Government of Kano state
MINISTRY OF PLANNING AND BUDGET
(Audu Bako Secretariat)
P.M.B 3291 Kano

Ref: MPB/BGT/S/328/V. I/031 *Date: 14th August, 2026*

The Chief of Staff,
Government House,
The Permanent Secretary,
Deputy Governor's office,

The Clerk,
Kano State House of Assembly,

The Secretary to the State Government,
Cabinet Office,

The Head of Civil Service,
Office of the Head of Civil Service,

All Commissioners / Special Advisers / Director General

The Chairmen,
Boards and Commissions,

All Permanent Secretaries,

The Auditor General,
State/Local Government Audit,

The Chief Registrars,
High Court of Justice/Shari'ah Court of Appeal,

The Secretary,
Judicial Service Commission,

All Head of Extra-Ministerial Departments,

All Chief Executives of Government-Owned Companies/Parastatals

CALL CIRCULAR FOR THE SUBMISSION OF 2027 BUDGET PROPOSALS

The principles of Transparency and Accountability in Governance provide the opportunity of Existing Laws, guidelines, and frameworks for the Public Financial Management Reform (PFM) processes. It is pertinent to note that Kano State Public Financial Management Law (2020) section 10 Sub section (1) empowers the Ministry of Planning and Budget to issue appropriate guidelines, directions and instructions to MDAs on Budget Preparation.
Based on the foregoing development, I have the pleasure to issue the call circular containing detailed requirements and expectations on the preparation and submission of the year 2027-budget proposals.

The issuance of this instrument and the detailed requirements contained herein signify the commencement of the 2027 Budget Process, where MDAs are expected to ensure compliance with the stipulated guidelines and instructions outlined in the succeeding paragraphs of this document.

The purpose of the circular is to request all Government Ministries, Departments and Agencies (MDAs); and other stakeholders to prepare and submit the Proposed Revenue and Expenditure Estimates for the 2027 fiscal year. The proposal should capture Revenue, Personnel cost (Basic salary, allowances and social Benefits), other Recurrent Cost (non-debt Recurrent and Debt Services) and on the other hand Capital Expenditure including Capital Receipts in line with the MDAs approved MTSS and work plan.

It is imperative for all Revenue generating MDAs to comply with the new Govt Policies on Central Billing System (CBS) and Single Treasury Account (STA) on both statutory taxes, MDA's Rates & Levies, Capital Receipts as well as estimates of Corporate Social Responsibility shall be captured and integrated into capital development fund to fund capital expenditure projects. MDAs are further required to submit details of all actual revenue collections (including capital receipts) and expenditure incurred for the previous fiscal year (January–December 2025) as well as for the current fiscal year to date (January–August 2026).

Furthermore, for the Sectors in the State Development Plan (KSDP), MDAs should note that the 2027 Budget will be configured using NCoA under the guidance of the Nigerian Governors' Forum (NGF) Template for integration into Budget proposals. While sectors with the Medium-Term Sector Strategy (MTSS) shall abide by reviewed programs and projects for subsequent integration into the 2027 proposals. The Ministry of Planning and Budget is available to provide technical assistance and proper guidance throughout the process. MDAs are therefore, encouraged to make contact when needed.

SECTION II: REVIEW OF 2026 BUDGET PERFORMANCE

The half year performance of 2026 Budget shows that the total actual collection from the Federation Account Allocation Committee (FAAC) which consists of Statutory Allocation, VAT, Electronic Money Transfer (EMTL), Infrastructure development and other FAAC receipts stood at One Hundred and Eighty Six Billion, Two Hundred and Eighty Six Million, Four Hundred and Ninety Two Thousand, Three Hundred and Seventy One Naira Ninety five Kobo Only (**N186,286,492,371.95)** from January to June against Budget Estimate of Nine Hundred and Nine Billion, Nine Hundred and Thirty Six Million, Thirty Five Thousand Three Hundred and Sixty Six Naira Only **(909,936,035,366.00**) representing **20.5%** achievement

On the Part of Internally Generated Revenue (IGR), the collection is to the tune of Sixty Billion, One Hundred and Thirty eight Million, Six Hundred and Fifty Seven Thousand, Five Hundred and twenty five Naira, Sixty Five Kobo (**N60,138,657,525.65**) was collected for the period under review, against the approved Budget Target of One Hundred and Thirty Eight Billion, Four Hundred and Thirty Six Million, Eighty Three Thousand, Two Hundred and Seventy Eight Naira Only (**N138,436,083,278.00)** which indicated **43.4%** performance/achievement.

The total Recurrent Revenue (FAAC + IGR) collected for the half year period stood at Two Hundred and Forty-Six Billion, Four Hundred and Twenty-Five Million, one Hundred and Forty Nine Thousand, Eight Hundred and Ninety-Seven Naira, Sixty Kobo Only. (**N 246,425,149,897.60)** out of the approved Budget Target of One Trillion, Forty-Eight Billion, Three- Hundred and Seventy-Two Million, One Hundred and Eighteen Thousands, Six Hundred and Forty-Four Naira Only. (N **1,048,372,118,644.00)** showing **23.5%** performance.

The capital receipts collection, which consists of Aids, Grants and Loans, was to the tune of Thirty-Five Billion, Two Hundred and Twenty-Seven- Million, Four Hundred and Ninety-two Thousand, sixty-Eight Naira and Thirty-Nine Kobo Only **(N 35,227,492,068.39).** This excludes the treasury Opening balance.

However, the total approved 2026 capital receipt stood at One Hundred and Forty Billion, Four Hundred and Twenty Million, Five Hundred and Twenty-Three Thousand, Twenty-three Naira Only **(N140,420,523,023.00)** indicating **25.1%** performance/achievement.

The expenditure is divided into two (2) components - Recurrent Expenditure and capital expenditure. On the Recurrent expenditure side, is Sub divided into Personnel Cost (PC), Overhead Cost (OC) and Other Recurrent cost.

The performance of personnel cost (PC) shows that the sum of Eighty Billion, Seven Hundred and Eighty-Four Million, Twenty-Seven Thousand, Six Hundred and Ten Naira, Eighty-nine Kobo. **(N80,784,027,610.89)** was expended out of the year Budget Expenditure of One Hundred and ninety-five Billion, forty-one Million, five Hundred and seventy-seven Thousand, two Hundred and fourteen Naira Sixty kobo only **(N195,041,577,214.60)** representing an Expenditure of **41.4%** while on the part of Other Recurrent Cost (Non-Personnel Cost) which consist of Overhead Cost, Public debt service as well as Grants and Subsidy. The provision of Two Hundred and thirty-Four Billion, Six Hundred and Seventy-Six Million, Eight Hundred and Fouty Four Thousand, Three Hundred and Nineteen Naira, thirteen Kobo **(N234,676,844,319.13)** was budgeted**,** and the actual performance from January to June 2026 was to the tune of Fifty-Two Billion, five hundred and Twenty-Eight Million, One Hundred and Ninety-Nine Thousand, Four Hundred and Seventy-Eight Naira, Sixty-Two Kobo Only **(N52,528,199,478.62) representing 22.4%**. The public debt service constitutes the state debt servicing from both international and Domestic loans to the tune of Thirteen Billion, Five Hundred and Twenty-One Million, Three Sixty-Two Thousand, Eight Naira Ninety Seven Kobo **N13,521,362,008.97** as servicing out of the approved Budget of **N 38,994,330,134.87** representing **34.7% Performance**

However, on the part of Capital Expenditure, the record indicated Actual Expenditure of Two Hundred and Sixty-Seven Billion, Seven Hundred and Forty-Eight Million, Two Hundred and Forty-Six Thousand, One Hundred and Eighteen Naira and Forty-Seven Kobo Only. (**N 267,748,246,118.47)** was released for the implementation of programs and projects against the 2026 provision of One Trillion Forty-Eight Billion, One Hundred and Eleven Million, two Hundred and Forty-Four Thousand, Five Hundred and Ninety-Six Naira Ninety-Eight Kobo **(N 1,048,111,244,596.98)** Representing 25.5% Achievement.

The summary is illustrated in table below:

RECURRENT REVENUE	2025 Actual Jan-Dec. (Nbn)	2026 Approved Estimates (Nbn)	2026 Actual Jan-Jun. (Nbn)	2027 Proposed Estimates (Nbn)
Opening Balance	**110,000**	**102,264**	**45,000**	**30,000**
FAAC Revenue	391,351	909,936	186,286	543,000
Internally Generated Revenue (IGR)	102,259	138,436	60,138	142,190
TOTAL RECURRENT REVENUE	**493,610**	**1,048,372**	**246,425**	**685,190**
RECURRENT EXPENDITURE				
Personnel Costs	125,629	195,041	80,784	167,555
Overhead Costs	93,799	212,157	39,006	116,000
Public Debt Services	18,708	22,519	9,521	30,000
Grants and Subsidy	15,228		3,996	20,000
TOTAL RECURRENT EXPENDITURE	**253,364**	**429,717**	**133,307**	**333,555**
Transfer to Capital Dev. Funds	**240,246**	**720,919**	**158,112**	**381,635**
CAPITAL RECEIPTS		**327,192**	133,022	150,777
TOTAL CAPITAL DEVELOPMENT FUNDS		**1,048,111**	**291,134**	467,231
TOTAL CAPITAL EXPENDITURE	**373,914**	**1,048,111**	**267,748**	**618,009**
TOTAL REVENUE	**603,610**	**1,477,828**	**424,447**	**958,716**
TOTAL EXPENDITURE (REC & CAP)	**454,972**	**1,477,828**	**401,055**	**958,716**

The Analysis of the half year Performance of the 2026 Approved Budget shows that, due to the newly Tax Acts, some components of other Federation Account Revenues that hitherto goes to sub-nationals now remains with Federal Government. Hence, the need not only to redouble effort to improve collection of Domestic Revenue but to explore other new sources of Revenue is critical to maintain 15% deviation.

Accordingly, Medium Term Expenditure Framework (MTEF) as well as Budget Policy Statement provides basis for forecasting the entire resource profile based on the present administration priority.

Specifically, the Actual Revenue collection, Actual Expenditure and other macro-economic parameters such as GDP Growth, Inflation rate, Crude Oil Price, Oil Production, Mineral ratio, IGR growth etc. form the basis of the projection of 2027 resource profile of the State. As it is observed in the above table, the preliminary Revenue and Expenditure Projection for 2027 is gloomy and point to partially tight financial year due to the post removal of fuel subsidy, situations of Insecurity and other Bi-lateral/ multilateral conflicts etc. It is in line with the above development that the Government had come up with some policy statements and objectives to guide the focus and Preparation of the 2027 Budget.

REVIEW OF THE KANO STATE DEVELOPMENT PLAN III

The Kano State Development Plan III is under review, where new goals and objectives are reviewed with the Technical Sector Planning Teams (SPT) in relation to programms & projects output and expected outcomes are integrated into the new state development plan as a guide.

FOCUS AND DIRECTION OF THE 2027 BUDGET

Policy Statement*s*

- Improving the quality of basic and post-basic education through an emergency declaration on education
- Improving Quality Health Care Delivery Services
- Improving Skills acquisition through empowerment programs
- Improving the Security of lives and properties of citizens
- Agriculture and food security
- Water supply and sanitation
- Fight against corruption
- Sustainable initiatives to address climate change
- Social protection etc.

SECTION III: SPECIFIC GUIDELINES FOR SUBMISSION OF THE 2027 BUDGET PROPOSALS

REVENUE:

Proposals on Revenue for 2027 should be clearly based on a Realistic Estimate and according to the sources as outlined in the format

- The basis of the Revenue Estimates should be clearly stated.
- All Revenue Targets set should be Realistic and Achievable.
- A detailed, action plan and other strategies should be put in place by each MDA with a view to improve Revenue Generation.

BUDGET CEILINGS

In line with section 10, sub- section 1 (10:1) of the Public Financial Management Law 2020, Budget ceilings are allocated for each sectors/MDAs that will guide the consolidation of Budget estimates subject to the approval of the State Executive Council. Therefore, all sectors/MDAs should work within the limit of discretional and non-discretional funds provided for both Recurrent and Capital Expenditure that should not exceed the ceilings provided.

RECURRENT EXPENDITURE

Personnel Cost

Proposals on Personnel cost under Recurrent Expenditure should conform with all instructions and Policy guidelines issued by the Office of the Head of Civil Service. Therefore, as usual, Personnel cost ceilings are expressed in terms of establishment positions, approved by the Office of the Head of Civil Service and should not exceed the ceiling made available for each Sector /MDA.

Overhead Cost

All proposals in this respect shall be based on the current Budget ceilings provided in this circular being implemented by the Ministry of Finance through its monthly releases and standing Order payment to MDAs. Special expenditures shall be integrated with Budget proposal as there is need for its separate report at the end of each quarter for the purpose of Principles of Prudence, Transparency and Accountability of Public spending.

Capital Expenditure Proposal

As you are fully aware, the present Administration re-introduced many Capital projects aimed to improve the wellbeing of Kano citizens. MDAs are to pay attention to climate change responsive projects as it affects global Economy. These will ensure that projects and programs related to climate mitigation and adaptation are fully outlined and tagged in the 2026 budget proposal being climate issue is cross cutting across relevant sectors /MDAs.

In addition, social protection programs to support the poor and Vulnerable shall be clearly outlined for proper support and coordination.

It is important for MDAs **to** undertake a detailed prioritisation of the projects and ensure that ceilings provided are strictly allocated to critical ongoing projects initiated by the present administration of H.E Abba Kabir Yusuf. The submission from the Universities to include a list of School facilities, student enrollment in each of the department for the period of Jan - Aug 2026, as well as all tertiary institutions. For the Ministry of Education, it is paramount to have the comprehensive enrolment Data, school facilities that are functioning and those that are dilapidated for immediate actions in line with expected support from Hope-Govt project.

Similarly, it is pertinent for the Health Sector to provide information on tertiary, secondary as well as primary facilities that have functional infrastructure and dilapidated facilities for ongoing rehabilitation and reconstruction by the Government in line with work plan provided during the PHC Hope-Govt project.

The Agricultural sector and infrastructure are also inclusive for re-directing resources to meet the immediate target by the present administration. Submissions on capital projects should be categorized into *A and B* as follows: -

- Category A projects – critical Ongoing Projects

- Category B projects – New projects/ Reintroduced by the present administration as a Quick win projects.

Accordingly, MDAs are therefore required to use the relevant formats for each category while drawing their 2027 proposals. Equally, the National Charts of Account (NCOA) template on 52-digit is Available for downloading under the following links

Download the 2027 MDA Budget template

http://tiny.cc/skw8101

State	Kano
Budget being prepared for	2027
Current Year Performance	Performance January to August
Capital Expenditure Sub-Account Type	23
Data Column for Current Year Budget	2
Data Column for Current Year Performance	3
Data Column for Budget Proposal	6
MDA	

Column	**Time Period**	**Item**	**Item to Tag (as appropriate)**
Data Column 1	2025	Full Year Actuals	
Data Column 2	2026	Approved Budget	
Data Column 3	2026	Performance January to August	
Data Column 4			
Data Column 5			
Data Column 6	2027	Proposed Budget	
Data Column 7	2027	Tagging	Climate Adaptation
Data Column 8	2027	Tagging	Climate Mitigation
Data Column 9	2027	Tagging	Food and Nutrition
Data Column 10	2027	Tagging	Social Protection
Data Column 11	2027	Tagging	Women Economic Empowerment
Data Column 12			

Budget Department Instructions (see Instructions Manual for more detailed guidance)
Populate Chart of Accounts segments in **Purple worksheets (ADMIN.C, EXP.C, FUNC.C, FUND.C, LOC.C, PROG.C, REV.C),** taking the codes from the NCOA Error Checl
Consider hiding the Purple worksheets once the Chart of Accounts is uploaded.
Populate MDA Ceilings if desired in **Red worksheet (CEILINGS)**. Consider hiding ceilings worksheet once ceilings loaded.
Fill in cells B1-B7 above. Note this must be the same configuration as populated in the Consolidation and Publication Templates.
Assign Data Items in cells B11:C22 above. Not all Data Columns need to be used. Note this must be the same codes as populated in the Consolidation and Publication Tem
Hide redundent columns (based on the previous step) in all **Green worksheets (sheets starting A-C)**. Ensure the columns that are hidden in worksheets 1-5 (blue tal
Hide redundent **Green worksheets (titled A-C)** based on any Chart of Accounts segments not being used. NOTE - HIDE, DO NOT DELETE.
Ensure all worksheets are protected with password (make note of password). Also protect the workbook with password (make note of password). Consider hiding these I

MDA Instructions (see Instructions Manual for more detailed guidance)
Fill in cell B8 above
Fill in budget submissions in sheets 1-5 (in blue cells):
Recurrent Revenues (Revenue Sub-Account Types 11 and 12) in 1. Rec Revenue
Personnel Expenditure (Expenditure Sub-Account Type 21) in 2. Personnel
Overhead Expenditure (Expenditure Sub-Account Type 22) in 3. Overhead
Capital Expenditure (Expenditure Sub-Account Type 23/32) in 4. Capital
Capital Receipts (Grants, Loans and Other Capital Rceipts - Sub-Account Types 13 and 14) in 5. Capital
Check all coding in all five worksheets. Ensure X.Checks ALL DATA is clear of any red. Review Budget Submission in worksheet A.1 MDA Summary, and adherence to ce

Domestication of this Tool in States should be done by persons familiar with the templates and proficient in MS Excel. Any tampering with the coding,

www.budget.kn.gov.ng
www.kanostatae.gov.ng
www.openstates.ng/kano

Medium Term Sector Strategy (MTSS)

The main objective of the MTSS is to provide a robust framework for linking policy, planning and Budget across MDAs, most of the MDAs are familiar with the reform imperatives as well as processes being followed to prepare MTSS.

The Present Administration is committed to adopting the MTSS/MTEF as a planning tool to provide the required framework for implementing programmes/projects over the medium term. Importantly, the government is consistently examining the potential programmes/projects as well as activities which largely involve around 11 Development Sectors as listed below:

1. Education
2. Health
3. Agriculture
4. Infrastructure Development
5. Manufacturing, Commerce, Industry and Tourism
6. Governance Institutions
7. Security, Justice and Emergency Services
8. Water Supply & Rural Development,
9. Transport Development
10. Environment and Sanitation
11. Women, Youth and People with Special Needs

It is imperative to note that the Kano State Government had approved the climate change policy to ensure that it was not left behind in terms of addressing global issues that affect everyone in one way or another. The implementation of climate change policy through the identification of climate-related programs and projects will provide a clear guide on sourcing green funds to finance the projects. This proactive approach is not only demonstrating the government's commitment to sustainability but also encourages community engagement and awareness. By prioritizing environmental initiatives, Kano State aims to foster resilience against climate impacts while promoting economic growth through green technologies.

Accordingly, Subsequent changes in the MTSS document should be attached with a proposal for integration if desk review or sector consultative engagement is carried out

Projects with Counterpart Funding Requirement

All Executing Agencies implementing projects and programmes with counterpart funding are required to provide us with actual draw down from Jan. - Dec 2025 and Jan. – Aug. 2026, as well as expected funds for 2027. This will ensure that such projects/programmes are adequately catered for the subsequent Budget provisions.

Deadline for the Submission of Proposals (On or before 14th September, 2026)

It is important for all the MDAs to note that the intention of the government is to present the 2027 Proposed Budget to the State House of Assembly as early as possible, especially considering the election period in the first quarter of 2027. These will provide opportunity for House of Assembly members to Pass the Budget within the time frame. Therefore, to ensure a hitch free take-off of the 2027 budget exercise in line with Government approved calendar, I must request you to submit **your budget proposals officially to this Ministry** in soft and five (5) hard copies **on or before 14th September, 2026.**

The Time-Table for subsequent bilateral budget discussions with MDAs will be conveyed in due course. You should, however note that the discussions are expected to commence after submission of your budget proposal.

MDAs in line with sectors should please note that the Ministry's Budget Support Team is available for each sector that requires technical support and guidance.

Attached with this call circular are the following: Budget Reporting Template and sector ceilings in soft & hard copies for your usage.

It is equally important to note that, the Town Hall Meeting will hold for collecting citizens' demands, MDAs should work with CSOs/NGOs/communities in preparing their sector budget in order to enrich their proposals with community and citizen Demands generated as a result of Town hall meetings.

Finally, I wish to reiterate that organizations should feel free to contact this Ministry for any enquiries or further explanation regarding the content of this circular, please.

Best regards.

Hon. Commissioner M. S. Shanono FNIM, CNA

KANO STATE

2027 SECTOR CEILLING

No.	Sector	2027%	PERSONNEL COST	2027%	OVERHEAD COST	2027%	CAPITAL EXPENDITURE	2027%	TOTAL ALLOCATION FOR SECTOR
1	AGRICULTURE	1.95%	3,266,299,542.57	0.21%	359,240,858.85	4.49%	27,752,476,337.24	3.27%	31,378,016,738.66
2	GOVERNANCE INSTITUTIONS	11.13%	18,653,154,887.38	40.44%	70,029,848,146.70	5.37%	33,179,053,384.99	12.71%	121,862,056,419.07
3	MANUFACTURING, INDUSTRIES, COMMERCE & TI	0.55%	924,801,280.60	0.45%	783,851,848.37	0.64%	3,937,325,503.45	0.59%	5,645,978,632.41
4	ENVIRONMENT & SANITATION	0.70%	1,173,299,894.31	0.92%	1,601,111,950.58	2.98%	18,393,193,786.26	2.21%	21,167,605,631.15
5	EDUCATION	37.74%	63,231,786,883.96	12.61%	21,840,681,478.25	25.98%	160,580,220,113.62	25.62%	245,652,688,475.82
6	HEALTH	22.78%	38,175,810,139.15	5.11%	8,846,629,899.45	15.72%	97,134,398,991.10	15.04%	144,156,839,029.69
7	INFRASTRUCTURE	0.94%	1,578,937,200.28	1.78%	3,079,299,478.42	32.40%	200,265,490,852.27	21.37%	204,923,727,530.98
8	WATER	0.71%	1,183,801,336.23	0.85%	1,476,342,312.25	6.19%	38,263,011,029.45	4.27%	40,923,154,677.93
9	TRANSPORT	1.52%	2,549,533,448.48	0.46%	794,662,960.89	0.78%	4,826,356,709.88	0.85%	8,170,553,119.25
10	WOMEN, YOUTH & PEOPLE WITH SPECIAL NEEDS	0.63%	1,058,884,122.18	1.08%	1,878,018,700.05	1.82%	11,229,859,168.62	1.48%	14,166,761,990.84
11	SECURITY, JUSTICE & EMERGENCY	4.90%	8,203,691,264.86	3.07%	5,310,312,366.20	0.90%	5,592,941,904.78	1.99%	19,106,945,535.84
	Contingency Reserve			4.13%	7,151,907,276.28			0.75%	7,151,907,276.28
	Planning Reserve					0.96%	5,951,610,670.70	0.62%	5,951,610,670.70
	Climate Response Reserve					1.76%	10,903,221,341.40	1.14%	10,903,221,341.40
	Social Benefits	16.45%	27,555,285,843.98		-			2.87%	27,555,285,843.98
	Grants, Contributions and Subsidies			11.55%	20,000,000,000.00			2.09%	20,000,000,000.00
	Public Debt Service			17.33%	30,000,000,000.00			3.13%	30,000,000,000.00
	GRAND TOTAL	**100.00%**	**167,555,285,843.98**	**100.00%**	**173,151,907,276.28**	**100.00%**	**618,009,159,793.75**	**100.00%**	**958,716,352,914.01**