C.1 Global Economy

14. Following an unprecedented series of shocks in the preceding years, global growth was stable yet underwhelming through 2024 and was projected to remain so in the January 2025 *World Economic Outlook (WEO) Update*. However, the landscape has changed as governments around the world reorder policy priorities. Since the release of the January 2025 *WEO Update*, a series of new tariff measures by the United States and counter-measures by its trading partners have been announced and implemented, ending up in near-universal US tariffs on April 2 and bringing effective tariff rates to levels not seen in a century (Figure ES.1). This on its own is a major negative shock to growth.



moment, this report presents a “reference forecast” based on information available as of April 4, 2025 (including the April 2 tariffs and initial responses), in lieu of the usual baseline. This is complemented with a range of global growth forecasts, primarily under different trade policy assumptions.”¹

16. The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity. Under the reference forecast that incorporates information as of April 4, global growth is projected to drop to 2.8 percent in 2025 and 3 percent in 2026—down from 3.3 percent for both years in the January 2025 *WEO Update*, corresponding to a cumulative downgrade of 0.8 percentage point, and much below the historical (2000–19) average of 3.7 percent.

Table: 1 Summary of World Output¹
(Annual percent change)

	Average 2007–16	2017	2018	2019	2020	2021	2022	2023	2024	Projections		
World	3.4	3.8	3.7	2.9	-2.7	6.6	3.6	3.5	3.3	2.8	3.0	3.1
Advanced Economies	1.3	2.6	2.3	1.9	-4.0	6.0	2.9	1.7	1.8	1.4	1.5	1.7
United States	1.5	2.5	3.0	2.6	-2.2	6.1	2.5	2.9	2.8	1.8	1.7	2.1
Euro Area	0.7	2.6	1.8	1.6	-6.0	6.3	3.5	0.4	0.9	0.8	1.2	1.1
Japan	0.4	1.7	0.6	-0.4	-4.2	2.7	0.9	1.5	0.1	0.6	0.6	0.5
Other Advanced Economies ²	2.2	3.1	2.5	1.9	-4.0	6.5	3.4	1.5	1.9	1.6	1.8	1.8
Emerging Market and Developing Economies	5.3	4.8	4.7	3.7	-1.7	7.0	4.1	4.7	4.3	3.7	3.9	4.0
Regional Groups												
Emerging and Developing Asia	7.6	6.6	6.4	-5.4	-0.5	7.8	4.7	6.1	5.3	4.5	4.6	4.5
Emerging and Developing Europe	2.6	4.2	3.7	2.5	-1.8	7.1	0.5	3.6	3.4	2.1	2.1	2.5
Latin America and the Caribbean	2.4	1.4	1.1	0.2	-6.9	7.4	4.2	2.4	2.4	2.0	2.4	2.6
Middle East and Central Asia	4.0	2.6	2.7	1.9	-2.2	4.4	5.5	2.2	2.4	3.0	3.5	3.7
Sub-Saharan Africa	4.7	3.0	3.3	3.2	-1.5	4.7	4.1	3.6	4.0	3.8	4.2	4.5

¹ Real GDP.

² Excludes euro area countries, Japan, and the United States.

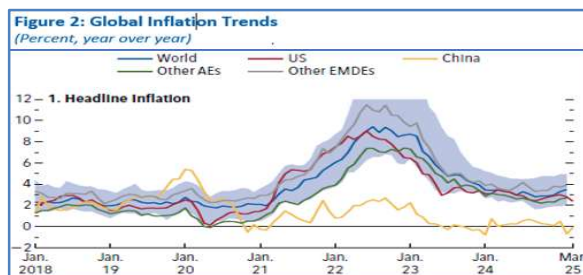
Source: IMF WEO, April 2025, page 129

17. For *advanced economies*, growth under the reference forecast is projected to drop from an estimated 1.8 percent in 2024 to 1.4 percent in 2025 and 1.5 percent in 2026. Growth for 2025 is now projected to be 0.5 percentage point lower relative to that in January 2025 *WEO Update* projections. The forecasts for 2025 include significant downward revisions for Canada, Japan, the United Kingdom, and the United States and an upward revision for Spain.
18. Growth in the *euro area* is expected to decline slightly to 0.8 percent in 2025, before picking up modestly to 1.2 percent in 2026. Rising uncertainty and tariffs are key drivers of the subdued growth in 2025. Offsetting forces that support the modest pickup in 2026 include stronger consumption on the back of rising real wages and a projected fiscal easing in *Germany* following major changes to its fiscal rule (the “debt brake”).
19. In *emerging market and developing economies*, growth is expected to slow down to 3.7 percent in 2025 and 3.9 percent in 2026, with significant downgrades for countries affected most by recent trade measures, such as China. growth in emerging and developing Asia is expected to decline further to 4.5 percent in 2025 and 4.6 percent in 2026. Emerging and developing

¹ IMF WEO, *A Critical Juncture in Policy Shifts*, April 2025

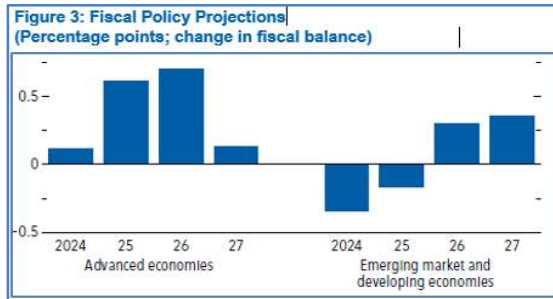
Asia, particularly Association of Southeast Asian Nations (ASEAN) countries, has been among the most affected by the April tariffs.

20. For [China](#), 2025 GDP growth is revised downward to 4.0 percent from 4.6 percent in the January 2025 WEO *Update*. This reflects the impact of recently implemented tariffs, which offset the stronger carryover from 2024 (as a result of a stronger-than-expected fourth quarter) and fiscal expansion in the budget. Growth in 2026 is also revised downward to 4.0 percent from 4.5 percent in the January 2025 WEO *Update* on the back of prolonged trade policy uncertainty and the tariffs now in place.
21. As for [India](#), the growth outlook is relatively more stable at 6.2 percent in 2025, supported by private consumption, particularly in rural areas, but this rate is 0.3 percentage point lower than that in the January 2025 WEO *Update* on account of higher levels of trade tensions and global uncertainty.
22. For Latin America and the Caribbean, growth is projected to moderate from 2.4 percent in 2024 to 2.0 percent in 2025, before rebounding to 2.4 percent in 2026. The forecasts are revised downward by 0.5 percentage point for 2025 and 0.3 percentage point in 2026 compared with those in the January 2025 WEO *Update*. The revisions owe largely to a significant downgrade to growth in Mexico, by 1.7 percentage points for 2025 and 0.6 percentage point for 2026, reflecting weaker-than-expected activity in late 2024 and early 2025 as well as the impact of tariffs imposed by the United States, the associated uncertainty and geopolitical tensions, and a tightening of financing conditions.
23. Growth in emerging and developing Europe is projected to slow down considerably, from 3.4 percent in 2024 to 2.1 percent in 2025 and 2026. This reflects a sharp drop in growth in [Russia](#) from 4.1 percent in 2024 to 1.5 percent in 2025 and to 0.9 percent in 2026 as private consumption and investment decelerate amid reduced tightness in the labor market and slower wage growth. Compared with that projected in the January 2025 WEO *Update*, growth in Russia has been revised slightly upward for 2025 thanks to stronger-than-expected outturns in the data for 2024. For [Türkiye](#), growth is projected to bottom out in 2025 at 2.7 percent and accelerate to 3.2 percent in 2026, owing to recent pivots in monetary policy.
24. **The Middle East and Central Asia is projected to come out of several years of subdued growth**, with the rate accelerating from an estimated 2.4 percent in 2024 to 3.0 percent in 2025 and to 3.5 percent in 2026 as the effects of disruptions to oil production and shipping dissipate and the impact of ongoing conflicts lessens. Compared with that in January, the projection is revised downward, reflecting a more gradual resumption of oil production, persistent spillovers from conflicts, and slower-than-expected progress on structural reforms.
25. **Growth in sub-Saharan Africa**, growth is expected to decline slightly from 4 percent in 2024 to 3.8 percent in 2025 and recover modestly in 2026, lifting to 4.2 percent. The growth forecast in [Nigeria](#) is revised downward by 0.2 percentage point for 2025 and 0.3 percentage point for 2026, owing to lower oil prices; that in [South Africa](#) is revised downward by 0.5 percentage point for 2025 and 0.3 percentage point for 2026, reflecting slowing momentum from a weaker-than-expected 2024 outturn, deteriorating sentiment due to heightened uncertainty, the intensification of protectionist policies, and a deeper slowdown in major economies; and [South Sudan](#) has a downward revision of 31.5 percentage points for 2025 on account of the delay in the resumption of oil production from a damaged pipeline.
26. **Global headline inflation** is expected to decline at a pace that is slightly slower than what was expected in January, reaching 4.3 percent in 2025 and 3.6 percent in 2026, with notable upward revisions for advanced economies and slight downward revisions for emerging market and developing economies in 2025. Intensifying downside risks dominate the outlook. Ratcheting up a trade war, along with even more elevated trade policy uncertainty, could further reduce near- and long-term growth, while eroded policy buffers weaken resilience to future shocks.
27. **The UK inflation forecast has been revised upward** by 0.7 percentage point and the US forecast by 1.0 percentage point. For the United States, this reflects stubborn price dynamics in the services sector as well as a recent uptick in the growth of the price of core goods (excluding food and energy) and the supply shock from recent tariffs. In the United Kingdom, it primarily reflects one-off regulated price changes. In the euro area, the forecast is unchanged.
28. **Among emerging market and developing economies, the revisions are mixed.** In *emerging and developing Asia*, inflationary pressures are expected to be even more muted, with a downward revision of 0.5 percentage point to 2025 forecasts relative to those in January. After a series of downward surprises, inflation in China is expected to remain subdued. In *emerging and developing Europe*, Russia and Ukraine have seen upward revisions for 2025, and Russia for 2026, driving overall revisions of 1.5 percentage points in 2025 and 1.0 percentage point in 2026. In *Latin America and the Caribbean*, upward revisions for Bolivia, Brazil, and Venezuela have been offset by downward revisions for Argentina and elsewhere, bringing the overall revision for the region for 2025 to -0.3 percentage point.



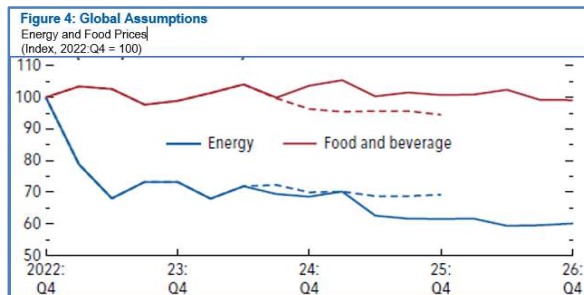
29. **Monetary policy projections:** The Federal Reserve and the European Central Bank are expected to continue to reduce interest rates in the coming quarters, albeit at different paces from one another. In the United States, the federal funds rate is projected to be down to 4 percent at the end of 2025 and reach its long-term equilibrium of 2.9 percent at the end of 2028. In the euro area, 100 basis points in cuts are expected in 2025 (with three cuts having already occurred this year), representing two more 25 basis point cuts than in the assumptions underlying the October 2024 WEO, bringing the policy rate to 2 percent by the middle of the year.

30. **Fiscal policy projections:** Governments in advanced economies on average are expected to tighten fiscal policy in 2025–26 and, to a lesser extent, in 2027. The general government structural-fiscal-balance-to-GDP ratio is expected to improve by 1 percentage point in the United States in 2025. Yet it is worth noting that under current policies, US public debt fails to stabilize,



rising from 121 percent of GDP in 2024 to 130 percent of GDP in 2030. In the euro area, under the reference forecast, the primary deficit in Germany is expected to widen by about 1 percent of GDP by 2030 relative to 2024. The euro area debt-to-GDP ratio is expected to increase from its current 88 percent to 93 percent in 2030. In emerging market and developing economies, primary fiscal deficits are projected to widen in 2025 by 0.3 percentage point on average, followed by fiscal tightening starting in 2026. In China, the structural-fiscal-balance-to-GDP ratio is expected to deteriorate by 1.2 percentage points in 2025.

31. **Public debt in emerging market and developing economies continues** to rise from its current level of 70 percent of GDP, reaching a projected 83 percent in 2030.
32. **Demographic shifts and a shrinking foreign labor force** may curb potential growth and threaten fiscal sustainability. The lingering effects of the recent cost-of-living crisis, coupled with depleted policy space and dim medium-term growth prospects, could reignite social unrest. The resilience shown by many large emerging market economies may be tested as servicing high debt levels becomes more challenging in unfavorable global financial conditions.
33. **More limited international development assistance** may increase the pressure on low-income countries, pushing them deeper into debt or necessitating significant fiscal adjustments, with immediate consequences for growth and living standards.
34. **Global trade growth is expected to slow down** in 2025 to 1.7 percentage point, a downward revision of 1.5 percentage point since the January 2025 WEO Update. This forecast reflects increased tariff restrictions affecting trade flows and, to a lesser extent, the waning effects of cyclical factors that have underpinned the recent rise in goods trade.
35. **Global current account balances are expected to narrow somewhat.** The widening of current account balances in 2024 reflected widening domestic imbalances and a pickup in global goods trade. Over the medium term, global balances are expected to narrow gradually as the effects of these factors wane. Creditor and debtor stock positions are estimated to have increased in 2024, with the increases reflecting widening current account balances. They are expected to moderate slightly over the medium term as current account balances gradually narrow. In some economies, gross external liabilities remain large from a historical perspective and pose risks of external stress.
36. **Global Energy Commodity:** The global energy trends is very scarring due to the energy shock. *European economies, including major manufacturing hubs such as Germany and Italy, were particularly exposed to the disruption of natural gas markets following Russia's invasion of Ukraine.* As oil and natural gas prices increased, countries shifted their energy sources and increased efficiency in their energy consumption. Crucially, this shock had a two-fold effect on commodity importers as the dollar strengthened, with the US terms of trade improving amid heightened uncertainty. *Because commodity prices are expressed in dollars, the stagflationary pressures on commodity importers have become stronger. Similar dynamics apply to global food markets, with the effects felt especially in low-income countries.* By contrast, the United States not only was already less dependent on energy imports but had also transitioned from being a net energy importer to a net energy exporter. This shift has partly insulated the US economy from the commodity market disruptions caused by the war.



1.C.2 Africa

37. **New shocks derail a nascent recovery Economic activity in sub-Saharan Africa improved significantly in 2024**, exceeding expectations. Regional growth averaged 4.0 percent in 2024, about 0.4 percentage points higher than estimated in, driven primarily by public investment, commodity exports, and ongoing efforts at diversification. High-frequency indicators showed a general pickup in momentum across sub-Saharan Africa, with average growth accelerating to above 4 percent in the fourth quarter of 2024. That said, growth in resource-intensive countries - especially oil exporters - has still been relatively sluggish, but even so the signs were positive: Nigeria grew by 3.4 percent in 2024 (an upward revision of 0.6 percentage points), supported by higher hydrocarbon production and strong services sector growth. As indicated under Table 2, the projected Real GDP Growth for Nigeria stood at 3.0 and 2.7 percent in 2025 and 2026 respectively which indicated negative growth of 0.4 and 0.7 percent against 2024.

Table 2: Sub-Saharan African Economies: Real GDP, Consumer Prices, Current Account Balance
(Annual percent change, unless noted otherwise)

	Real GDP			Consumer Prices ¹			Current Account Balance ²			Unemployment ³		
	2024	Projections		2024	Projections		2024	Projections		2024	Projections	
		2025	2026		2025	2026		2025	2026		2025	2026
Sub-Saharan Africa	4.0	3.8	4.2	18.3	13.3	12.9	-1.7	-2.5	-2.2	...	...	...
Oil Exporters⁴	3.4	2.7	3.1	29.8	23.6	29.5	6.4	3.8	2.7	...	...	...
Nigeria	3.4	3.0	2.7	33.2	26.5	37.0	9.1	6.9	5.2	...	...	...
Angola	4.5	2.4	2.1	28.2	22.0	16.4	5.4	2.1	1.4	...	...	...
Gabon	3.1	2.8	2.6	1.2	1.5	2.0	4.5	2.2	0.6	...	...	...
Chad	1.5	1.7	3.2	5.7	3.9	3.5	-1.3	-3.4	-2.8	...	...	...
Equatorial Guinea	1.9	-4.2	0.0	3.2	4.0	3.5	-2.4	-1.7	-2.4	...	...	...
Middle-Income Countries⁵	3.1	3.4	3.6	6.4	5.4	4.8	-2.4	-2.5	-2.3	...	...	...
South Africa	0.6	1.0	1.3	4.4	3.8	4.5	-0.6	-1.2	-1.4	32.8	32.8	32.7
Kenya	4.5	4.8	4.9	4.5	4.1	4.9	-3.7	-3.9	-4.2	...	...	...
Ghana	5.7	4.0	4.8	22.9	17.2	9.4	1.6	1.6	1.3	...	...	...
Côte d'Ivoire	6.0	6.3	6.4	3.5	3.0	2.2	-4.2	-3.6	-2.1	...	...	...
Cameroon	3.6	3.6	4.0	4.5	3.4	3.0	-3.3	-2.8	-3.9	...	...	...
Senegal	6.7	8.4	4.1	0.8	2.0	2.0	-12.1	-8.2	-6.2	...	...	...
Zambia	4.0	6.2	6.8	15.0	14.2	9.2	-1.7	0.5	2.6	...	...	...
Low-Income Countries⁶	6.0	5.7	6.3	23.3	13.3	7.2	-6.0	-6.5	-5.0	...	...	...
Ethiopia	8.1	6.6	7.1	21.7	21.5	12.2	-4.2	-4.8	-3.2	...	...	...
Tanzania	5.4	6.0	6.3	3.2	4.0	4.0	-3.1	-3.0	-2.9	...	...	...
Democratic Republic of the Congo	6.5	4.7	5.2	17.7	8.9	7.2	-4.1	-2.9	-2.5	...	...	...
Uganda	6.3	6.1	7.6	3.3	4.2	4.7	-7.3	-6.4	-4.2	...	...	...
Mali	4.4	4.9	5.1	3.2	3.0	2.0	-6.1	-5.1	-1.6	...	...	...
Burkina Faso	4.4	4.3	4.5	4.2	3.0	2.5	-6.4	-2.1	-2.0	...	...	...

Source: IMF staff estimates.

Note: Data for some countries are based on fiscal years. Please refer to Table F in the Statistical Appendix for a list of economies with exceptional reporting periods.

¹ Movements in consumer prices are shown as annual averages. Year-end to year-end changes can be found in Tables A6 and A7 in the Statistical Appendix.

² Percent of GDP.

³ Percent. National definitions of unemployment may differ.

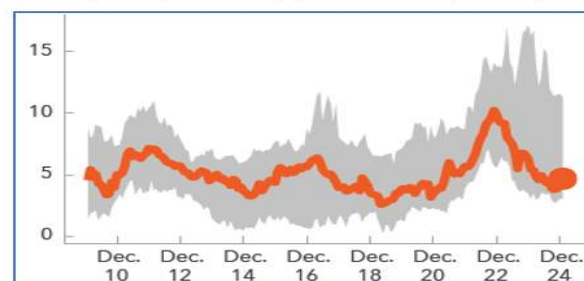
⁴ Includes Republic of Congo and South Sudan.

⁵ Includes Benin, Botswana, Cabo Verde, the Comoros, Eswatini, Lesotho, Mauritius, Namibia, São Tomé and Príncipe, and Seychelles.

⁶ Includes Burundi, Central African Republic, Eritrea, The Gambia, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mozambique, Niger, Rwanda, Sierra Leone, Togo, and Zimbabwe.

38. **In Sub-Saharan Africa, “regionwide, inflation has slowed, fiscal consolidation has continued, and public debt has stabilized”²**. Tighter monetary policy has brought sub-Saharan African inflation down from the post-COVID peak of early 2023—helped by lower global food and energy prices, which feature heavily in the region’s consumption mix. As of February 2025, median headline inflation was about 4.5 percent year over year compared with 6.5 percent at the end of 2023 and nearly 10 percent at the end of 2022 (Figure 5). *Perhaps more important for the region’s most vulnerable, median food-price inflation has dropped from a peak of 14 percent in February 2023 to below 6 percent as of February 2025.*

Figure 5: Headline Inflation, 2010–25
(Percent; year over year, median, gray area = 25th–75th percentile)



Sources: IMF, World Economic Outlook database, and IMF staff calculations.

39. **As a result of narrowing primary deficits, average public debt has stabilized and is now starting to decline** as a proportion of GDP. Primary balances are now below pre-pandemic levels in many countries, with the median balance having improved by 0.5 percent of GDP in 2024, bringing the 2022-24 cumulative consolidation to about 2 percentage points. Although debt is still elevated and vulnerabilities remain, the median debt-to-GDP ratio remained below 60 percent in 2024. Fiscal adjustment efforts will likely continue in 2025, given the continued need to rebuild buffers and reduce debt.

² IMF Regional Economic Outlook, Sub-Saharan Africa, April 2024

40. **External imbalances have also been improving.** With higher commodity prices (gold, cocoa, coffee) and more stable exchange rates, the region's terms of trade improved in 2024. Some commodity producers in particular (Côte d'Ivoire, Republic of Congo, and São Tomé & Príncipe) have seen significantly higher export prices relative to import prices. Trade (exports and imports) across the continent has also been increasing, while inward remittances have remained buoyant. *These positive developments, along with fiscal consolidation, have helped moderate exchange-rate pressures and boost reserves*—the share of countries with foreign-exchange reserves more than three months of imports expanded slightly in 2024 (to about two-thirds). In a few cases, the easing of exchange rate pressures has been supported by a resolution of political uncertainty after elections.
41. **Market access for sub-Saharan African borrowers broadly improved in 2024.** Eight countries were able to tap international bond markets in 2024, while Benin, Côte d'Ivoire, Gabon, and Kenya issued Eurobonds in early 2025. Sovereign spreads in the region narrowed, helped by improved investor sentiment toward emerging and frontier markets, significant progress on debt restructurings in sub-Saharan Africa (Ghana, Zambia), and successful market reforms (Nigeria). Credit rating changes have been mixed. For example, Cabo Verde, Côte d'Ivoire, and Ghana were upgraded over the past year, but Gabon, Mozambique, and Senegal were downgraded over the same period.
42. **With climate-related shocks intensifying,** natural disasters and ongoing climate change are testing the preparedness of the region and are increasingly threatening agricultural productivity and output. Potential consequences include spikes in food prices and hunger, infrastructure destruction, and migration.

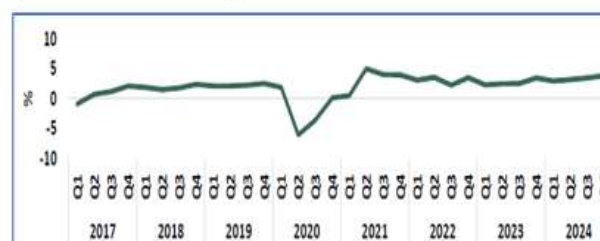
1.C.3 Nigerian Economy

43. The United States' imposition of a 14 per cent tariff on Nigerian exports, effective April 2025, poses significant challenges to Nigeria's economy, particularly its oil and non-oil export sectors. Recent reports have revealed that Nigeria's exports to the U.S. have averaged \$5–6 billion annually, with crude oil and mineral fuels constituting over 90 per cent of this total. Non-oil exports, including fertilisers, lead, and agricultural products like cocoa and cashew nuts, account for a smaller share. The new tariffs threaten to undermine the competitiveness of these goods in the U.S. market, especially for Small and Medium-sized.
44. Enterprises (SMEs) that previously benefited from exemptions under the African Growth and Opportunity Act (AGOA), which ends in September 2025, are facing significant uncertainty ahead.
45. On economic and inflationary pressures, the tariff increase is expected to lead to higher costs for Nigerian businesses reliant on U.S. imports, such as agricultural products, medical equipment, and industrial machinery. This could increase production costs, raise consumer prices, and exacerbate inflationary pressures. Also, it could lead to lower dollar inflow, thereby putting the naira under pressure.
46. **Nigeria's Gross Domestic Product (GDP)** grew by **3.84%** (year-on-year) in real terms in the fourth quarter of 2024. This growth rate is higher than the 3.46% recorded in the fourth quarter of 2023 and the third quarter of 2024 growth rate (approximately 3.46%).

47. The performance of the GDP in the Q4 of 2024, as indicated in Figure 6 and 7, was driven mainly by:

- The Services sector, which recorded a growth of 5.37% and contributed 57.38% to the aggregate GDP.
- The agriculture sector grew by 1.76%, from the growth of 2.10% recorded in the fourth quarter of 2023.
- The growth of the industry sector was 2.00%, a decline from 3.86% recorded in the fourth quarter of 2023.

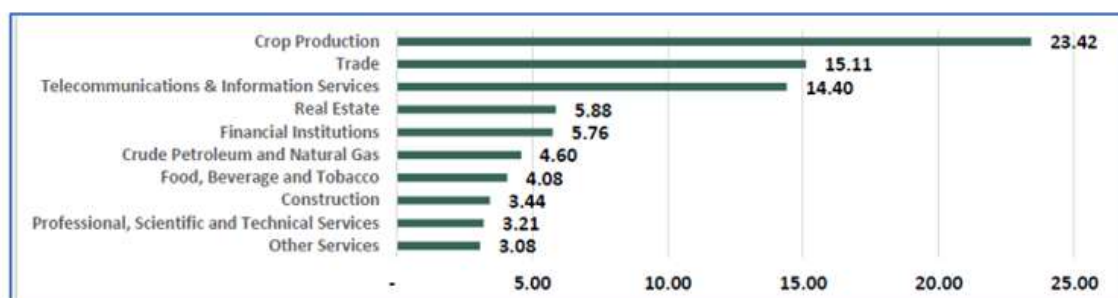
Figure 6: Real GDP Year-on-Year Growth (%)



Source: NBS Nigerian Gross Domestic Products Report Q4 2024

- In terms of share of the GDP, the services sector contributed more to the aggregate GDP in the fourth quarter of 2024 compared to the corresponding quarter of 2023
- Overall, the annual GDP growth in 2024 stood at 3.40%, an increase from 2.74% in 2023.

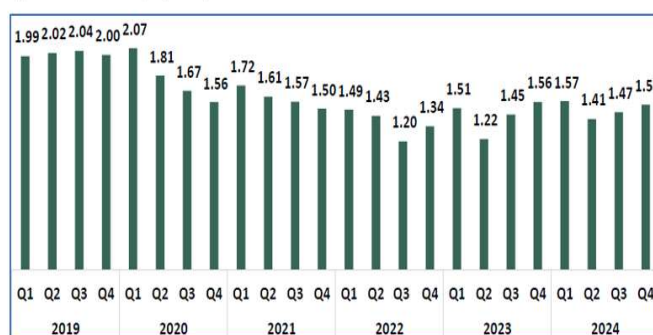
Figure 7: Top 10 Contributing Activities to Real GDP in Q4 2024 (%)



Source: NBS_GDP Report Q4 2024

48. **Oil Sector:** In the Q4 of 2024 Nigeria recorded an average daily oil production of 1.54 million barrels per day (mbpd), lower than the daily average production of 1.56 mbpd recorded in the same quarter of 2023 by 0.03 mbpd and higher than the Q3 of 2024 production volume of 1.47 mbpd by 0.06mbpd.

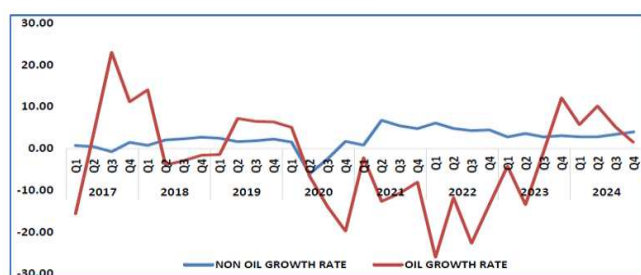
Figure 8: Crude Oil Output (MBPD)



Source: NBS_GDP Report Q4 2024

49. The Oil sector contributed 4.60% to the total real GDP in Q4 2024, down from the figure recorded in the corresponding period of 2023 and down from the preceding quarter, where it contributed 4.70% and 5.57% respectively. Overall, it contributed 5.51% in 2024, higher than its contribution of 5.40% in 2023.

Figure 9: Crude Oil and Non-Oil Growth (Year-on-Year) Rate (%)



Source: NBS_GDP Report Q4 2024

50. **Non-oil Sector:** The non-oil sector grew by 3.96% in real terms during the reference quarter (Q4 2024). This rate was higher by 0.89% points compared to the rate recorded in the same quarter of 2023 which was 3.07% and higher than the 3.37% recorded in the third quarter of 2024. This sector was driven in the fourth quarter of 2024 mainly by Financial and Insurance (Financial Institutions); Information and Communication (Telecommunications); Agriculture (Crop production); Transportation and Storage (Road Transport); Trade; and Manufacturing, accounting for positive GDP growth.

51. In real terms, the non-oil sector contributed 95.40% to the nation's GDP in the fourth quarter of 2024, higher than the share recorded in the fourth quarter of 2023 which was 95.30% and higher than the third quarter of 2024 recorded as 94.43%. Moreover, on aggregate of 94.49% was contributed in 2024, lower than the 94.60% reported in 2023.
52. **Inflation Rate:** According to NBS Consumer Price Index of April 2025, in April 2025, the Headline inflation rate eased to 23.71% relative to the March 2025 headline inflation rate of 24.23%. Looking at the movement, the April 2025 Headline inflation rate showed a decrease of 0.52% compared to the March 2025 Headline inflation rate.
53. In summary, the Real GDP is projected to be at 3.2%, 3.3% and 3.3% in the medium-term period of 2026-2028 while the Consumer Price Index (annual) is projected to stabilize at 23%, 17% and 15% for 2026, 2027 and 2028 respectively³.

1.C.4 Jigawa State Economy

³ IMF Country Report No. 25/157, Nigeria 2025 Article IV Consultation – Press Release; Staff Report and Statement by the Executive Director for Nigeria, July 2025 Edition

54. Jigawa's economy is largely agrarian, contributing more than 60% to the state's GDP, which was estimated at ₦2.26 trillion in 2020. While agriculture dominates, other sectors, including mining, manufacturing, and trade, hold significant growth potential. The state's strategic position offers access to domestic and international markets, with export commodities such as sesame seeds, hibiscus, cotton, maize, sorghum, millet, groundnut, rice, and wheat among others playing a major role. The export activities carried out from the state primarily serves markets in China, India, Europe, Mexico, and the ECOWAS region, reflecting the state's capacity for international trade. The State has further improved the economy through agriculture by supporting the farmers with quality agricultural inputs (14,100 metric tons of improved seeds, 6,753 metric tons of fertilizers) at affordable /subsidize prices.
55. On the challenges of limited access to finance, inadequate infrastructure to support export activities, and weak trade facilitation mechanisms in line with global best practice, the Jigawa State Government has been focusing on initiatives like improving infrastructure, providing better access to funding for small-scale farmers, and developing policies to enhance trade such as the Export Promotion Strategy.
56. Recent diversification efforts have broadened investment opportunities in sectors like renewable energy, solid minerals, light manufacturing and livestock. There is also strong government support, stable fiscal policies, and a focus on creating an enabling environment for business. The situation of other economic indicators include:
 - GDP Growth: Jigawa has experienced moderate but steady GDP growth over the last five years, with agriculture contributing approximately 65% of the state's GDP.
 - Inflation Rate: The state mirrors Nigeria's national inflation trends, with an inflation rate of around 18%, driven largely by food prices and rising input costs. However, government initiatives to stabilize prices and ensure market linkages have been effective. An example is the establishment of the Jigawa State Palliative Shop.
 - Public Finance: Jigawa maintains a prudent fiscal management approach. The state is strategically investing in infrastructure development, agriculture, education, and healthcare to stimulate economic growth, boost productivity, and enhance human capital.
 - Trade and Investment: Jigawa State offers various incentives to investors, including tax holidays, land allocation for agricultural and industrial use, and simplified business registration processes. The state is implementing sound reforms that are meant to ensure improvement in ease of doing business, and also, the investment and industrial policies are being developed to align with the revised Jigawa State Agricultural policy, CDF III, and 12-point agenda of the present administration.
57. Gagarawa Industrial Park: This is a 170.8 ha with over 70 plots multi-use industrial park owned and managed by the Jigawa State Government to serve as a regional manufacturing, trade, logistics and distribution hub. This emerging industrial park is designed to attract agro-allied and manufacturing businesses, providing necessary facilities and incentives for investors. The park aims to enhance the state's capacity for processing agricultural products and other raw materials, thus driving economic growth. The state is collaborating with the Manufactures Association of Nigeria (MAN) to promote the development of the park. So far, 15 plots have been allocated to MAN – affiliated companies, and 20 plots to other investors. Infrastructure development (road, electricity, and water) for phase one of the 3 phases of the park have been completed and construction activities by some of the companies are ongoing.
58. Labour Market Potential: Jigawa State boasts a youthful and growing labour force, with over 60% of the population under the age of 35. This provides a rich pool of labour for industries requiring both skilled and semi-skilled workers.
 - Unemployment Rate: Jigawa's unemployment rate stands at approximately 30%, providing a large, willing workforce for industries in need of labour.
 - Human Capital Development: The state government, in collaboration with international development partners, is investing heavily in technical and vocational education programmes to enhance the employability of its youth. A dedicated state Youth Empowerment and Employment Agency has been established under the Governor's office with adequate funding for implementation of relevant projects and programmes.
 - Agricultural Workforce: The agricultural sector employs approximately 90% of the state's population, offering significant labour potential for agribusiness and agro-processing industries.
 - Labour Costs: Jigawa has relatively low labour costs compared to Nigeria's southern states, providing a competitive edge for labour-intensive industries.

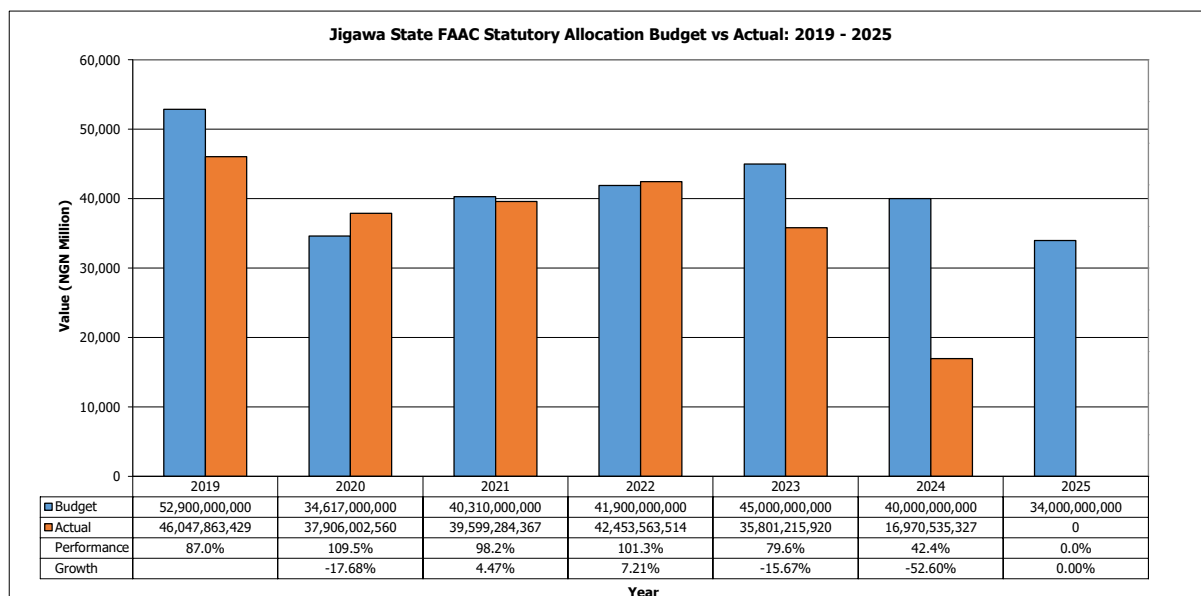
1.D Fiscal Update

1.D.1 Historic Trends

Revenue Side

59. This portion deals with the recurrent revenue performance relating to Statutory Allocation, VAT, IGR, Other Federation Account Receipts while under capital receipts side the performance of the Loans, Grants and Other Capital Receipts were presented – original approved budget versus actual revenue collected for the period 2019-2025 (six-year historical view) and 2025 original approved budget estimate.

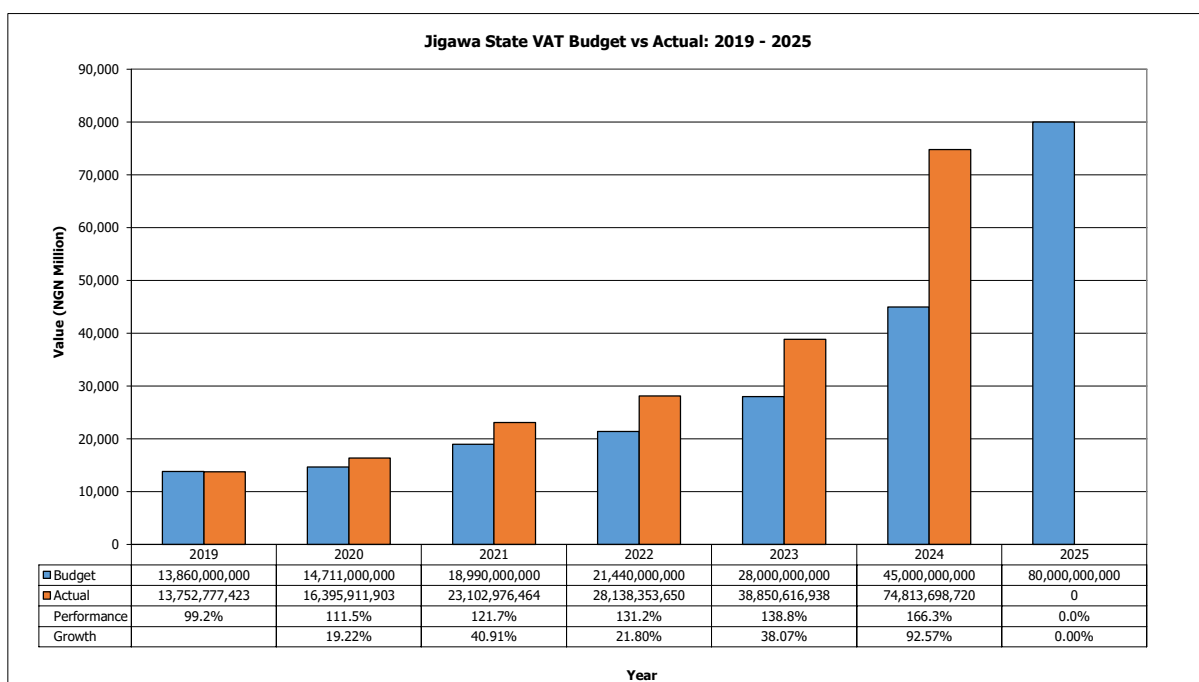
Figure 5: Statutory Allocation



60. The transfer from the Federation Allocation Accounts Committee (FAAC) which is based on the collection from minerals (largely Oil) and non-mineral revenues (companies income tax, custom and excise duties) at the national level, which is then shared between the three tiers of government using sharing ratios is referred to as Statutory Allocation.

From Figure 5 above, it clearly showed good projections and performance were recorded from 2019 to 2023 with the achievement of 80% - 110%, while in 2024 fiscal year only 42.4% of the approved revenue of N40.0 billion was received as statutory allocation which can be said to be unsatisfactory performance. The 2025 projected statutory allocation dropped by about 17.65% against that of 2024 fiscal year.

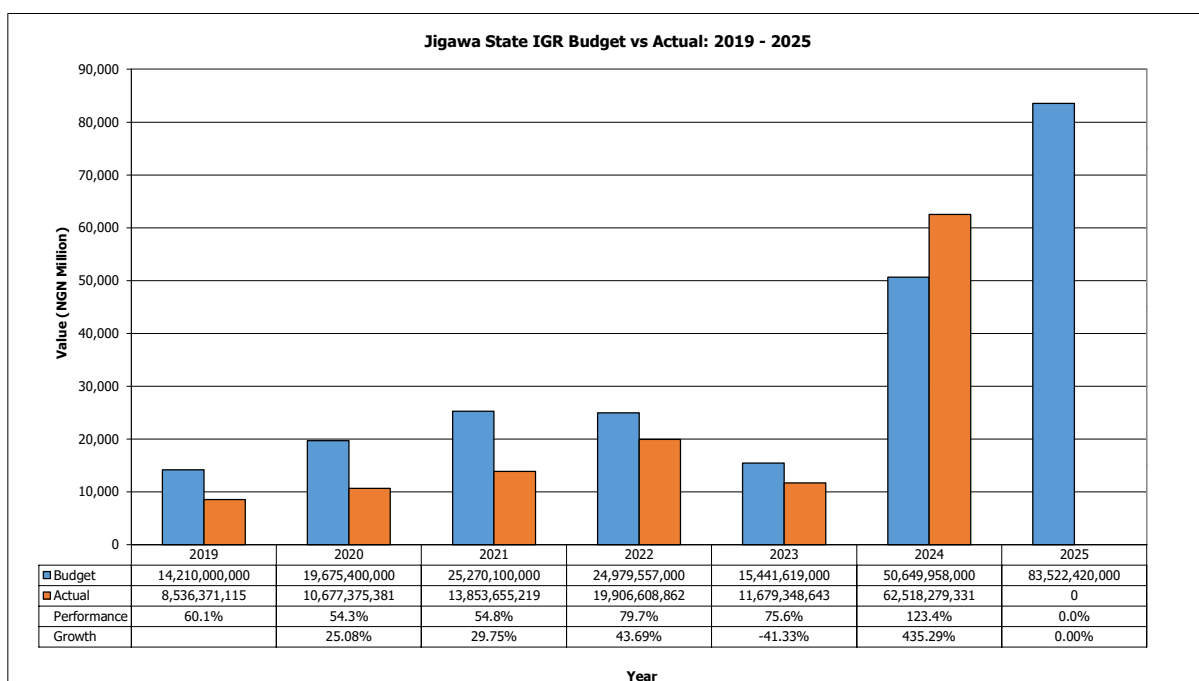
Figure 6: VAT



61. Value Added Tax (VAT) is a tax collected on authorized goods and services by the Federal Inland Revenue Service (FIRS) and distributed between the three tiers of government on a monthly basis - based on the agreed ratios and the amount of VAT each state generated.

The VAT projections and the performances from 2019-2024 increased at different proportion including the projection for 2025. The actual receipts of these years indicated good performance but unrealistic projections with exception of 2019 and 2020 with negative variance of 0.8% and positive variance of 11.5% respectively. The increase in the receipt of VAT is not unconnected with effort of the State VAT collection and remittance to the national pool. The State has projected to receive N80 billion as share of VAT in 2025, just about 6.5% increase over the 2024 actual collection.

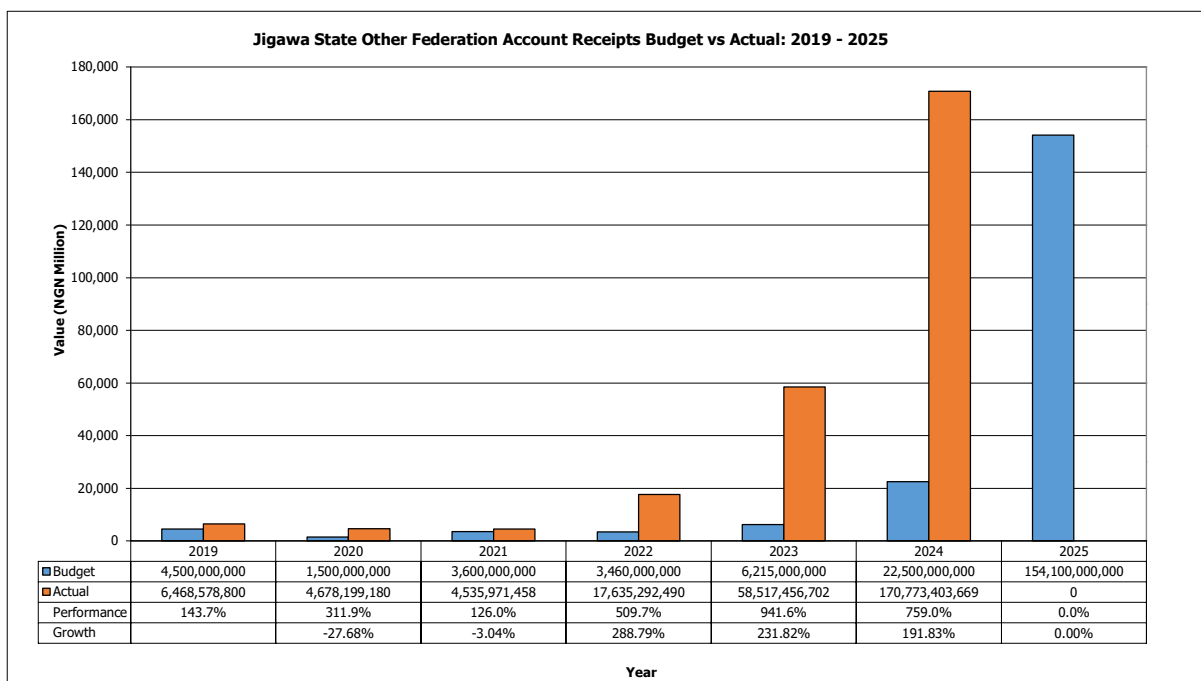
Figure 7: IGR



62. The Internally Generated Revenue (IGR) is a revenue collected by the government within Jigawa State. The general classification of the sources of revenue consist of: Tax (including PAYE for both private and public), fines & fees, licenses, levies and other miscellaneous sources.

From Figure 7, the performance of between 54% - 60% for 2019-2021 fiscal years was below expectation while that of 2022 and 2023 was satisfactory having recorded about 80% and 76% respectively. The projection for 2024 has skyrocketed to N50.65 billion against N15.44 billion for 2023 due to anticipation collection. Generally, the internally generated revenue collection machinery needs to be strengthened and supported for the State to improve collection on the reliable sources not one-off revenue source which serve as outlier.

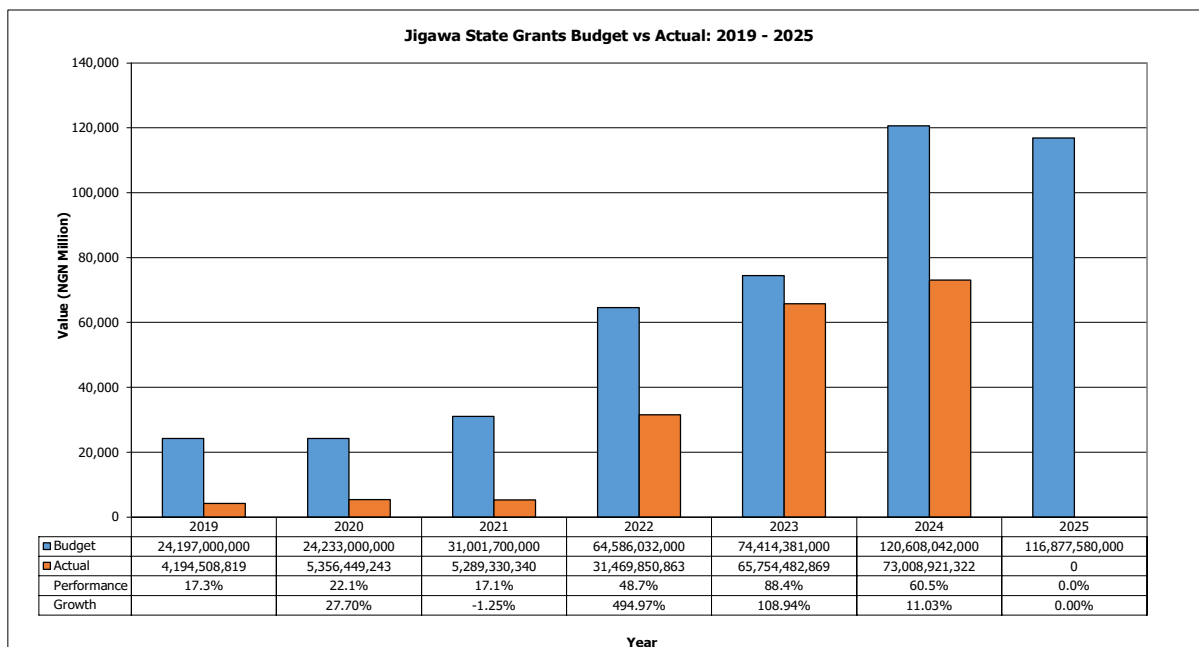
Figure 8: Other Federation Account



63. Other Federation Account Receipts include Excess Crude Oil, Exchange Gain Differential, NNPC refund, Electronic Money Transfer Levies, NLNG Dividend, stamp duty and other Miscellaneous Receipts.

The receipt from these sources are not predictable making it difficult to make realistic projection as shown in Figure 8. As it revealed, the performances from 2019-2024 far exceed the projections in different dimension. These occurred due to lack of data and valid information at the disposal of the State to make realistic projection. Appropriate strategy would be employed to scientifically improve the projection by learning from historical status and the current situation.

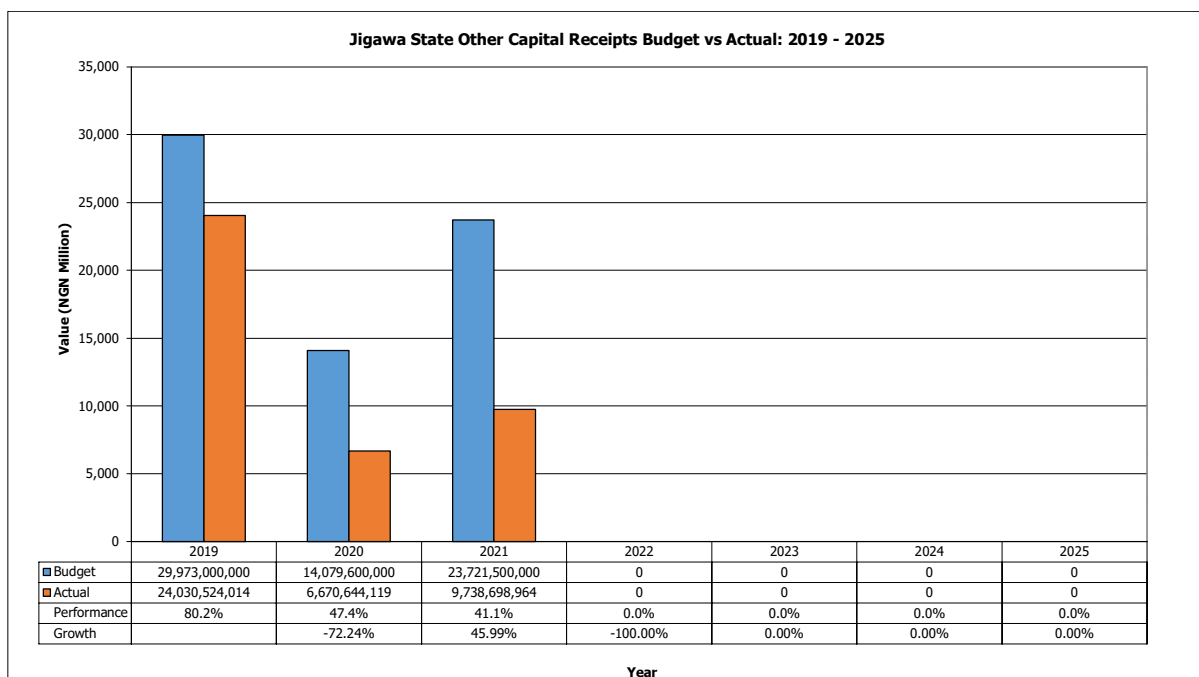
Figure 9: Grants



64. The projections and receipts from this source include drawdown from International organizations, Federal Government, Local Governments, UNICEF and World Bank supports, National Trust Funds such as UBEC Intervention grants, TETFunds, Local Governments Capital contributions for the State-wide projects and funding of Sule Lamido University, donations from private companies as corporate responsibilities, etc.

From 2019-2022, as shown in figure 9, the projections were over-estimated looking at the actual drawdown of 17.3%, 22.1%, 17.1% and 48.7% respectively. The projection and actual drawdown for 2023 was satisfactory compared to over-ambitious projection of N120.6 billion in 2024 where 60.5% was realized. In 2025 fiscal year N116.878 billion was projected which is about 3.18% lower than that of 2024. To improve on this, the State will continue to collaborate with the donors before concluding the projection to close the wider variance in the actual drawdown.

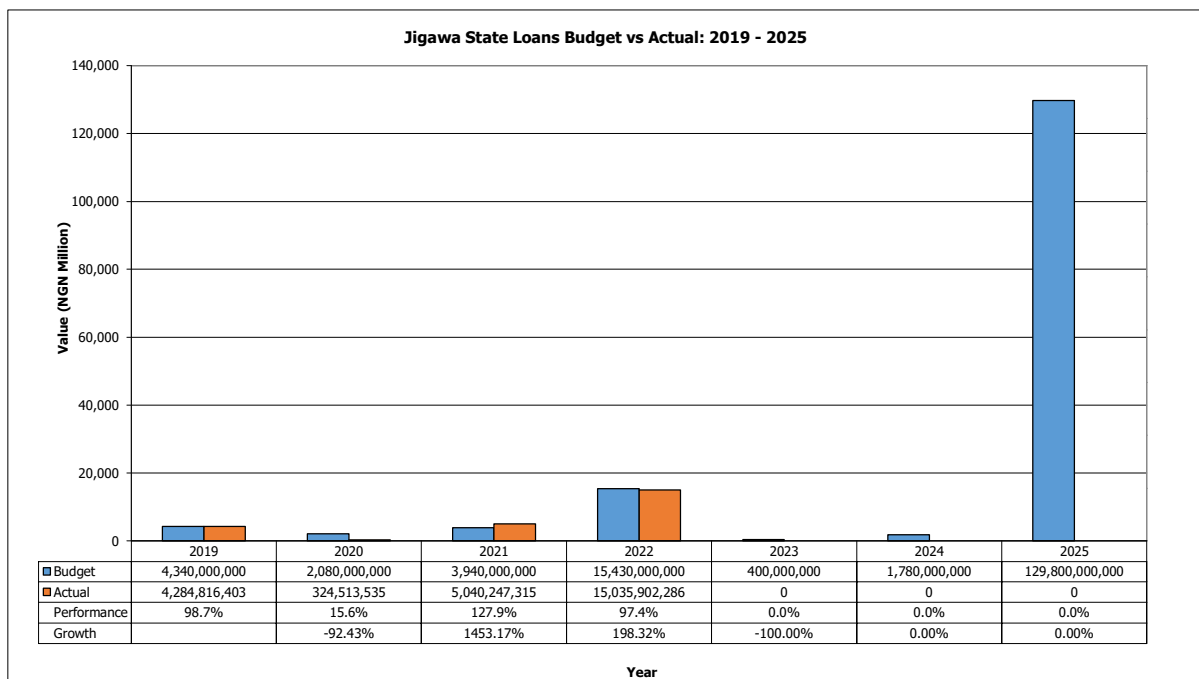
Figure 10: Other Capital Receipts



65. Other Capital Receipts are other accruable receipts for the financing of capital expenditure programmes or/and projects which include: capitalized revenue of parastatals, proceeds from the sales of government properties, proceeds from sales of condemned stores, etc.

As revealed in figure 10, the projection and the performance for 2019 was satisfactory with 80.2% whereas 2020 and 2021 recorded dismal performance of 47.4% and 41.1% respectively. This is not unconnected with operation of Single Treasury Account and minimal proceeds were collected from sales of government properties and condemned stores. There were no projections in 2022-2025 fiscal year.

Figure 11: Loans/Financing



66. Loan cover internal (domestic) and external (foreign or international). As presented in figure 11 above, 2019, 2021 and 2022 had recorded drawdown of 98.7%, 127.9% and 97.4% respectively indicating good performance. The projection for 2023 and 2024 stood at N400 million and N1.78 billion respectively and there was no drawdown in the two (2) years. For 2025 fiscal year, the State projected N129.8 billion to be drawdown loan.

Figure 12: Jigawa State Total Capital Receipt Budget vs Actual 2019-2025

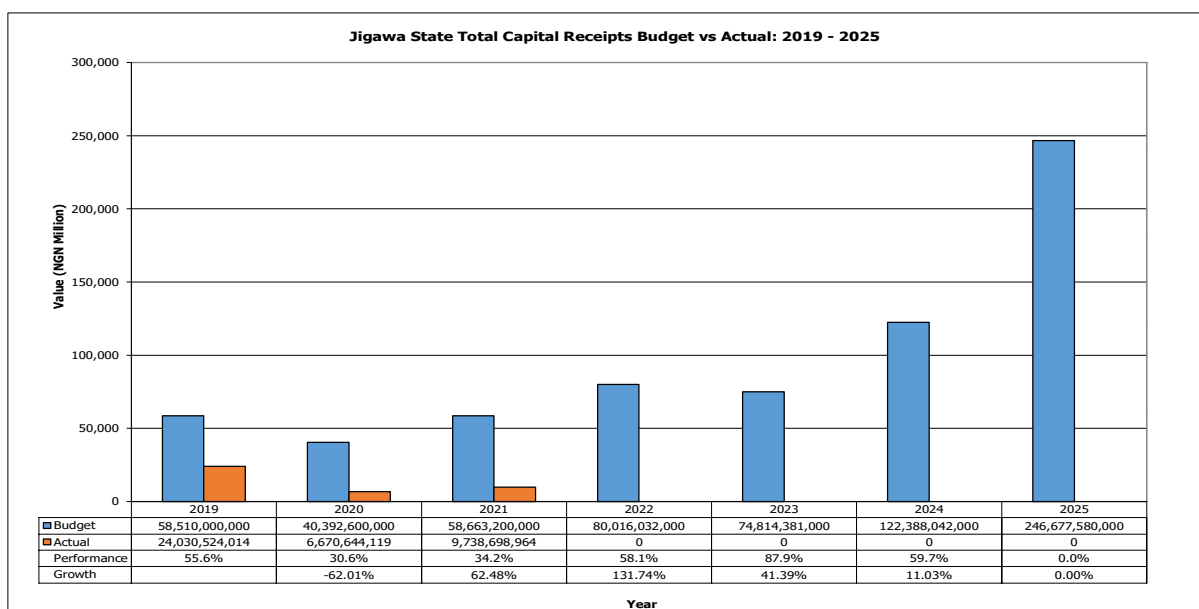
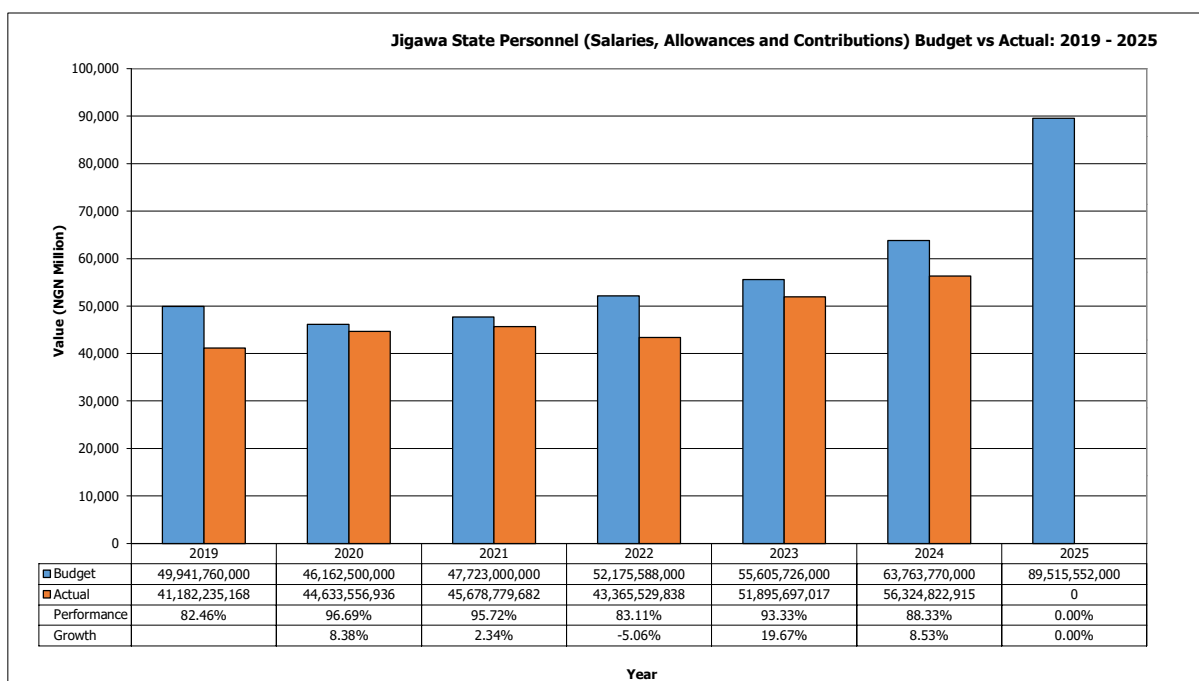


Figure 12 above show Budgeted and Actual Total Capital Receipt of the State for the period of 2019-2024 and the projections for the 2025 fiscal year.

Expenditure Side

67. With regard to this aspect, the document presents the fiscal performance of personnel costs, social contributions & social benefits, overhead costs, grants, contribution & subsidies and transfers. Others are public debt services and capital expenditure in term of budget versus actual for the period 2019 - 2024 (six years) and 2025 fiscal year budget.

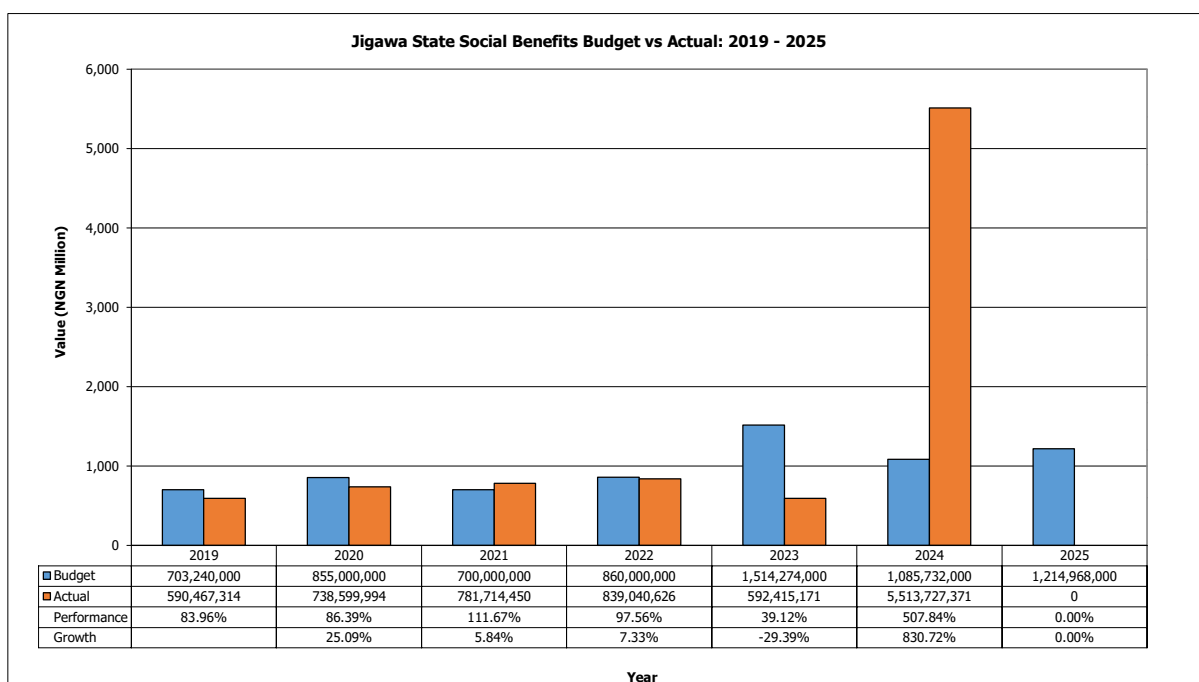
Figure 13: Personnel



68. Personnel cost is an expenditure component directed towards payment of salaries and allowances of civil servants and political officeholders cutting across three tiers of government (executive, legislative and judiciary).

The trend of projections and their respective expenditure from 2019 to 2024 fiscal years indicated very good projections and performances ranging from 82.46% to 96.69%. These happened consecutively due to the application of realism concept in the projections as shown in figure 13 above. The projections of about N89.516 billion for 2025 which is higher than that of 2024 by about 28.77% was because of anticipation of new recruitments to recoup the gaps of massive retirement of civil servants as well as new salary increases.

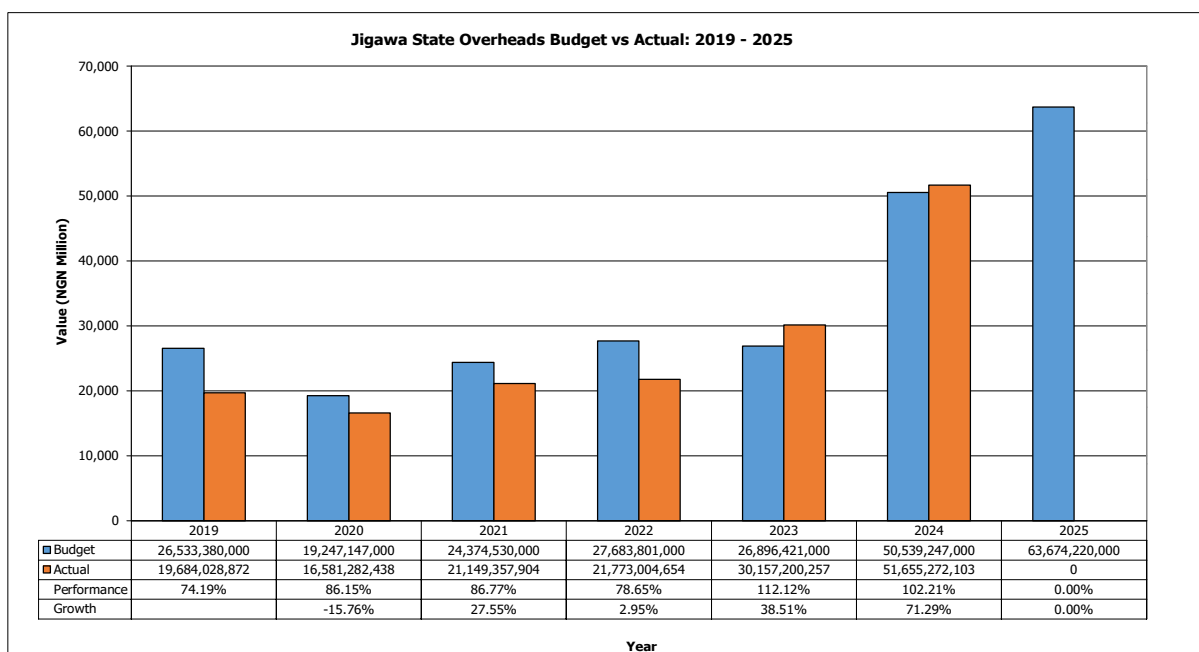
Figure 13: Social Contributions and Social Benefits



69. Social benefits comprise of the allocation set aside for the payment of pension and gratuities (both retirees and deaths) to public and civil servants in the state who are on the old system, not enrolled into contributory scheme. It also consists of 17% pension contribution being paid to Contributory Pension Scheme by the State Government.

As shown in the figure 13 above, the projections and the performances of 2018 - 2022 were realistic and satisfactory, whereas that of 2023 revealed unsatisfactory performance of 39.12%. For the year 2024 the actual performance rose to 507.8% due to the inclusion of State Government outstanding payments of 17% and the intervention fund to salvage the scheme. In 2025 fiscal year N1.215 billion was projected.

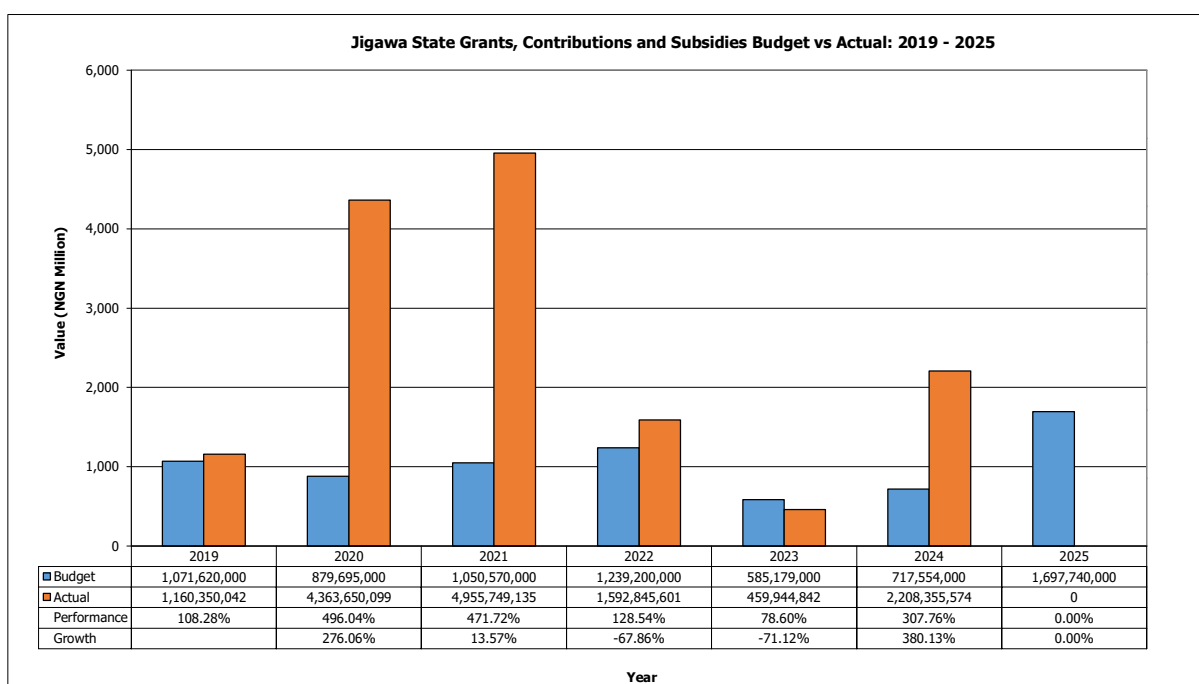
Figure 14: Overhead Costs



70. Overhead costs are expenditure directed towards payment of operational expenses for the day-to-day running of offices, maintenance of structures, facilitation of capital projects implementation and delivery of other essential services. It is also used for the implementation of government policies that are recurrent in nature such payment of scholarship, institutional feeding of boarding students, payment for external examinations, etc.

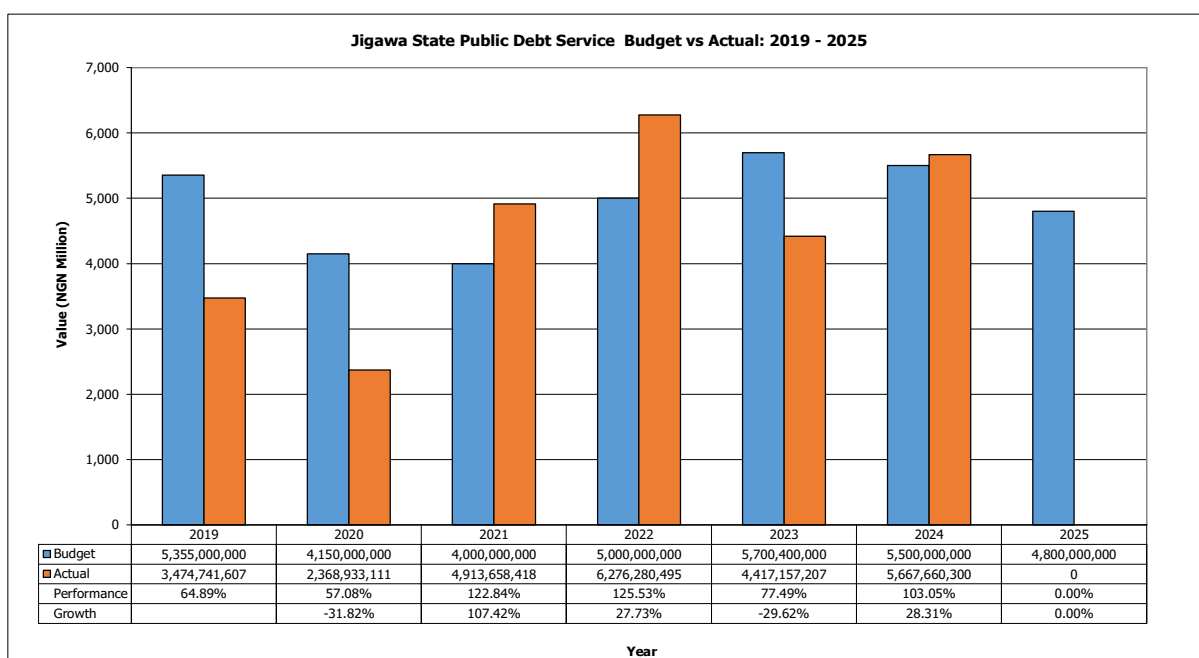
Figure 14 above, it indicated good projection and impressive performance ranging from 74.19% to 112.12% for the period of 2019 to 2024 fiscal years. These performances indicated the commitment of government in funding the day-to-day expenses of running the offices as well as implementation of recurrent expenditure-based policies like school feeding, payment of examination fees for students, etc.

Figure 15: Grants, Contributions, Subsidies, Transfers



71. Grants, contributions, subsidies and transfer covered all aspect of expenditure allocated for payment to MDAs to support them to undertake crucial activities. As shown in figure 15, with exception of 2019 and 2023 projections which are satisfactory, the rest of fiscal years were unrealistic resulting to unsatisfactory positive variances. For 2025 fiscal year, N1.698 billion was projected to take care of this aspect of expenditure.

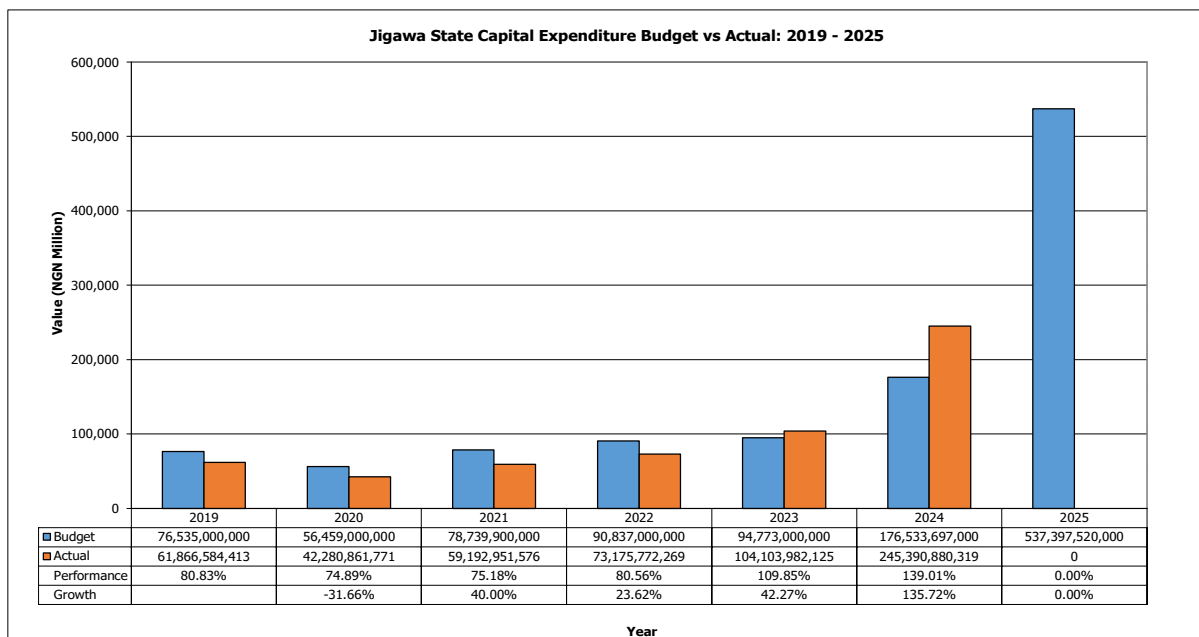
Figure 16: Public Debt Service



72. Public Debt Service is part of recurrent expenditure set aside for the repayment domestic and external debts and payment of debt services. From figure 16, the State government is committed to these repayments each year after establishing actual figure base on the reconciliation with Federal Debt Management Office (FDMO).

The performances of 2019, 2020 and 2023 had negative variance of 35.11%, 42.92% and 22.51% respectively and positive variance of 22.84%, 25.53% for 2021 and 2022 respectively indication unsatisfactory projections for all the fiscal years. A projected allocation of N5.5 billion was provided in 2024 for this purpose.

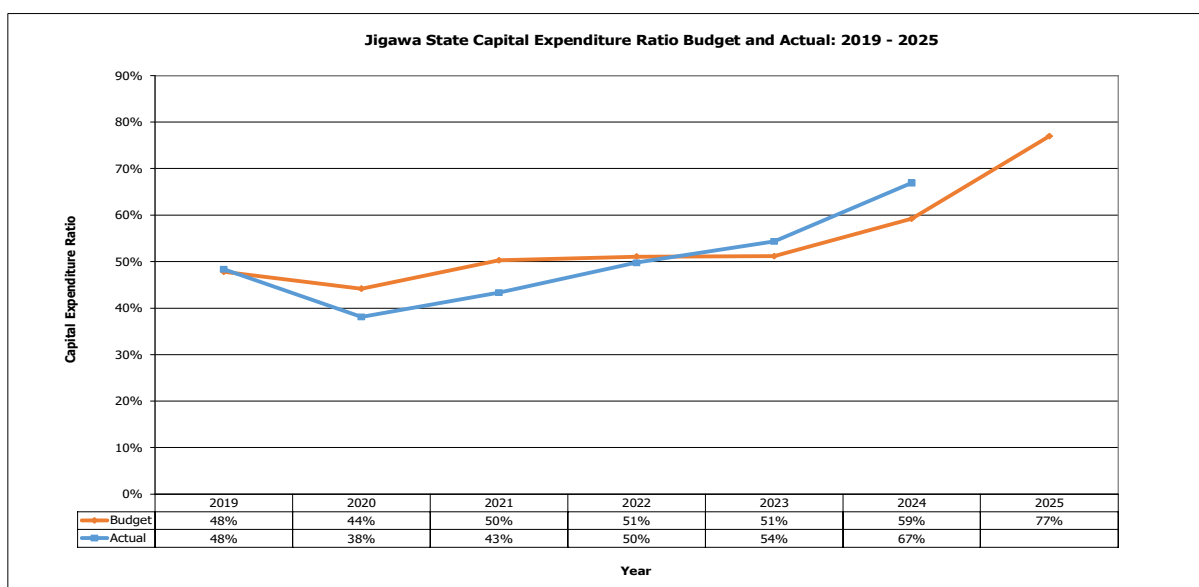
Figure 17: Capital Expenditure



73. An aspect of expenditure apportioned for the implementation of programmes and projects for the benefit of the people of the State through the implementation of government policies is referred to as Capital expenditure. These include all the programmes and projects intended to improve the lives of the people in all nooks and corners of the State.

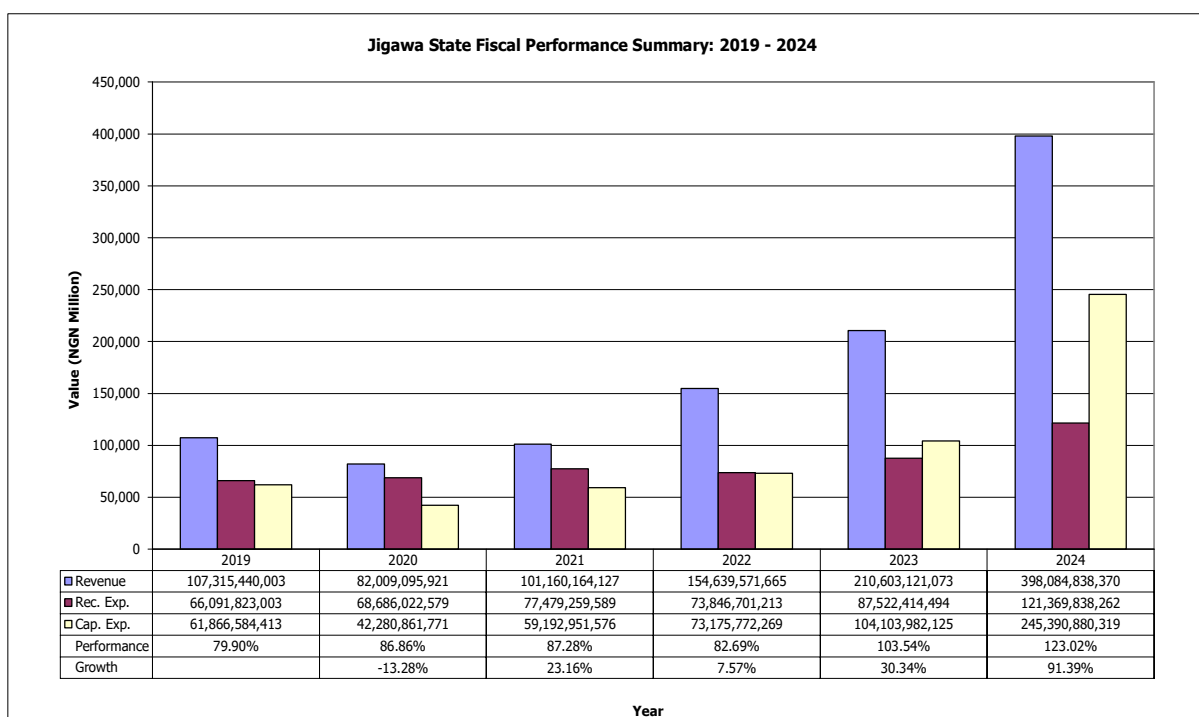
The projections and performances from 2019-2023, as revealed by figure 17, were satisfactory and these indicated the level of government commitment towards improving the lives of the people. The actual performance of 139% in 2024 indicated that the projection was not realistic with over-expenditure of a little over 39% which is unfavourable negative performance. As for 2025 projection, it shows an increase of about 67.15% over that of 2024. This was done with the aim of completing the more twenty number inherited road projects awarded by the immediate past administration.

Figure 18: Recurrent: Capital Expenditure Ratio



74. The above graph indicated that the capital expenditure for 2019 and 2020 fiscal years fall below recurrent expenditure by 2% and 6% respectively whereas the ratio changes in favour of capital expenditure in 2022 to 2024 exceeded that of recurrent expenditure by 1% in 2022 and 2023, and by 9% in 2024. The 2025 fiscal year shows that the ratio of capital to recurrent expenditure stood at 77:33 or 7:3.

Figure 19: Fiscal Performance Summary



75. The fiscal performance summary, as revealed by figure 19, showed that the performance for all the years from 2019 to 2024 had good performance with about 80% to 123%. However, the growth rates took different proportion from -13.28% in 2020, 23.16% in 2021, 7.57% in 2022, 30.34% in 2023 and 91.39% in 2024.

By Sector

76. The trend of overall expenditure of personnel costs stood at 93.27%. The performance of the sectors from 2021 – 2024, as presented in Table 7, indicated satisfactory average performance of sectors with 95.72% in 2021, 86.33% in 2022, 95.25% in 2023 and 95.36% in 2024. It also revealed that the sector by sector performance shows that only Women Affairs has 30.24%

due to laxity of some Local Governments in the payment of disability allowances in 2023 and 2024 fiscal years. As for other sectors, the performance ranged from lowest performance of 89.72% by Information, Culture & Sports to highest performance of 108.36% recorded by Economic Empowerment sector. The impressive trend happened due to sound projections and commitment of government in implementation of projects and programmes according to plan.

77. The performance trend of the overhead costs for sectors year by year, as shown in Table 8, vividly showed satisfactory average performance of 86.77% in 2021, 84.40% in 2022, 113.832% in 2023 and 104.89% in 2024. The average performance of overhead costs from 2012 to 2024 by sector showed that Economic Empowerment recorded an achievement 1050.45% due to influence of an outlier of expenditure of N817,203,561 against approved provision of N9,000,000 in 2022. Others showed performance range from minimum of expenditure 71.99% for Health sector to the maximum of 122.21% for Environment sector. An overall sectoral average performance of 99.23% was achieved from 2021 to 2024 fiscal years.
78. Table 9 showed that an overall average capital expenditure performance of the sectors stood at 109.29%. The performance year by year revealed an achievement of 75.18% in 2021, 80.56% in 2022, 109.86% in 2023 and 139.01%% in 2024 fiscal year. The performance sector by sector showed that Women & Social Development, Commerce, Law & Justice and Education had fair performance with 59.82%, 59.83%, 60.73% and 65.15% respectively. Other sectors fall within the satisfactory performance group with achievement ranging from 85.92% to 154.21%.

Table 7: Sector Expenditure – Personnel - Budget Vs Actual

Jigawa State Personnel (Salaries, Allowances and Social Contributions) Expenditure by Sector										
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance
1	Road Development	277,024,000	272,530,075	279,113,000	258,174,933	285,460,000	243,715,108	267,314,000	243,192,481	91.77%
2	Agriculture	879,000,000	850,910,059	930,500,000	888,350,838	849,666,000	1,711,650,918	1,177,364,000	664,018,380	107.26%
3	Commerce & Industry	96,940,000	88,067,160	95,559,000	87,502,920	97,923,000	89,063,235	103,168,000	90,083,010	90.12%
4	Power & Energy	27,973,000	26,428,239	24,499,000	23,843,689	23,135,000	31,086,353	29,027,000	27,693,519	104.22%
5	Economic Empowerment	74,000,000	72,722,307	70,374,000	68,874,069	74,100,000	106,565,783	75,840,000	71,696,368	108.68%
6	Education	31,286,269,000	29,450,533,153	31,281,586,000	29,657,147,160	33,502,597,000	29,948,308,225	38,125,505,000	33,869,869,888	91.60%
7	Health	6,350,381,000	6,239,503,001	11,630,826,000	6,982,549,018	11,952,738,000	12,708,181,009	13,535,066,000	13,838,027,436	91.49%
8	Women & Soc. Devpt	331,300,000	99,657,877	334,087,000	104,922,367	325,882,000	89,799,990	270,131,000	87,087,944	30.24%
9	Information, Culture & Sports	418,500,000	395,611,193	405,723,000	354,888,281	393,934,000	347,564,837	404,729,000	357,971,086	89.72%
10	Environment	504,523,000	494,882,366	513,962,000	524,334,906	543,586,000	616,621,642	544,357,000	581,948,005	105.29%
11	Water Supply	505,573,000	448,292,364	462,836,000	429,239,186	424,783,000	449,675,582	428,648,000	393,275,447	94.44%
12	Urban & Regional Devpt	255,400,000	243,597,357	252,691,000	234,569,207	253,247,000	244,702,285	283,005,000	244,570,120	92.64%
13	General Administration	5,085,299,000	5,431,641,957	4,273,950,000	3,941,693,984	4,969,414,000	4,722,947,534	7,127,505,000	9,609,563,580	110.48%
14	Law & Justice	1,630,818,000	1,564,402,575	1,619,882,000	1,487,520,533	1,909,261,000	1,654,791,175	2,477,843,000	1,759,553,022	84.66%
	Total	47,723,000,000	45,678,779,682	52,175,588,000	45,043,611,089	55,605,726,000	52,964,673,676	64,849,502,000	61,838,550,285	93.27%

Table 8: Sector Expenditure – Overhead - Budget Vs Actual

Jigawa State Overhead Expenditure by Sector										
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance
1	Road Development	1,351,400,000	1,341,709,661	2,068,153,000	2,796,189,979	4,055,000,000	3,053,576,620	354,460,000	625,001,069	99.84%
2	Agriculture	39,800,000	21,659,503	41,000,000	36,697,604	40,800,000	34,970,607	43,500,000	46,402,091	84.63%
3	Commerce & Industry	31,300,000	26,133,946	30,800,000	21,078,873	30,745,000	24,043,602	40,500,000	25,763,442	72.76%
4	Power & Energy	200,000,000	179,212,342	226,000,000	218,365,336	596,375,000	446,100,288	600,000,000	950,240,608	110.57%
5	Economic Empowerment	6,000,000	3,110,675	9,000,000	817,203,561	12,600,000	11,155,385	52,800,000	13,093,872	1050.45%
6	Education	5,832,800,000	6,227,634,071	6,633,226,000	5,880,096,475	5,276,327,000	5,356,330,531	10,229,122,000	9,053,511,950	94.80%
7	Health	2,619,144,000	2,579,353,011	4,389,916,000	1,496,374,582	2,502,718,000	2,814,012,049	2,511,725,000	1,766,219,446	71.99%
8	Women & Soc. Devpt	611,200,000	593,554,105	615,434,000	601,529,340	47,940,000	52,802,960	62,400,000	640,939,363	141.28%
9	Information, Culture & Sports	220,780,000	267,466,570	170,800,000	314,766,699	256,170,000	250,042,311	262,020,000	191,221,177	112.50%
10	Environment	50,200,000	40,552,897	50,190,000	95,481,770	50,000,000	36,871,036	52,800,000	75,407,497	122.21%
11	Water Supply	1,211,200,000	1,095,720,008	1,211,150,000	1,030,309,482	2,853,250,000	3,332,271,525	4,737,400,000	4,563,561,044	100.09%
12	Urban & Regional Devpt	88,800,000	79,235,638	99,800,000	97,513,467	108,900,000	92,831,671	97,950,000	129,370,284	100.89%
13	General Administration	11,685,906,000	8,361,793,459	11,659,682,000	9,473,797,252	10,244,726,000	14,251,757,789	36,430,834,000	39,983,371,649	102.93%
14	Law & Justice	426,000,000	332,222,019	478,650,000	486,445,833	820,870,000	860,378,725	1,281,290,000	1,467,184,486	104.64%
	Total	24,374,530,000	21,149,357,904	27,683,801,000	23,365,850,255	26,896,421,000	30,617,145,099	56,756,801,000	59,531,287,977	99.23%

Table 9: Sector Expenditure – Capital - Budget Vs Actual

Jigawa State Capital Expenditure by Sector										
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance
1	Road Development	14,069,800,000	15,942,694,500	24,160,200,000	22,165,465,442	19,809,500,000	35,508,385,202	38,748,977,000	81,184,739,819	159.94%
2	Agriculture	11,634,180,000	4,256,669,800	8,553,500,000	2,950,809,738	6,588,900,000	3,424,070,565	15,397,900,000	37,527,732,531	114.19%
3	Commerce & Industry	2,197,290,000	235,557,433	2,751,500,000	1,651,598,814	2,714,550,000	1,732,743,040	4,975,500,000	3,941,902,835	59.83%
4	Power & Energy	687,100,000	1,598,308,531	1,100,000,000	989,997,751	1,445,000,000	1,221,464,645	1,000,000,000	2,499,457,228	149.08%
5	Economic Empowerment	1,239,560,000	1,161,434,326	1,509,400,000	1,324,048,994	1,087,000,000	895,297,444	4,999,810,000	7,999,180,538	128.79%
6	Education	19,891,778,000	13,259,174,235	19,268,900,000	17,066,722,836	23,266,431,000	17,358,789,011	46,244,561,000	23,109,834,237	65.15%
7	Health	12,299,402,000	10,706,186,804	12,678,200,000	11,120,949,071	14,832,864,000	13,947,185,451	20,161,140,000	15,753,857,858	85.92%
8	Women & Soc. Devpt	1,697,500,000	1,121,503,684	1,759,000,000	1,659,822,529	3,038,549,000	805,946,690	3,779,500,000	2,558,459,080	59.82%
9	Information, Culture & Sports	217,614,000	343,258,908	168,300,000	141,369,851	509,006,000	223,455,590	907,120,000	1,066,050,731	98.45%
10	Environment	1,790,300,000	404,346,821	5,929,000,000	3,440,493,487	5,152,850,000	10,138,343,002	9,693,950,000	20,816,340,852	154.21%
11	Water Supply	5,947,700,000	5,332,757,017	4,398,900,000	3,759,435,303	6,351,710,000	6,499,323,614	5,813,400,000	6,373,436,692	97.57%
12	Urban & Regional Devpt	1,157,475,000	973,603,349	1,405,500,000	1,282,983,801	1,383,440,000	1,280,238,398	5,058,370,000	6,233,747,378	108.50%
13	General Administration	5,038,201,000	3,383,401,179	5,846,600,000	4,484,751,123	7,275,100,000	10,291,595,225	18,320,469,000	35,720,125,719	147.70%
14	Law & Justice	872,000,000	474,054,990	1,308,000,000	1,137,323,528	1,318,100,000	777,144,248	1,433,000,000	606,014,821	60.73%
	Total	78,739,900,000	59,192,951,576	90,837,000,000	73,175,772,269	94,773,000,000	104,103,982,125	176,533,697,000	245,390,880,319	109.29%

1.D.2 Debt Position

79. A summary of the consolidated debt position for Jigawa State Government is provided in the table below.

Table 10: Debt Position as at 31st December 2023

Debt Sustainability Analysis			
A	DSA RATIO SCENARIOS:	Sustainability Thresholds	As at 31st December 2024
	Solvency Ratios	Percentage	Percentage
1	Total Domestic Debt/IGR	150%	2.13%
2	Total External Debt/Gross FAAC	150%	13.65%
3	Total Public Debt/Total Recurrent Revenue	150%	11.43%
4	Total Public Debt/State GDP Ratio	25%	No GDP Figure Available
	Liquidity Ratios	Percentage	Percentage
5	Domestic Debt Service/IGR	15%	1.41%
6	External Debt Service/Gross FAAC	10%	0.91%
8	Debt Service Deductions from FAAC/Gross FAAC	40%	0.91%
8	Total Debt Service/Total Recurrent Revenue	25%	1.01%
B	PUBLIC DEBT DATA AS AT 31st DECEMBER 2024		Naira
1	Total Domestic Debt		1,329,234,427
2	Total External Debt		35,839,020,118
3	Total Public Debt		37,168,254,545

80. As shown in Table 10 above, the total public debt position of the State as at 31st December 2024 stood at N37,168,254,545 (N1,329,234,427 domestic debt and N35,839,020,118 external debt). As shown by Debt Sustainability Analysis (DSA), the solvency ratio of the State for Total Domestic Debt/IGR, Total External Debt/Gross FAAC and Total Public Debt/Total Recurrent Revenue were as low as 2.13%, 13.65% and 11.43% respectively compare to the threshold of 150% each. The analysis indicated that the State is not among the debt-burdened and has the option of securing any loan if the need arises.
81. Like solvency ratio, the State is also comfortable with liquidity ratio of Domestic Debt Service/IGR, External Debt Service/Gross FAAC and Debt Service Deduction from FAAC/Gross FAAC and Total Debt Service/Total Recurrent Revenue 1.41%, 0.91%, 0.91% and 1.01% against the sustainability threshold of 15%, 10% and 40% and 25% respectively. These also indicated that the State is in the position to comfortably liquidate its debts and their services.

Fiscal Strategy Paper

1.E Macroeconomic Framework

82. As usual, the State uses vital information from the recent IMF WEO publications (April-July 2025). While some indices and their projections were derived from the IMF WEO Forecast, others were derived from NBS and CBN reports, and various consultations. The framework used in the medium-term revenue and expenditure projections of 2026-2028 was guided by Macroeconomic and Mineral Framework presented under Table 11.

Table 1: Jigawa State Macroeconomic Framework

Jigawa State Macroeconomic and Mineral Framework 2026 - 2028

Item	2026	2027	2028
National Inflation (CPI)	18.00%	16.00%	14.00%
National Real GDP Growth	3.20%	3.30%	3.30%
Oil Price Benchmark	\$63.30	\$63.70	\$65.60
Oil Production Benchmark (MBPD)	1.7000	1.8000	1.8000
NGN:USD Exchange Rate	1529.2	1533	1540
Other Assumptions			
FAAC Deductions	10,000,000,000,000	10,000,000,000,000	10,000,000,000,000
Mineral Ratio (Before Subsidy)	27%	25%	25%

1.F Fiscal Strategy and Assumptions

Policy Statement

83. The overarching policy objectives and priorities contained in the State Comprehensive Development Framework (CDF III) and the 12-point Agenda of His Excellency the Governor, Umar Namadi, FCA would continue to be the focal point for the 2026-2028 medium-term planning and budget circle to purposefully sustain improvement in the socio-economic development of the State. Specifically, the medium-term resource allocations for the 2026-2028 period will strategically be directed to:
- Contribute towards sustainable growth, development and diversification of the State's economy most especially in the area of youths and women empowerment & employment generation, agricultural development, ICT, critical infrastructure and development of small & medium scale enterprises. Technology-driven agricultural initiatives and agricultural value-chain would also be encouraged and supported to improve agricultural production given its multiplier effect in employment generation, poverty reduction and socio-economic development.
 - Contribute to sustainable improvements in the State's human capital in terms of education, health and skills development. As usual, this requires focus on projects and programmes that could expand access to and quality of human development services particularly education, health and other social services.

Objectives and Targets

84. The key objectives and targets from the fiscal perspective include the following:
- Maintain higher proportion of capital investment over recurrent expenditure;
 - Ensure that propose capital expenditure projects and programme reflected in the 2026 budget is consistent with 2026-2028 MTSS.
 - Maintain personnel costs within manageable limit with emphasis on new recruitment in the critical areas to revitalize the manpower need of the State while yearly increment and promotion in all MDAs would be appropriately considered.
 - Overhead costs would also be appropriately reviewed to facilitate optimal service delivery and capital projects implementation.
 - Internal Revenue collection would be strengthened and expanded from both new and existing sources.
 - Rehabilitate existing projects, complete and commission ongoing one, and embark on new one that have implication in improving the standard of living of the people.

1.G Indicative Three-Year Fiscal Framework

85. The indicative three-year fiscal framework for the period 2026-2028 medium-term period is presented in table 12 below:

Table 12: Jigawa State Medium Term Fiscal Framework

Jigawa State Macroeconomic and Mineral Framework 2026 - 2028

Item	2025	2026	2027	2028
National Inflation (CPI)	22.00%	18.00%	16.00%	14.00%
National Real GDP Growth	3.20%	3.20%	3.30%	3.30%
Oil Price Benchmark	\$75.00	\$63.30	\$63.70	\$65.60
Oil Production Benchmark (MBPD)	1.5000	1.7000	1.8000	1.8000
NGN:USD Exchange Rate	750	1529.2	1533	1540
Other Assumptions				
FAAC Deductions	4,193,638,554,217	10,000,000,000,000	10,000,000,000,000	10,000,000,000,000
Mineral Ratio (Before Subsidy)	45%	27%	25%	25%

Jigawa State Fiscal Framework 2026 - 2028

Item	2025 Original Budget	2026 Forecast	2027 Forecast	2028 Forecast
Opening Balance	100,000,000,000	50,000,000,000	40,000,000,000	40,000,000,000
Recurrent Revenue				
Statutory Allocation	34,000,000,000	86,265,411,698	92,834,396,956	104,579,322,728
VAT	80,000,000,000	96,000,000,000	100,000,000,000	108,000,000,000
IGR	83,522,420,000	83,900,000,000	86,000,000,000	87,500,000,000
Other Federation Account Revenues	154,100,000,000	100,800,000,000	115,200,000,000	127,300,000,000
Other Recurrent Revenues (Recurrent Grants)	48,840,124,000	60,034,002,000	63,910,252,000	66,995,543,000
Total Recurrent Revenue	400,462,544,000	426,999,413,698	457,944,648,956	494,374,865,728
Recurrent Expenditure				
Personnel (Salaries, Allowances and Contributions)	89,515,552,000	102,633,790,000	109,033,029,000	114,463,690,000
Social Benefits	1,214,968,000	3,210,396,000	3,440,396,000	3,563,696,000
Overheads	63,674,220,000	63,811,750,000	65,271,250,000	67,205,000,000
Grants, Contributions and Subsidies	1,697,740,000	3,794,647,000	3,925,631,000	4,045,963,000
Public Debt Service	4,800,000,000	3,600,000,000	3,500,000,000	3,500,000,000
Total	160,902,480,000	177,050,583,000	185,170,306,000	192,778,349,000
Transfer to Capital Account	339,560,064,000	299,948,830,698	312,774,342,956	341,596,516,728
Capital Receipts				
Capital Grants	65,627,456,000	54,893,950,000	54,198,000,000	57,220,855,000
Other Capital Receipts	0	26,273,000,000	15,698,000,000	37,915,000,000
Total	65,627,456,000	81,166,950,000	69,896,000,000	95,135,855,000
Reserves				
Contingency Reserve		9,539,988,274	9,958,892,979	10,687,497,315
Planning Reserve		12,262,973,421	11,607,610,289	12,674,471,152
Climate Response Reserve		4,087,657,807	3,869,203,430	4,224,823,717
Total Reserves	0	25,890,619,502	25,435,706,697	27,586,792,184
Capital Expenditure	537,397,520,000	449,225,792,424	416,961,449,977	451,794,874,414
Discretionary Funds	460,191,140,000	328,197,209,196	290,106,384,259	317,409,181,545
Non-Discretionary Funds	77,206,380,000	104,677,952,000	111,378,252,000	117,486,398,000
Planning and Climate Reserves	0	16,350,631,228	15,476,813,718	16,899,294,869
Financing (Loans)	132,210,000,000	77,650,000,000	44,250,000,000	25,750,000,000
Total Revenue (Including Opening Balance)	698,300,000,000	635,816,363,698	612,090,648,956	655,260,720,728
Total Expenditure (including Reserves)	698,300,000,000	635,816,363,698	612,090,648,956	655,260,720,728

A detailed schedule of Capital receipt estimates is provided in Annex 1.

1.G.1 Assumptions

86. The assumptions binding the preparation of 2026 - 2028 Medium-term Expenditure Framework include the following:

- Opening Balance - This was estimated base on the expected closing balance of 2025 fiscal year to be derived from the "Annual Survey of the Treasury and MDAs".
- Statutory Allocation – Due to the dependency and responsiveness to difference indices of this source, Elasticity forecasting method was used.
- VAT – Though it depends on non-minerals and other macroeconomic parameters, Elasticity method was also used.
- Other Federation Account receipts - Own value was used because of its unpredictable nature.
- Internally Generated Revenue (IGR) - Own value was also used with consideration of some factors such as actual collection trend of previous and current years, and forecasted economic activities in the State in the medium-term, etc.

- Grants - Own value was used as the estimation was based on the expectation of the implementation Agencies. The Agencies have more understanding of how much is expected to be received and how much was received as drawdowns and how much is outstanding.
- Miscellaneous Capital Receipts - These are also estimated based on the experience of the responsible agencies, but guided by the principle of budget realism.
- Financing - This is arrived at by considering the magnitude of agreed loans to be drawn, how much was drawn down (if any) and expected amount as outstanding to be reflected in the fiscal year.
- Personnel - Own value is used, taking into cognisance the actual expenditure and the projected amount to be end of the year, net of retirement and other exit, plus expected amount for new recruitments, promotions and yearly increments.
- Social Contribution and Social Benefits - Own value is used based on the expenditure trends and the expected additional retirements for those who are not covered by the contributory scheme.
- Overheads - Own value is used based on other considerations apart from day-to-day running expenses, like implementation of some policies of government which are based on overhead costs, payment of external examinations, school feeding, etc. Others include the implementation of some capital projects, which have overhead cost implications.
- Grants, Contributions, Subsidies and Transfers - Own value is used to reflect the grants or other transfers from FGN, Local Governments, etc, to finance some recurrent aspects of the budget.
- Public Debt Service - Own value is used based on the discussion with the State Debt Management Office (DMO) and the reconciled figure of the Federal Debt Management Office.
- Contingency and Planning Reserves - These are estimated based on 3.0% each on recurrent revenue (including Opening Balance) and Capital Expenditure projections, respectively.
- Climate Response Reserve – This is estimated based on 1% Capital expenditure Budget and set aside purposely for Climate responses in the State.
- Capital Expenditure - Projected based on the surplus from recurrent revenue and capital receipts (discretionary and non-discretionary).

1.G.2 Fiscal Trends

87. This is derived from actual revenue and expenditure 2019-2024, 2025 original budget and forecast for 2026-2028 medium-term period are presented in figure 9 and 10 below.

Figure 9: Jigawa State Revenue Trend

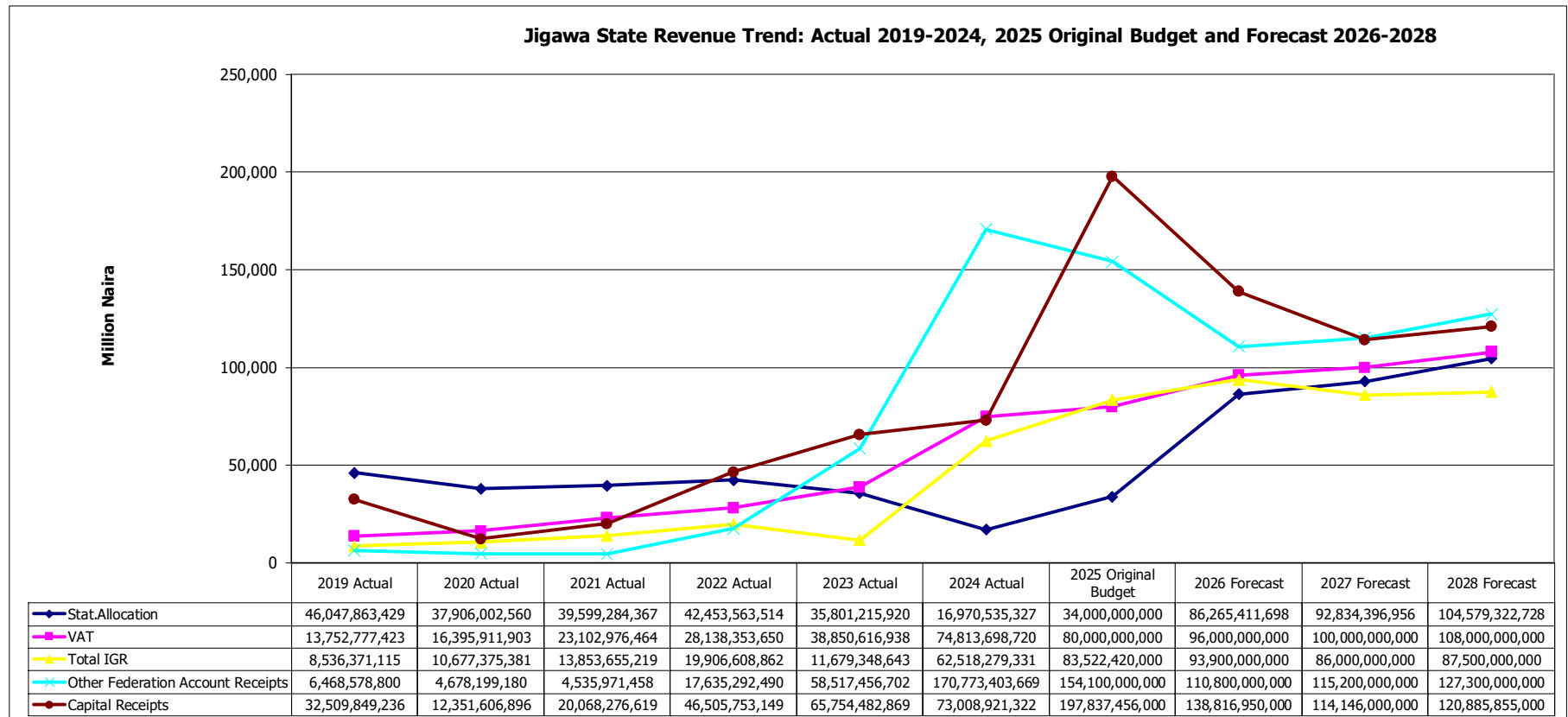
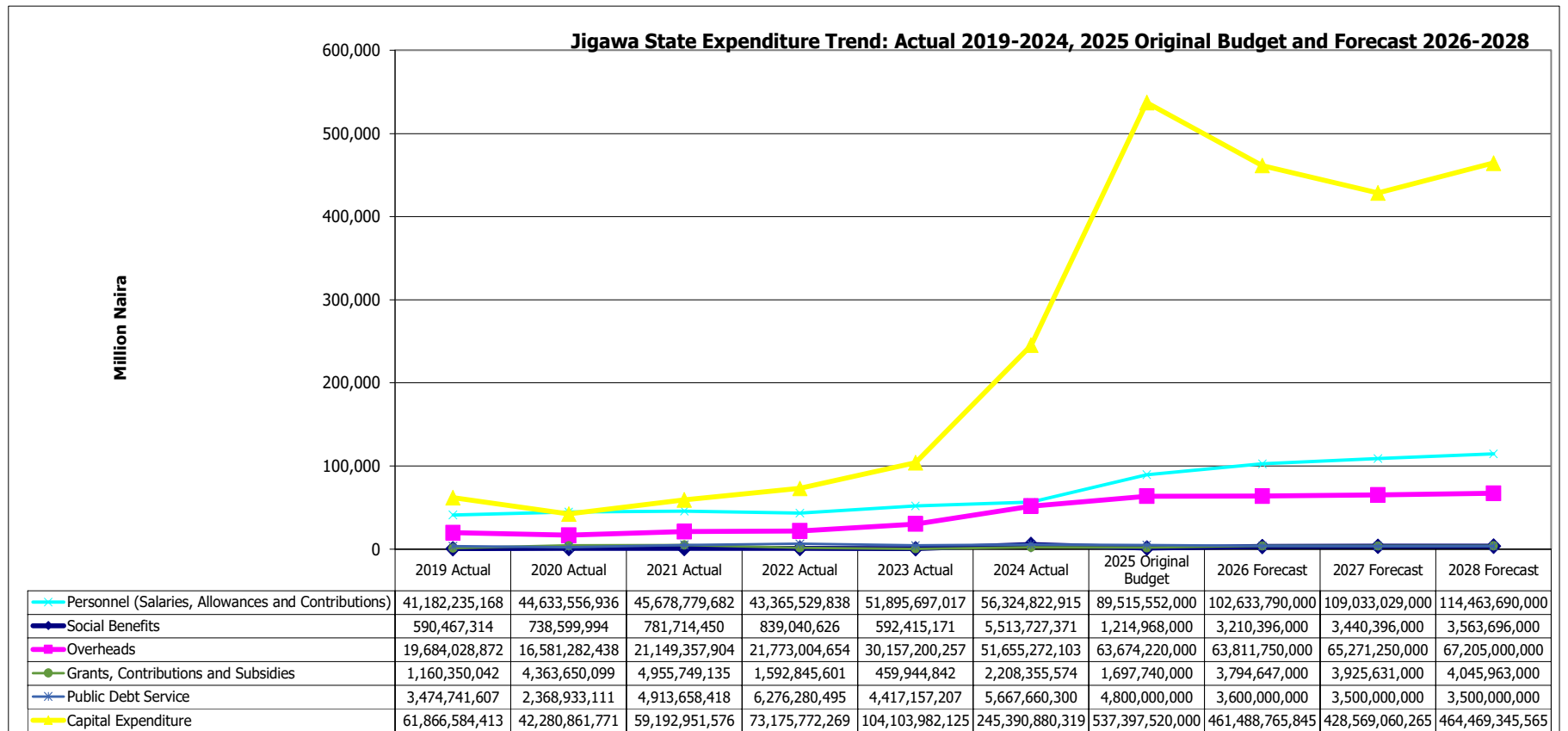


Figure 10: Jigawa State Expenditure Trend



1.H Local Government Estimates

88. The Local Government estimates 2026-2028 is based on the Macroeconomic assumptions in section 1.E, the forecasting techniques used in section 1.F and the vertical & horizontal sharing ratios. The Statutory Allocations and VAT have been projected based on Elasticity method while other Federally collected revenue were projected by the use of 'Own Value' forecasting method. The share of State IGR due for the 27 Local Governments (LGs) were automatically calculated based on the State forecast. While a medium-term fiscal projection is made for the 27 LGs, the Local Governments are expected to commence the MTSS process as such three-year projections (2026-2028) are presented in Table 13a, 13b and 13c below.

Table 2a: Local Government FAAC and State IGR Share Estimates 2026

Local Government Council	Statutory Allocation Share	VAT Share	IGR Share	2026				
				Statutory Allocation	VAT	Other Federation Account	Share of State IGR	Total Transfer
Auyo	0.1042%	0.0990%	3.364%	2,350,678,551	2,644,131,504	3,157,168,963	121,345,975	8,273,324,993
Babura	0.1233%	0.1153%	3.978%	2,780,173,929	3,079,843,271	3,734,019,200	143,517,248	9,737,553,648
Birnin Kudu	0.1530%	0.1379%	4.937%	3,450,271,668	3,682,579,790	4,634,019,661	178,108,819	11,944,979,939
Birniwa	0.1157%	0.1012%	3.734%	2,609,727,186	2,703,264,633	3,505,094,165	134,718,501	8,952,804,484
Buji	0.0993%	0.0879%	3.204%	2,239,373,581	2,348,654,800	3,007,676,555	115,600,226	7,711,305,163
Dutse	0.0974%	0.0916%	3.143%	2,196,766,015	2,445,856,885	2,950,450,830	113,400,752	7,706,474,483
Gagarawa	0.1367%	0.1234%	4.412%	3,083,656,390	3,297,653,350	4,141,622,955	159,183,523	10,682,116,218
Garki	0.1148%	0.1033%	3.703%	2,588,017,226	2,759,970,144	3,475,935,771	133,597,796	8,957,520,937
Gumel	0.1005%	0.0937%	3.244%	2,266,931,338	2,501,909,687	3,044,689,057	117,022,804	7,930,552,885
Guri	0.1062%	0.0953%	3.427%	2,394,889,564	2,546,895,066	3,216,548,260	123,628,222	8,281,961,112
Gwaram	0.1477%	0.1291%	4.767%	3,331,430,342	3,449,030,268	4,474,405,261	171,974,030	11,426,839,901
Gwiwa	0.1092%	0.0974%	3.524%	2,463,138,151	2,601,281,743	3,308,212,142	127,151,329	8,499,783,364
Hadejia	0.0922%	0.0933%	2.975%	2,079,290,097	2,493,132,471	2,792,670,294	107,336,447	7,472,429,310
Jahun	0.1267%	0.1198%	4.089%	2,857,917,888	3,200,039,028	3,838,436,204	147,530,522	10,043,923,643
Kafin Hausa	0.1425%	0.1288%	4.599%	3,214,425,988	3,440,304,581	4,317,258,077	165,934,069	11,137,922,715
Kaugama	0.1045%	0.0981%	3.371%	2,355,864,720	2,620,971,792	3,164,134,446	121,613,694	8,262,584,652
Kazaure	0.1105%	0.1053%	3.567%	2,492,951,454	2,812,994,147	3,348,254,041	128,690,342	8,782,889,984
Kiri Kasamma	0.1153%	0.1117%	3.720%	2,600,104,785	2,984,925,667	3,492,170,431	134,221,777	9,211,422,660
Kiyawa	0.1191%	0.1077%	3.844%	2,686,289,396	2,878,373,814	3,607,923,977	138,670,771	9,311,257,959
Maiqatari	0.1201%	0.1092%	3.877%	2,709,516,895	2,917,318,774	3,639,120,561	139,869,813	9,405,826,044
Mallam Madori	0.1126%	0.1053%	3.632%	2,538,274,043	2,812,530,380	3,409,126,282	131,029,970	8,890,960,675
Miga	0.1032%	0.0982%	3.331%	2,328,255,012	2,623,651,334	3,127,052,169	120,188,435	8,199,146,950
Ringim	0.1267%	0.1118%	4.088%	2,857,277,620	2,987,794,150	3,837,576,268	147,497,470	9,830,145,508
Roni	0.0937%	0.0874%	3.023%	2,112,980,962	2,333,911,597	2,837,920,102	109,075,627	7,393,888,288
Sule Tankarkar	0.1176%	0.0987%	3.795%	2,652,043,426	2,637,535,710	3,561,928,614	136,902,936	8,988,410,686
Taura	0.1070%	0.0989%	3.451%	2,412,020,055	2,642,734,478	3,239,556,022	124,512,527	8,418,823,082
Yankwashi	0.0991%	0.0912%	3.198%	2,235,037,235	2,436,627,354	3,001,852,459	115,376,376	7,788,893,424
Total	3%	3%	100%	69,887,303,519	75,883,916,421	93,864,822,770	3,607,700,000	243,243,742,710

Table 3b: Local Government FAAC and State IGR Share Estimates 2027

Local Government Council	Statutory Allocation Share	VAT Share	IGR Share	2027				
				Statutory Allocation	VAT	Other Federation Account	Share of State IGR	Total Transfer
Auyo	0.1042%	0.0990%	3.364%	2,529,679,293	2,754,303,650	3,608,193,100	124,383,240	9,016,559,285
Babura	0.1233%	0.1153%	3.978%	2,991,880,118	3,208,170,074	4,267,450,514	147,109,456	10,614,610,162
Bimin Kudu	0.1530%	0.1379%	4.937%	3,713,004,822	3,836,020,615	5,296,022,470	182,566,847	13,027,614,754
Birniwa	0.1157%	0.1012%	3.734%	2,808,454,104	2,815,900,660	4,005,821,902	138,090,478	9,768,267,144
Buji	0.0993%	0.0879%	3.204%	2,409,898,613	2,446,515,417	3,437,344,635	118,493,676	8,412,252,341
Dutse	0.0974%	0.0916%	3.143%	2,364,046,543	2,547,767,589	3,371,943,806	116,239,150	8,399,997,088
Gagarawa	0.1367%	0.1234%	4.412%	3,318,472,326	3,435,055,573	4,733,283,378	163,167,854	11,649,979,131
Garki	0.1148%	0.1033%	3.703%	2,785,090,962	2,874,968,900	3,972,498,024	136,941,722	9,769,499,608
Gumel	0.1005%	0.0937%	3.244%	2,439,554,852	2,606,155,924	3,479,644,637	119,951,861	8,645,307,273
Guri	0.1062%	0.0953%	3.427%	2,577,256,911	2,653,015,694	3,676,055,154	126,722,611	9,033,050,370
Gwaram	0.1477%	0.1291%	4.767%	3,585,113,902	3,592,739,862	5,113,606,013	176,278,505	12,467,738,283
Gwiwa	0.1092%	0.0974%	3.524%	2,650,702,529	2,709,668,482	3,780,813,876	130,333,901	9,271,518,787
Hadejia	0.0922%	0.0933%	2.975%	2,237,625,005	2,597,012,991	3,191,623,193	110,023,057	8,136,284,246
Jahun	0.1267%	0.1198%	4.089%	3,075,544,166	3,333,373,988	4,386,784,234	151,223,181	10,946,925,568
Kafin Hausa	0.1425%	0.1288%	4.599%	3,459,199,837	3,583,650,605	4,934,009,231	170,087,365	12,146,947,039
Kaugama	0.1045%	0.0981%	3.371%	2,535,260,382	2,730,178,950	3,616,153,652	124,657,660	9,006,250,644
Kazaure	0.1105%	0.1053%	3.567%	2,682,786,071	2,930,202,237	3,826,576,047	131,911,435	9,571,475,789
Kiri Kasamma	0.1153%	0.1117%	3.720%	2,798,098,972	3,109,297,570	3,991,051,921	137,581,320	10,036,029,783
Kiyawa	0.1191%	0.1077%	3.844%	2,890,846,415	2,998,306,057	4,123,341,689	142,141,672	10,154,635,832
Maigatari	0.1201%	0.1092%	3.877%	2,915,842,654	3,038,873,723	4,158,994,927	143,370,727	10,257,082,031
Mallam Madori	0.1126%	0.1053%	3.632%	2,731,559,909	2,929,719,146	3,896,144,322	134,309,623	9,691,733,001
Miga	0.1032%	0.0982%	3.331%	2,505,548,235	2,732,970,139	3,573,773,908	123,196,727	8,935,489,008
Ringim	0.1267%	0.1118%	4.088%	3,074,855,142	3,112,285,573	4,385,801,449	151,189,302	10,724,131,466
Roni	0.0937%	0.0874%	3.023%	2,273,881,380	2,431,157,913	3,243,337,260	111,805,767	8,060,182,321
Sule Tankarkar	0.1176%	0.0987%	3.795%	2,853,992,664	2,747,433,031	4,070,775,559	140,329,589	9,812,530,843
Taura	0.1070%	0.0989%	3.451%	2,595,691,864	2,752,848,415	3,702,349,740	127,629,050	9,178,519,068
Yankwashi	0.0991%	0.0912%	3.198%	2,405,232,060	2,538,153,493	3,430,688,525	118,264,224	8,492,338,302
Total	3%	3%	100%	75,209,119,732	79,045,746,271	107,274,083,166	3,698,000,000	265,226,949,169

Table 4c: Local Government FAAC and State IGR Share Estimates 2028

Local Government Council	Statutory Allocation Share	VAT Share	IGR Share	2028				
				Statutory Allocation	VAT	Other Federation Account	Share of State IGR	Total Transfer
Auyo	0.1042%	0.0990%	3.364%	2,849,721,180	2,974,647,942	3,987,178,660	126,552,716	9,938,100,498
Babura	0.1233%	0.1153%	3.978%	3,370,397,253	3,464,823,680	4,715,680,993	149,675,318	11,700,577,244
Bimin Kudu	0.1530%	0.1379%	4.937%	4,182,754,909	4,142,902,264	5,852,288,719	185,751,152	14,363,697,044
Birniwa	0.1157%	0.1012%	3.734%	3,163,765,131	3,041,172,713	4,426,572,293	140,499,033	10,772,009,170
Buji	0.0993%	0.0879%	3.204%	2,714,786,469	2,642,236,651	3,798,385,174	120,560,426	9,275,968,720
Dutse	0.0974%	0.0916%	3.143%	2,663,133,434	2,751,588,996	3,726,114,987	118,266,577	9,259,103,994
Gagarawa	0.1367%	0.1234%	4.412%	3,738,308,210	3,709,860,019	5,230,442,482	166,013,805	12,844,624,517
Garki	0.1148%	0.1033%	3.703%	3,137,446,207	3,104,966,412	4,389,748,251	139,330,241	10,771,491,110
Gumel	0.1005%	0.0937%	3.244%	2,748,194,662	2,814,648,398	3,845,128,145	122,044,044	9,530,015,249
Guri	0.1062%	0.0953%	3.427%	2,903,318,071	2,865,256,949	4,062,168,586	128,932,890	9,959,676,496
Gwaram	0.1477%	0.1291%	4.767%	4,038,683,894	3,880,159,051	5,650,712,200	179,353,130	13,748,908,276
Gwiwa	0.1092%	0.0974%	3.524%	2,986,055,646	2,926,441,960	4,177,930,611	132,607,167	10,223,035,384
Hadejia	0.0922%	0.0933%	2.975%	2,520,717,700	2,804,774,030	3,526,854,449	111,942,064	8,964,288,242
Jahun	0.1267%	0.1198%	4.089%	3,464,646,041	3,600,043,907	4,847,548,897	153,860,795	12,066,099,640
Kafin Hausa	0.1425%	0.1288%	4.599%	3,896,839,836	3,870,342,654	5,452,251,520	173,054,005	13,392,488,015
Kaugama	0.1045%	0.0981%	3.371%	2,856,008,358	2,948,593,266	3,995,975,347	126,831,922	9,927,408,893
Kazaure	0.1105%	0.1053%	3.567%	3,022,198,231	3,164,618,416	4,228,499,399	134,212,216	10,549,528,261
Kiri Kasamma	0.1153%	0.1117%	3.720%	3,152,099,922	3,358,041,375	4,410,250,951	139,980,995	11,060,373,243
Kiyawa	0.1191%	0.1077%	3.844%	3,256,581,290	3,238,170,541	4,556,435,737	144,620,887	11,195,808,456
Maigatari	0.1201%	0.1092%	3.877%	3,284,739,924	3,281,983,621	4,595,833,804	145,871,379	11,308,428,727
Malam Madori	0.1126%	0.1053%	3.632%	3,077,142,682	3,164,096,678	4,305,374,759	136,652,233	10,683,266,352
Miga	0.1032%	0.0982%	3.331%	2,822,537,185	2,951,607,750	3,949,144,257	125,345,507	9,848,634,700
Ringim	0.1267%	0.1118%	4.088%	3,463,869,846	3,361,268,419	4,846,462,886	153,826,325	11,825,427,475
Roni	0.0937%	0.0874%	3.023%	2,561,561,043	2,625,650,546	3,584,000,288	113,755,868	8,884,967,746
Sule Tankarkar	0.1176%	0.0987%	3.795%	3,215,064,994	2,967,227,673	4,498,348,339	142,777,198	10,823,418,205
Taura	0.1070%	0.0989%	3.451%	2,924,085,318	2,973,076,288	4,091,225,016	129,855,138	10,118,241,760
Yankwashi	0.0991%	0.0912%	3.198%	2,709,529,529	2,741,205,773	3,791,029,941	120,326,972	9,362,092,215
Total	3%	3%	100%	84,724,186,966	85,369,405,973	118,541,586,693	3,762,500,000	292,397,679,632

Fiscal Risks

89. The analysis, assumptions and projections presented above are not with some risks which pose some threats in the achievement of objectives. Some of the risks include the one highlighted in Table 14 below:

Table 5: Fiscal Risks

Risk	Likelihood	Impact	Reactions
Unanticipated shock in oil production and prices	Medium	High	<ul style="list-style-type: none"> • Increase IGR effort; • Explore new sources; • Seeking of alternative means of funding • Prioritisation of expenditure
Instability of Exchange Rates	High	High	<ul style="list-style-type: none"> • Realistic revenue and expenditure projections. • Internally generated revenue diversification.
Persistent inflation	High	High	<ul style="list-style-type: none"> • Reduces purchasing power, • Widen fiscal deficit, and • Induces borrowing
Security Challenges	High	High	<ul style="list-style-type: none"> • Strengthen of security agencies • Close monitoring of Early-Warning Sign (EWS) • Sensitization of farmers / Fulani herdsmen
Human and natural disaster (flooding; draught, deforestation, etc)	Medium	Medium	<ul style="list-style-type: none"> • Close monitoring of Early Warning Signing (EWS); • Effective communication between stakeholders; • Access to ecological fund

90. All investments are without associated risk, based on this fact the State would do everything possible to mitigate the negative impacts with appropriate reaction and proactiveness. These would be ensured during the implementation of the 2026 budget through close and effective monitoring, strengthening of security architecture as well as sensitization and close monitoring of any emergency situations.

Budget Policy Statement

1.I Budget Policy Thrust

91. As stated earlier, the overarching policy objectives of the Jigawa State Government as contained in the State Comprehensive Development Framework for the achievement of sustainable improvements in the social and economic wellbeing of the citizens which are consistent with the provisions of the 12-points agenda of this administration would continue to be pursued. The main policy thrust is centred around the pursuit of policies that guarantee inclusive economic growth with sustained progress in the improvements in the basic human development indicators of the State.
92. In an effort to actualize these policy objectives, the limited resources would be judiciously directed in form of sector envelopes and budget ceilings to the implementation of critical projects and programmes of the Sectors and MDAs respectively. The limited resources, as projected, are strategically allocated to fund budget initiatives that meets the following policy priorities:
- Significant contribution to sustained growth and diversification of the State's economy. This requires focus of agriculture, critical infrastructure and development of small and medium scale enterprises;
 - Sustainable improvements in the State's human capital in terms of education, health and skills development. This requires focus of projects and programmes that could potentially expand access to and quality of human development services. These cover education, health, economic empowerment & Employment as well as social protection.

1.J Sector Allocations (3 Year)

93. Table 15, 16 and 17 below present the three (3) year indicative envelopes (2026-2028) for the sectors for Personnel, Overhead and Capital Expenditure:

Table 6: Indicative Sector Expenditure Ceilings 2026-2028 – Personnel (Salaries and Allowances)

Jigawa State Personnel (Salaries, Allowances and Social Contributions) Expenditure by Sector							
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	% 2028	2028 Allocation
1	Road Development	0.42%	431,779,000	0.43%	466,320,000	0.43%	489,636,000
2	Agriculture	1.88%	1,931,979,000	1.95%	2,121,775,000	1.95%	2,227,858,000
3	Commerce & Industry	0.17%	171,494,000	0.17%	185,218,000	0.17%	194,477,000
4	Power & Energy	0.18%	188,007,000	0.19%	203,052,000	0.19%	213,199,000
5	Economic Empowerment	0.14%	142,730,000	0.14%	154,150,000	0.14%	161,860,000
6	Education	59.56%	61,131,882,000	58.98%	64,309,391,000	58.99%	67,524,943,000
7	Health	24.48%	25,124,940,000	24.89%	27,134,879,000	24.89%	28,491,846,000
8	Women & Soc. Devpt	0.64%	651,768,000	0.61%	662,995,000	0.59%	675,003,000
9	Information, Culture & Sports	0.54%	552,918,000	0.53%	580,565,000	0.53%	609,593,000
10	Environment	1.05%	1,077,260,000	1.04%	1,131,130,000	1.04%	1,187,680,000
11	Water Supply	0.69%	704,734,000	0.70%	761,120,000	0.70%	799,171,000
12	Urban & Regional Devpt	0.46%	474,920,000	0.47%	512,914,000	0.47%	538,560,000
13	General Administration	6.82%	7,002,978,000	6.90%	7,519,355,000	6.90%	7,895,219,000
14	Law & Justice	2.97%	3,046,401,000	3.02%	3,290,165,000	3.02%	3,454,645,000
	Total	100.00%	102,633,790,000	100.00%	109,033,029,000	100.00%	114,463,690,000

Table 7: Indicative Sector Expenditure Ceilings 2026-2028 – Overhead Costs

Jigawa State Overhead Expenditure by Sector						
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	2028 Allocation
1	Road Development	0.52%	334,009,160	0.53%	346,417,249	355,026,414
2	Agriculture	0.74%	472,812,967	0.74%	482,824,041	487,836,295
3	Commerce & Industry	0.11%	67,601,854	0.10%	68,403,406	72,005,357
4	Power & Energy	3.89%	2,483,068,097	3.84%	2,504,924,726	2,574,191,518
5	Economic Empowerment	0.07%	44,401,218	0.07%	48,002,390	50,003,720
6	Education	21.57%	13,766,810,547	21.82%	14,241,569,119	15,249,134,524
7	Health	5.10%	3,253,439,224	5.07%	3,309,609,793	3,299,845,506
8	Women & Soc. Devpt	0.15%	92,822,546	0.14%	94,004,681	98,007,292
9	Information, Culture & Sports	1.34%	858,023,531	1.37%	891,044,367	912,254,871
10	Environment	0.10%	65,001,783	0.10%	68,503,411	76,005,655
11	Water Supply	7.73%	4,931,435,242	7.70%	5,028,250,368	5,074,777,560
12	Urban & Regional Devpt	0.20%	128,353,520	0.21%	134,606,702	140,010,417
13	General Administration	55.94%	35,695,925,940	55.81%	36,425,008,682	37,161,777,808
14	Law & Justice	2.54%	1,618,044,374	2.49%	1,628,081,066	1,654,123,065
	Total	100.00%	63,811,750,000	100.00%	65,271,250,000	67,205,000,000

Table 17: Indicative Sector Capital Expenditure Ceilings 2026-2028

Jigawa State Capital Expenditure by		Discretionary Funds				
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	2028 Allocation
1	Road Development	30.00%	98,339,162,759	29.00%	84,130,851,435	89,287,202,768
2	Agriculture	10.00%	32,779,720,920	11.00%	31,911,702,268	39,619,333,904
3	Commerce & Industry	2.50%	8,194,930,230	2.50%	7,252,659,606	7,920,216,617
4	Power & Energy	6.70%	21,962,413,016	6.80%	19,727,234,130	20,949,005,982
5	Economic Empowerment	2.30%	7,539,335,812	2.30%	6,672,446,838	6,348,183,631
6	Education	19.50%	63,920,455,793	20.27%	58,804,564,089	66,655,928,124
7	Health	9.00%	29,501,748,828	8.40%	24,368,936,278	25,392,734,524
8	Women & Soc. Devpt	1.00%	3,277,972,092	1.27%	3,696,525,183	4,044,416,451
9	Information, Culture & Sports	0.33%	1,079,893,668	0.33%	955,725,182	1,045,671,396
10	Environment	2.50%	8,194,930,230	2.50%	7,252,659,606	7,935,229,539
11	Water Supply	3.00%	9,833,916,276	3.00%	8,703,191,528	9,522,275,446
12	Urban & Regional Devpt	2.00%	6,555,944,184	2.00%	5,802,127,685	6,348,183,631
13	General Administration	10.54%	34,549,825,849	10.00%	29,010,638,426	30,344,317,756
14	Law & Justice	0.63%	2,055,451,699	0.63%	1,819,111,462	1,990,313,594
	Total	100.00%	327,797,209,196	100.00%	290,106,384,259	317,409,181,545

Jigawa State Capital Expenditure by		Non-Discretionary Funds		
No.	Sector	2026 Allocation	2027 Allocation	2028 Allocation
1	Road Development	0	0	0
2	Agriculture	28,000,000	28,000,000	28,000,000
3	Commerce & Industry	0	0	0
4	Power & Energy	1,500,000,000	2,000,000,000	2,500,000,000
5	Economic Empowerment	0	0	0
6	Education	44,370,280,000	47,115,980,000	50,554,026,000
7	Health	44,194,000,000	46,640,000,000	48,581,000,000
8	Women & Soc. Devpt	264,000,000	264,000,000	264,000,000
9	Information, Culture & Sports	0	0	0
10	Environment	0	0	0
11	Water Supply	4,834,700,000	4,923,300,000	4,960,400,000
12	Urban & Regional Devpt	0	0	0
13	General Administration	9,486,972,000	10,406,972,000	10,598,972,000
14	Law & Justice	0	0	0
	Total	104,677,952,000	111,378,252,000	117,486,398,000

Total Capital Envelope					
% 2026	2026 Allocation	% 2027	2027 Allocation	% 2028	2028 Allocation
22.7%	98,339,162,759	21.0%	84,130,851,435	20.5%	89,287,202,768
7.6%	32,807,720,920	8.0%	31,939,702,268	9.1%	39,647,333,904
1.9%	8,194,930,230	1.8%	7,252,659,606	1.8%	7,920,216,617
5.4%	23,462,413,016	5.4%	21,727,234,130	5.4%	23,449,005,982
1.7%	7,539,335,812	1.7%	6,672,446,838	1.5%	6,348,183,631
25.0%	108,290,735,793	26.4%	105,920,544,089	27.0%	117,209,954,124
17.0%	73,695,748,828	17.7%	71,008,936,278	17.0%	73,973,734,524
0.8%	3,541,972,092	1.0%	3,960,525,183	1.0%	4,308,416,451
0.2%	1,079,893,668	0.2%	955,725,182	0.2%	1,045,671,396
1.9%	8,194,930,230	1.8%	7,252,659,606	1.8%	7,935,229,539
3.4%	14,668,616,276	3.4%	13,626,491,528	3.3%	14,482,675,446
1.5%	6,555,944,184	1.4%	5,802,127,685	1.5%	6,348,183,631
10.2%	44,036,797,849	9.8%	39,417,610,426	9.4%	40,943,289,756
0.5%	2,055,451,699	0.5%	1,819,111,462	0.5%	1,990,313,594
100.00%	432,463,653,355	100.00%	401,486,625,717	100.00%	434,889,411,364

2 Considerations for the Annual Budget Process

94. The MTEF process is considered the beginning of budget preparation process as the MTSS indicative envelopes and budget ceilings are derived from the output of that process. The budget call circular which commences the budget preparation process contains vital information, guidelines and instructions to MDAs for the annual budget submissions. Some of the major considerations contain therein include the following:

- Internally generated revenue collection and remittance: The MDAs are not only requested to ensure realistic proposal of existing revenue codes but are also directed to propose, pursue and collect new revenue sources within the mandate of the MDAs. All collection should also be remitted to Treasury-Single-Account (TSA). The Accounting officers should also be directed to strictly monitor collection and remittance to central revenue account. Realism concept should guide the presentation of revenue proposal;

- Personnel and overhead costs: New recruitments, year increments and cases of retirement and or transfer would be the major consideration in preparation of personnel costs proposal while issue of overhead items of expenditure that have implication in facilitating service delivery and capital projects implementation should first be considered and proposed before any other items of expenditure.
- Capital projects and programmes: All ongoing, existing projects and other capital commitments that will spill over to 2026 fiscal year should be appropriately proposed in the budget as priority projects. The new projects should not be reflected in 2026 budget unless they are considered critical and the same have appeared in the 2026-2028 MTSS. Other government directives should also be considered and captured in annual budget which must have been reflected in MTSS;
- Budget ceiling: As usual, MDAs are would be advised to comply with budget ceilings as upper limit of resources allocated to each aspect of expenditure. The same should be appropriately apportioned to achieve policy objectives of the respective sector and MDA mandates.

Summary of Key Points and Recommendations

95. The following are the list of the key points and proffered recommendations arising from the 2026-2028 MTEF:

- Jigawa State would continue to sustain the Budget reforms in term of preparation of a realistic budget by maintaining policy-plan-budget linkages which make the budget to be policy-based. This has not only help in strengthening the budget system in the State but ensured that the MTSS continue to be used as a bridge between the State Development Plan (CDF) and the Annual budget;
- The 2024 Annual Sector Performance Review (ASPER) and the Budget Implementation Performance Report (BIPER) of the 2nd Quarter 2025 points of consideration and recommendations provide important inputs for the preparation of this document. This will also be utilized in other planning and budget process;
- Though the 2026 budget size decreased by about 10% over that 2025 original budget, the personnel cost increases because of the increase in the new salary for which the expenditure trend was established from the first and second quarter (Q1 and Q2) budget implementation report.
- Projection for the Statutory Allocation of the 2026-2028 medium-term period was consciously and objectively made using Elasticity forecasting model.
- For improvement of the quality of lives of the people as clearly spelt out in the 12-point agenda and State development plan, more resources are directed to capital investment for the implementation of projects and programmes. While for the consumption side appropriate allocation was made for sustaining human resource and implementation of overhead-based policy objectives / facilitation of day-to-day activities;
- Other important areas worth mentioning is the issues of capital receipt financed projects that are treated as contra-entries. Much of the information on these were given by the MDAs and from previous lesson learning wide gaps exist between projected and actual, MDAs were therefore cautioned to give realistic projections for the medium-term.
- To improve fiscal sustainability of the State, it is recommended, as done in the previous years, to focus more attention towards improving IGR collection to reduce over-dependence on external grants and federally collected revenues.
- It is also recommended that MTEF should be undertaken within the stipulated time and approve in good time to give the sectors ample time to prepare the MTSS before budget process commences. These important milestones should be guided by the Generic Budget Calendar.

Annex 1 Detailed Capital Receipts

Table 18: Capital Receipts by Item – 2026-2028

ITEM	2026	2027	2028
Internal Grants			
Local Government grants and Reimbursement - 60% PHCD Staff Cost	4,340,000,000	4,687,200,000	4,921,600,000
Local Government Primary Education Funding (SUBEB-LEA Staff Cost)	38,798,000,000	40,738,000,000	42,775,000,000
Basic Healthcare Provision Fund Receipts	1,285,000,000	1,685,000,000	1,685,000,000
Federal Grants for Universal Basic Education	6,800,000,000	7,000,000,000	7,500,000,000
Federal Tertiary Education Grants (SLU)	5,000,000,000	5,650,000,000	6,780,000,000
Federal Tertiary Education Grants (COE)	4,000,000,000	4,500,000,000	5,000,000,000
Federal Tertiary Education Grants (JIGPOLY)	4,000,000,000	4,500,000,000	5,000,000,000
Federal Government SDG Grants	250,000,000	250,000,000	250,000,000
Local Government Contributions for Basic Healthcare	122,000,000	122,000,000	122,000,000
Local Government Grant and Reimbursement Capital Receipts for the Imple	226,000,000	226,000,000	226,000,000
Local Government Grant and Reimbursement Recurrent Receipts for the Im	113,000,000	113,000,000	113,000,000
Local Government Grant and Reimbursement Recurrent Receipts for the Imp	50,000,000	56,000,000	60,000,000
Grants & Re-imbursement from Local Government - LG recurrent expenditu	580,000,000	590,000,000	588,000,000
Grants & Re-imbursement from Local Government - LG capital expenditure f	200,000,000	220,000,000	220,000,000
Grants & Re-imbursement from Local Government - LG recurrent expenditur	1,460,000,000	1,470,000,000	1,416,000,000
Grants & Re-imbursement from Local Government - LG capital expenditure f	100,000,000	150,000,000	200,000,000
Grants & Re-imbursement from Local Government - LG recurrent expenditur	780,000,000	810,000,000	808,000,000
Grants & Re-imbursement from Local Government - LG Capital Contribution	3,000,000,000	3,000,000,000	3,000,000,000
Grants & Re-imbursement from Local Government for Capital Projects- LG c	10,000,000,000	6,480,000,000	6,480,000,000
Grants & Re-imbursement from Local Government - Street Light Fueling) for	3,000,000,000	3,800,000,000	4,000,000,000
Grants & Re-imbursement from Local Government - Street Light Maintenanc	1,500,000,000	2,000,000,000	2,500,000,000
Grants & Re-imbursement from Local Government - Water generator mainte	4,834,700,000	4,923,300,000	4,960,400,000
Grants & Re-imbursement from Local Government - Security Support	366,972,000	366,972,000	366,972,000
Grants & Re-imbursement Receipts to Sule Lamido University for Capital Proj	2,745,300,000	3,139,000,000	3,527,855,000
Grants & Re-imbursement Recurrent Receipts from Local Government Suppo	3,697,330,000	3,847,780,000	3,982,571,000
Grants & Re-imbursement Recurrent Receipts from Local Government Suppo	987,650,000	992,000,000	1,042,000,000
Federal Government Grants & Reimbursements - Need Assessment Program	300,000,000	300,000,000	300,000,000
Grants & Re-imbursement Recurrent Receipts from Local Government Supp	264,000,000	264,000,000	264,000,000
Federal Govt / World Bank HOPE Expected Grants	2,250,000,000	2,250,000,000	2,250,000,000
COVID-19 Emergency Preparedness Response Health Grants			
APPEALS Project Grants			
Federal Grants Water Projects			
Fed. Govt. Grant on COVID-19 Accelerated Responsive State Prog (CARES)			
Other Capital Grants (Sanitation Marketing)			
Sub-Total Recurrent External Grants	60,034,002,000	63,910,252,000	66,995,543,000
Sub-Total Capital External Grants	41,015,950,000	40,220,000,000	43,342,855,000
Sub-Total Internal Grant	101,049,952,000	104,130,252,000	110,338,398,000
External Grants			
UNICEF Primary Healthcare Grants to Support Immunization Activities	600,000,000	700,000,000	600,000,000
Sasakawa Global 2000 Aids for Agricultural Development	28,000,000	28,000,000	28,000,000
Global Alliance for Vaccine and Immunization (GAVI) Fund Grants to Procure	500,000,000	500,000,000	500,000,000
WHO Primary Healthcare Grants to Support Primary Healthcare Infrastructure	800,000,000	800,000,000	800,000,000
Islamic Development Bank Loan to Support SMART Education in Jigawa State	12,500,000,000	12,500,000,000	12,500,000,000
World Bank Nigeria for Women Project			
African Development Bank Grants for Agricultural developemnt in the State			
European Union Water Supply and Sanitation Grants			
World Bank APPEALS Project Grants			
Global Education Grants (World Bank - BESDA Project)			
World Bank Agro Climate Resilience in Semi Arid Land Programme (ACRISAL)			
Sub-Total Recurrent External Grants	0	0	0
Sub-Total Capital External Grants	14,428,000,000	14,528,000,000	14,428,000,000
Sub-Total External Grant	14,428,000,000	14,528,000,000	14,428,000,000
Grant Balancing Item / Blue Sky (Capital)			
Total Recurrent Grants	60,034,002,000	63,910,252,000	66,995,543,000
Total Capital Grants	55,443,950,000	54,748,000,000	57,770,855,000
Total Grants	115,477,952,000	118,658,252,000	124,766,398,000

ITEM	2026	2027	2028
Internal Loans			
Total	0	0	0
External Loans			
International Fund for Agricultural Development (IFAD) Loans to Support IFAD	1,600,000,000		
World Bank State Action on Business Enabling Reforms (SABER) Programme for	7,250,000,000	6,250,000,000	6,250,000,000
World Bank - Nigeria Human Capital Opportunities for Prosperity and Equity (I	10,000,000,000	5,000,000,000	5,000,000,000
International Loans/ Borrowings from (SUKUK) for Critical Infrastructure Projects			
Islamic Development Bank Loan to Support SMART Education in Jigawa State	12,500,000,000	12,500,000,000	
World Bank Nigeria for Women Project Loan	4,500,000,000	4,500,000,000	4,500,000,000
World Bank Loan for Adolescent Girls Initiative for Learning & Empowerment	7,500,000,000	8,000,000,000	7,000,000,000
World Bank Loan for Agro-Climate Resilience in Semi-Arid Landscape (ACReS	10,000,000,000	5,000,000,000	
World Bank Loan for Rural Access and Mobility Project (RAMP)	2,000,000,000	3,000,000,000	3,000,000,000
World Bank Facility Loan for Environmental and Climate Change Action Plan	2,300,000,000		
UNICEF Primary Healthcare Grants			
Sasakawa Global 2000 Aids for Agricultural Development			
Global Alliance for Vaccine (GAVI) Fund Grants			
African Development Bank Grants for Agricultural developemnt in the State			
Arab Bank for Economic Development in Africa (BADEA) Loan to Support Agricultural Productivity and Empowerment			
World Bank Loan for the Support of Development of Primary Healthcare Canters (PHCs) under Immunization Plus & Malaria Proqramme by Accel			
Islamic Development Bank Loan for Agricultural Development			
International Loans/ Borrowings from World Bank / IDA to Finance Jigawa State New Irrigation Scheme			
Total	57,650,000,000	44,250,000,000	25,750,000,000
Loan Balancing Item / Blue Sky			
Total Loans	57,650,000,000	44,250,000,000	25,750,000,000
Other Capital Receipts			
Commercial Bank Loans	26,273,000,000	15,698,000,000	37,915,000,000
Total	26,273,000,000	15,698,000,000	37,915,000,000
OCR Balancing Item / Blue Sky			
Total Other Capital Receipts	26,273,000,000	15,698,000,000	37,915,000,000
Non-Discretionary Capital Expenditure by Sector	2026	2027	2028
Total	104,677,952,000	111,378,252,000	117,486,398,000
Road Development	0	0	0
Agriculture	28,000,000	28,000,000	28,000,000
Commerce & Industry	0	0	0
Power & Energy	1,500,000,000	2,000,000,000	2,500,000,000
Economic Empowerment	0	0	0
Education	44,370,280,000	47,115,980,000	50,554,026,000
Health	44,194,000,000	46,640,000,000	48,581,000,000
Women & Soc. Devpt	264,000,000	264,000,000	264,000,000
Information, Culture & Sports	0	0	0
Environment	0	0	0
Water Supply	4,834,700,000	4,923,300,000	4,960,400,000
Urban & Regional Devpt	0	0	0
General Administration	9,486,972,000	10,406,972,000	10,598,972,000
Law & Justice	0	0	0