ZAMFARA STATE GOVERNMENT
NIGERIA

ZAMFARA STATE
DEBT SUSTAINABILITY ANALYSIS (ZS - DSA)
REPORT

2022

October 2022

Contents

1. INTRODUCTION

Zamfara State Debt Sustainability Analysis covers the period 2017 to 2021 (5year historical) and 2022-2031 (10-year projection), under various macroeconomic assumptions, Shock scenarios and related policies adopted in the state. To ensure that State debt stock remains sustainable in the medium to long-term, by using the State's macroeconomic framework with a view to assessing the current and future debt levels, as well as its ability to meet debt service obligations as and when due, and without compromising growth and development.

Zamfara State Debt Sustainability Analysis forecast for primary balance that comprises the difference between revenue and expenditure, plus the existing debt service (interest payment and principal repayments). The State's Internal Revenue Services was restructured to boost revenue generation in the State. The reform was based on the State Revenue laws, which provided for capital gains tax, property tax, etc, in order to expand the tax base/web to maximally increase the State's Internally Generated Revenue that are considered achievable. However, the State also envisage increase in recurrent and capital expenditures with expected growth in the National economy, industries, agriculture and mining activities with vast effects on the State's economy. The forecast is in line with International Public Sector Accounting Standards (IPSAS) and consistent with our strategic plan in the medium to long-term vision.

The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage point lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply-demand imbalances and is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent.

The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchored; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.

Nigeria's economy grew by 3.6% in 2021 from a 1.8% contraction in 2020, underpinned on the supply side by 4.4% expansion in the non-oil sector against 8.3% contraction in the oil sector; non-oil growth was driven by agriculture (2.1%) and services (5.6%). On the demand side, public and private consumption were contributors to GDP growth. Per capita income grew by 1.0% in 2021. The fiscal deficit narrowed to 4.8% of GDP in 2021 from 5.4% in 2020, due to a modest uptick in revenues, and was financed by borrowing. Public debt stood at $95.8 billion in 2021, or about 22.5% of GDP.

Annual average inflation stood at 17.0% in 2021 against 13.2% the previous year and above the central bank's 6–9% target. Inflation was fueled by food price rises at the start of the year and exchange rate pass-through. The central bank kept the policy rate unchanged at 11.5% in 2021 to support economic recovery. The current account deficit narrowed to 2.9% of GDP in 2021 from 4% the preceding year, supported by recovery in oil receipts. Improved oil exports and disbursement of the SDR allocation of $3.4 billion (0.8% of GDP), pending decision on its use, helped to boost gross reserves to $40.1 billion in 2021. The ratio of NPLs to gross loans was 4.9% in December 2021 (regulatory requirement 5%), while the capital-adequacy ratio was 14.5% (regulatory benchmark 10%). Poverty and unemployment remained high, broadly unchanged from 40% and 33.3%, in 2020, respectively.

2. THE STATE FISCAL AND DEBT FRAMEWORK

Zamfara State Government has been active in involving the public in its budgetary preparation by way of citizens participation in budgeting, this is very important in the developing countries as a means of improving the performance and accountability of bureaucracies and improving social justice. As the economy is the primary and critical component of life, the State government has vibrant economic policies to harness the abundant economic potentials, particularly agriculture and solid minerals. In Q4, 2020 the State Government set up a State Economic Management Team. The Team has been working hard to revised blueprint for the present and future economic development of the State.

Zamfara State Government is making strenuous efforts to win the confidence of foreign investors to invest in the State, most especially in the mining, agriculture, and hospitality industry. The Government also rolled out a social intervention programme to provide support to the poor and the unemployed; reconstructed and equipped skills acquisition centre to provide training for women and youth towards self-reliance; and building the critical infrastructure needed to speed up the development of the State.

The Government has put in place a harmonized revenue law to expand the tax net and boost internally generated revenue. The increase in IGR is expected to positively impact on the financial obligation of the State as well as the economic development of the State. The State plans to augment the State budget through borrowings from domestic loans and external loans.

Medium-Term Budget Forecast

Zamfara State Economic and Fiscal Update (EFU), Fiscal Strategy Paper (FSP) and Budget Policy Statement (BPS) constitute the major components of the Annual Budget Process. These set of principles provides logical starting point for the development of Medium-Term Expenditure Framework (MTEF), which highlight the context of the annual budget. The key objective is to achieve fiscal realism and sustainability for both the medium and long-term development of the State through an institutionalized fiscal reform. The key objective and target for the State Government from a fiscal perspective are to:

a. effectively manage personnel and overhead expenditure to allow greater resource for capital development;
b. grow IGR by a minimum of 5% every year from 2022 to 2024;
c. ensure loans will only be used for implementation of capital projects;
d. achieve long term target of funding all recurrent expenditure with revenue of a recurrent nature (IGR, VAT and Non-mineral component of Statutory Allocation);

e. target sources of capital receipts and financing outside of loans (e.g. Grants, PPP, etc.);
f. ensure projected Capital receipts are based on Memoranda of Understanding (MoUs) and other agreements signed with Development partners;
g. ensure that the State's Debt portfolio is within the ratio set by the Federal Debt Management Office, Abuja;
h. give priority to the completion of ongoing capital projects before new projects are commenced; and,
i. grow the economy through targeted spending in areas of comparative advantage such as agriculture, trade, and tourism.

The foundation for any fiscal discipline and the attainment of fiscal realism starts with the Economic and Fiscal Update (EFU). It (the EFU) presents data and analyzed information on all the strata of the state, national and global economic and fiscal situations. This formed the basis for fiscal and macroeconomic assumptions and projections reflected in the Fiscal Strategy Paper which also goes further to manifest medium-term fiscal projections (revenue and expenditure). The EFU gives a measured reflection of recent budget performance identifying factors that significantly affects the attainment of budgetary outputs and outcomes which transmit into the subsequent fiscal plans.

The EFU provides the context for a prospective Fiscal Strategy Paper (FSP) that feeds into the Medium-Term Expenditure Framework (MTEF) where resources are strategically allocated considering Government policy objectives and priorities as dictated by the budget policy statements.

Thus FSP is an indispensable element in annual budget process as it determine the resources available to fund government prioritized projects and programmes in a sustainable manner and consistent with its development policy objective and priorities as encapsulated in the existing policy document It provides justification and corroborate the estimation for medium-term major Revenue and Expenditure aggregates including important components of the MTEF Process such as fiscal targets, fiscal constraints and an assessment of the fiscal risks. The details of the macroeconomic assumptions are as shown in the table below.

Zamfara State Medium-Term Budget Forecast (MTBF) is a fiscal arrangement that allow Government to extend the horizon for fiscal policy making beyond the annual budgetary calendar. Although the approval of the Annual budget law remains the key step in which important decisions on budgetary policy are adopted, most fiscal measures have budgetary implications that go well beyond the usual yearly budgetary cycle. As a result, a single year perspective provides a poor basis for sound fiscal planning.

The Baseline macroeconomic assumptions for 2020 State DSA are based on the projections outlined in the Zamfara State's Medium-Term Budget Framework (MTBF) projection and indicative macroeconomic assumptions reflects the national policy directions and oil

statutory revenue projection as contained in the Revised FGN MTEF 2022-2024. Forecast cover the preparation, execution, and monitoring of multiannual budget plans and contain both expenditure and revenue projections as well as the resulting budget balances. The details of the macroeconomic assumptions are as shown in the table below.

Zamfara State Medium-Term Budget Forecast (MTBF), 2022-2024

Macroeconomic Assumptions	**2022**	**2023**	**2024**	**2025**
National Inflation	13.00%	11.00%	10.00%	10.00%
National Real GDP Growth	4.20%	2.30%	3.30%	3.30%
Budget Oil Production Volume (mbpd)	1.88	2.23	2.22	2.22
Projected Budget Benchmark Price (US$ per brl)	57	57	55	55
Average Exchange Rate (N/US$)	410.15	410.15	410.13	410.13
Revenue				
Gross Statutory Allocation	33,546.84	33,920.78	34,487.11	49,549.03
Other FAAC transfers	4,282.77	4,330.51	4,402.81	10,027.60
VAT Allocation	21,560.88	21,801.21	22,165.20	18,462.33
IGR	20,163.18	20,639.81	20,654.01	26,530.85
Grants	34,900.00	29,900.00	29,900.00	10,366.21
Sales of Government Assets	0	0	0	2,153.18
Other Non-Debt Creating Capital Receipts	0	0	0	3,450.53
Total Revenue	**114,453.68**	**110,592.31**	**111,609.14**	**120,539.72**
Expenditure				
Personnel costs	26,572.93	30,341.69	30,966.62	31,941.95
Overhead costs	44,933.92	40,425.12	39,011.30	22,881.78
Other Recurrent Expenditure*	20,610.54	23,527.20	30,526.28	36,843.26
Capital Expenditure	65,975.00	52,730.02	60,182.02	72,374.25
Total Expenditure	**158,092.39**	**147,024.03**	**160,686.22**	**164,041.24**
Budget Deficit	-43,638.71	-36,431.72	-49,077.08	-43,501.52
State GDP	1,915,602.00	2,116,541.00	2,301,865.00	2,508,297.00
Deficit as % of GDP	-1.62	-0.95	-0.91	-1.73
New Domestic Borrowing	34,380.01	22,078.18	39,901.94	43,501.52
New External Borrowing	9,258.70	14353.5326	9175.139143	0
New Borrowing	43,638.71	36,431.72	49,077.08	43,501.52

*The amount for debt service projection that comprises existing and new debt service was included under other recurrent expenditure.

Note

- **Statutory Allocations** – the Zamfara State estimate for statutory allocation is based on an elasticity forecast taking into consideration the macroeconomic framework (national) and the mineral assumptions in the 2022-2024 Federal Fiscal Strategy Paper. It is based on historical mineral revenues flows and elasticity-based forecast using national Real GDP and inflation data.
- **VAT** – Zamfara State VAT is based on elasticity forecast using the combined change in GDP and inflation rate. The estimate for 2022-2024 is in line with the current rate of collections due to covid-19 pandemic be revisited if there are any changes to the VAT rates as proposed in the previous forecast.

- **Other Federation Account Distributions** – the estimation is based on the current receipt. Furthermore, it is anticipated that new FAAC will investigate the crises that caused by the advent of the covid-19 pandemic so that the sharing formula would be investigate carefully.
- **Internally Generated Revenue (IGR)** – the Zamfara State IGR projection is own value which is calculated based on the current growth rate marked up slightly to factor the current administration's reform initiatives to grow the IGR and all payments of any nature must be done through the TSA
- **Grants** – The estimation is own value which is calculated based on the current growth rate marked up slightly to factor the current administration's reform initiatives to grow the IGR and all payments of any nature must be done through the TSA. External grants are mostly based on signed grant agreements with the World Bank, UNICEF, EU etc
- **Financing (Net Loans)** – the internal and external loans are projections based on agreement JGS 2021-2023 EFU-FSP-BPS Consolidated Revenue Fund Charges – this includes public debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2022-2024
- **Personnel** – it is anticipated that the new minimum wage will have a negative impact on staff new recruitment because of the burden on the side of the government. This to some extent will reduce the state contribution for Contributory Pension Scheme in the state.
- **Overheads** – overhead has been relatively stable over the years to date. It is anticipated that the status quo will remain stable. Consequently, the estimation is own value calculated using the current growth rate.
- **Capital Expenditure** – Zamfara State Capital Expenditure is based on the balance from the recurrent account plus capital receipts, less than planning and contingency reserve as outlined above.

The forecast covers 2022-2031 macroeconomic analysis, government's fiscal policy for medium and long-term, state budget revenue projections and state budget expenditure ceilings for each ministry and their agencies (MDAs) for medium to long-term.

Zamfara State Government work with all stakeholders through collaboration, commitment, and partnership to achieve the following: sufficient levels of budget transparency; public participation in the budget; Strengthen monitoring & oversight of budget execution; and Sustain improvements on open budgeting Government participatory.

State's Revenue policies

Zamfara State House of Assembly has passed the long-awaited consolidated Revenue Bill into law. The Bill is to provide for the establishment of Fiscal Responsibility Agency with a view to generating sufficient revenue for the state. Zamfara State has suffered from the activities of armed bandits and other criminalities in the last few years. These unholy activities have greatly affected virtually all aspects of life including revenue generation. This necessitated the State House of Assembly to finding ways of reviving the state Internally Generated Revenue. Presenting the committee's report to the house for consideration and passage into law, the Bill will improve the State revenue generation and block all leakages/wastages. The Bill adopted version of successful Revenue Laws of some neighboring States which will help in the free flow of economic activities across the States and the country at large.

State's Expenditure policies

Government spending drives economic activities either through the development of large-scale infrastructural projects or through the execution of capital project and provision of resources to the citizens in the form of social grants. Investments in education and health have long-term economic benefits. Fiscal policy is the deliberate adjustment of government spending, borrowing or taxation to help achieve desirable economic objectives in a State.

3. THE STATE REVENUE, EXPENDITURE, AND PUBLIC DEBT TRENDS (2017–2021)

The State economy experienced a declined under Internally Generate Revenue (IGR) from N18,499.25 million in 2020 to N12,964 million in 2021, representing a declined of N5,535 million or 29.92 percent, this was due to slow economic activities in the State after COVID-19 period.

Revenue and Expenditure

The State's economy comprises Statutory Allocation, Derivation, VAT Allocation, IGR, and Capital Receipt. the State's Revenue amounted to N68,762 million in 2021 compared with N73,912 million in 2020, the decline was due to the economic recession after COVID-19 pandemic.

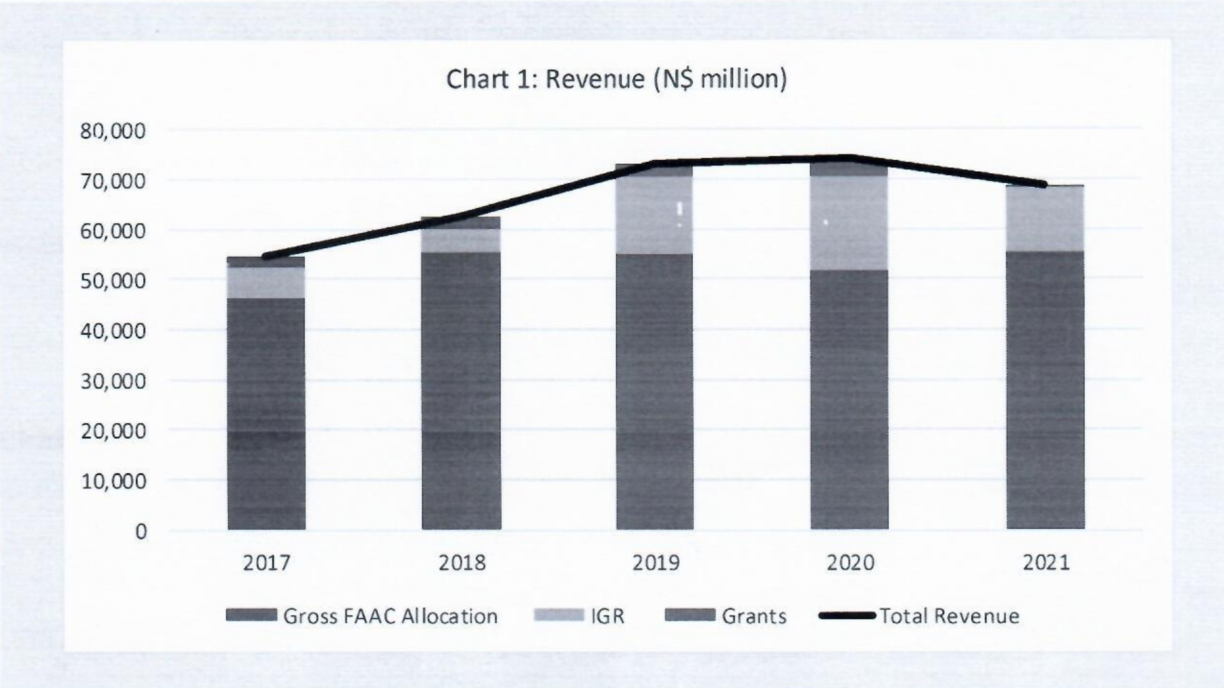
Zamfara State recorded an increase in the review period relative to the preceding year, as the FAAC Allocations amounted to N46,229 in 2017, N55,472 million in 2018, N54,993 million in 2019, N51,847 million in 2020 and N55,321 million in 2021, respectively.

While the Internally Generated Revenue (IGR) shows steady growth from 2017 to 2020 but dropdown in 2021. IGR grew from N6,024 million in 2017, N4,688 million in 2018, N15,416 million in 2019, N18,499 million in 2020 and N12,964 million in 2021. The improvement in IGR is mainly because of tax reforms aimed at improving collection efficiency and broadening the tax revenue base and 2021 declined was due the economic recession State government faced after pandemic period. The details of the revenue are as shown in the table below.

The actual grant received by Zamfara State Government comprises internal grants and external grants. Zamfara State Grants received was N2,195 million in 2017 to N477 million in 2021.

Revenue Performance	2017	2018	2019	2020	2021
Total Revenue	54,448	62,533	73,136	73,912	68,762
Gross FAAC Allocation	46,229	55,472	54,993	51,847	55,321
IGR	6,024	4,688	15,416	18,499	12,964
Grants	2,195	2,373	2,727	3,566	477

Chart 1: Trends in Revenue Performance, 2017-2021



Expenditure - The State's Total expenditure covers Capital expenditure, Personnel costs, Overhead costs, other recurrent expenditure, and Debt service (interest payment and principal repayment) recorded at N87,673 million in 2021, N110,551 million in 2020, N83,521 million in 2019, N69,934 million in 2018 and N58,521 million in 2017, respectively.

Personnel - Zamfara State Personnel costs stood at N17,318 million in 2017, N19,112 million in 2018, N20,791 million in 2019 and N24,402 million in 2020 and N21,460 million 2021, respectively.

Overhead Cost - Zamfara State Overhead costs amounted to N12,318 million in 2017, N16,676 million in 2018, N26,109 million in 2019, N23,442 million in 2020 and N19,305 million in 2021, respectively.

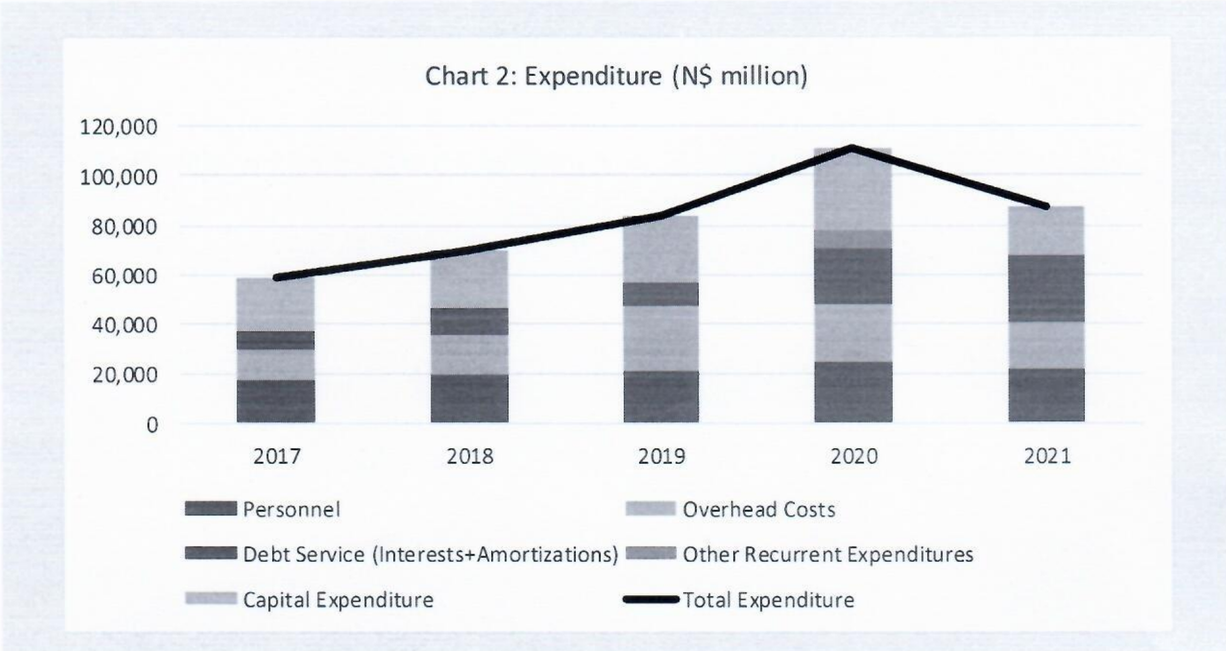
Debt Service - The Total debt service is based on the projected principal and interest repayments for 2022 to 2031. Hence, based on the projection public debt service will remain largely stable with minimal growth over the medium term.

Other Recurrent Expenditure - Zamfara State recorded Other Recurrent Expenditure recorded zero (0) in 2021 compare to N7,282 million in 2020 which recorded the highest in the previous years.

Capital Expenditure - Capital Expenditure was amounted to N21,866 million 2017, N23,255 million in 2018, N27,027 million in 2019, N32,728 million in 2020 and N20,234 million in 2021 respectively.

Expenditure Performance	2017	2018	2019	2020	2021
Total Expenditure	58,521	69,934	83,521	110,551	87,673
Personnel	17,318	19,112	20,791	24,402	21,460
Overhead Costs	12,318	16,676	26,109	23,442	19,305
Debt Service (Interests + Amortizations)	6,913	10,748	9,535	22,698	26,675
Other Recurrent Expenditures	105	143	58	7,282	0
Capital Expenditure	21,866	23,255	27,027	32,728	20,234

Chart 2: Trends in Expenditure Performance, 2017-2021



3.2 Existing Debt Portfolio

Subnational Debt Management is the process of establishing and executing a strategy for managing the government's debt in order to raise the required amount of funding at the lowest possible cost over the medium to long term, consistent with a prudent degree of risk. In a broader macroeconomic context for public policy, governments should seek to ensure that both the level and rate of growth in their public debt are on a sustainable path and that the debt can be serviced under a wide range of circumstances, including economic and financial market stress, while meeting cost and risk objectives.

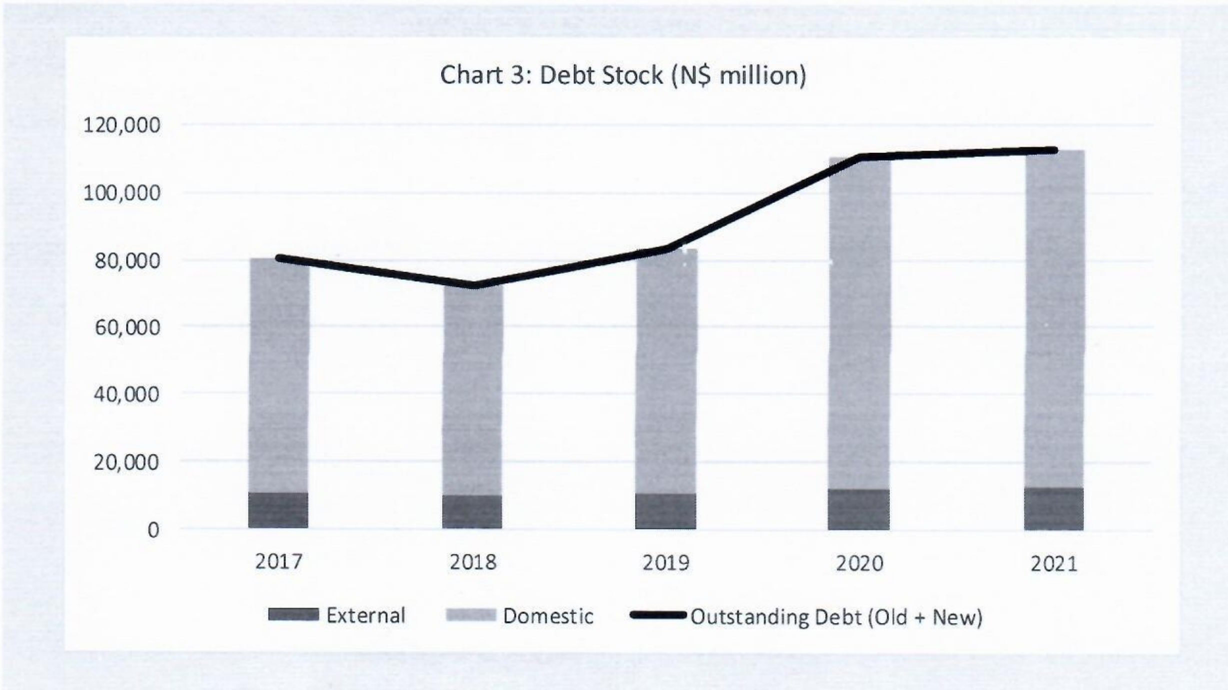
Every government faces policy choices concerning debt management objectives, in particular its preferred risk tolerance, the parts of the government balance sheet that debt managers should be responsible for, the management of contingent liabilities, and the establishment of sound governance for public debt management. Poorly structured debt portfolios, in terms of maturity, currency, or interest rate composition and large contingent liabilities, have been important factors in inducing or propagating economic crises in many countries throughout history.

Sound risk management practices are essential given that a government's debt portfolio is usually the largest financial portfolio in the country and can contain complex and risky financial structures, which have the potential to generate substantial risk to the government's balance sheet and overall financial stability. ***Debt crises have highlighted the importance of sound debt management practices.***

Debt Stock

Zamfara State Debt stock comprises of External and Domestic Debt, the total debt stock recorded at N112,744 million in 2021 compared with N110,242 million in 2020, representing an increase of N2,502 million or 2.27 percent. The increase in the Debt stock was reflected in both Domestic and External Debt components. Whereas the increase in the external debt in the year was largely due to additional disbursements on existing Multilateral loans, the growth in the domestic debt was attributed to new loan from commercial banks loans. The details of the debt stock are as shown in the table below.

	2017	2018	2019	2020	2021
Outstanding Debt (Old + New)	80,582	72,254	83,113	110,242	112,744
External	10,659	10,292	10,597	12,224	12,804
Domestic	69,923	61,962	72,516	98,018	99,940



Debt composition

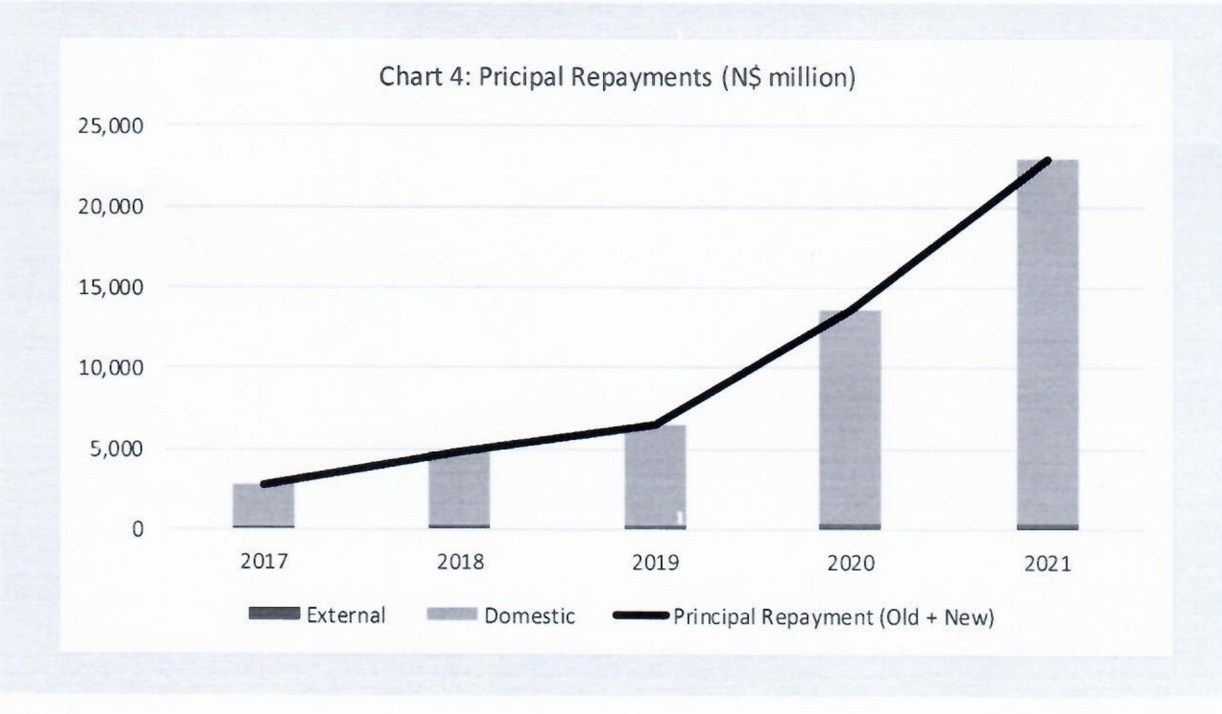
The main domestic debt portfolio consists of Bail out loans, Budget Support Facility, Excess Crude Account Backed Loan, Contractor's Arrears and Pensions & Gratuity arrears. While the External Debt includes World Bank (IDA and IFAD) and African Development Fund (AfDF). The ratio of External to Domestic Debt in the Total Debt portfolio was 11.36 percent external and 88.64 percent domestic as at end-2021.

Debt Service

Debt Service - The Total debt service that comprises the interest payment and principal repayment stood at N6,913 million in 2017, N10,748 million in 2018, N9,535 million in 2019, N22,700 million in 2020 and N32,619 million in 2021, respectively.

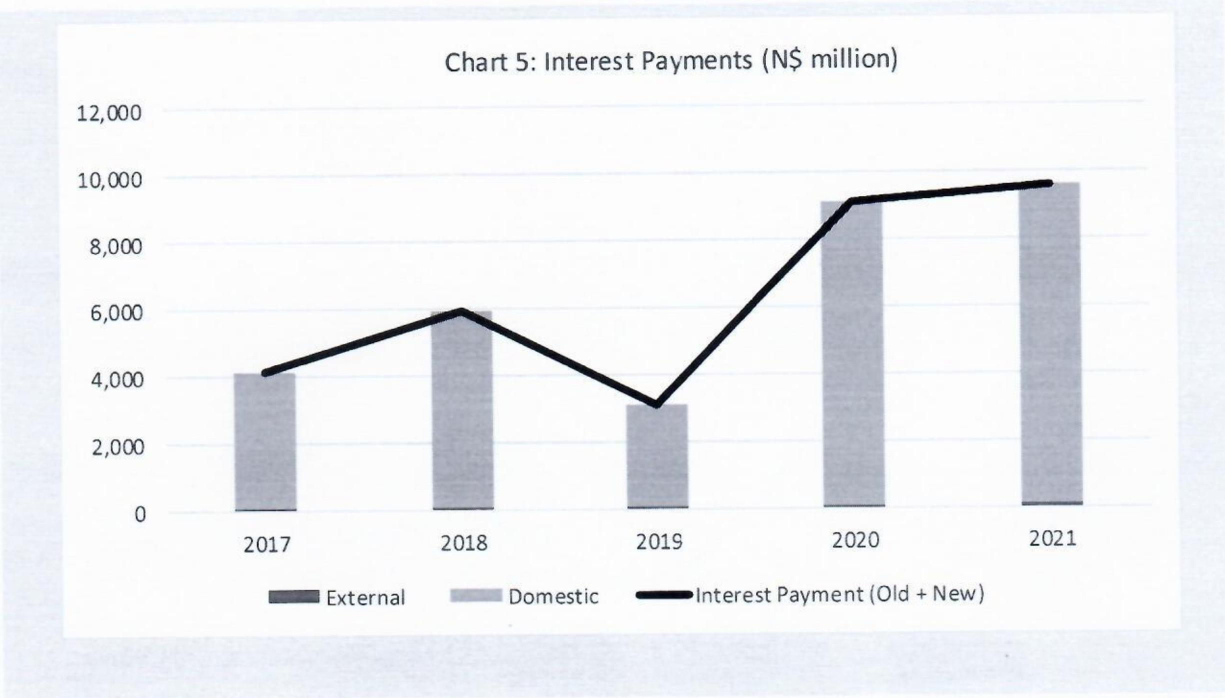
The actual Principal Repayment stood at N2,763 million in 2017, N4,800 million in 2018, N6,441 million in 2019, N13,560 million in 2020 and N23,003 million in 2021 respectively.

	2017	2018	2019	2020	2021
Principal Repayment (Old + New)	2,763	4,800	6,441	13,560	23,003
External	160	211	280	353	390
Domestic	2,603	4,589	6,160	13,207	22,613



Interest Payment amounted to N4,150 million in 2017, N5,949 million in 2018, N3,094 million in 2019, N9,140 million in 2020 and N9,617 million in 2021 respectively.

	2017	2018	2019	2020	2021
Interest Payment (Old + New)	4,150	5,949	3,094	9,140	9,617
External	80	81	83	65	100
Domestic	4,070	5,868	3,011	9,075	9,516



4. DEBT SUSTAINABILITY ANALYSIS

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

The ratio of Zamfara State Debt as percent of GDP declined from 7.32 percent in 2017 to 6.53 percent in 2021. Debt as % of Revenue stood at 163.96 percent in 2021. Debt service as % of Revenue stood at 47.44 percent in 2021. Personnel Cost accounted for 31.21 percent in 2021. The ratios of Debt Service as % of FAAC, Interest Payment as % Revenue, and External debt service as % of Revenue remained at 58.96 percent, 13.99 percent and 0.71 percent in 2021. The details of the debt burden indicators are as shown in the table below.

Zamfara State Debt Burden Indicators

	Threshold	2017	2018	2019	2020	2021
Debt as % of GDP	25	7.32	6.17	6.13	7.44	6.53
Debt as % of Revenue	200	148.00	115.55	113.64	149.15	163.96
Debt Service as % of Revenue	40	12.70	17.19	13.04	30.71	47.44
Personnel Cost as % of Revenue	60	31.81	30.56	28.43	33.02	31.21
Debt Service as % of Gross FAAC Allocation	Nil	14.95	19.38	17.34	43.78	58.96
Interest as % of Revenue	Nil	7.62	9.51	4.23	12.37	13.99
External Debt Service as % of Revenue	Nil	0.44	0.47	0.50	0.56	0.71

Borrowing options

Gross Financing Needs is the sum of budget deficits and funds required to roll over debt that matures over the year. Zamfara State Government intends to source its Gross Financing Needs mainly through domestic borrowing from commercial Banks, domestic debt market (State Bonds) Federal Government and other Central Bank of Nigeria (Interventions) over the projection period, 2022 to 2031, due to the limited funding envelopes from the external borrowing with long processing time required loans from Multilateral and Bilateral. The details of the Financing options are as shown in the table below.

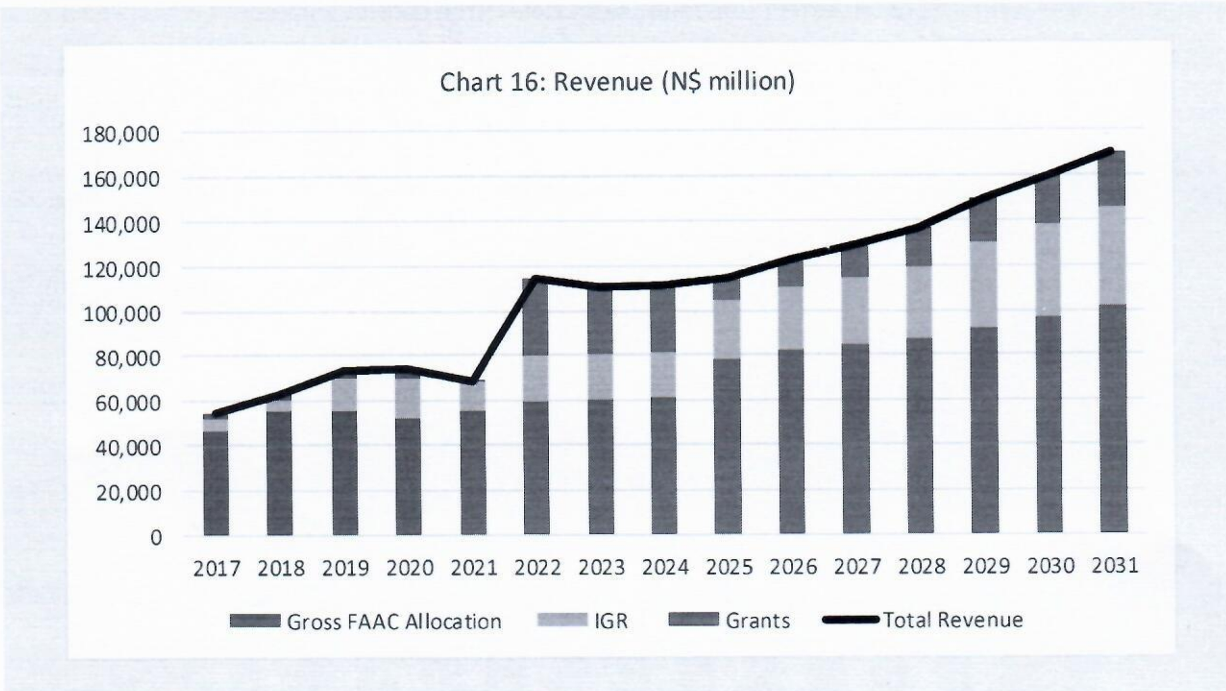
Financing Option

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
New Domestic Financing (NGN' Million)										
Commercial Bank Loans (maturity 1 to 5 years)	9,380.0	12,078.2	17,241.9	19,475.6	15,004.2	13,889.2	14,247.4	7,341.5	11,280.4	8,712.6
Commercial Bank Loans (maturity 6 years)	5,000.0	10,000.0	10,270.0	14,909.8	18,148.8	17,193.6	16,562.7	15,826.8	18,873.6	12,160.1
State Bonds (maturity 1 to 5 years)	0.0	0.0	12,390.0	9,116.1	10,501.3	0.0	12,959.4	16,430.6	0.0	18,488.6
State Bonds (maturity 6 years or longer)	20,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24,386.8	0.0
Other Domestic Financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New External Financing (US$' Million)										
External Financing - Concessional Loans	22.4	34.8	22.2	0.0	24.7	12.0	0.0	24.6	0.0	12.0
External Financing - Bilateral Loans	0.0	0.0	0.0	0.0	0.0	0.0	12.3	0.0	0.0	0.0
Other External Financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Gross Borrowing Requirements	**43,638.7**	**36,431.7**	**49,077.1**	**43,501.5**	**53,868.0**	**36,038.8**	**48,862.1**	**49,773.3**	**54,540.9**	**44,317.2**

Note: Gross Financing Needs (defined as the sum of budget deficits and funds required to roll over debt that matures over the year.

DSA Simulation Results

Zamfara State Revenue (including grant and excluding other capital receipts) is estimated an average grow from N114,454 million in 2022 to N169,570 million in 2031 during the projected period, this is driven largely by expected improvement in FAAC allocation from N59,391 million in 2022 to N101,343 million in 2031 and IGR projected at from N20,163 million in 2022, N26,531 million in 2025, N32,287 million in 2028 and N44,538 million in 2031, respectively. The details of the revenue projections are as shown in the table below. Estimated on Revenue were sources from the Approved 2022 Budget; Medium Term Expenditure Framework (MTEF), 2022-2024; the projections period from 2025-2031 projections as estimated by the official of Zamfara State Ministry of Budget and Economic Planning.



State Expenditure

Expenditure projected to grow by N65,871 million or 41.77 percent in the medium term of 2022-2031, the Capital expenditure has the largest share over the estimated period. indicating stability in the state growth recovery. The growth in the period is predicated on sustaining effective implementation of the new laws. Government is expected to continue its fiscal strategy of directing resources to the most productive and growth-enhancing sectors, including Agriculture, Infrastructure, Manufacturing, Housing and Construction, Education, Health and Water Resources within the period.

Estimated on Expenditure were sources from the Approved 2022 Budget; Medium Term Expenditure Framework (MTEF), 2022-2024; the projections period from 2025-2031 projections as estimated by the official of Zamfara State Ministry of Budget and Economic Planning.

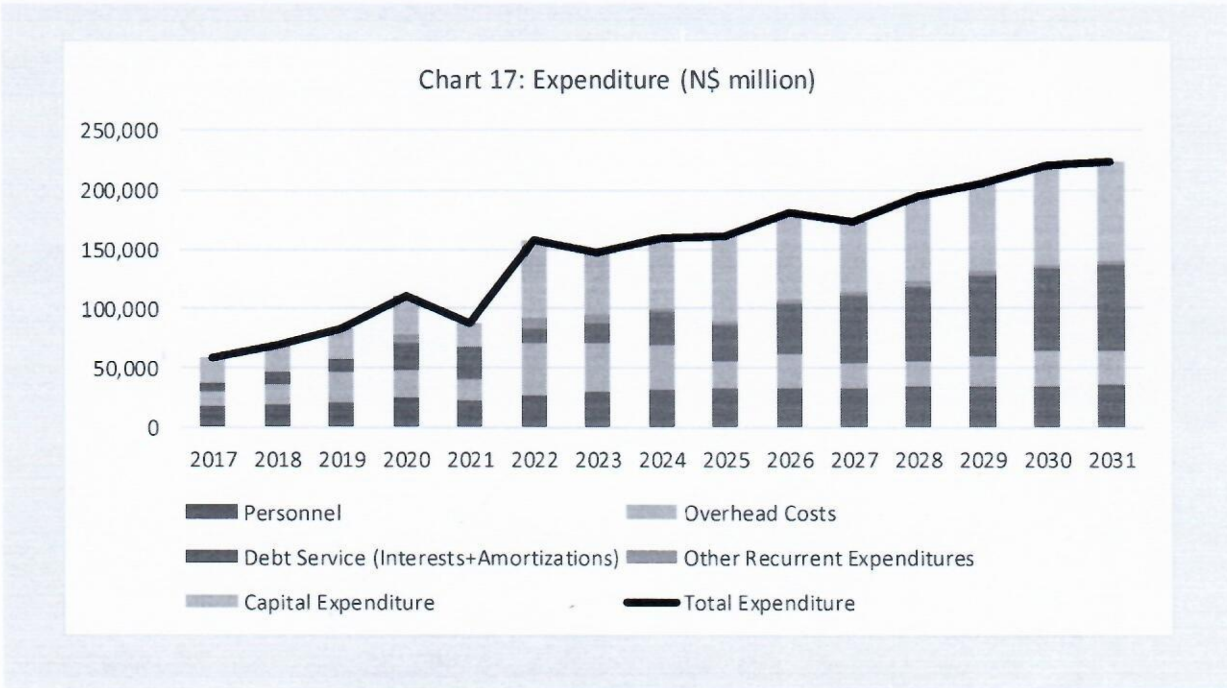
Personnel – The on-going staff verification is to check abnormalities in the pay roll. The State is determined to sustain the trend to reduce personnel cost. It is anticipated that the number of political office holders will also be reduced, and the personnel cost is projected to register increase by 16.53 percent 2022 to 2031 respectively.

Overheads – Estimated at N44,934 million in 2022, N22,882 million in 2025, N21,466 million in 2028 and N29,576 million in 2031, respectively.

Total Debt Service – is based on the projected principal and interest repayments for 2022 to 2031. Hence, an own value has been used anticipating that public debt charge will remain largely stable with minimal growth over the projection period.

Other Recurrent Expenditures – other recurrent expenditure comprises Social Contribution and Social Benefits estimated to increase by N8,044 million in 2022, N2,657 million in 2025, N3,876 million in 2028 and N3,688 million in 2031 respectively.

Capital Expenditure - is based on the balance from the recurrent account plus capital receipts, less contingency reserve as outlined above. The percentage of capital as percentage of total expenditure estimated to increase from N65,975 million in 2022, N72,825 million in 2025, N72,860 million in 2028 and N84,079 million in 2020, respectively.



Primary Balance - Is the overall fiscal balance excluding net interest payments on state debt – it is equally important feature of short-run sustainability, as it illustrates to what extent a government can honors its obligations without incurring additional debt. Side by side with net interest payments for debt servicing, which constitute an inflexible part of State budgeting. The primary balance provides a clearer picture of the state of fiscal management in a country/subnational. Zamfara State Government primary is guided by the State's MTEF, 2022-2024 and other government policies and reforms.

Personnel – The staff auditing is to check abnormalities in the pay roll. The State is determined to sustain the exercise to reduce personnel cost. It is anticipated that the number of political office holders will also be reduced, and the personnel cost is projected to register increase averagely by above 5% in 2022 - 2024 respectively.

Overheads – There was a large increase in 2017-2019 and slightly fell in 2020 and 2021. Moving average excluding outlier is used to forecast overheads because the expected growth rate for 2022 - 2024 is expected to substantially follow the trend recorded in the past five years.

Total Debt Service – is based on the projected principal and interest repayments for 2022-2023. Hence, based on the projection public debt service will increase due to expected disbursements on existing loans over the medium term.

Zamfara State should sustain the current Budget reform programme particularly as it relates to the preparation of a realistic budget, ensuring policy-plan-budget linkages using the State MTSSs, and early passage of the budget. Efforts should be made to prepare MTSS for other sectors not yet provided for.

Zamfara State must continue to monitor the performance of mineral-based revenues to ensure estimates are consistent with the latest development globally and within the Federal Government's budget process. If the benchmark price of crude in the Federal FSP is lower or higher than $57 per barrel used herein and IMF, World Bank, OPEC and US Energy Information Administration Reports validates the oil price benchmark provided in Federal FSP, the State should revisit the assumptions and recalculate statutory allocation.

Debt Stock - Zamfara State's Debt Stock estimated to increase from N146,961 million in 2022, N234,245 million in 2025, N273,667 million in 2028 and N285,227 million in 2031, respectively. Principal Repayment estimated to increase from N9,422 million in 2022 to N46,519 million in 2031, compared with the Interest Payment N2,739 million in 2022 to N24,521 million in 2031. (see Charts 18, 19 and 20, below).

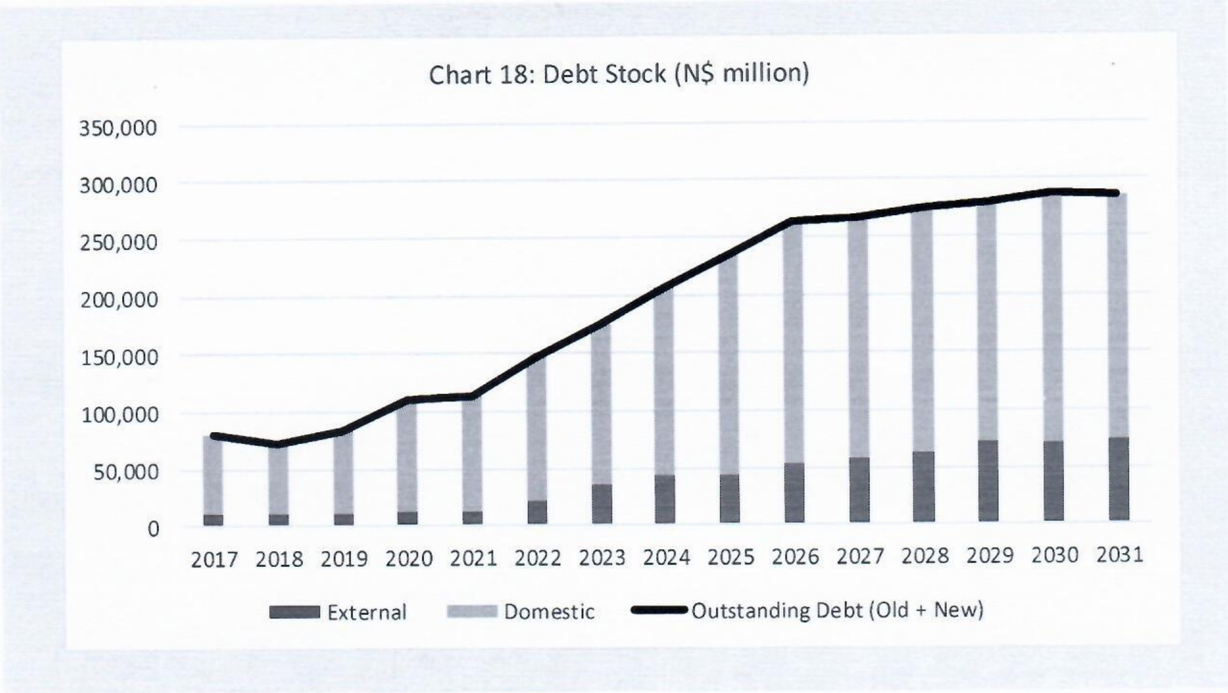


Chart 18: Debt Stock (N$ million)
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031
External
Domestic
Outstanding Debt (Old + New)

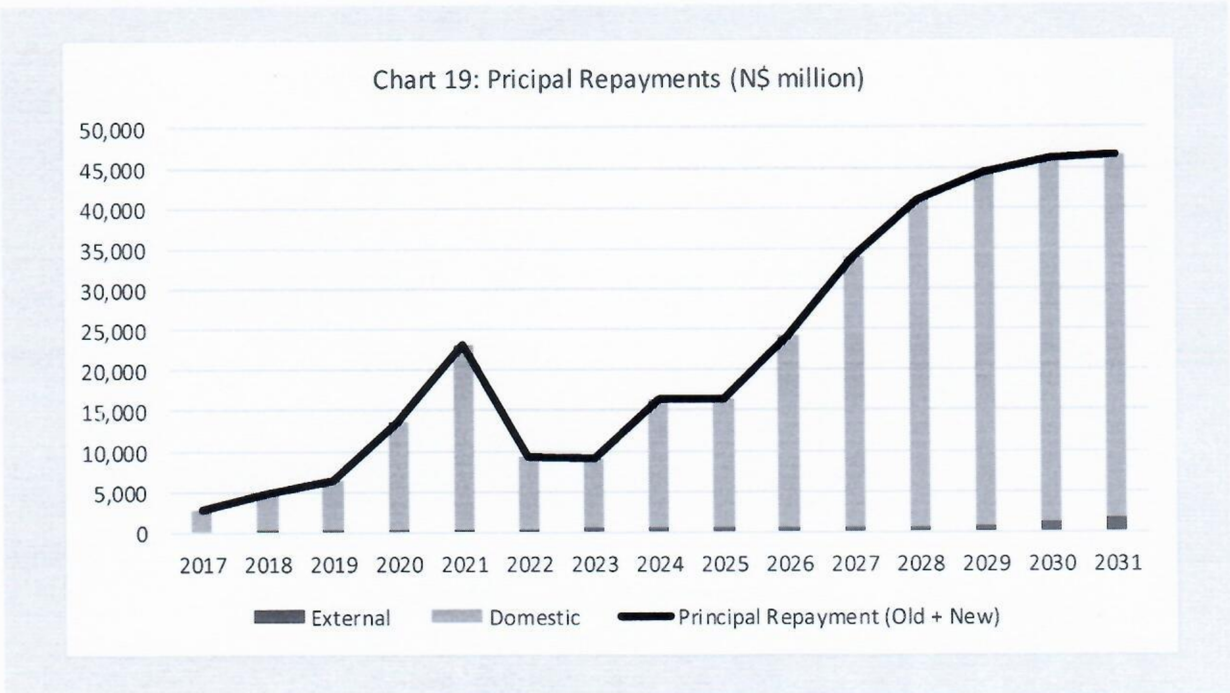
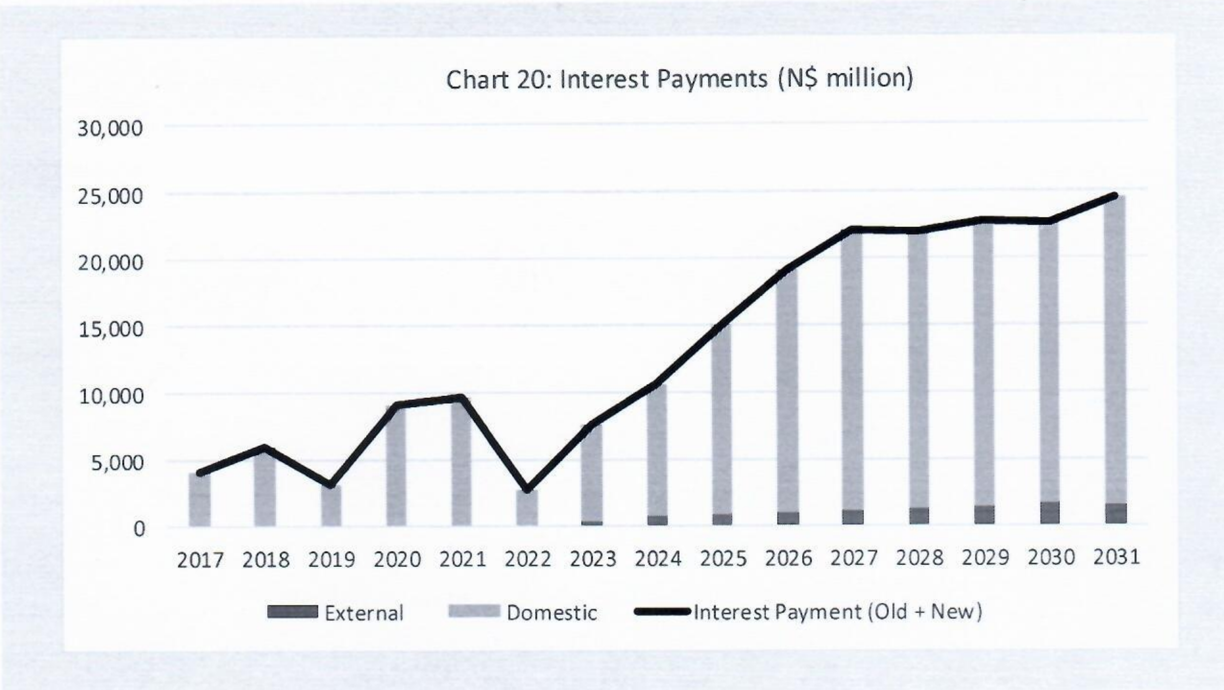


Chart 19: Pricipal Repayments (N$ million)
50,000
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031
External
Domestic
Principal Repayment (Old + New)



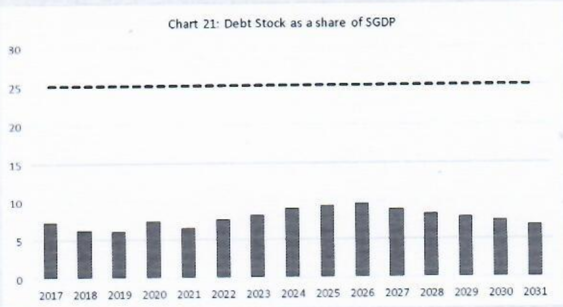
Main Key Findings

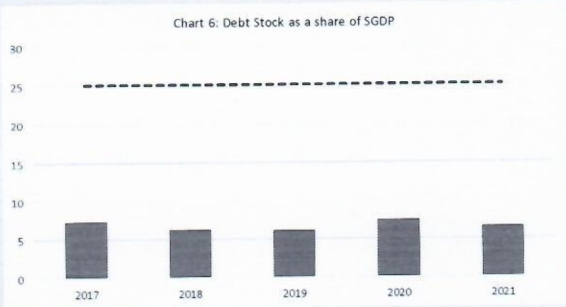
The Baseline Scenario results shows that the ratio of Debt as % of GDP is projected at 7.67 percent in 2022, 9.34 percent in 2025, 8.38 percent in 2028 and 6.76 percent in 2031 respectively, as against the indicative threshold of 25 percent. The ratio of Debt as % of Revenue estimated to increase of 128.40 percent in 2022, 203.80 percent in 2025, 200.26 percent in 2028 and 168.21 percent in 2031, compare with the benchmarks of 200 percent. Meanwhile, the ratios of Debt Service to Revenue projected at 10.62 percent in 2022, 27.22 percent in 2025, 46.17 percent in 2028 and 41.89 percent in 2031 compare with thresholds of 40 percent and Personnel Cost to Revenue trends remains under the threshold over the projection period from 2022 to 2031, with the strongminded efforts by the State Government through its various initiatives and reforms in the key sectors of the economy, respectively. The details of the debt and debt service indicators are as shown in the table below.

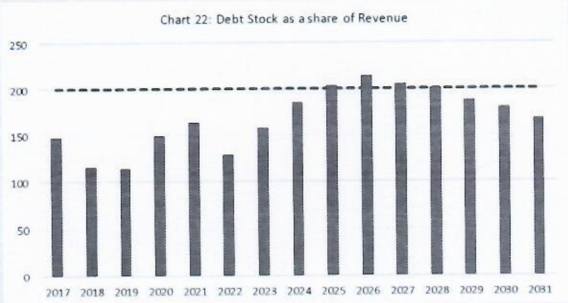
On the Total Debt Sustainability Analysis, the results show that the ratio of Debt to revenue remains below its indicative threshold under the Baseline scenario. However, based on the Most Extreme Shock in Revenue, Expenditure, Exchange rate and Interest rate, and historical remains moderate debt distress over the projection period.

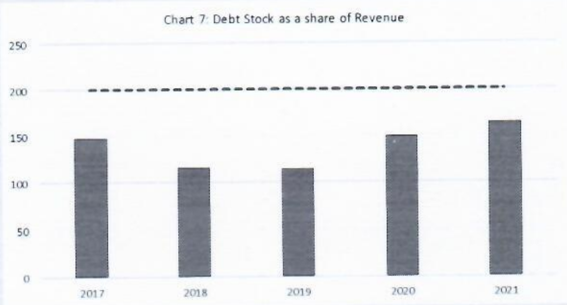
2022 DSA exercise shows that there is substantial Space to Borrow based on the state's current revenue profile. Meanwhile, the ratios of Debt Service to Revenue and Personnel Cost to Revenue trends remains under the threshold over the projection period from 2022 to 2031, with the strongminded efforts by the State Government through its various initiatives and reforms in the key sectors of the economy.

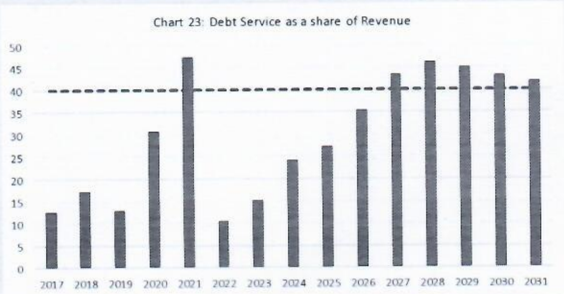
Debt and Debt Service Indicators and Thresholds – Baseline Scenario

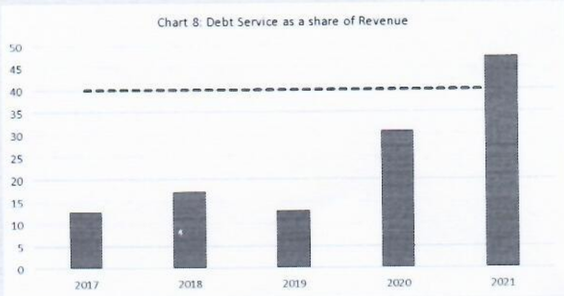


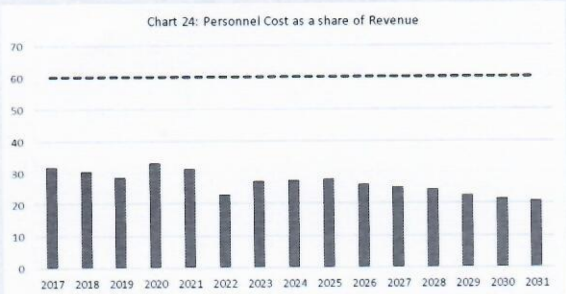


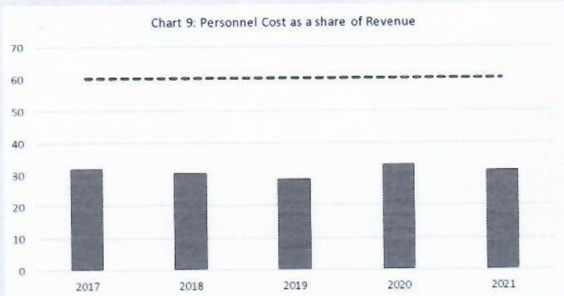


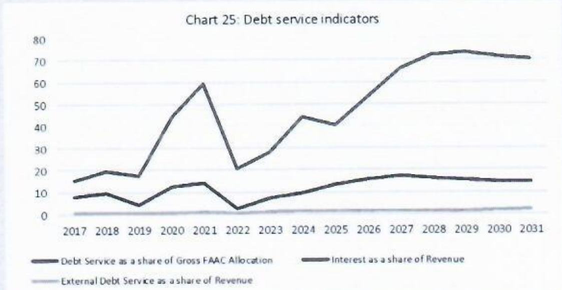


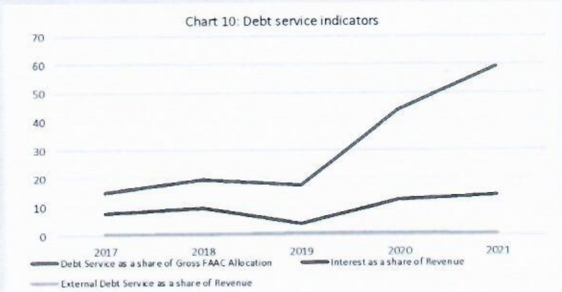












Conclusion

The result of the 2022 DSA shows that Zamfara remains at a moderate risk of debt distress relative to the baseline scenario with Some-Space to accommodate shocks. However, debt sustainability remains mostly sensitive to the revenue shocks and expenditure shocks, indicating that an increase in aggregate output, does not result to a proportionate increase in revenue. There is, therefore, the urgent need for the authorities to fast-track efforts aimed at further diversifying the sources of revenue away from crude oil (FAAC), as well as implement far-reaching policies that will bolster IGR into the state. This has become critical, given the continued volatility in the FAAC allocation.

DSA Sensitivity Analysis

2022 DSA analysis shows that Zamfara remains at moderate risk of debt distress under sensitivity analysis, the State DSA under pessimistic scenario shows deteriorated or weakening ratios due to application of revenue shocks, expenditure shocks, exchange rate shocks, interest rate shocks and historical shock, that would lead to increase Gross Financing Needs over the projection period. The shocks apply breached the threshold under debt to Revenue from 2023 to 2031 and debt service to revenue from 2026 to 2031, all under historical shocks. There is, an urgent need for the authorities to fast-track efforts aimed at further diversifying the sources of revenue away from crude oil (FAAC), as well as implement far-reaching policies that will bolster IGR into the state. This has become critical, given the continued volatility in the FAAC allocation.

The projections under the Zamfara State 2022 DSA remains sustainable due to strict adherence to prudent debt management as well as fiscal discipline. With the provisions of law guiding domestic and international borrowing by Fiscal Responsibility Act, and Debt Management, the Government is positioned for prudent debt management and fiscal discipline in order to be able to honor its future financial obligations without recourse to any financing options.

With the MTB and FSP, the fiscal policy both on revenue expansion an expenditure control are targeted towards mobilization of fund for the budget as well as investments in the State. This will among others improve budget allocations that reflects the State policy priorities and development needs such as; grow the economy through targeted spending in areas of comparative advantage such as agriculture, trade, and tourism; and improve cash management. Fiscal policies guiding Cash Management and IGR is expected to consolidate on the gains of the State achievements.

Zamfara State Debt Burden Indicators. 2022-2031

	Threshold	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Debt as % of SGDP	25	7.67	8.23	8.99	9.34	9.63	8.89	8.38	7.83	7.39	6.76
Debt as % of Revenue	200	128.40	157.51	185.44	203.80	214.16	205.02	200.26	186.68	180.19	168.21
Debt Service as % of Revenue	40	10.62	15.16	24.08	27.22	35.31	43.26	46.17	44.99	43.15	41.89
Personnel Cost as % of Revenue	60	23.22	27.44	27.75	27.79	26.37	25.46	24.56	22.81	21.71	20.74
Debt Service as a % of Gross FAAC Allocation	nil	20.48	27.93	44.02	40.09	53.09	65.97	72.24	73.21	71.26	70.10
Interest as a share of Revenue	nil	2.39	6.85	9.47	13.11	15.60	17.05	16.12	15.27	14.24	14.46
External Debt Service as a share of Revenue	nil	0.40	0.75	1.09	1.30	1.22	1.33	1.42	1.38	1.70	1.96
Gross Financing Needs as a share of SGDP	nil	2.28	1.72	2.13	1.96	2.18	1.40	1.68	1.57	1.56	1.20
Overall Balance as a share of SGDP	nil	-2.26	-1.74	-2.08	-1.84	-2.10	-1.45	-1.78	-1.55	-1.58	-1.28
Primary Balance as a share of SGDP	nil	-2.11	-1.39	-1.62	-1.24	-1.40	-0.71	-1.11	-0.91	-0.99	-0.70
Revenue as a share of SGDP	nil	5.97	5.23	4.85	4.58	4.50	4.34	4.19	4.19	4.10	4.02
Expenditures as a share of SGDP	nil	8.23	6.97	6.93	6.42	6.60	5.79	5.97	5.75	5.67	5.30

Chart 9: Debt and Debt Service Indicators and Thresholds

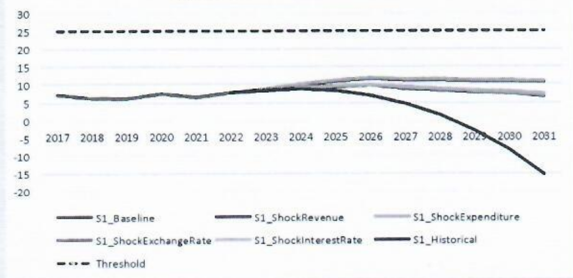


Chart 27: Debt Stock as a share of SGDP

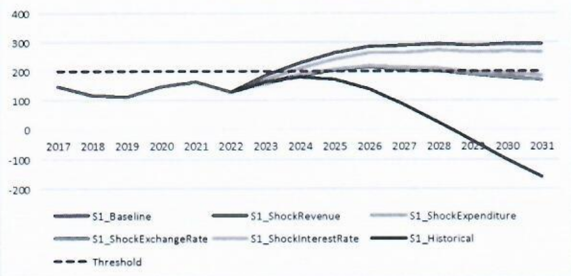


Chart 28: Debt Stock as a share of Revenue

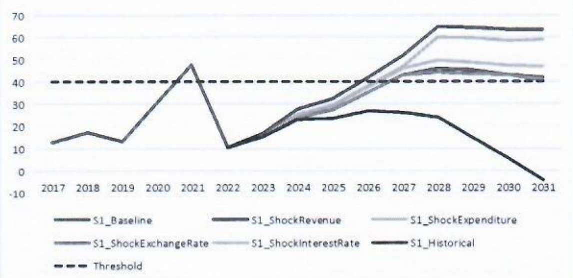


Chart 29: Debt Service as a share of Revenue

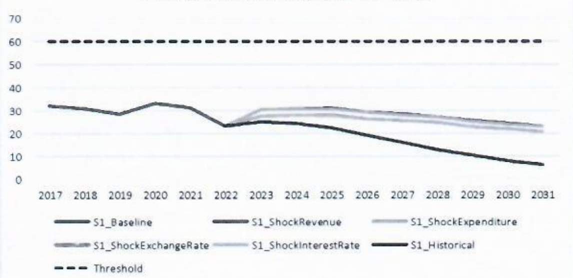


Chart 30: Personnel Cost as a share of Revenue

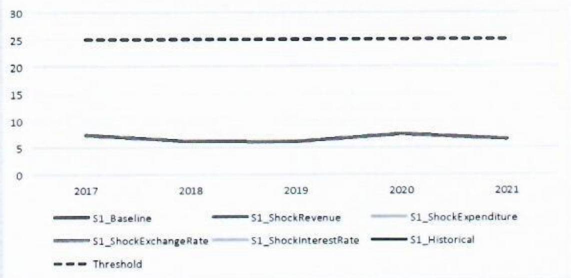


Chart 12: Debt Stock as a share of SGDP

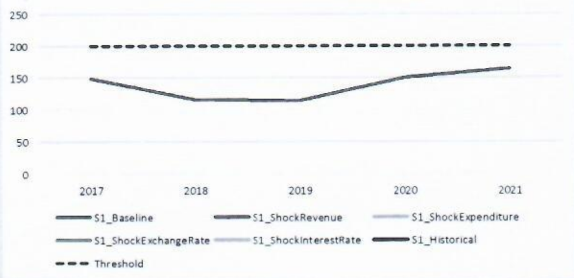


Chart 13: Debt Stock as a share of Revenue

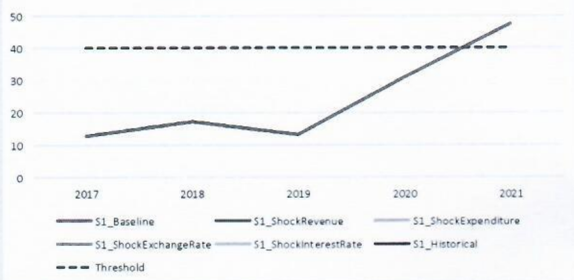


Chart 14: Debt Service as a share of Revenue

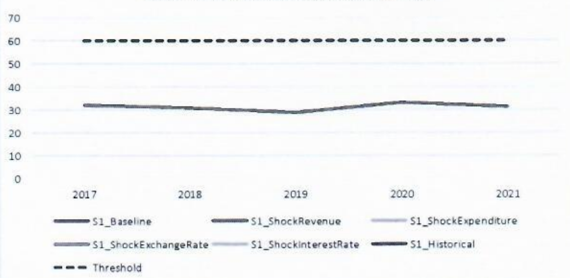


Chart 15: Personnel Cost as a share of Revenue

5. DEBT MANAGEMENT STRATEGY

Public debt management is the process of establishing and executing a strategy for managing the government's debt in order to raise the required amount of funding at the lowest possible cost over the medium to long run, consistent with a prudent degree of risk. Debt Management Strategy examines the costs and risks inherent in the current debt portfolio, as well as in the debt portfolios that would arise from a range of possible issuance strategies, in light of factors such as the macroeconomic and financial market environment, the availability of financing from different creditors and markets, and vulnerabilities that may have an impact on future borrowing requirements and debt service costs.

The Debt Management Strategy provides alternative strategies to meet the financing requirements for Zamfara State The strategies are shown by the breakdown of funding mix (domestic debt and external debt) and within the broad categories of domestic and external, the share of each stylized instrument has also been illustrated. The Zamfara State's Debt Management Strategy, 2022-2026, analyses the debt management strategies outcomes of the three debt management performance indicators namely Debt Stock to Revenue, Debt Services to Revenue and Interest to Revenue. The cost is measured by the expected value of a performance indicator in 2026, as projected in the baseline scenario. Risk is measured by the deviation from the expected value in 2026 caused by an un-expected shock, as projected in the most adverse scenario. The following four strategies are assessed by the government.

5.1 Alternative Borrowing Options

Strategy 1 (S1) Reflects a "status quo" MTEF Financing Mix: It follows the broad parameters of the financing mix in the fiscal year 2022 and MTEF, 2022-2024. External gross borrowing under Concessional loans accounts on average 18.98 percent over the strategic period mainly through World Bank and African Development Bank, the Domestic gross financing comprises commercial bank loans, State bonds and other domestic financing. The Commercial Bank loans with the maturity of 1-5 years is projected to account on average of 32.31 percent, the Commercial Bank loans with the maturity of above 6 years estimated with an average of 25.75 percent, State Bond with the maturity of 1-5 years is estimated at 14.13 percent, and State Bonds with the maturity of above 6 years is projected to account on average of 8.83 percent over the DMS period of 2022-2026.

Strategy 2 (S2) Focus more on financing through commercial bank loans: In this strategy it has been assumed the distribution between external and domestic borrowing remains the same in 2022 as its in strategy 1. The remaining of borrowing distributions from 2023 to 2026, the state government will focus its financing through commercial bank loans with average 28.33 percent under maturity of 1-5 years and 30.90 percent under maturity of above 6 years, other gross financing needs through the State bonds with the maturity period of 1-5 years estimated to account on average of 21.63 percent, 8.83

percent under the maturity of above 6 years and concessional loans by 13.02 percent, over the strategic period.

Strategy (S3) Focus its financing through domestic debt market: In strategy 3, the government decided to focus its financing from 2022 to 2026, through State Bonds (1-5 years), State Bonds (above 6 years), Commercial Bank loans (1-5 years), Commercial Bank loans with the maturity of above 6 years, and Concessional Loans with an average of 24.21 percent, 23.00 percent, 27.50 percent, 20.08 percent, and 9.10 percent, respectively. This strategy considers the scenario where proportions of external and domestic debt instruments in 2022 remains the same with strategy 1.

Strategy (S4) increases the share of external and domestic borrowing: In this strategy, External Financing (Concessional Loans) represents an average of 18.29 percent from 2022-2026, other gross financing comprises Commercial bank loans (1-5 years), State Bonds (1-5 years) and Commercial bank loans (above 6 years) with average period of 34.26 percent, 32.07 percent, 9.84 percent and 8.83 percent by the end of projection period of 2026.

5.2 DMS Simulation Results

Analysis of strategies & outcomes of the analysis. The cost risk trade off charts illustrates the performance of the alternative strategies with respect to four debt burden indicators.

a. Debt as a share Revenue:

- Strategy 1 shows the Cost ratio of Debt to Revenue estimated at 214.16 percent in 2026, as against Strategy 4 (216.13 percent), Strategy 2 (216.18 percent) and Strategy 3 (217.14 percent), over the DMS period of 2026, compared with the Risks measured of Strategy 1 (70.41 percent), Strategy 4 (70.63 percent), Strategy 2 (70.63 percent) and Strategy 3 (70.74 percent), respectively.
- Analysis using this debt indicator of debt to revenue shows that S1 has the lowest costs and risks with the average measured by 214.16 percent and 70.41 percent and Strategy 3 has the highest Costs and risks under debt to GDP ratio. On the other hand, Strategy 4 and Strategy 2 has the moderate costs and risks over the DMS period of 2022-2026.

Chart 33. Debt Stock as a share of Revenue
(including grants and excluding other capital receipts)

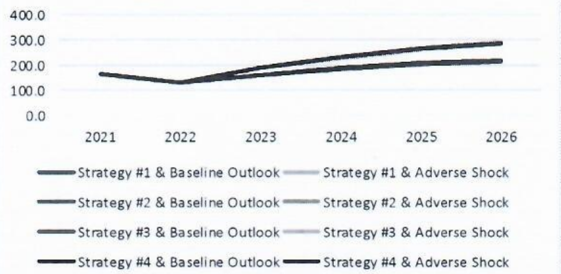
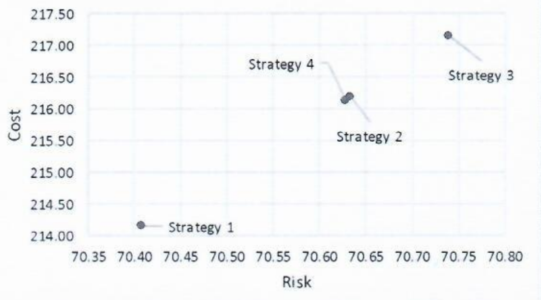


Chart 34. Cost-Risk Trade Off
(Cost in vertical axis, Risk in horizontal axis)

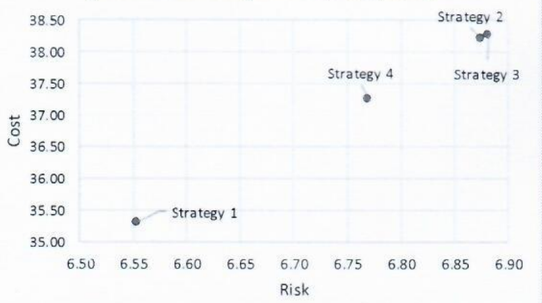


b. **Debt Service as a share of Revenue:**

- In terms of Debt Service to Revenue, Strategy 1 has the lowest costs of 35.31 percent and lowest risks of 6.55 percent compared to Strategy 4 (moderate costs at 37.26 percent and moderate risks at 6.77 percent), Strategy 2 (moderate costs at 38.21 percent and moderate risks at 6.875 percent) and S3 (highest costs at 38.27 percent and highest risks at 6.882 percent), respectively, as at end of strategy period of 2026.
- Strategy 1 has the lowest costs and risks at 35.31 percent and 6.55 percent, compared Strategy 3 with the highest cost and risk, compared Strategies that estimated to have moderate costs and Moderate during the projection period, 2022-2026.

Chart 37. Debt Service as a share of Revenue
(including grants and excluding other capital receipts)

Chart 38. Cost-Risk Trade Off
(Cost in vertical axis, Risk in horizontal axis)



c. **Interest as a share of Revenue**

- S1 is the least costly with regards Interest to Government revenues, which projected to increase to 15.60 percent and least risks of 4.36 percent over the estimated period of 2026, whilst S3 is the costliest and riskiest of 16.74 percent and 4.39 percent, compared with S4 and S2 with moderate costs which estimated at 15.77 percent and 16.35 percent, moderate risks were projected at 4.38 percent and 4.49 percent by the end of strategic period of 2026.

Chart 41. Interest as % of Revenue
(including grants and excluding other capital receipts)

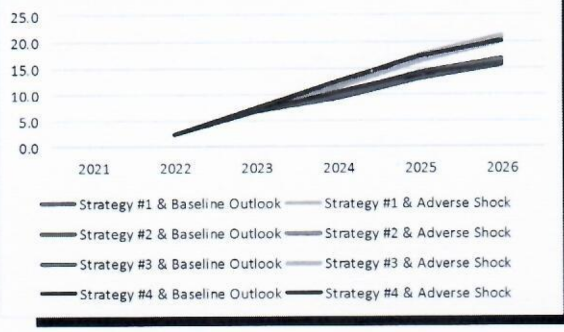
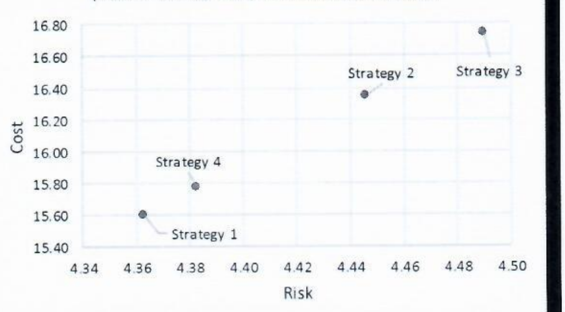


Chart 42. Cost-Risk Trade Off
(Cost in vertical axis, Risk in horizontal axis)



5.3 DMS Assessment

The preferred strategy was not solely based on the Analytical Tool assessment of all four strategies but took into consideration the ability to implement the chosen strategy successfully in the medium-term. Therefore, although the Analytical Tool's results of cost and risk shows that Strategy 1 has the lowest costs and risks under debt to revenue, debt service to revenue and interest payment to revenue, **it is considered that S1 is the most feasible of the strategies to implement in the short-term and it would still greatly improve the portfolio's debt position relative to the base year 2022**.

In line with Strategy 1, the State's debt is affordable and resilient to shock give the lowest cost and risk of 35.31 percent and lowest risks of 6.55 percent under the debt service as percentage of revenue. Also, debt to revenue shows that S1 has the lowest costs and risks with the average measured by 214.16 percent and 70.41 percent and Strategy 3 has the highest Costs and risks under debt to GDP ratio. On the other hand, Strategy 4 and Strategy 2 has the moderate costs and risks over the DMS period of 2022-2026.

The debt management strategy to support or balance the cost and risk would be to:
Borrow at lowest possible cost over the medium to long run, consistent with a prudent degree of risk, and, Portfolio review in respect of commercial bank loans, bond issuance, multilateral, and bilateral loans with a to hedging against risk such as interest and exchange rate.

In comparison to the current debt position, Zamfara State debt portfolio stood at N112,744.01 million as at end-2021, which is expected to increase to N263,822.75 million under S1 during the strategic period, compared to S2 (N266,316.94 million), S3 (N267,495.89 million), and S4 (N266,257.38 million). In addition to this, the cost/risk trade-offs are considered, using the debt to GDP, debt to revenue, debt service to GDP, debt service to revenue, interest to GDP and interest payment to GDP ratios, S1 is selected as the preferred strategy for the 2022-2026.

The Debt Management Strategy, 2022-2026 represents a robust framework for prudent debt management, as it provides a systematic approach to decision making on the appropriate composition of external and domestic borrowing to finance the 2022 budget. The cost-risk trade-off of alternative borrowing strategies under the DMS has been evaluated within the medium-term context.

The Fiscal Strategy Paper prioritized projects and programmes in a sustainable manner and consistent with its development policy objective of the Government. The fiscal policies strongly recommend that the existing debt and new borrowing should be kept below the established threshold. Also, Fiscal Responsibility Act, 2007 as well as Debt Management Act, 2003 provides for prudent spending of public funds. The Government will always operate with the law by keeping it debt stock below the established threshold at minimum cost and risk. The cost of carrying debt and risk exposure depend largely on the debt management strategy adopted by the Government. The debt management strategy to be adopted will be able to provide for the Government the much-needed fund at minimum cost and risk without recourse to other financing options. Given the projections, both Baseline and Optimistic scenario shows that the debt is sustainable and resilient, and this is due to high expectation on the revenue.

The Debt Management Strategy, 2022-2026 represents a robust framework for prudent debt management, as it provides a systematic approach to decision making on the appropriate composition of external and domestic borrowing to finance the 2022 budget. The cost-risk trade-off of alternative borrowing strategies under the DMS has been evaluated within the medium-term context.

The Debt management strategy to be adopted both in the baseline and the most-adverse shock would be subjected to the principle of cost and risk analysis. The Government is expected by the Fiscal Responsibility Act, 2007, and the Debt Management Act, 2003, provides that the State to borrow or raise the required amount of funding at the lowest possible cost over the medium to long run, consistent with a prudent degree of risk. Debt Management Strategy examines the costs and risks inherent in the current debt portfolio, as well as in the debt portfolios that would arise from a range of possible issuance strategies. The borrowed fund should be used for capital project as well as human capital development. Other strategy such as portfolio mix of domestic and external debt ratio in order to hedge against risk.

Annex I: Baseline Assumptions

Statutory Allocations – the estimation for statutory allocation is based on an elasticity forecast taking into consideration the macroeconomic framework (national) and the mineral assumptions in the

2022-2024 Federal Fiscal Strategy Paper. It is based on historical mineral revenues flows and elasticity-based forecast using national Real GDP and inflation data.

VAT – is based on elasticity forecast using the combined change in GDP and inflation rate. The estimate for 2022-2024 is in line with the current rate of collections due to covid-19 pandemic be revisited if there are any changes to the VAT rates as proposed in the previous forecast.

Other Federation Account Distributions – the estimation is based on the current receipt. Furthermore, it is anticipated that new FAAC will investigate the crises that caused by the advent of the covid-19 pandemic so that the sharing formula would be investigate carefully.

Internally Generated Revenue (IGR) – the estimation is own value which is calculated based on the current growth rate marked up slightly to factor the current administration's reform initiatives to grow the IGR and all payments of any nature must be done through the TSA

Grants – The internal grants are mostly based on the expected grant from local donors and programs which was estimated at N29 billion. External grants are mostly based on signed grant agreements with the World Bank, UNICEF, EU etc

Financing (Net Loans) – the internal and external loans are projections based on agreement ZGS 2022-2024 EFU-FSP-BPS Consolidated Revenue Fund Charges – this includes public debt charges (which is external debt servicing) which is changing in medium term. The estimation is own value determined based on the debt servicing costs (principal and interest repayment) for 2022-2024

Personnel – it is anticipated that the new minimum wage will have a negative impact on staff new recruitment because of the burden on the side of the government. This to some extent will reduce the state contribution for Contributory Pension Scheme in the state.

Overheads – overhead has been relatively stable over the years to date. It is anticipated that the status quo will remain stable. Consequently, the estimation is own value calculated using the current growth rate.

Capital Expenditure – this is based on the balance from the recurrent account plus capital receipts, less than planning and contingency reserve as outlined above.

2022		Projection Methodology	Source
Assumptions			
Economic activity	State GDP (at current prices)	State GDP projected using the actual S-GDP and projected N-GDP nominal growth rate	State Statistics and NBS
Revenue	**Revenue**		
	1. Gross Statutory Allocation ('gross' means with no deductions; do not include VAT Alloca	The assumption is based on an elasticity forecast taking into consideration the macroeconomic framework (national) and the mineral assumptions in the Federal Fiscal Strategy Paper. It is based on historical mineral revenues flows and elasticity-based forecast using national Real GDP and inflation data.	ZM 2022 Approved Budget & MTEF, 2022-2024
	1.a. of which Net Statutory Allocation ('net' means of deductions)	The assumption is based on an elasticity forecast taking into consideration the macroeconomic framework (national) and the mineral assumptions in the Federal Fiscal Strategy Paper. It is based on historical mineral revenues flows and elasticity-based forecast using national Real GDP and inflation data.	ZM 2022 Approved Budget & MTEF, 2022-2024
	1.b. of which Deductions	The assumption is based on an elasticity forecast taking into consideration the macroeconomic framework (national) and the mineral assumptions in the Federal Fiscal Strategy Paper. It is based on historical mineral revenues flows and elasticity-based forecast using national Real GDP and inflation data.	ZM 2022 Approved Budget & MTEF, 2022-2024
	2. Derivation (if applicable to the State)		ZM 2022 Approved Budget & MTEF, 2022-2024
	3. Other FAAC transfers (exchange rate gain, augmentation, others)	The estimation is based on the current receipt.	ZM 2022 Approved Budget & MTEF, 2022-2024
	4. VAT Allocation	The estimation is based on elasticity forecast using the combined change in GDP and inflation rate.	ZM 2022 Approved Budget & MTEF, 2022-2024
	5. IGR	The estimation is own value which is calculated based on the current growth rate marked up slightly to factor the current administration's reform initiatives to grow the IGR and all payments of any nature must be done through the TSA	ZM 2022 Approved Budget & MTEF, 2022-2024
	6. Capital Receipts	the estimation is based on the current receipt.	ZM 2022 Approved Budget & MTEF, 2022-2024
	6.a. Grants	The internal grants are mostly based on the expected grant from local donors and programs which was estimated at N29 billion. External grants are mostly based on signed grant agreements with the World Bank, UNICEF, EU etc	ZM 2022 Approved Budget & MTEF, 2022-2024
	6.b. Sales of Government Assets and Privatization Proceeds	The estimation is based on the current receipt.	ZM 2022 Approved Budget & MTEF, 2022-2024
	6.c. Other Non-Debt Creating Capital Receipts	The estimation is based on the current receipt.	ZM 2022 Approved Budget & MTEF, 2022-2024
Expenditure	**Expenditure**		
	1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	It is anticipated that the new minimum wage will definitely have a negative impact on staff new recruitment because of the burden on the side of the government. This to some extent will reduce the state contribution for Contributory Pension Scheme in the state.	ZM 2022 Approved Budget & MTEF, 2022-2024
	2. Overhead costs	Overhead has been relatively stable over the years to date. It is anticipated that the status quo will definitely remain stable. Consequently, the estimation is own value calculated using the current growth rate.	ZM 2022 Approved Budget & MTEF, 2022-2024
	3. Interest Payments (Public Debt Charges, including interests deducted from FAAC Alloca	Amortization and interest payments estimated using profiles recorded in the DMO. Include the external debt service paid through FAAC deductions	Debt Management Office
	4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest F	Amortization and interest payments estimated using profiles recorded in the DMO. Include the external debt service paid through FAAC deductions	Debt Management Office
	5. Capital Expenditure	Highlights on Some of the Projects to be Executed in 2022 Fiscal Year. Some of the projects to be undertaken by this administration in the course of implementation of the year 2022 budget are: • Gusau- Jauri- Dogon Kade road; • Rehabilitation of the existing roads from Kotorkoshi – Mada, and Gusau – Dansadau; • Reconstruction and completion of Shinkafi Referral Hospital; • Construction of Maradun General Hospital; Construction of dispensaries across the 14 Local Government Areas; Construction of Mada-Wonaka- Ruwan Bore road; Construction of Maradun- Magami, and Faru road; • Government will also undertake various rural water and electrification projects within the financial year; Construction of Tsafe – Yankuzo- Yanwaren daji- Hayin Aljhaji- Cedeya to Yandoton Daji road would be continued within the year;	ZM 2022 Approved Budget & MTEF, 2022-2024
Closing Cash and Bank Balance	**Closing Cash and Bank Balance**	Financial Statements	ZM 2022 Approved Budget & MTEF, 2022-2024
Debt Amotization and Interest Payments	**Debt Outstanding at end-2021**		
	External Debt - amortization and interest	Amortization and interest payments estimated using profiles recorded in the DMO. Include the external debt service paid through FAAC deductions	Debt Management Office
	Domestic Debt - amortization and interest	Amortization and interest payments estimated using profiles recorded in the DMO. Include the external debt service paid through FAAC deductions	Debt Management Office
	New debt issued/contracted from 2022 onwards		
	New External Financing		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	External Financing - Bilateral Loans	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	Other External Financing	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	New Domestic Financing		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	State Bonds (maturity 1 to 5 years)	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	State Bonds (maturity 6 years or longer)	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	Other Domestic Financing	The External and Domestic Debt Service Cost which comprises principal repayment and Interest payment are projections based on agreement ZM Approved Budget 2022 and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S1	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S1**	**Insert the Borrowing Terms for New External Debt: interest rate (%), maturity (# years) and grace period (#)**	
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	State Bonds (maturity 1 to 5 years)	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	State Bonds (maturity 6 years or longer)	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	Other Domestic Financing	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	New External Financing in Million US Dollar	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	External Financing - Bilateral Loans	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
	Other External Financing	Gross Financing Needs was distributed based on the ZM 2022 Approved Budget and MTEF, 2022-2024	ZM 2022 Approved Budget & MTEF, 2022-2024
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S2	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S2**		
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	State Bonds (maturity 1 to 5 years)	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	State Bonds (maturity 6 years or longer)	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	Other Domestic Financing	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	External Financing - Bilateral Loans	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	Other External Financing	New Borrowing Options for Strategy 2 consider more Financing from commercial banks (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S3	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S3**		
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	State Bonds (maturity 1 to 5 years)	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	State Bonds (maturity 6 years or longer)	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	Other Domestic Financing	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	External Financing - Bilateral Loans	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
	Other External Financing	New Borrowing Options for Strategy 3 consider more Financing from State Bonds (1-5 years and above 6 years) compared to other financing	DSA-DMS Technical Team
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S4	**Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S4**		
	New Domestic Financing in Million Naira		
	Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans,	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Lo	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	State Bonds (maturity 1 to 5 years)	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	State Bonds (maturity 6 years or longer)	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	Other Domestic Financing	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	New External Financing in Million US Dollar		
	External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	External Financing - Bilateral Loans	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team
	Other External Financing	New Borrowing Options for Strategy 4 consider more External Financing from Concessional loans and Bilateral loans compared to other financing	DSA-DMS Technical Team

Annex II: Zamfara State Baseline Scenarios, 2017-2031

Indicator	Actuals					Projections									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	BASELINE SCENARIO														
Economic Indicators															
State GDP (at current prices)	1,100,458.00	1,170,920.00	1,356,609.00	1,481,391.00	1,727,626.00	1,915,602.00	2,116,541.00	2,301,865.00	2,508,297.00	2,738,558.00	2,989,958.00	3,264,436.00	3,564,111.00	3,891,297.00	4,218,483.00
Exchange Rate NGN/US$ (end-Period)	306.00	307.00	326.00	381.00	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99	412.99
Fiscal Indicators (Million Naira)															
Revenue	**54,352.94**	**67,808.70**	**83,393.85**	**90,744.41**	**97,874.28**	**158,092.39**	**147,024.05**	**160,686.22**	**164,041.24**	**182,774.13**	**171,539.52**	**191,453.89**	**205,285.46**	**220,217.24**	**220,157.75**
1. Gross Statutory Allocation ('gross' means with no deductions; do not include VAT Allocation here)	33,163.00	42,314.00	41,191.00	32,640.00	31,248.07	33,546.84	33,920.78	34,487.11	49,549.03	52,026.48	53,627.80	54,359.19	57,227.15	60,238.51	63,249.87
1.a. of which Net Statutory Allocation ('net' means of deductions)	33,163.00	42,314.00	41,191.00	32,640.00	31,248.07	33,546.84	33,920.78	34,487.11	49,549.03	52,026.48	53,627.80	54,359.19	57,227.15	60,238.51	63,249.87
1.b. of which Deductions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Derivation (if applicable to the State)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Other FAAC transfers (exchange rate gain, augmentation, others)	3,003.00	1,969.00	1,816.00	4,167.00	3,989.30	4,282.77	4,330.51	4,402.81	10,027.60	10,528.98	11,055.43	11,608.20	12,188.61	12,798.04	13,407.47
4. VAT Allocation	10,063.00	11,189.00	11,986.00	15,040.00	20,083.44	21,560.88	21,801.21	22,165.20	18,462.33	19,385.44	20,354.71	21,372.45	22,441.07	23,563.13	24,685.18
5. IGR	6,023.99	4,688.00	15,416.04	18,499.25	12,963.91	20,163.18	20,639.81	20,654.01	26,530.85	28,663.56	29,829.45	32,286.81	38,358.51	41,448.14	44,537.77
6. Capital Receipts	2,099.95	7,648.71	12,984.81	20,398.15	29,589.56	78,538.71	66,331.74	78,977.08	59,471.44	72,169.68	56,672.13	71,827.24	75,070.12	82,169.43	74,277.46
6.a. Grants	2,194.87	2,372.87	2,727.36	3,566.00	476.93	34,900.00	29,900.00	29,900.00	10,366.21	12,586.78	14,807.35	17,027.92	19,248.49	21,469.06	23,689.63
6.b. Sales of Government Assets and Privatization Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,153.18	2,184.09	2,215.00	2,245.91	2,276.82	2,307.73	2,338.64
6.c. Other Non-Debt Creating Capital Receipts	-94.93	708.05	60.01	2,671.12	10,315.09	0.00	0.00	0.00	3,450.53	3,530.78	3,611.03	3,691.28	3,771.53	3,851.78	3,932.03
6.d. Proceeds from Debt-Creating Borrowings (bond issuance, loan disbursements, etc.)	0.00	4,567.79	10,197.45	14,161.03	18,797.53	43,638.71	36,431.74	49,077.08	43,501.52	53,868.03	36,038.75	48,862.13	49,773.28	54,540.86	44,317.16
Expenditure	**58,520.75**	**69,933.79**	**83,521.29**	**110,551.44**	**87,673.44**	**157,686.41**	**147,512.05**	**159,486.22**	**161,141.24**	**180,774.13**	**173,139.52**	**194,853.89**	**204,785.46**	**220,817.24**	**223,557.75**
1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	17,317.58	19,112.03	20,791.36	24,402.15	21,460.44	26,572.93	30,341.69	30,966.62	31,941.95	32,480.79	33,019.63	33,558.46	34,097.30	34,636.14	35,174.98
2. Overhead costs	12,318.31	16,675.64	26,109.44	23,441.93	19,304.81	44,933.92	40,425.12	39,011.30	22,881.78	28,399.42	20,927.41	21,465.95	26,015.27	29,575.58	29,575.58
3. Interest Payments (Public Debt Charges, including interests deducted from FAAC Allocation)	4,149.57	5,948.89	3,094.47	9,139.34	5,455.75	2,738.51	7,574.27	10,565.34	15,065.36	19,214.26	22,104.67	22,035.49	22,820.75	22,709.71	24,521.09
3.a. of which Interest Payments (Public Debt Charges, excluding interests deducted from FAAC Allocation)	4,070.10	5,868.23	3,011.36	9,074.94	5,355.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.b. of which Interest deducted from FAAC Allocation	79.47	80.66	83.11	64.41	100.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest Payments)	105.49	142.60	58.10	7,281.70	0.00	8,044.10	7,245.20	2,451.33	2,657.46	3,563.59	3,769.72	3,875.85	3,981.98	3,688.11	3,688.11
5. Capital Expenditure	21,866.43	23,255.03	27,027.18	32,728.05	20,233.67	65,975.00	52,730.02	60,182.02	72,374.25	72,825.48	59,320.24	72,859.85	73,445.64	84,079.01	84,079.01
6. Amortization (principal) payments	2,763.36	4,799.61	6,440.74	13,558.26	21,218.78	9,421.94	9,195.75	16,309.61	16,220.45	24,290.60	33,997.86	41,058.28	44,424.51	46,128.68	46,518.97
Budget Balance ('+' means surplus, '-' means deficit)	**-4,167.81**	**-2,125.08**	**-127.44**	**-19,807.04**	**10,200.84**	**405.98**	**-488.00**	**1,200.00**	**2,900.00**	**2,000.00**	**-1,600.00**	**-3,400.00**	**500.00**	**-600.00**	**-3,400.00**
Opening Cash and Bank Balance	**19,508.54**	**15,340.73**	**13,215.65**	**13,088.21**	**-6,718.82**	**3,482.02**	**3,888.00**	**3,400.00**	**4,600.00**	**7,500.00**	**9,500.00**	**7,900.00**	**4,500.00**	**5,000.00**	**4,400.00**
Closing Cash and Bank Balance	**15,340.73**	**13,215.65**	**13,088.21**	**-6,718.82**	**3,482.02**	**3,888.00**	**3,400.00**	**4,600.00**	**7,500.00**	**9,500.00**	**7,900.00**	**4,500.00**	**5,000.00**	**4,400.00**	**1,000.00**

Annex II: Zamfara State Baseline Scenarios, 2017-2031...Cont'd

Financing Needs and Sources (Million Naira)

Financing Needs						**43,638.71**	**36,431.74**	**49,077.08**	**49,105.23**	**59,582.90**	**41,864.78**	**54,799.32**	**55,821.63**	**60,700.37**	**50,587.83**
i. Primary balance						-31,072.28	-20,149.72	-21,002.13	-14,919.43	-14,078.03	12,637.75	4,894.45	11,923.63	7,538.03	17,052.23
ii. Debt service						12,160.45	16,770.02	26,874.95	31,285.80	43,504.86	56,102.53	63,093.77	67,245.26	68,838.40	71,040.06
Amortizations						9,421.94	9,195.75	16,309.61	16,220.45	24,290.60	33,997.86	41,058.28	44,424.51	46,128.68	46,518.97
Interests						2,738.51	7,574.27	10,565.34	15,065.36	19,214.26	22,104.67	22,035.49	22,820.75	22,709.71	24,521.09
iii. Financing Needs Other than Amortization Payments (e.g., Variation in Cash and Bank Balances)						405.98	-488.00	1,200.00	2,900.00	2,000.00	-1,600.00	-3,400.00	500.00	-600.00	-3,400.00
Financing Sources						**43,638.71**	**36,431.74**	**49,077.08**	**49,105.23**	**59,582.90**	**41,864.78**	**54,799.32**	**55,821.63**	**60,700.37**	**50,587.83**
i. Financing Sources Other than Borrowing						0.00	0.00	0.00	5,603.71	5,714.87	5,826.03	5,937.19	6,048.35	6,159.51	6,270.67
ii. Gross Borrowings						43,638.71	36,431.74	49,077.08	43,501.52	53,868.03	36,038.75	48,862.13	49,773.28	54,540.86	44,317.16
Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, and MSMEDF)						9,380.01	12,078.18	17,241.92	19,475.62	15,004.21	13,889.24	14,247.36	7,341.48	11,280.43	8,712.63
Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, and MSMEDF)						5,000.00	10,000.00	10,270.00	14,909.80	18,148.80	17,193.64	16,562.74	15,826.82	18,873.61	12,160.10
State Bonds (maturity 1 to 5 years)						0.00	0.00	12,390.02	9,116.10	10,501.29	0.00	12,959.44	16,430.59	0.00	18,488.56
State Bonds (maturity 6 years or longer)						20,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24,386.82	0.00
Other Domestic Financing						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
External Financing - Concessional Loans (e.g., World Bank, African Development Bank)						9,258.70	14,353.53	9,175.14	0.00	10,213.73	4,955.88	0.00	10,174.39	0.00	4,955.88
External Financing - Bilateral Loans						0.00	0.00	0.00	0.00	0.00	0.00	5,092.59	0.00	0.00	0.00
Other External Financing						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Residual Financing						0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Debt Stocks and Flows (Million Naira)

Debt (stock)	**80,582.36**	**72,254.26**	**83,112.91**	**110,241.78**	**112,744.01**	**146,960.78**	**174,196.77**	**206,964.24**	**234,245.32**	**263,822.75**	**265,863.64**	**273,667.49**	**279,016.25**	**287,428.43**	**285,226.62**
External	10,659.13	10,291.93	10,596.70	12,224.26	12,804.27	21,712.11	35,567.21	44,225.11	43,652.78	53,294.19	57,698.55	62,163.36	71,642.87	70,545.44	73,779.82
Domestic	69,923.23	61,962.32	72,516.21	98,017.53	99,939.75	125,248.67	138,629.56	162,739.13	190,592.54	210,528.56	208,165.09	211,504.12	207,373.38	216,882.99	211,446.79
Gross borrowing (flow)						**43,638.71**	**36,431.74**	**49,077.08**	**43,501.52**	**53,868.03**	**36,038.75**	**48,862.13**	**49,773.28**	**54,540.86**	**44,317.16**
External						9,258.70	14,353.53	9,175.14	0.00	10,213.73	4,955.88	5,092.59	10,174.39	0.00	4,955.88
Domestic						34,380.01	22,078.21	39,901.94	43,501.52	43,654.30	31,082.87	43,769.54	39,598.89	54,540.86	39,361.28
Amortizations (flow)	**2,763.47**	**4,799.95**	**6,440.74**	**13,560.12**	**23,002.60**	**9,421.94**	**9,195.75**	**16,309.61**	**16,220.45**	**24,290.60**	**33,997.86**	**41,058.28**	**44,424.51**	**46,128.68**	**46,518.97**
External	160.20	210.54	280.31	352.85	389.87	350.86	498.43	517.24	572.32	572.32	551.51	627.78	694.88	1,097.43	1,721.50
Domestic	2,603.27	4,589.41	6,160.43	13,207.27	22,612.73	9,071.08	8,697.32	15,792.37	15,648.12	23,718.27	33,446.35	40,430.50	43,729.63	45,031.25	44,797.47
Interests (flow)	**4,149.63**	**5,949.02**	**3,094.47**	**9,139.68**	**9,616.81**	**2,738.51**	**7,574.27**	**10,565.34**	**15,065.36**	**19,214.26**	**22,104.67**	**22,035.49**	**22,820.75**	**22,709.71**	**24,521.09**
External	79.53	80.79	83.11	64.75	100.34	104.33	332.51	694.56	924.41	927.47	1,178.40	1,307.38	1,360.94	1,612.23	1,602.29
Domestic	4,070.10	5,868.23	3,011.36	9,074.94	9,516.47	2,634.18	7,241.76	9,870.78	14,140.94	18,286.79	20,926.27	20,728.10	21,459.81	21,097.48	22,918.80
Net borrowing (gross borrowing minus amortizations)						**34,216.77**	**27,235.99**	**32,767.47**	**27,281.08**	**29,577.43**	**2,040.89**	**7,803.85**	**5,348.77**	**8,412.18**	**-2,201.81**
External						8,907.84	13,855.10	8,657.90	-572.32	9,641.40	4,404.37	4,464.81	9,479.51	-1,097.43	3,234.38
Domestic						25,308.93	13,380.89	24,109.57	27,853.40	19,936.02	-2,363.47	3,339.04	-4,130.74	9,509.61	-5,436.19

Debt and Debt-Service Indicators

Debt Stock as % of SGDP	7.32	6.17	6.13	7.44	6.53	7.67	8.23	8.99	9.34	9.63	8.89	8.38	7.83	7.39	6.76
Debt Stock as % of Revenue (including grants and excluding other capital receipts)	148.00	115.55	113.64	149.15	163.96	128.40	157.51	185.44	203.80	214.16	205.02	200.26	186.68	180.19	168.21
Debt Service as % of SGDP						0.63	0.79	1.17	1.25	1.59	1.88	1.93	1.89	1.77	1.68
Debt Service as % of Revenue (including grants and excluding other capital receipts)						10.62	15.16	24.08	27.22	35.31	43.26	46.17	44.99	43.15	41.89
Interest as % of SGDP						0.14	0.36	0.46	0.60	0.70	0.74	0.68	0.64	0.58	0.58
Interest as % of Revenue (including grants and excluding other capital receipts)						2.39	6.85	9.47	13.11	15.60	17.05	16.12	15.27	14.24	14.46
Personnel Cost as % of Revenue (including grants and excluding other capital receipts)						23.22	27.44	27.75	27.79	26.37	25.46	24.56	22.81	21.71	20.74

Zamfara State - Technical Team

1.	Muhammad Sani Nakwada	DG Debt Management Office
2.	Abdullahi Suleiman	Director Debt Management Office
3.	Surajo Hassan	Director Financial Reforms & Programe MOF
4.	Bashiru Ahmad	Deputy Director DMO