



Zamfara State's 2023 Budget Performance Report

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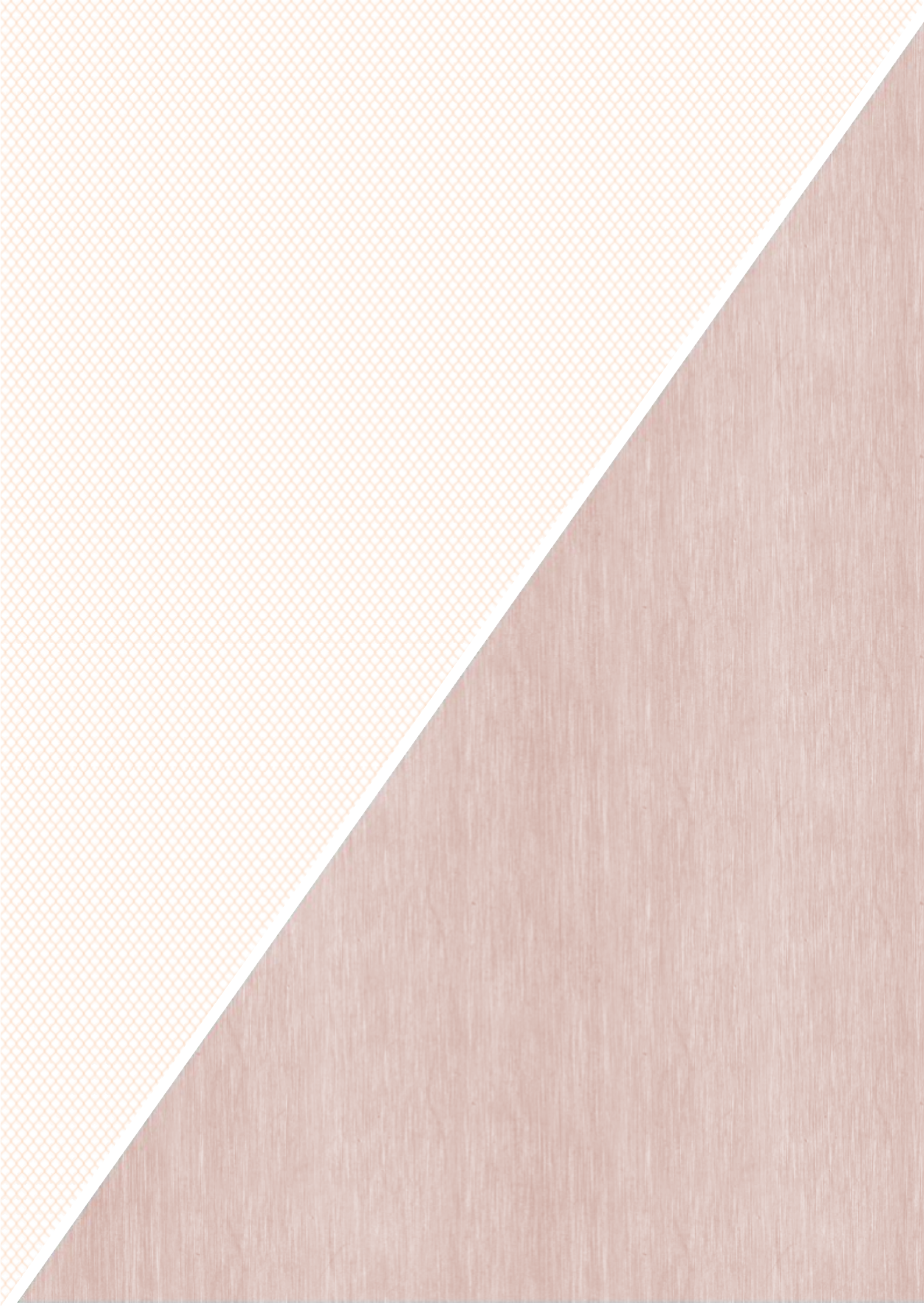


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Introduction

This report produced by the Arewa Research and Development Project (ARDP) in collaboration with ZamTracka, a civic technology initiative, presents a graphic analysis of Zamfara State's 2023 budget performance, offering a detailed review of the state's fiscal policies and financial management throughout the year.

It aims to assess how effectively the budget was utilized and whether it met its socio-economic and development objectives. By analyzing the structure and execution of the budget, this report provides insights into how well Zamfara State managed its resources and prioritized expenditures to improve the lives of its citizens.

The key goal of this analysis is to critically examine Zamfara State's fiscal policies and their impact on economic and social development. A government budget allocates resources to vital sectors such as infrastructure, healthcare, education, and security.

Understanding how these allocations were executed is essential for evaluating the success of the state's fiscal policies and their contribution to the long-term well-being of its population.

This report aims to inform policymakers, government officials, civil society organizations, and development partners about the successes and challenges in implementing the 2023 budget. The findings are intended to guide future fiscal policies, improve institutional reforms, and enhance the transparency and accountability of public financial management.

By identifying effective budget management areas and those in need of improvement, the report offers a roadmap for optimizing future budgetary practices in Zamfara State.

The report's structure systematically explores the key aspects of budget performance. It starts with an overview of the budget's purpose, including an

evaluation of its alignment with the state's socio-economic goals. This section assesses critical issues such as revenue generation, debt management, and expenditure control, setting the stage for a deeper dive into the budget's components.

Two broad categories of expenditures—capital and recurrent—are analysed. Capital expenditure focuses on long-term investments in infrastructure, education, and healthcare, while recurrent expenditure covers daily operational costs like salaries and services. The analysis assesses whether these expenditures were strategic and efficient, ensuring fiscal discipline and the effective delivery of services.

The report also scrutinizes Zamfara State's debt portfolio, examining both domestic and external borrowing. Understanding the sustainability of the state's debt levels relative to its revenue generation capacity is crucial for assessing its long-term financial health and avoiding excessive debt

burdens. Key observations from the analysis highlight successes and areas needing improvement, such as efficient project management or challenges in revenue collection. The report concludes with actionable recommendations for enhancing fiscal discipline, revenue generation, and expenditure efficiency while promoting institutional reforms to strengthen public financial management.

Accompanying the report are data charts that visually represent key budget metrics, making the analysis clearer and more accessible to stakeholders. Overall, this report serves as a valuable resource for understanding Zamfara State's fiscal performance and informing future policy decisions.

01

The 2023 budget's framework



Fiscal framework

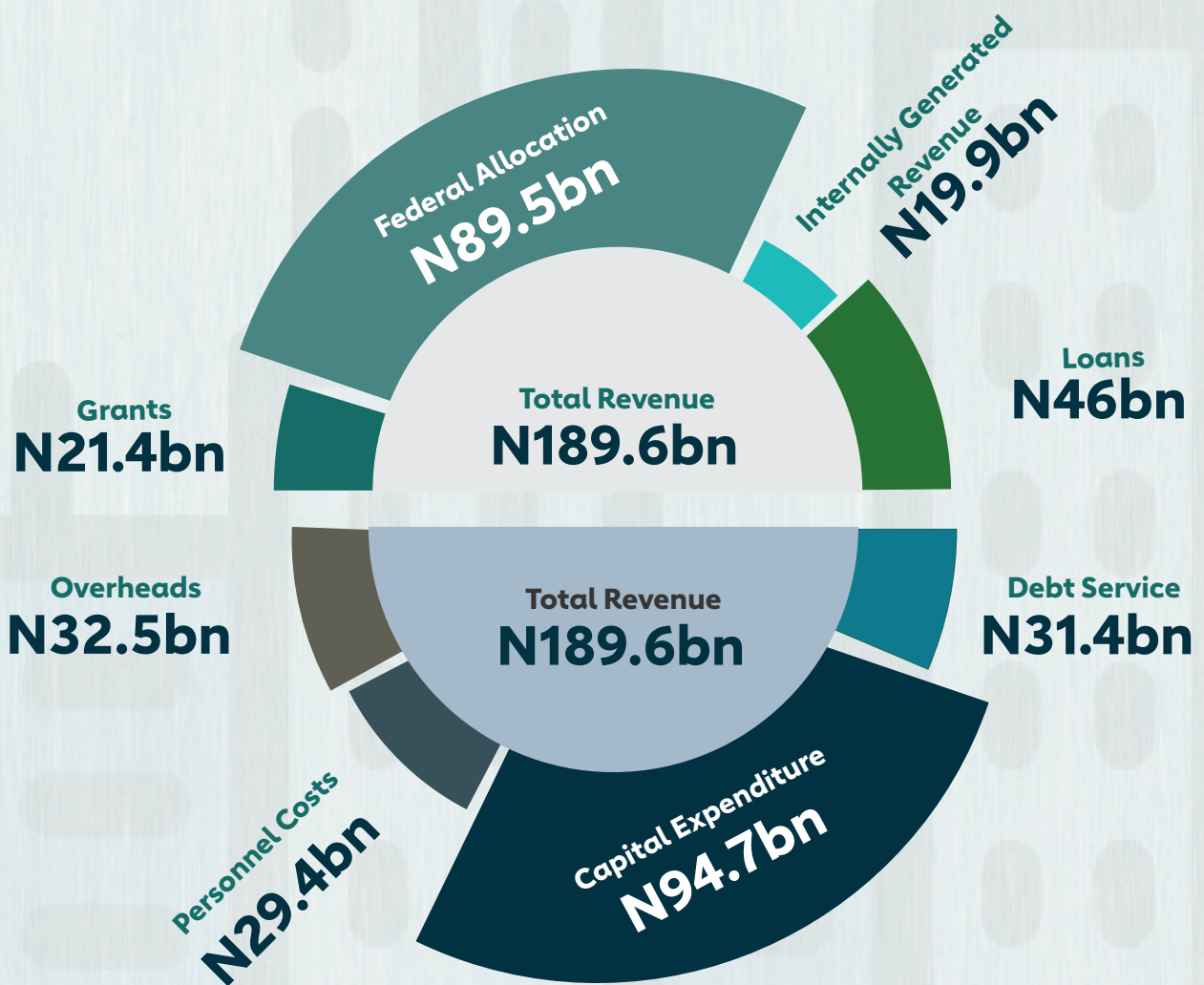


Figure 1
Fiscal framework

Revenue Performance

The 2023 budget was based on a total approved estimate of N189.6 billion. This projection included N123.2 billion from recurrent revenue sources and N66.4 billion from capital development receipts.

Overall, the 2023 budget size indicates a year-on-year increase of 42.3% compared to 2022. Actual revenue performance for the 2023 fiscal year reached N158.1 billion, reflecting a performance rate of 83.4%. Oil revenues and the state's share of value-added tax from the federal government constituted the primary sources of revenue. Despite achieving a performance rate of 72.9%, these sources accounted for 41% of the total revenue in 2023. Internally Generated Revenue (IGR) for the year stood at N22.2 billion, marking the highest amount ever collected internally.

This figure represents a 111.6% performance relative to the approved estimate of N19.9 billion. The Grant-in-Aid component also performed well, with an actual-to-estimate ratio of 117.9%. Other federal government revenues made significant contributions to the 2023 revenue pool.

These included the state's share from the Excess Crude Account, exchange gains, ecological funds, and other non-oil revenues, among others. However,

loans performed at 29%, indicating a decline in borrowing compared to the 35% performance recorded in 2022. When compared to the total revenue of N134.2 billion accrued in the previous year, the 2023 figures represent a year-on-year increase of 17.8%. A detailed analysis of the revenue components reveals that this increase can be primarily attributed to improvements in internally generated revenue, Grant-in-Aid, and other federal revenues.

Over recent years, there have been renewed efforts to boost local revenue generation to reduce over-dependence on external sources and improve fiscal sustainability ratings. After a significant improvement in 2021, there was a 49.6% year-on-year decline in 2022. However, 2023 saw a substantial year-on-year increase of 241.5%, driven mainly by a 144% rise in PAYE (Pay-As-You-Earn) collections. Other notable revenue components showing considerable growth include direct assessments, road taxes, and MDA revenues.

This improvement resulted in internally generated revenue accounting for 14% of the total revenue in 2023, up from just 4.8% in the preceding year.

Revenue



Total Revenue

N158.1bn

N65.3bn

Federal Allocation

N13.1bn

Loans

N22.2bn

Internally Generated
Revenue

N24.4bn

Grants in Aid

N33.1bn
Other federal
Revenues

Figure 2

Revenue collection breakdown



Breakdown Revenue by category

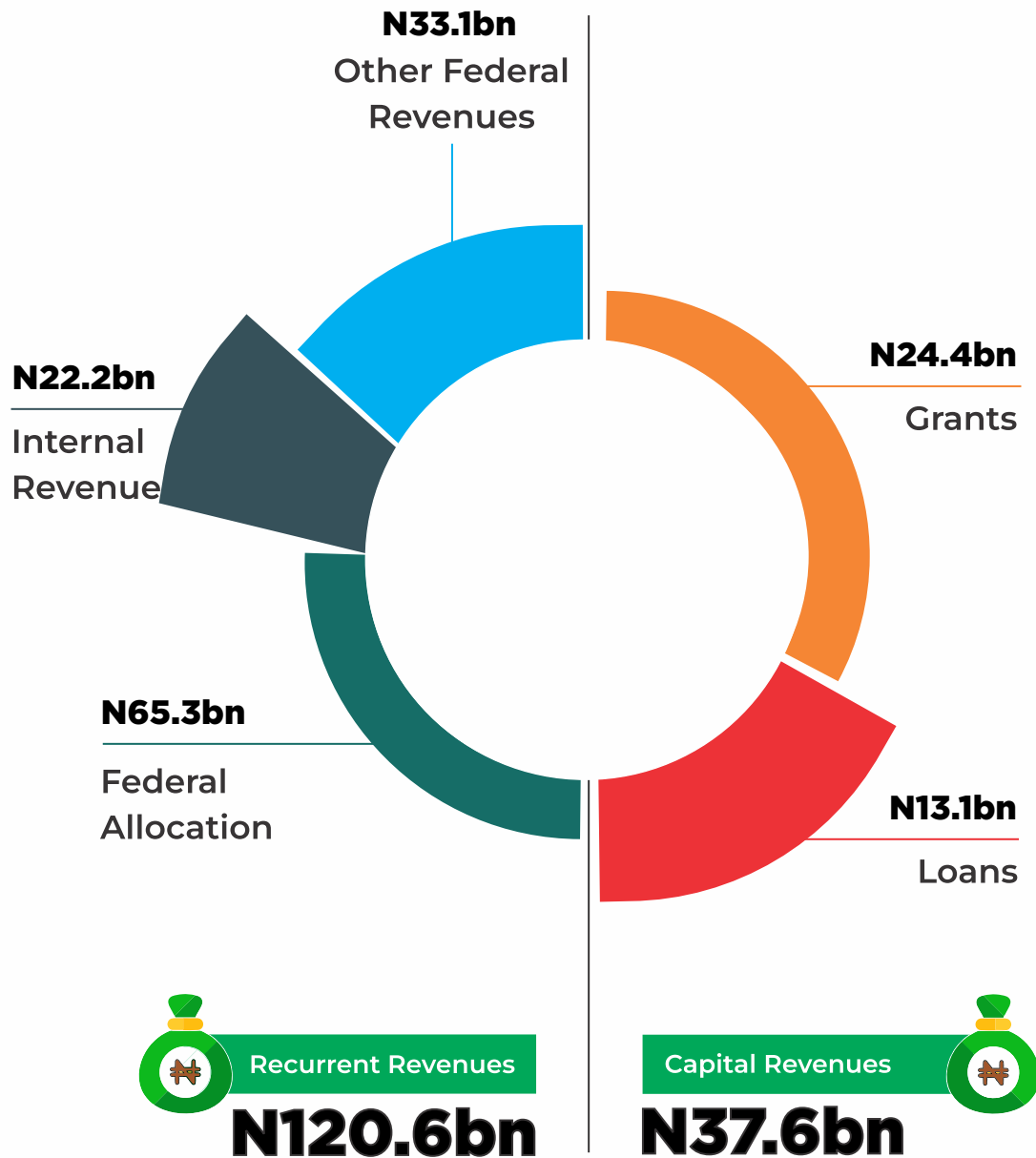


Figure 3
Revenue breakdown by category



Breakdown Revenue Performance

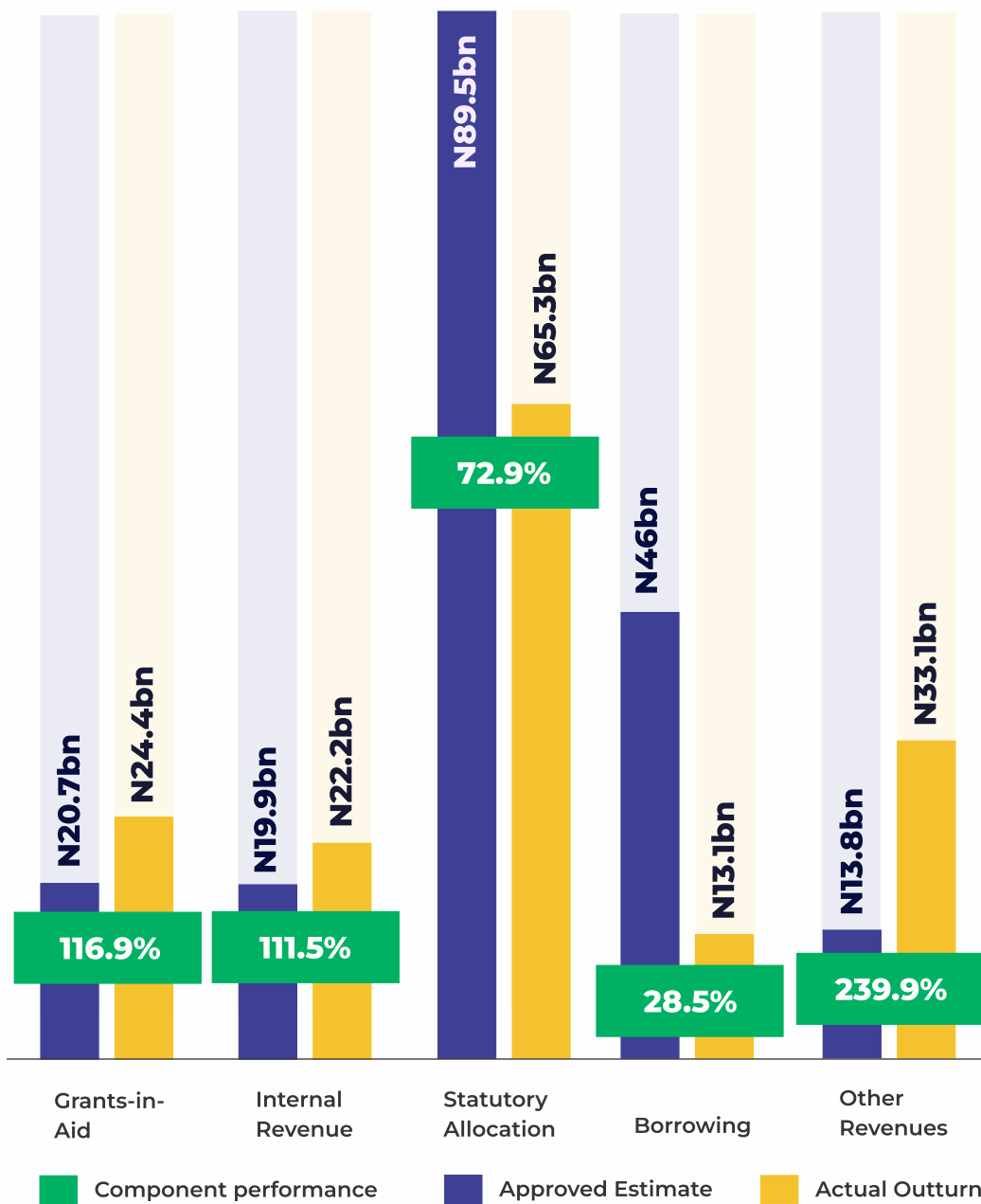


Figure 4
Revenue Performance



Year-on-Year Revenue Component Performance rate

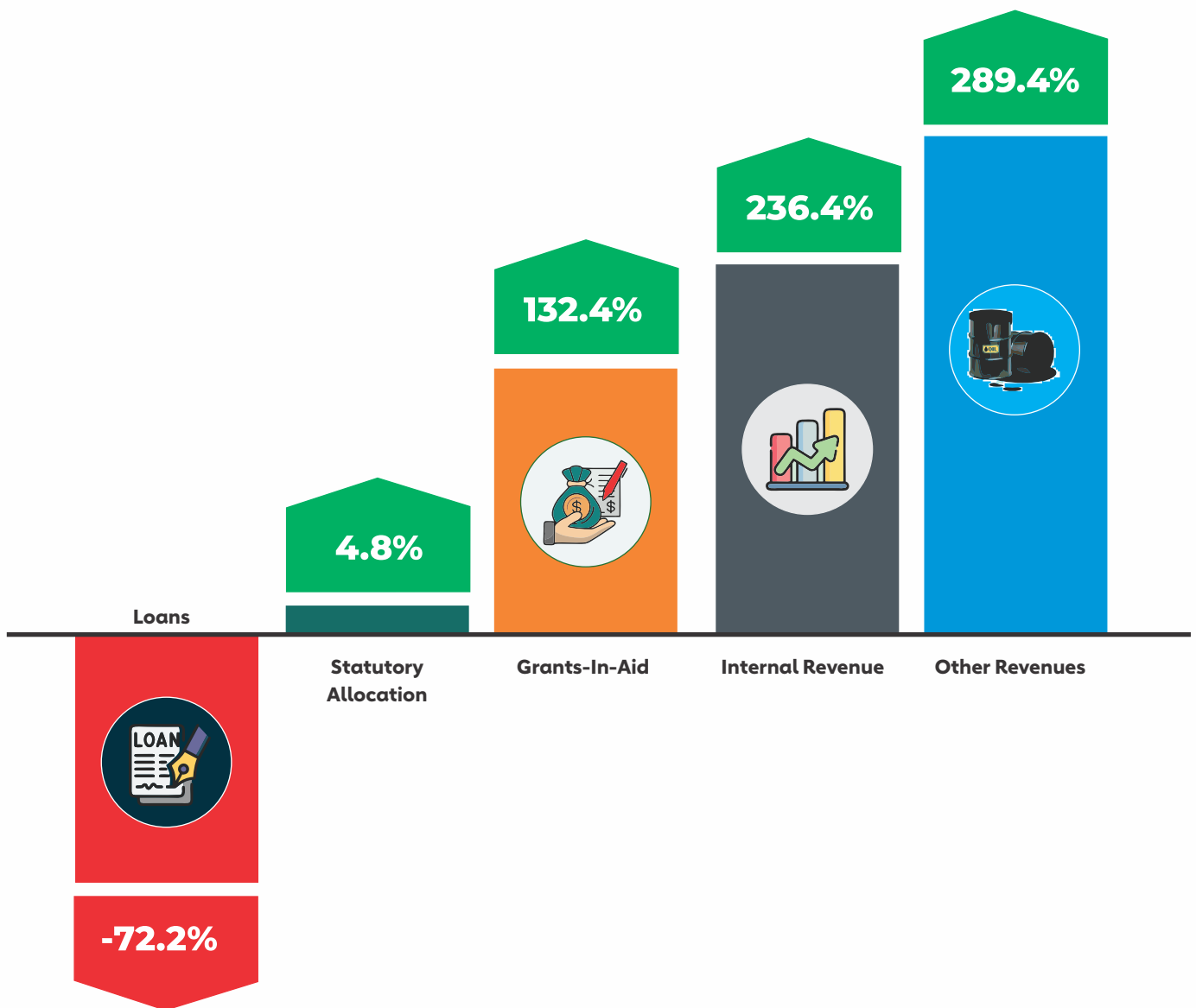


Figure 5

Year on year revenue performance

A large construction crane is shown against a clear blue sky. The crane's lattice structure is visible, extending from the bottom towards the top right. The number '02' is prominently displayed in the upper left quadrant, with the '0' as a white outline and the '2' as a solid white block.

02

Expenditures



Expenditure Performance

The overall estimated expenditure for 2023 was N189.6 billion, marking the largest approved budget size to date and reflecting a year-on-year increase of 41.5%. A closer examination of the breakdown reveals a balanced allocation between capital and recurrent expenditures, with N94.7 billion allotted to each component.

The actual expenditure performance amounted to N119 billion, which is 62.8% of the approved estimate. Capital expenditure achieved a performance rate of 38.9%, totaling N36.8 billion—significantly below the approved estimate.

In contrast, the recurrent expenditure component performed better, reaching 86.8%. Recurrent expenses, which stood at N82.2 billion, accounted for 69.1% of the total amount spent in 2023, while the capital expenditure component comprised 30.9% of total spending, reflecting a 19.5% year-on-year increase. This disparity between the recurrent and capital components has been a consistent trend in the state's expenditure patterns.

Addressing this imbalance is crucial if the state aims to bridge its infrastructure deficit and alleviate the entrenched multidimensional poverty that affects its economy. Personnel costs amounted to N33.8 billion,

making up 41.1% of total recurrent expenditure for the year. This figure indicates a year-on-year increase of 28%, driven primarily by the state government's implementation of the national minimum wage.

The annual debt service component, which had reached unsustainable levels in 2022—where over 45% of total state revenue was devoted to debt repayment—experienced a notable improvement. In 2023, there was a year-on-year decline of 43.4%, with only N26.1 billion spent on debt servicing.

Expenditure Performance



Total Expenditure
N119bn

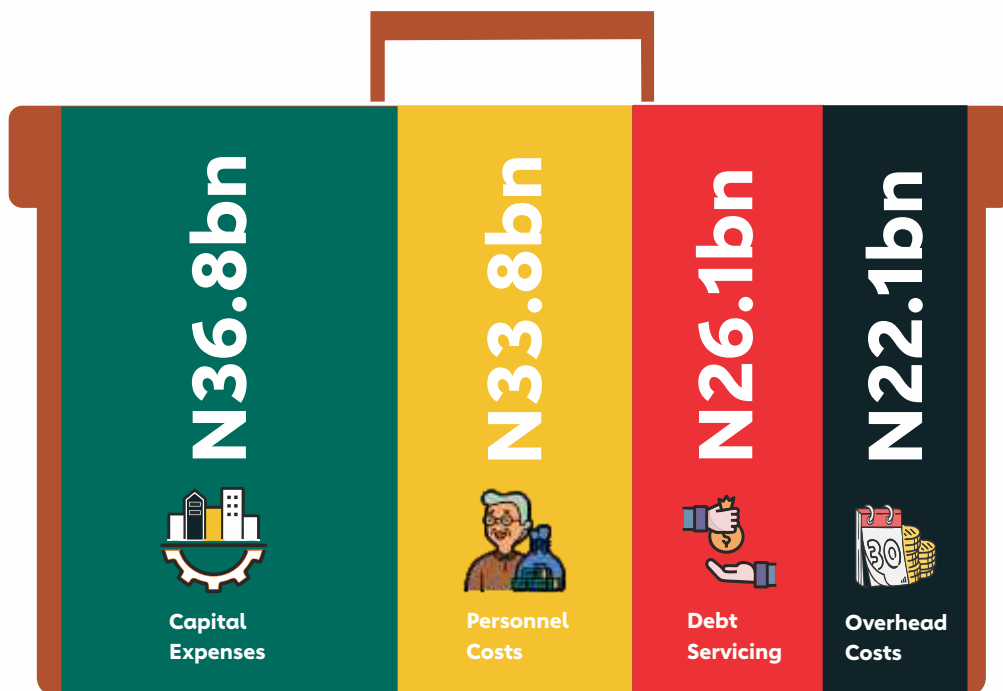


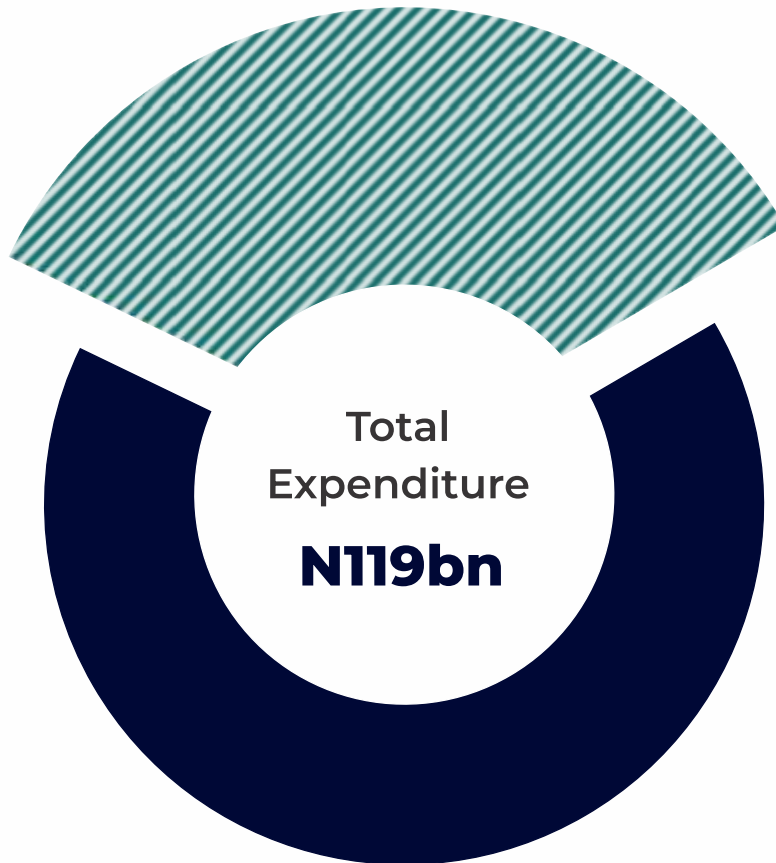
Figure 6
Expenditure Breakdown



Breakdown Expenditure

Capital Expenditure

N36.8bn



Recurrent Expenditure

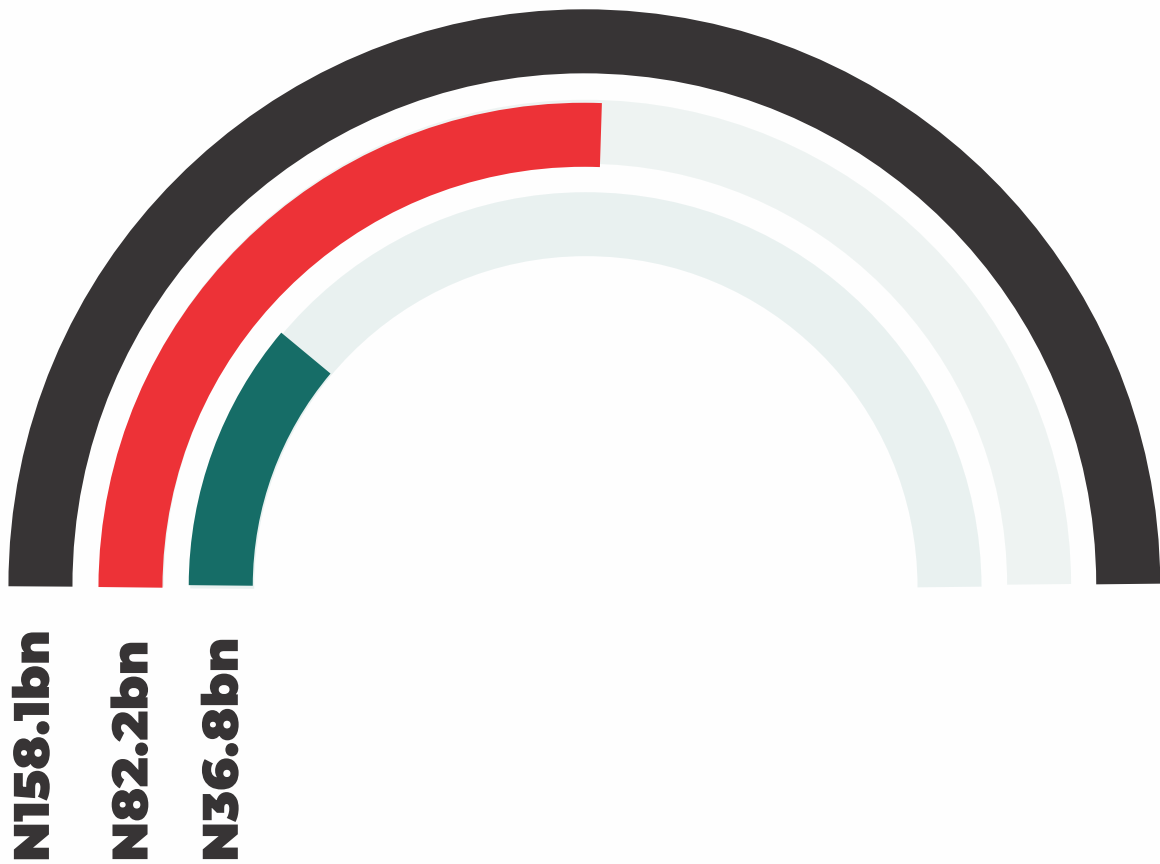
N82.2bn

Figure 7

Expenditure by category



Revenue-Expenditure Breakdown



Total Revenue accrued for the year 2023



Total Recurrent Expenditure made including debt service



Total Capital Expenditure made in 2023

Figure 8

Radial chart showing expenditures against revenue



Breakdown Expenditure Performance

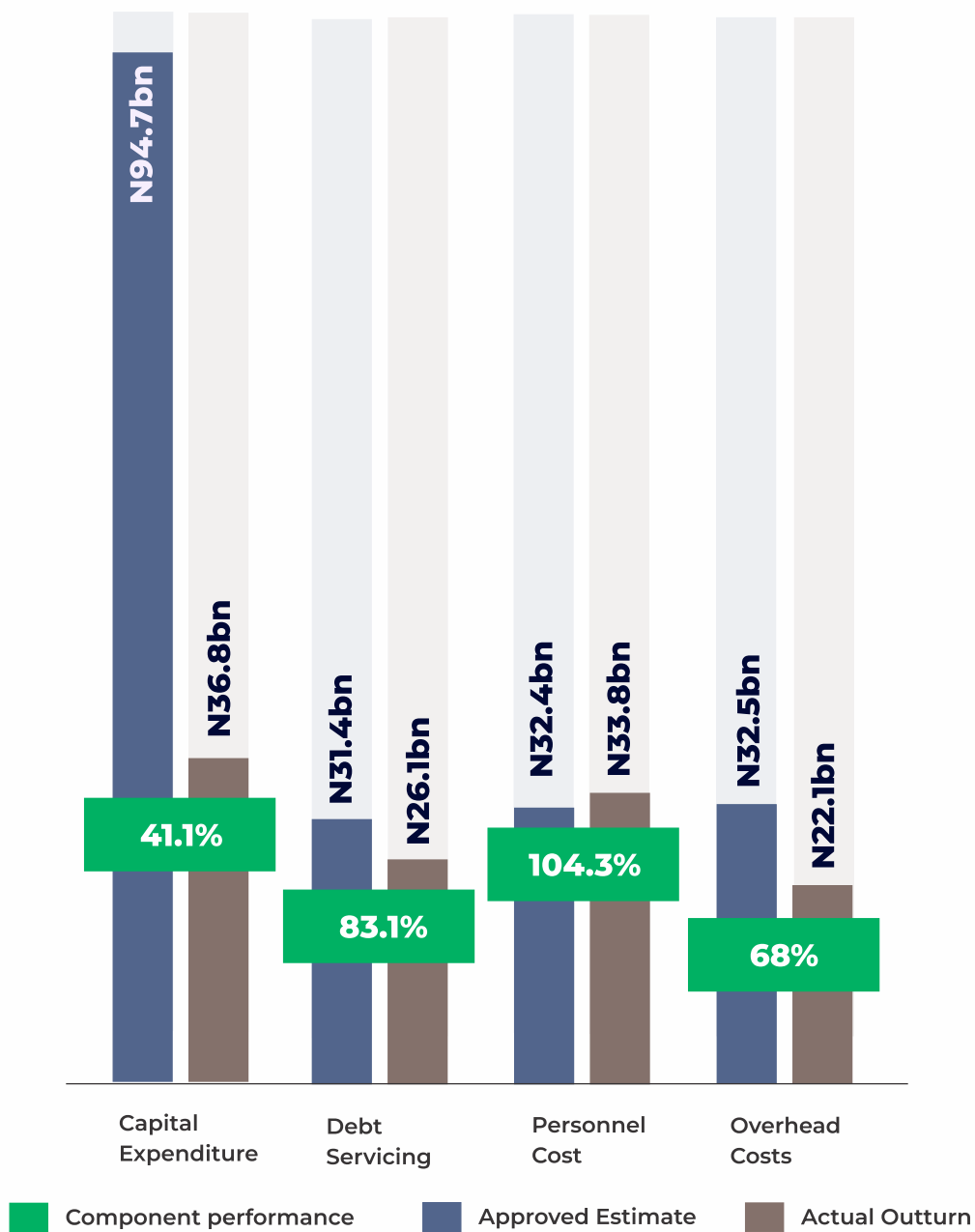


Figure 9

Expenditure performance against approved estimates



Year-on-Year Expenditure Performance

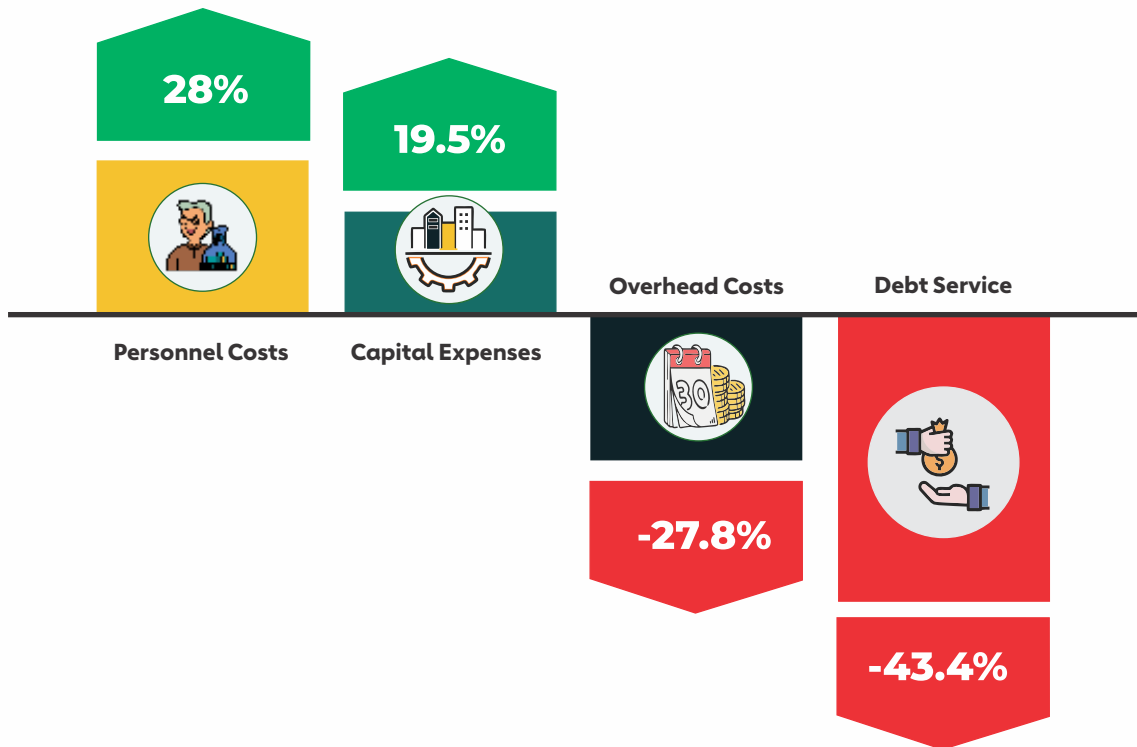


Figure 10

Year on year expenditure performance by component

03

Capital Expenditures





Capital Expenditure Performance

The capital budget funds government capital expenses, which include key infrastructure projects such as the construction of schools, bridges, and roads, among others. The capital budget's allocation and expenditure are crucial as their performance directly affects societal development. Ideally, the capital budget should receive a larger share of the total fiscal budget due to its significant impact.

In Zamfara state, the capital budget is financed by three sub-components: Capital Development Funds (comprising loans from local and foreign banks), Grants and Aids, and Transfers from the Recurrent Revenue Account as revenue augmentation.

However, in 2023, capital expenditure amounted to N36.8 billion, achieving only 38.9% of its approved estimate, which is below average. Overall, capital expenditure represented just 30.9% of the total expenditures for the year. The persistent gap between the recurrent and capital components has been a recurring pattern in the state's expenditure trends, indicating the need for rebalancing.

Addressing this issue is critical for closing the infrastructural deficit and alleviating multidimensional poverty in the state. Capital expenditures are traditionally distributed across four

main sectors, under which all MDAs (Ministries, Departments, and Agencies) fall: the Administrative, Economic, Social, and Judicial sectors.

In 2023, the Administrative sector emerged as the largest spender, with an annual expenditure of N10.6 billion, which, despite its size, still represents only 51.5% of the total budgeted for the sector. The Economic sector saw a 30.5% year-on-year decline, with expenditures dropping from N13.1 billion in the previous year to N9.1 billion in 2023.

This resulted in a performance rate of just 17.5%, far below the substantial investments required to combat poverty in the state. Similarly, the Social sector achieved a performance rate of 18.2% in 2023. Like the Economic sector, the Social sector also experienced a significant decline, dropping by 56.6% year-on-year, with expenditures decreasing from N8.7 billion in 2022 to N3.8 billion in 2023.



Breakdown Capital Expenditure by Sector

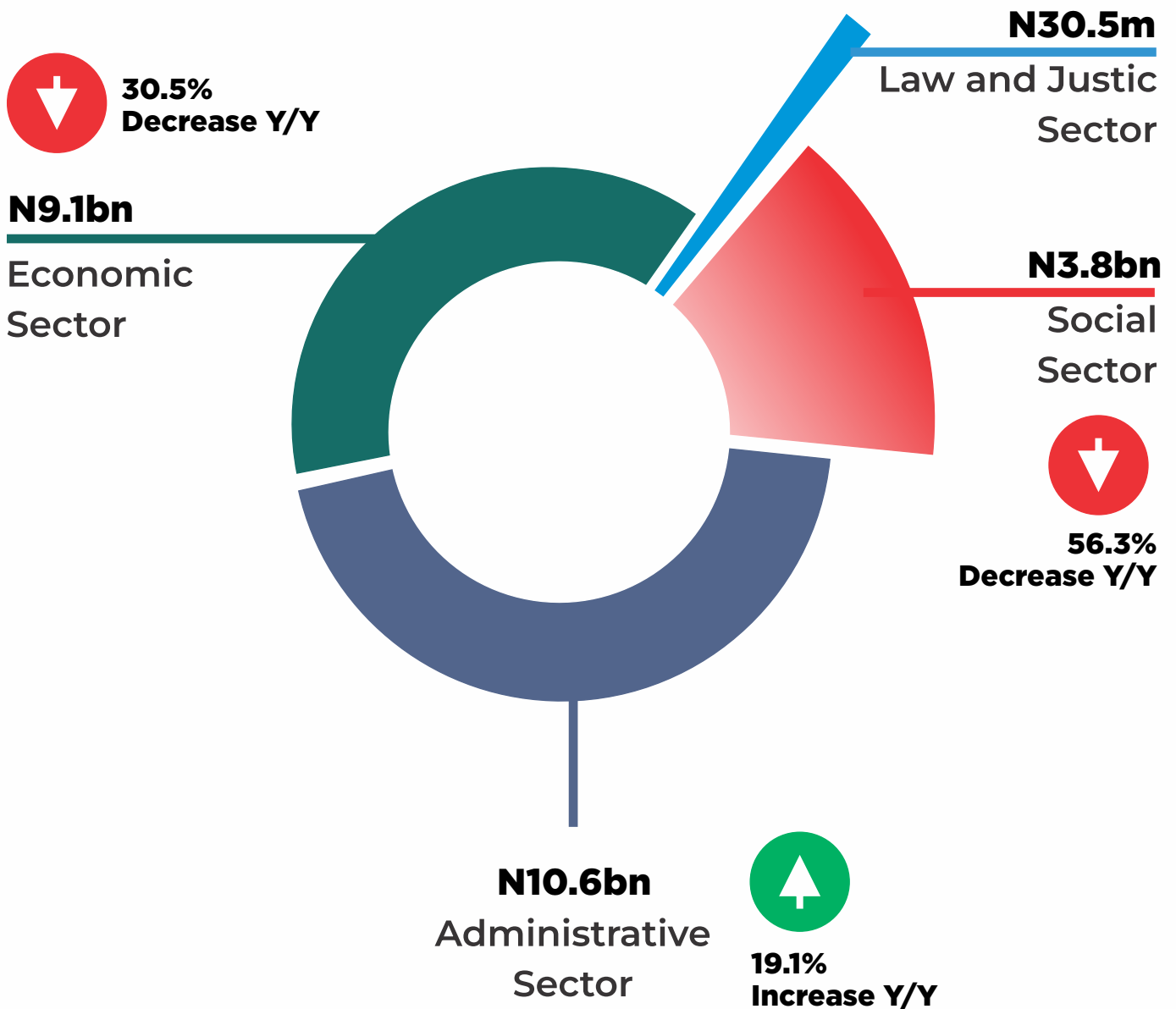


Figure 11

Capital expenditure performance by sector



Breakdown MDAs with the highest Capital Expenditure

	Amount
Office of the Secretary to the state Government	N7.9bn
Ministry of Works & Transport	N7.2bn
Government House	N2.2bn
Ministry of Health	N1.6bn
Ministry of Education	N1.5bn
Ministry of Commerce, Industry & Tourism	N1.1bn
Ministry of Youth Empowerment	N311m
Ministry of Budget and Planning	N299m
Ministry of Agriculture & Natural Resources	N296m
Ministry of Information	N287m
Ministry of Environment	N184m
Ministry of Housing and Urban Development	N138m

Figure 12
Capital expenditure by MDAs

The background of the slide is a photograph of a construction crane against a clear blue sky. The crane's lattice structure is visible, extending from the bottom center towards the top right. A person is standing on a platform of the crane, providing a sense of scale. The overall color palette is dominated by the blue of the sky and the grey of the crane.

04

Recurrent Expenditures



Recurrent Expenditure Performance

Recurrent expenditure encompasses the regular, ongoing expenses such as the payment of salaries, overhead costs, and debt servicing, which constitute the major sub-components of the recurrent budget. In 2023, the approved budget for recurrent expenditure, inclusive of debt servicing, was set at N98.9 billion.

Out of this allocated amount, a total of N82.2 billion was spent, indicating a component budget performance rate of 86.6%. In comparison, during the previous year, total spending on recurrent components amounted to N103.1 billion. This comparison reveals a significant year-on-year decline of 20.3% in 2023. Our analysis suggests that this decrease primarily stems from the 43.4% reduction in the cost of debt servicing, which dropped from N46.1 billion in 2022 to N26.1 billion in 2023.

Additionally, overhead costs saw a reduction, decreasing from N30.6 billion in 2022 to N22.1 billion in 2023, contributing to the overall decline in recurrent expenditure. Personnel costs, which represent a substantial portion of recurrent expenses, amounted to N33.8 billion in 2023. This category accounted for 41.1% of the total recurrent expenditure for the year. Notably, this figure reflects a 28% year-on-year increase in personnel expenses, primarily due to the state

government's implementation of the national minimum wage policy. This policy adjustment had a considerable impact on the overall personnel expenditure, reflecting the government's commitment to improving staff remuneration.

Debt servicing, a key obligation within the recurrent budget, has historically been a significant financial burden for the state. In 2022, debt repayment costs reached unsustainable levels, consuming over 45% of the state's total revenue. This substantial allocation to debt servicing posed challenges to fiscal flexibility and sustainability.

However, in 2023, there was a notable reduction in this expenditure, with a year-on-year decline of 43.4%, reducing the debt servicing costs to N26.1 billion. This decrease indicates a strategic shift towards reducing the debt burden and improving the state's fiscal health. Overall, the adjustments in debt servicing and overhead costs demonstrate a deliberate effort to manage expenditures more effectively, ensuring that critical spending areas like personnel costs are adequately funded while controlling costs in other areas. However, this shift also highlights the importance of maintaining a balance between recurrent and capital expenditures to promote sustainable development and economic growth.



Breakdown Recurrent Expenditure by components

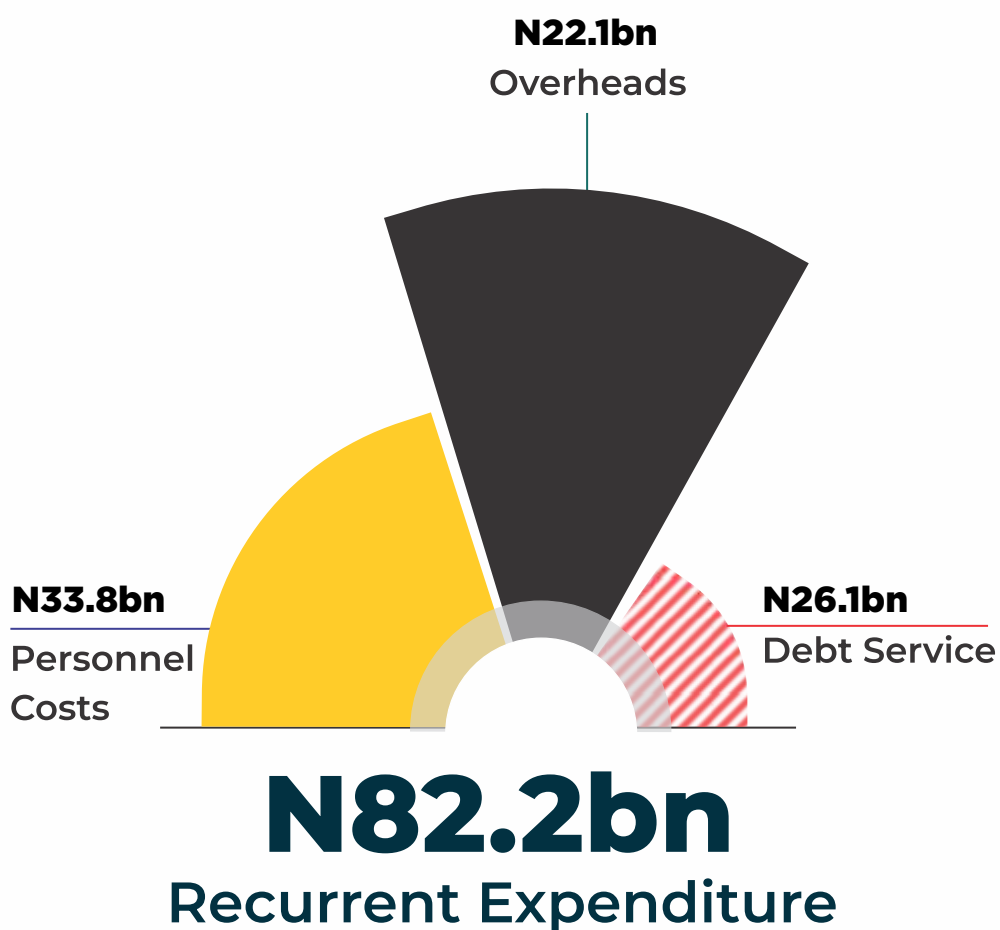


Figure 13

Breakdown of recurrent expenditure



Breakdown MDAs with the highest Overhead Expenditure

	Amount
Office of the Executive Governor	N3.9bn
Ministry of Finance	N2.2bn
Cabinet Affairs	N2.1bn
Ministry of Health	N1.6bn
Office of the Secretary to the Government	N1bn
Government House	N918m
The Judiciary	N851m
Ministry of Security & Home Affairs	N808m
Zamfara House of Assembly	N785m
Office of the Deputy Governor	N451m
Ministry of Water Resources	N430m
Ministry of Health	N267m

Figure 14
Overhead expenditure by MDAs

05

Debt Analysis



Debt Profile

Zamfara state's debt stock has seen a significant rise over recent years, increasing from N59.9 billion as of December 2018 to N99.9 billion by the end of 2021, excluding the external debt stock. The key reasons behind this growing debt burden are persistent fiscal deficits due to revenue shortfalls and the adoption of expansionary fiscal policies.

The steady growth in the state's debt stock can be traced back to 2015, when the government at the time began accumulating debt to finance major capital expansion projects. Between 2011 and 2013, the state's domestic debt stock rose from N12.9 million in 2011 to N28.2 million in 2013. During the same period, external debt also experienced a steady rise, increasing by 22.8% from \$26.3 million in 2011 to \$32.3 million in 2013. It is evident that since 2011, Zamfara state's external debt stock was significantly larger than its domestic debt stock.

However, the domestic debt portfolio saw a dramatic rise beyond the billion-naira mark for the first time in 2014, when the debt stock surged to N11.1 billion by the end of December, reflecting a year-on-year increase of 3,864% from 2013. Meanwhile, the external debt stock also recorded a year-on-year increase of 9.9%, reaching \$35.3 million by the end of 2014. The

persistent increase in the state's debt stock, particularly the domestic debt, has been attributed to several issues. Chief among these is the heavy reliance on loans to finance capital projects.

Additionally, the state's limited revenue base has compounded this issue, as efforts to diversify and enhance revenues have been insufficient. The state remains heavily dependent on statutory allocations, which has hindered its ability to generate alternative revenue streams for capital expenditures. This situation has been exacerbated by poor investment choices, driven by unrealistic and poorly substantiated economic policies, which have yielded minimal returns and thus perpetuated the need for further borrowing.

As of 2023, Zamfara state's cumulative debt stock stands at N117.6 billion. A significant portion of this debt is domestic, with domestic loans accounting for 77.7% and foreign loans making up 22.3%. Notably, the external debt stock experienced a substantial year-on-year increase of 102.3%, rising from N12.9 billion in 2022 to N26.1 billion in 2023. In contrast, domestic debt stock saw a slight decline of 2.9%, decreasing from N94.1 billion in the previous year to N91.4 billion in 2023. This growing debt trend

highlights the need for strategic fiscal reforms and the diversification of revenue sources to reduce the state's reliance on borrowing, especially for capital project financing. Without these changes, the state risks perpetuating its debt dependency and hindering its long-term economic development.



Breakdown Debt Profile

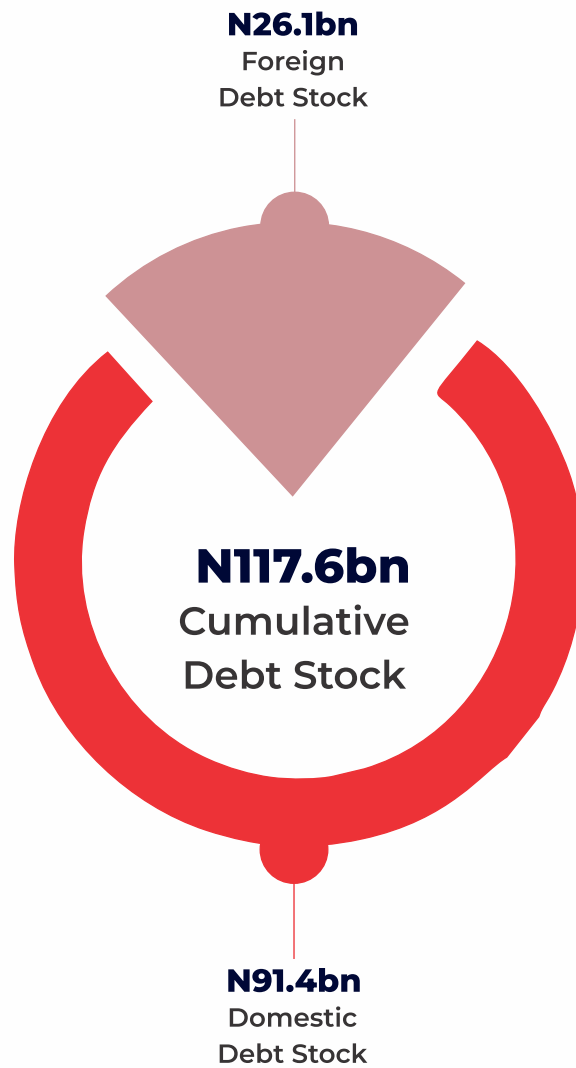


Figure 14
Debt stock profile



Breakdown Debt Profile

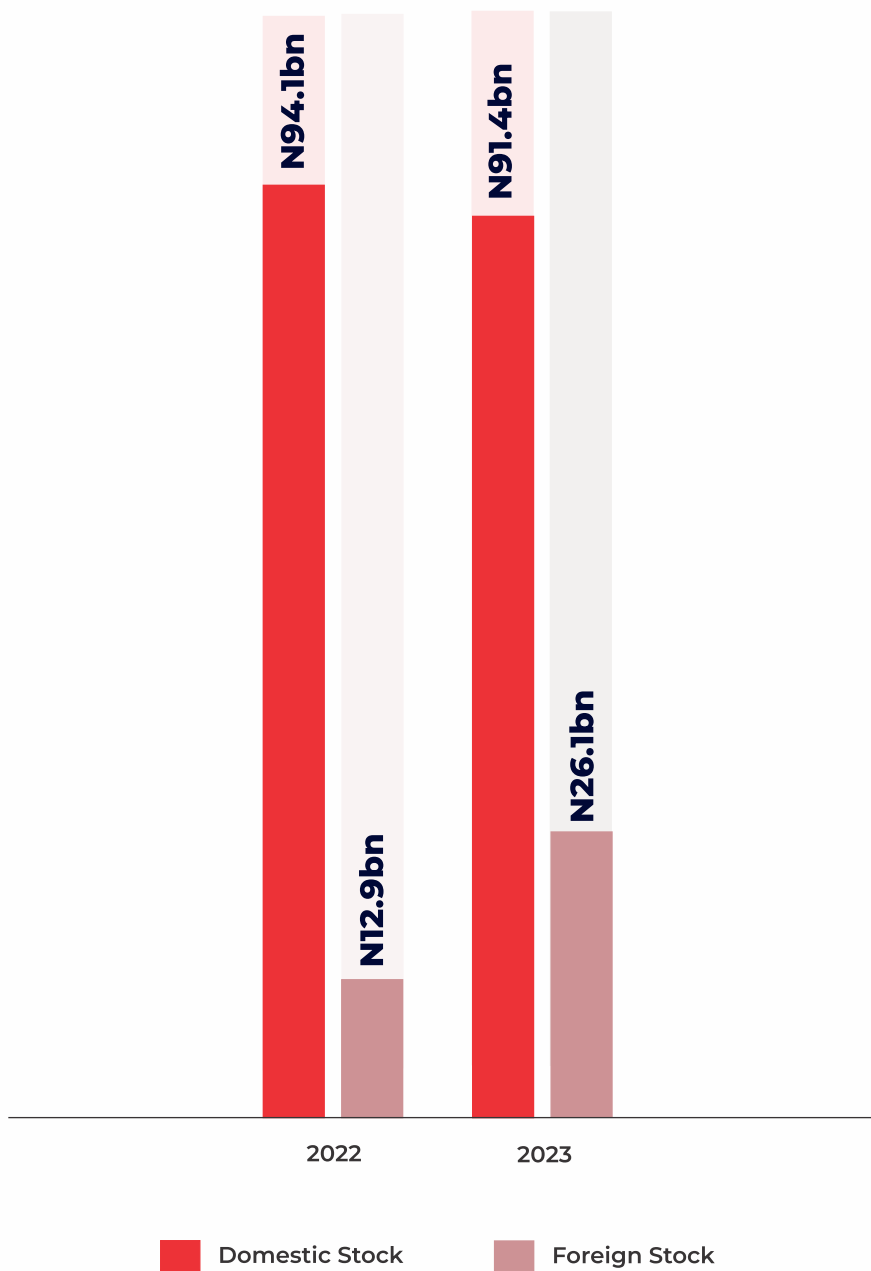


Figure 15

Bi-annual debt stock comparison

06

Fiscal Sustainability



Fiscal Sustainability Indicators

Metric A looks at the ability to grow IGR Year on year.

Metric A
30%

$$\frac{\text{Current Year IGR} - \text{Previous Year IGR}}{\text{Previous IGR}}$$

Metric B looks at the ability to Prioritize Capital Expenditure with respect to total Revenue.

Metric B
30%

$$\frac{\text{Recurrent Expenditure}}{\text{Capital Expenditure}}$$

Metric C looks at the ability to do operating expenses with IGR only.

Metric C
20%

$$\frac{\text{Non-Debt Recurrent Expenditure}}{\text{IGR}}$$

Metric D analyzes the state's debt Sustainability using four major indicators

Metric D
10%

$$\frac{\text{Indicator (A+B+C)}}{3}$$

Metric E Ability to cover all the Recurrent expenses include debt servicing with their total revenue.

Metric E
10%

$$\frac{\text{Total Recurrent Expenditure}}{\text{Total Revenue}}$$

Metric A



Metric A evaluates the state’s capacity to achieve consistent year-on-year growth in Internally Generated Revenue (IGR).

Fiscal years	Metric score
2023	2.42
2022	0.49

Metric B



Metric B assesses the state’s capacity to prioritize capital expenditure in relation to its total revenue.

Fiscal years	Metric score
2023	2.23
2022	3.35

Metric C



Metric C measures the state’s ability to cover its operating expenses solely through Internally Generated Revenue (IGR).

Fiscal years	Metric score
2023	2.52
2022	8.5

Metric D



Metric D evaluates the state’s debt sustainability based on four key indicators.

Fiscal years	Metric score
2023	1.21
2022	2.0

Metric E



Metric E assesses the state’s capacity to cover all recurrent expenditures, including debt servicing, within its total revenue.

Fiscal years	Metric score
2023	0.57
2022	1.18

Cummulative Score

The cumulative score is calculated by combining the results from all the metrics. A lower cumulative score indicates better fiscal performance. Thus, a lower score for 2023 compared to 2022 reflects an improvement in fiscal management, marking 2023 as a step forward in enhancing the state's financial stability and efficiency.

Ranking	Metric score
2023	8.8
2022	15.8

A large construction crane is shown against a clear blue sky. The crane's lattice structure is visible, and a person can be seen standing on a platform high up on the crane's tower. The crane extends from the bottom center towards the top right of the frame.

07

Key Observations



7.1

Persistent Financial Mismanagement in Public Institutions

Public funds are a shared resource that must be effectively utilized and managed for the benefit of all citizens. However, according to the Auditor General's report, financial irregularities are widespread in the accounts of various Ministries, Departments, and Agencies (MDAs) in the state.

These irregularities stem from the non-adherence to professional standards in the preparation and maintenance of financial records. Notably, these issues are not new; similar concerns have been consistently raised by the Auditor General in previous years. The Zamfara State Audit Law of 2021 mandates the Auditor General's office to ensure that public funds are expended efficiently and effectively, in compliance with established laws such as the Public Financial Management Law, Fiscal Responsibility Law, and Public Procurement Laws. However, these recurring financial irregularities significantly hinder the effective discharge of this responsibility. Another major concern is the delayed submission of audit reports to the State House of Assembly.

The Zamfara Audit Law of 2021 requires the Auditor General to publish the annual audit report within 180 days after the end of the fiscal year. Yet, the 2023 audit report was not submitted until June 13, 2024. This delay is primarily due to the lack of adherence to bookkeeping standards and the slow reconciliation of financial documents and transaction proofs. Furthermore, audit queries issued by the Auditor General's office often go unanswered by the relevant institutions. The weaknesses in internal control systems, combined with the absence of strict sanctions for defaulting MDAs, embolden these entities to continue defying the law and mishandling public funds..

7.2

Unutilized Cash Reserves Amidst Capital Underperformance

At the close of the fiscal year, a cash reserve of N38.8 billion was carried over as the opening balance for 2024, marking the highest rollover amount on record. Despite this substantial figure, it raises a critical issue. Given the underwhelming performance of capital expenditures in relation to the approved budget, it is essential to question why such a significant sum remains uninvested in projects that could benefit the populace. This situation highlights a disconnect between available financial resources and the

effective execution of developmental projects, calling for a reassessment of budget prioritization and expenditure strategies.

7.3

Imbalanced Allocation in Capital Expenditure

The total approved capital expenditure for the year was N94.7 billion. However, only N36.8 billion was utilized, representing a modest performance rate of 41.1%. A closer analysis of sectoral allocations reveals an imbalanced distribution of funds. The administrative sector absorbed the highest share, receiving N10.6 billion out of the N36.8 billion spent. In contrast, essential sectors like the economic and social sectors—crucial for socioeconomic development—received considerably less funding, with N9.1 billion and N3.8 billion respectively. Furthermore, these key sectors experienced significant year-on-year declines in expenditure, with the economic sector dropping by 30.5% and the social sector by 56.5%. This disparity underscores a critical need to prioritize allocations toward sectors that directly impact public welfare and economic growth.

7.4

Fiscal Sustainability Assessment Reveals Notable Improvement in 2023

In an effort to evaluate fiscal responsibility and sustainability, a comprehensive Fiscal Sustainability Analysis was conducted for the 2022 and 2023 fiscal years. This analysis utilized five key indicators to assess the state's financial health, including a dedicated Debt Sustainability Metric derived separately alongside three additional indicators.

The purpose of these metrics is to provide a holistic view of how effectively the state is managing its financial obligations and resources. The results of the assessment revealed a tangible improvement in fiscal sustainability for 2023, establishing it as the most fiscally

sustainable year within the assessment period. The cumulative score for 2023 was recorded at 8.8, indicating a significant advancement compared to the score of 15.8 in 2022. This improvement suggests that the state made notable progress in strengthening its fiscal management practices, enhancing budget efficiency, and possibly reducing financial risks associated with debt and expenditure. The marked difference between the scores for the two years highlights a positive trend in managing public finances more responsibly and sustainably. It reflects efforts to stabilize the debt profile, optimize spending, and improve the allocation of resources to achieve greater financial efficiency. By making these improvements, the state has demonstrated a commitment to fiscal discipline and accountability, which are crucial for long-term financial stability and growth.

Overall, 2023's performance in the Fiscal Sustainability Analysis underscores the importance of continuous monitoring and improvement of fiscal policies to ensure that public funds are managed effectively, debts are kept within sustainable limits, and the state's financial health is maintained.



08

Conclusions/ Recommendations



Recommendations

To strengthen financial accountability, enhance fiscal sustainability, and drive socioeconomic development in Zamfara State, the following comprehensive recommendations are proposed based on the observed fiscal infractions and systemic challenges identified in the report:

Strengthen Compliance and Accountability Mechanisms:

Public funds represent a shared patrimony, and strict adherence to all relevant laws, regulations, and ethical standards is crucial. The recurring non-compliance with auditing standards, particularly the preparation and maintenance of financial records, poses a significant threat to accountability. Furthermore, the practice of outsourcing the preparation of financial reports to external consultants instead of using Directors of Finance is not only against established regulations but also undermines institutional capacity.

To address these issues, it is recommended that the government strengthen internal controls within all Ministries, Departments, and Agencies (MDAs). Clear financial management protocols should be enforced, with institutional heads being held directly accountable for any financial discrepancies.

Additionally, there should be clearly defined sanctions for breaches of these standards to deter future violations and reinforce the roles of Directors of Finance in managing public funds.

Rebalance Budget Allocations to Prioritize Capital Investments:

The state's budgetary expenditure patterns have consistently leaned heavily towards recurrent expenses, averaging 71% over the past six years. In 2023, capital expenditure accounted for only 31.9% of total spending, indicating a continued imbalance despite the urgent need to address infrastructure deficits.

Given Zamfara's considerable infrastructure gaps and pressing socioeconomic challenges, it is critical to disrupt this trend by prioritizing capital investments that directly impact the well-being of citizens and stimulate economic growth. Investments should be focused on economically viable projects such as education, healthcare, road networks, and agricultural development to foster long-term prosperity and reduce poverty.

The state government should employ rigorous planning, project appraisal, and monitoring frameworks to ensure that capital projects are adequately funded, effectively executed, and contribute meaningfully to the state's development.

Recommendations

goals.

Diversify Revenue Sources and Enhance Internal Revenue Generation:

Over-reliance on external revenues continues to pose a significant risk to Zamfara State's fiscal stability. Previous reports by ZamTracka have consistently highlighted this challenge, stressing the urgent need for revenue diversification. Despite modest improvements in internal revenue generation over the years, external revenues accounted for 86% of the total in the period under review, indicating an unsustainable dependency.

Therefore, it is imperative to adopt a comprehensive revenue diversification strategy that broadens the state's internal revenue base. This can be achieved through a multifaceted approach, which includes improving tax collection mechanisms, expanding tax nets, exploring alternative revenue streams such as land use charges and public-private partnerships, and closing existing leakages in revenue channels.

By effectively diversifying revenue streams, the state can reduce its dependence on statutory allocations and become more resilient against external financial pressures.

Sustain and Deepen Fiscal Reforms for Long-Term Stability:

The Fiscal Sustainability Assessment conducted indicates tangible progress in 2023, showing improvements in critical fiscal metrics compared to previous years. However, sustaining this positive trend requires institutionalizing ongoing fiscal reforms and further refining fiscal policies.

The focus should be on creating a robust framework for debt management, ensuring expenditure efficiency, and promoting fiscal discipline across all government sectors. This involves not only setting clear fiscal policies but also building the capacity of MDAs to adhere to these policies effectively. Establishing a sustainable fiscal framework will enable the state to allocate resources more efficiently, reduce wastage, and ensure that public investments yield the highest possible returns.

Over time, these reforms will help the state achieve inclusive and sustainable economic growth, thereby improving the well-being of its citizens.

Timely Submission and Transparent Reporting of Audit Findings:

Transparency and accountability are critical components of good governance.

Recommendations

However, delays in submitting audit reports to the State House of Assembly undermine these principles.

According to the Zamfara State Audit Law of 2021, the Auditor General is mandated to publish the annual audit report within 180 days after the end of a fiscal year. Unfortunately, delays continue to occur due to weak financial record-keeping and slow reconciliation of accounts. To address this, the auditing process must be streamlined to ensure timely and accurate reporting. It is also essential that institutions respond promptly to audit queries and that financial records are harmonized efficiently. Strengthening internal oversight and transparency mechanisms will empower the state to better monitor public expenditures and resolve discrepancies promptly.

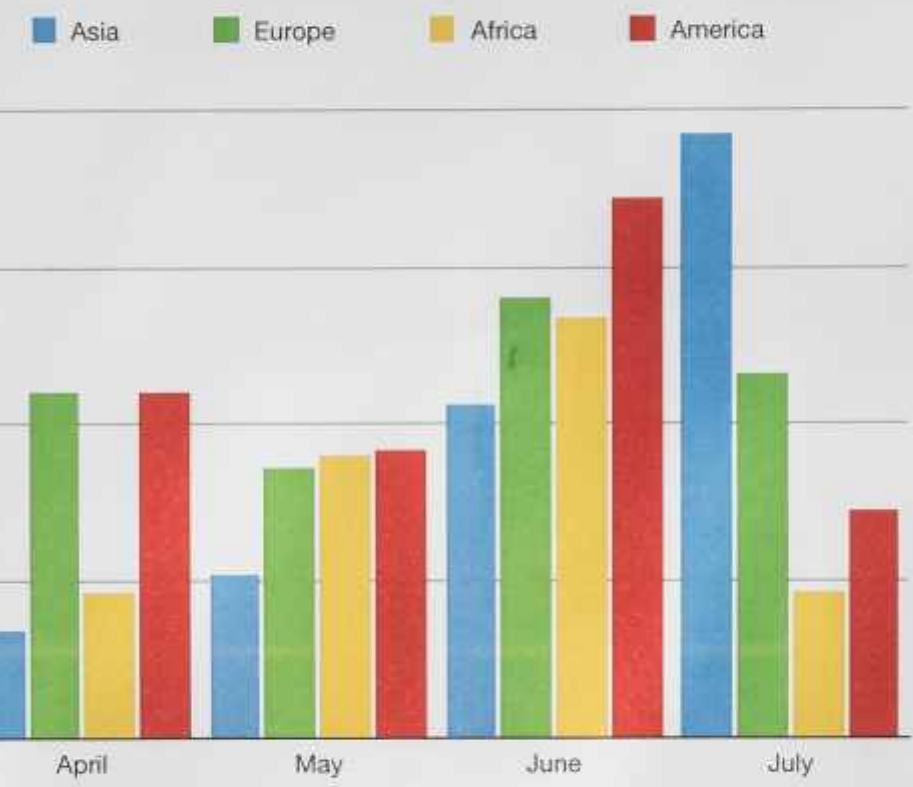
Additionally, regular publication and dissemination of audit findings will foster public trust and facilitate more informed decision-making by stakeholders. By implementing these recommendations, Zamfara State can significantly improve its public funds management practices, optimize resource allocation, and foster a more sustainable fiscal environment.

Addressing these key issues will not only bridge critical infrastructure gaps but also promote inclusive economic growth and enhance the well-being of all

citizens. Through a commitment to fiscal discipline and accountability, the state can build a more resilient economy and achieve its development goals over the long term.

09

Data Charts



DEBT SUSTAINABILITY ANALYSIS

Year	Total Revenue	Total Expenditure	Total Debt. Stock	Total Debt. Service	Debt. as % of Revenue	Debt. Service as & of Revenue	Personnel Cost as % of Revenue	Composite score
2022	N87.7bn	N133.9bn	N107.3bn	N46.1bn	122.3%	52.6%	27.5%	2.0
2023	N145bn	N119bn	N117.6bn	N26.1bn	81.1%	18%	23.3%	1.21

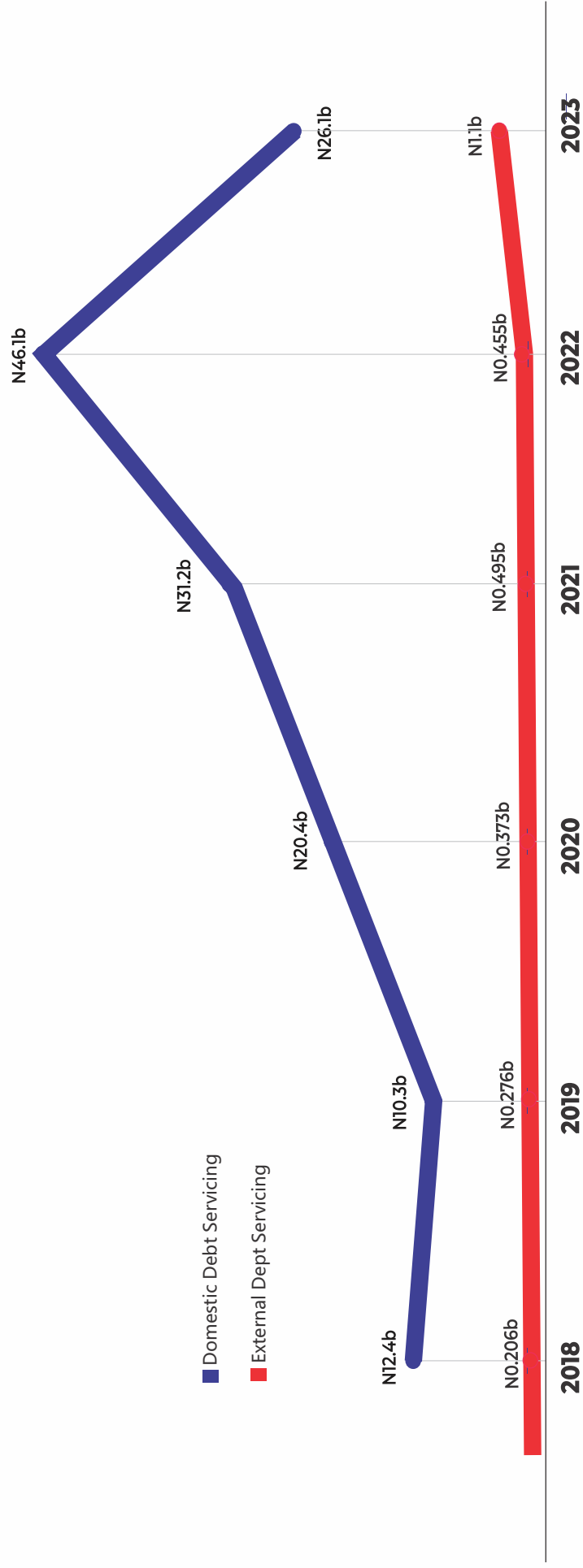
FISCAL PERFORMANCE SHEET

Year	Gross FAAC	IGR	Total Revenue (Including Grants)	Recurrent Expenditure (Non Debt)	Recurrent Expenditure + Debt Servicing	Capital Expenditure
2022	N61.1bn	N6.5bn	N87.7bn	N57.2bn	N103.2bn	N30.8bn
2023	N98.4bn	N22.2bn	N145bn	N56.1bn	N82.2bn	N36.8bn

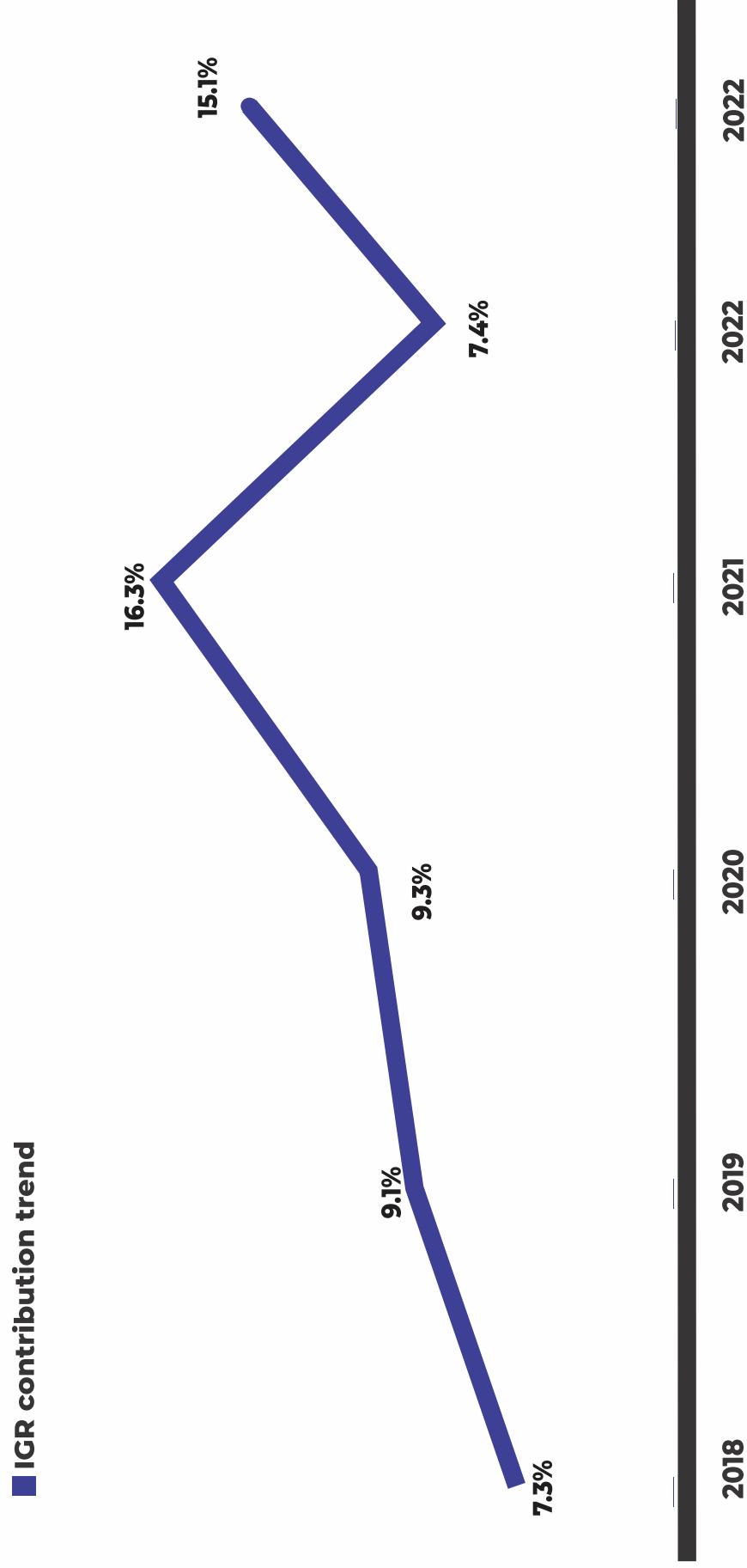
FISCAL SUSTAINABILITY ASSESSMENT

Year	Metric A	Metric B	Metric C	Metric D	Metric E	Cumulative Metric Point
2022	-0.49	3.35	8.8	2.0	1.18	15.8
2023	-0.49	3.35	8.8	1.21	0.57	8.8

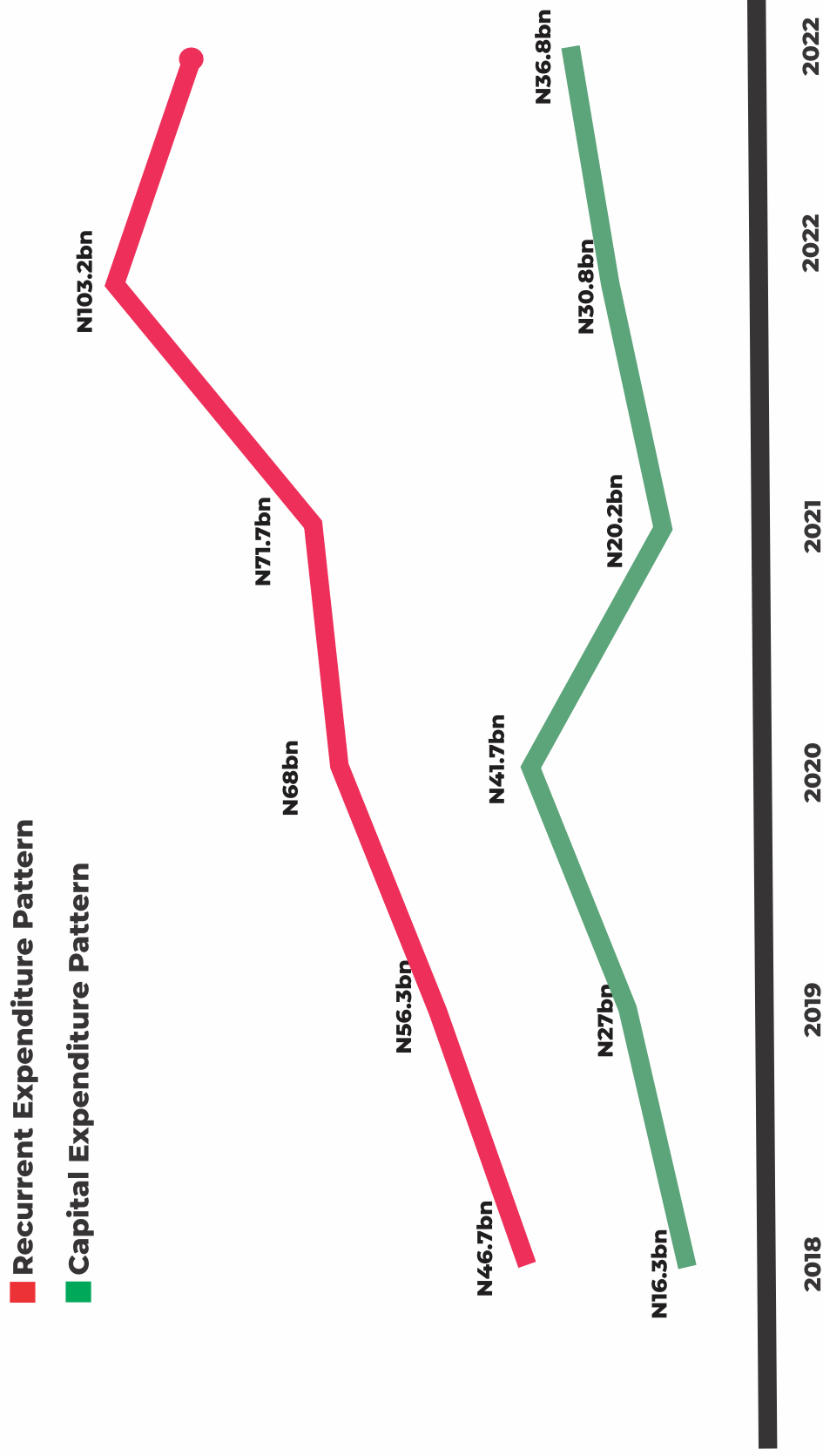
Debt Servicing Trend



Trend in IGR Contribution to total annual revenues



Mutli-year Expenditure Patterns



Expenditure Priority chart (2018 - 2023)





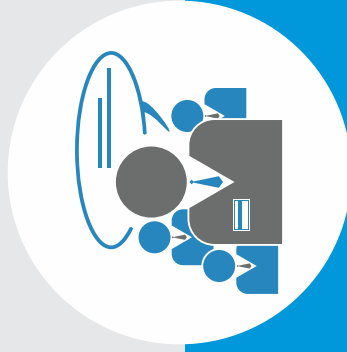
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