



PLATEAU STATE 2025 DEBT SUSTAINABILITY ANALYSIS AND MEDIUM-TERM DEBT MANAGEMENT STRATEGY

NOVEMBER, 2025

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1.0 INTRODUCTION/SUMMARY OF FINDINGS

- 1.1** Government borrows when her revenues fall short of her expenditures. Borrowing to finance infrastructure and public development is a key to faster economic growth. However, if loans are not used optimally or properly managed, public debt becomes a burden thereby hindering economic growth. The Plateau State Debt Sustainability Analysis (DSA) is a detailed analysis of the debt profile of the State.
- 1.2** The level of Government debt can have significant implications for a state's economic stability and future growth. Plateau State Government is mindful of the risks associated with unsustainable debt levels and makes deliberate effort to prudently manage and monitor the size and cost of its public debt. This is partly done by periodically undertaking a Debt Sustainability Analysis (DSA). The forward-looking nature of the DSA allows it to serve as an "early warning system" of the potential risks of debt distress so that timely preventive actions can be taken.
- 1.3** Plateau State Government conducts an annual DSA exercise in line with the Debt Management Department Law (2007), and in fulfillment of an Eligibility Criteria for the State's participation in the World Bank reform program on State's Action for Business Enabling Reform (SABER). It examines the financing landscape to gauge the sustainability of existing debt, taking into consideration the country's economic indicators, National and State's fiscal policies and global developments. The report provides an overview of the current state of public debt in Plateau, including its historical trends, major drivers, potential risks and challenges, as well as projections for the evolution of key public debt mix in the medium term.
- 1.4** The DSA exercise is done with the view to ascertaining the sustainability of public debt over the medium to long term. Emphasis is placed on key debt burden indicators, such as the ratio of debt to SGDP as well as share of debt to revenues needed to meet debt service obligations.
- 1.5** The result of this year's DSA shows that Plateau State's Debt portfolio appears to be sustainable all through the projection period (2025- 2034) as most of the debt indicators (Debt Stock as a share of Revenue, Debt Service as a share of Revenue and Personnel cost as a share of Revenue) are all within their recommended thresholds with a breach in the Debt Stock as a share of SGDP in the long term (2032 -2034). This position serves as a warning on the need for a fiscal adjustment program to restore balance, boost confidence in the economy and promote growth.
- 1.6** The Total Revenue rose steadily in the period under review and same is expected to rise in the projected period owing to fiscal policies towards improving IGR by the present administration, Federal Government policies on Fiscal Reforms, the growth in the non-mineral revenue and the removal of fuel subsidy. However, the State is mindful that the 2025 Tax Acts will impact state-level taxes (Capital Gains Tax and

Personal Income Tax) in the first two quarters of 2026, but with proper administration, the benefits will be significant. Also, the Total Expenditure witnessed a rise over the historical period owing to the present administration's effort to having a functional effective and efficient service delivery. Besides the prompt payment of salaries and wages, MDAs are funded to operate optimally.

- 1.7 The plateau State Public Debt stock rose significantly over the historical years with a decline in 2024 as a result of the debt swap exercise on some FGN Loan facilities accessed by the State.
- 1.8 The DSA informs decision making at different levels of Government and is a key input into Government's Medium Term Debt Strategy, the State's annual Budget and Medium-Term Expenditure Framework. It is also used to track progress on Government's commitments to debt service obligations. Given the State's own forecasts for the economy and reasonable assumptions concerning the State's revenue and expenditure policies, going forward and as a matter of priority, there is need for Plateau to improve on its Internally Generated Revenue (IGR), and focus its capital expenditure to expand its deficit infrastructures in key sectors which has high returns on investment. This is to stabilize the economy and boost economic growth.

2.0 THE STATE FISCAL AND DEBT FRAMEWORK

2.1 PLATEAU STATE FISCAL REFORM

The Plateau State Strategic Development Framework (PSDF) 2023 - 2027 sets out *Strategic Economic Development agenda* aimed at: promoting economic diversification, reforming public institutions, human capital development, reducing infrastructure deficit and urban renewal/sustainable housing development. These provides government with a clear and progressive foundation for economic growth and development tagged, ("Celebrate" Plateau State). It is centered around Agriculture and Rural Development; Mining and Mineral Development; Industry, Trade, Investment and Tourism; Health; Education; Institutions and Public Sector Reforms; Youth, Women, Sports and Social Development; Physical Infrastructure; Funding and Resource Mobilization.

The Plateau State Agriculture Policy and implementation plan 2022-2027 aims at creating an enabling environment for Agricultural growth and development in the State through the provision of accessible, timely and cost effective agro-inputs and support as well as guaranteeing minimum prices for farm output with the view of ensuring food security on a sovereignty basis and improving the economic well-being of the population.

The SABER program aims to incentivize and strengthen the implementation of business-enabling reforms in the state with emphasis on the private sector development which remains the major vehicle to create a business-friendly environment where more jobs are created thereby increasing revenues to the state and improve the socioeconomic outcomes for citizens.

The fundamental law governing the Public Financial Management in Nigeria and Plateau State in particular is the 1999 Constitution and other laws and regulations that guides its Public Financial Management operations. The laws are the Plateau State Audit Law, 2021, Plateau State Debt Management Law, 2007, the Plateau State Fiscal Responsibility Law, 2014, The Plateau State Revenue Consolidation Law, 2020 which empowers the state to increase IGR and establish a harmonized revenue generation and collection system amongst others. In addition, the Financial Regulation and Instruction issued by State to include; Plateau State Cash Management Strategy which provides detailed rules and guidelines to support accounting, internal audit and stores procedures, Plateau State Arrears Clearance Framework (ACF) geared towards reducing its liabilities in Contractors' Arrears, Pension and Gratuity, Judgement Debt, Salaries and other Staff Claims and other non-debt liabilities which are short term because they arose from unsettled obligations from previous years. Going forward, it is important for government to strive to meet its recurrent liabilities when they fall due so as to avoid the consequences of accumulating payment arrears that crystalize into domestic debts.

2.2 PLATEAU STATE MEDIUM TERM FISCAL FRAMEWORK

Plateau State has in time past institutionalized the preparation of Medium-Term Expenditure Framework (MTEF). The document serves as a tool for multi-year fiscal Planning and Budget formulation process aimed at enabling the State Government to set fiscal targets and effectively allocate resources to strategic priorities as enshrined in the Plateau State Development Framework 2023-2027. Key elements of the MTEF are the Economic and Fiscal Update (EFU), Fiscal Strategy Paper (FSP) and Budget Policy Statement (BPS) with the current edition covering the period 2026-2028.

The EFU provides economic and fiscal analysis which forms the bases for the budget planning process. It assesses the budget performance and identifies factors affecting implementation. It is aimed at guiding policy makers and decision takers in the State Government. The FSP is directed at improving the efficiency and effectiveness of spending within the three core development pillars at fiscally sustainable perspective. It prioritizes projects and programs in a sustainability manner consistent with the development policy objectives of Government. The BPS states the policy goals that will guide Government budget decisions and how realistic are changes in Government's short and long-term objectives to responsible fiscal management.

The 2025 Budget tagged "Budget of Consolidation and Sustainability" was prepared and revised with the commitment to shaping a sustainable future for the State. The revised budget size for 2025 is N609,176,525,931.13. Capital Expenditure is N362,243,229,479.62 accounting for 59.46%, while recurrent expenditure is N246,933,296,451.51 representing 40.54%.

2.3 INDICATIVE BUDGET 2025 AND THREE-YEAR FISCAL FRAMEWORK (2026-2028)

The budget of 2025 and fiscal framework 2026-2028 is presented in the table below.

Plateau State Medium Term Fiscal Framework				
Recurrent Revenue	2025	2026	2027	2028
Statutory Revenue Allocation	69,489,540,000	149,668,980,000	182,528,480,000	424,288,175,169
VAT	83,717,020,000	86,732,910,000	111,809,510,000	115,920,501,913
IGR	52,307,000,000	44,582,510,000	47,257,460,000	59,071,825,000
Other Federal Account Transfers	35,000,000,000	32,038,090,000	32,038,090,000	38,445,708,000
Total	240,513,560,000	313,022,490,000	373,633,540,000	637,726,210,081
Recurrent Expenditure				
Personnel	67,144,870,000	74,400,090,000	78,729,800,000	98,412,250,000
Overhead Costs	80,737,900,000	66,552,860,000	67,883,910,000	105,220,060,500
Debt Service	41,842,442,945	53,870,013,198	81,494,527,561	122,316,604,093
Other Recurrent Expenditure	25,858,230,000	26,116,820,000	26,639,150,000	34,630,895,000
Total	215,583,442,945	220,939,783,198	254,747,387,561	360,579,809,593
Transfer to Capital Account	24,930,117,054.92	92,082,706,801.56	118,886,152,438.89	277,146,400,488.46
Capital Receipts				
Grants	59,827,770,000	49,286,990,000	49,286,990,000	50,765,599,700
Other Capital Receipts	-	250,000,000	250,000,000	250,000,000
Total	59,827,770,000	49,536,990,000	49,536,990,000	51,015,599,700
Capital Expenditure	292,266,000,000	262,953,190,000	302,935,080,000	363,522,120,000
Discretionary Funds	292,266,000,000	262,953,190,000	302,935,080,000	363,522,120,000
Non-Discretionary Funds				
Net Financing	193,951,789,462	122,088,774,078	135,289,876,867	36,161,397,297

Medium Term Policy Objective Targets.

The overall Medium Term Policy objectives are:

- To sustain a recurrent to capital expenditure ratio of 40:60;
- Create efficient and effective personnel and overhead expenditure to allow greater resource for capital development;
- Grow IGR by a minimum of 12% per annum from 2026 to 2028;
- Loans will only be used for capital expenditure projects with high yielding investments returns;
- Long term target of funding of all recurrent expenditure through revenue of a recurrent nature (IGR, VAT and Non-mineral component of Statutory Allocation);
- Critical MDAs with revenue heads be supported to generate more revenue with effective tracking mechanisms in place;
- Target sources of capital receipts and financing outside of loans (e.g. Grants, PPP, Donors etc.);

- viii. Priority given to the core sectors (Agriculture, Health, Education, Mining and Tourism), completion of ongoing capital projects that aligns with the key sectors before new projects are commenced.

2.4 MEDIUM-TERM BUDGET FORECAST

Plateau State has developed a Medium-Term Expenditure Framework (MTEF) 2026-2028 which provided projections of revenue and expenditure of government based on the following assumptions.

The MTEF forecast is predicated upon a gradual recovery of the economy. The Rebasing of the GDP has provided a more accurate picture of the Country's economic size and structure reflecting increased levels of revenues that transcends to the States including Plateau. Real GDP is expected to expanding at an average of 3% and domestic inflation decreasing by an average of 3% in the Medium-Term. Such moderate recovery will be supported by higher oil prices in the global markets, an increase in domestic production, prudent fiscal policy and stabilization of the exchange rate relevant for international public-sector financial transactions at its current level. Thus, improving the state's revenue position.

The Debt sustainability analysis is also predicated on the continuous efforts to mobilize local revenue sources, and policies concerning capital investment, personnel and other operating expenses. It is assumed that that Statutory Revenue and VAT grows by 3% (a careful assumption) given the likely inflation rates and Federal tax reforms. IGR forecast from 2025-2028 are based on the State's approved budget and MTEF document. Thereafter, 2029-2031 are expected to grow by 25%, while 2032- 2034 is projected to grow by 30%. This is largely due to the State's expansion of tax base, increased focus on higher yielding taxes, expanding the regulations and an enabling environment for the development of the private sector for employment and wealth creation, as well as the consolidation of revenue which has reduced leakages.

Grants are anticipated to be stable all through the medium term taking into cognizance the ongoing reforms under the State Action on Business Enabling Reforms (SABER) program and other initiatives evolving. Government is making efforts to create a donor- friendly environment where accountability, transparency and social justice thrive to enable grants in the system. With this, the state anticipates a 10% surge in grants in the projection period 2029-2034.

On the expenditure, the 2024 figures are based on the approved budget, the 2026- 2028 figures are based on the State MTEF document. However, going forward 2029-2034, the state intends to reflect an average growth of 20% on its Capital expenditure. This is due to government's commitment to build on past achievements while driving the state on the path of continued growth and development, but mindful of the need to keep up with and ensure operation and maintenance cost are sufficient to maintain assets and provide services,

overhead costs and other recurrent costs are forecasted to rise by an average of 10% from 2029-2034.

The Public Debt Service is based on the projected amortization schedules for both domestic and external loans over the medium term.

3.0 THE STATE REVENUE, EXPENDITURE AND PUBLIC DEBT TREND (2020- 2034)

3.1 REVENUE, EXPENDITURE, OVERALL AND PRIMARY BALANCE

3.1.1 REVENUE

Plateau State recorded a steady rise in Total Revenue for the period under review with Aids and Grants figures dominating the total revenue profile. The Total Revenue rose from 76.69 billion in 2020 to 315.71 billion in 2024, with Aids and Grants constituting 50.7%, Gross FAAC is 39.5% and IGR constituting 9.2%.

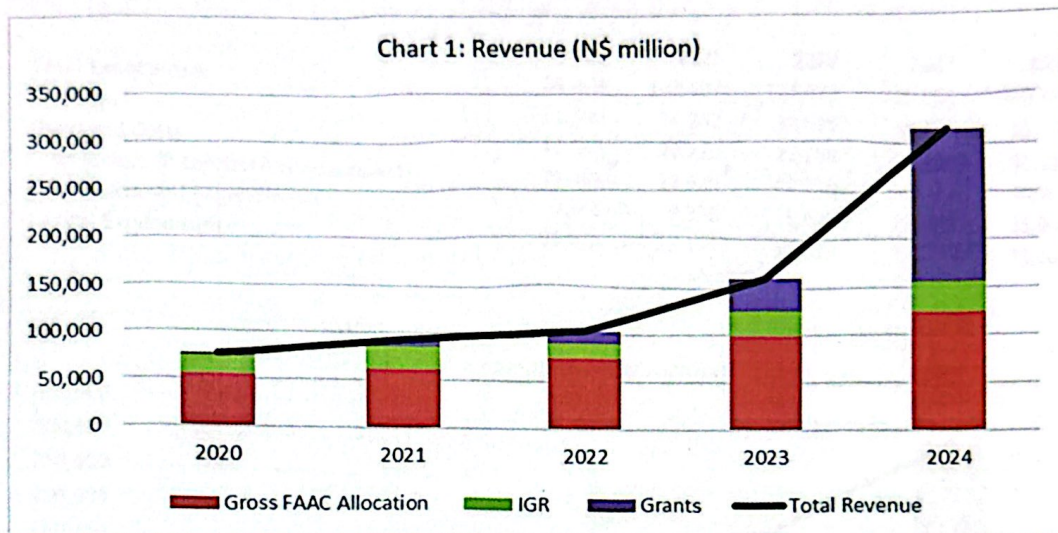
The Statutory Allocation (a component of FAAC) has experienced a downward turn recording N33,430.3 billion in 2023 and further declined to N15,751 billion in 2024. this is a reflection of funds collected from various sources which are then allocated to the three tiers of government.

VAT on the other hand rose steady throughout the historical periods (2020-2024) with 2024 reporting over 50% (N66,251.6 billion) above what was reported in 2023 (N32,038.1 billion). This could be attributed to improved tax compliance, growth in economic activities, expansion of coverage, introduction of electronic payment platforms and State governments' increased participation in VAT collection. A reduction in this revenue is anticipated in 2026 based on new exemptions and input cost VAT rebate. However, with administrative efficiency, things may look optimistic.

Plateau State's IGR grew by 20% in 2024 amounting to N31,139.8 billion compared to N25,844.9 billion accounted for in 2023. This improvement is largely due to expansion of tax base, increase in higher yielding taxes as well as the consolidation of revenue which has reduced leakages.

Plateau State have received grants over years rising from N2,435 billion in 2020 to a huge N159,972 billion in 2024. This is largely due to performance for result projects embarked by the State. The participation in performance-based programs and the SABER which aims to incentivize and strengthen the implementation of business-enabling reforms across Nigeria with emphasis on the private sector development remains a major vehicle to create more jobs, increase revenues in the state and improve economic outcomes for citizens.

	2020	2021	2022	2023	2024
Total Revenue	76,688	93,569	104,561	160,212	315,706
Gross FAAC Allocation	55,131	62,498	74,959	99,795	124,594
IGR	19,122	23,926	15,687	25,845	31,140
Grants	2,435	7,145	13,914	34,572	159,972



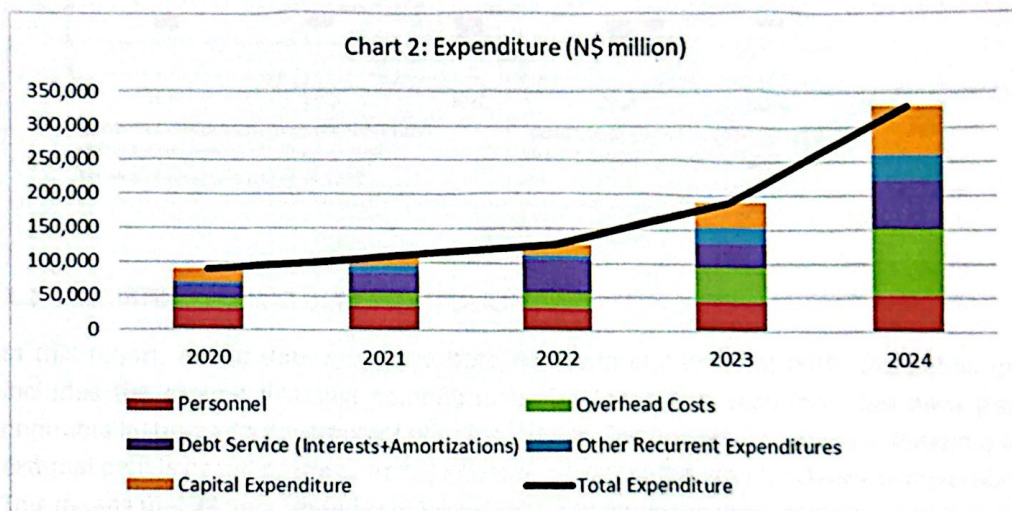
3.1.2 EXPENDITURE

Total expenditure includes Personnel cost, Overhead, Debt Service, Other Recurrent and Capital expenditure. The State's total expenditure increased by 43% in 2024 from N189.86 billion in 2023 to N330.40 billion. An increase in personnel cost was due to the implementation of the new minimum wage, and a review of retirees' monthly pension. While debt service also increased due to the net-off exercise by the Federal Government on some intervention loans accessed by the State.

The overheads comprise mainly of operational and maintenance costs for the running of the day-to-day activities of Government. An increase 48% in overhead cost was recorded in 2024 when compared to N51.5 billion in 2023, this underscores the present administration's commitment to making all relevant MDAs functional, effective and efficient in delivering on their core mandates. Releases made to State's Tertiary Institutions for accreditation and sponsoring Officers' professional bodies contributed to the increase in overhead cost,

Capital Expenditure of the state represents its spendings on projects aimed at correcting infrastructural imbalance in the state. Capital expenditure rose significantly by 48% from N37.1 billion in 2023 to N71.2 billion in 2024. This is as a result of the completion of key capital projects in the state which were hitherto suspended, the present administration is committed to funding key critical projects be it new or ongoing projects that have direct bearing in the lives of the citizens.

	2020	2021	2022	2023	2024
Total Expenditure	89,473	107,407	127,478	189,865	330,396
Personnel	31,589	34,262	33,670	43,494	53,453
Overhead Costs	14,943	20,713	22,258	51,497	98,019
Debt Service (Interests+Amortizations)	19,381	29,929	49,776	35,112	70,788
Other Recurrent Expenditures	3,545	9,336	5,445	22,682	36,968
Capital Expenditure	20,015	13,167	16,329	37,080	71,168

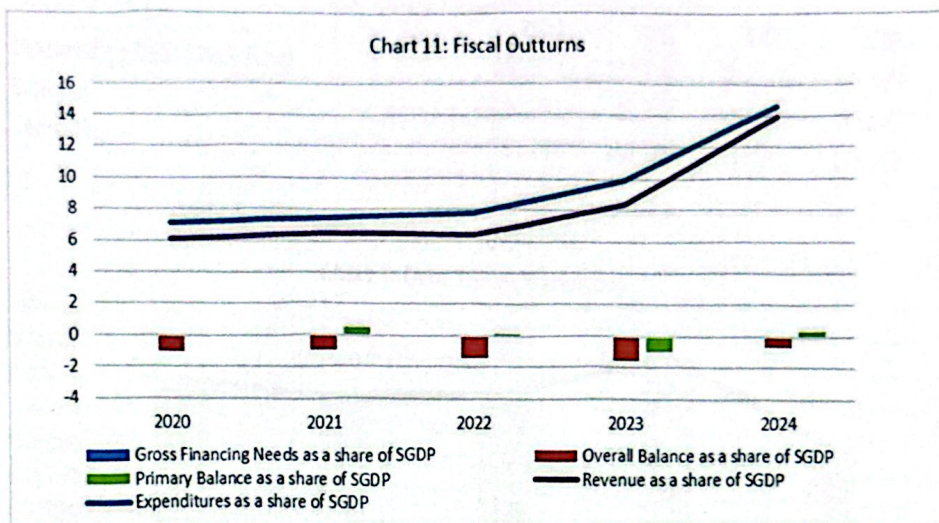


3.1.3 THE OVERALL AND PRIMARY BALANCE

The overall and primary balance trends revealed the Gross Financing Needs of the State, which was at its peak in 2023. The gross financing needs is the sum of the budget deficits and funds required to roll over debts that mature over the year.

Plateau State Government should ensure the sustenance of budget reforms programs particularly as it relates to the preparation of realistic budget, ensuring policy-plan-budget, early passage of the budget and continue to monitor the performance of revenues to ensure estimates are consistent with latest development globally and within the Federal Government budget process.

Also, adequate internal controls designed to provide reasonable assurance that transactions are recorded within statutory authority and use of financial resources by government are established and maintained.



3.2 EXISTING PUBLIC DEBT PORTFOLIO

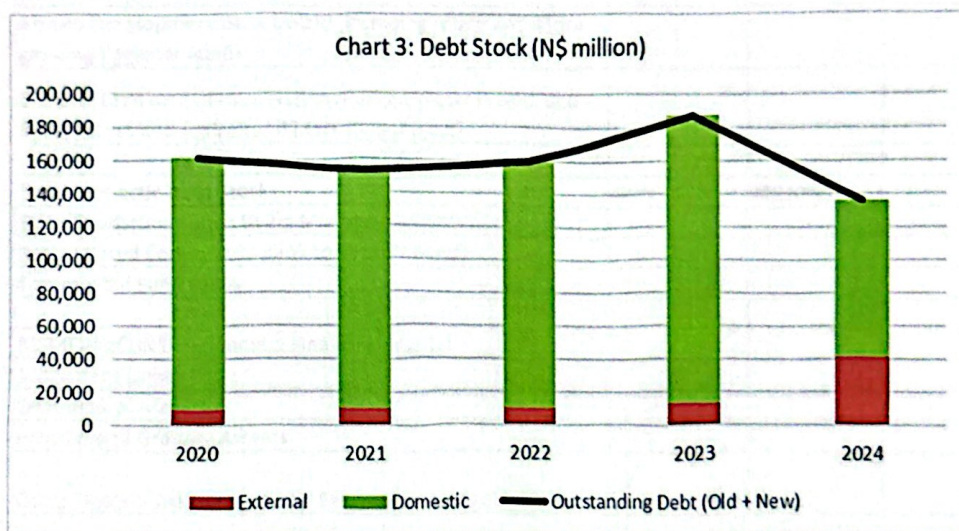
In this report, public debt considers both domestic and external debt, the public debt includes the explicit financial commitments like loans and securities that have paper contracts instruments government promises to pay. The distinction between domestic and external debt is based on the currency of issuance, rather than the residence of the creditor. This means that all debt issued in NGN is defined as domestic debt, while all debt issued in foreign currency is defined as external debt. The state shall use this definition of public debt, which considers non-contingent debts and thus the obligation to repay them is independent of the circumstances, as well as excludes contingent liabilities (i.e., guarantees, state own enterprises non-guaranteed liabilities).

The Plateau State Total Debt stock rose from N161.33 billion in 2020 to N187.52 billion in 2023. This was largely attributed to the increase in government expenditure, exchange rate volatility and high borrowings to finance various projects. However, this figure declined to N135.90 billion in 2024 as a result of the Net-off exercise by the Federal Government on some of the loan facilities accessed by the State, and Government discipline to maintain a tight balance between its revenues and expenditures.

The total public debt as a percentage of state GDP is 6% as at 2024. This ratio is projected to increase in the mid-term (2025-2028) due to fiscal deficits, currency and exchange risks. However, it will remain within the 25% recommended threshold.

Also, debt to revenue and debt service to revenue stood at 43% and 23% within the sustainable thresholds of 200% and 40% respectively. Like the debt to state GDP, the debt to revenue is projected to rise in the mid-term (2025-2027), but will fall within the recommended bench mark.

	2020	2021	2022	2023	2024
Outstanding Debt (Old + New)	161,329	153,216	159,576	187,520	135,910
External	10,091	10,936	10,562	13,587	41,821
Domestic	151,237	142,280	149,013	173,933	94,089



The composition of the Plateau State total public debt stock 31st December, 2024 stood at N135.9 billion. The External loans accounted for 30.8% of the total debt stock amounting to N41,821 billion. 58% are from the World Bank concessional window while 42% were sourced from other Multilateral and Bilateral windows. Similarly, the Domestic debt accounted for 60.2% (N94,089 billion), out of which 47.3% comprises of contractors' arrears, pension and gratuity arrears, judgement debt and other debts. While 42.7% are loans from Federal Government, Capital Market (State bonds) and Commercial Banks.

The portfolio mix which consists more of domestic loans mitigates exposure to currency and exchange rate risk associated with external loans. Most of the domestic loans include financing from the Capital market with fixed-rated obligations and Federal Government interventions at single digit interest rate.

The 2024 closing debt stock by item in summary

ITEMS	CURRENCY	SCALE	YEAR 2024
Total External Debt-Stock	USD	MILLIONS	30.14
World Bank (WB) (Including International Development (IDA) and IBRD)			17.40
African Development Bank (AfDB) (including AfDFP and Africa growing Together Fund)			4.30
Bilateral Creditor (1)(Third National Urban Water Project and Rural Access and Agricultural Marketing project)			8.44
Total Domestic Debt-Stocks	NGN	MILLIONS	94,088.66
State Bonds(Guarantee to 2lp Management Ltd)			11,920.96
Restructured Commercial Bank Loan (FGN Bond)			20,766.40
Commercial Bank Loans			13,430.50
MSMEDF (CBN Development Financing Facility)			2,000.00
Judgement Debts			1,963.20
Contractors' Arrears			16,031.10
Pension and Gratuity Arrears			24,953.10
Other Debts (Covid-19 loan and Severance package)			3,023.40

4.0 DEBT SUSTAINABILITY ANALYSIS

- 4.1 "The concept of debt sustainability refers to the ability of the government to honor its future financial obligations without recourse to extreme financing. Since policies and institutions governing spending and taxation largely determine such obligations, debt sustainability refers to the ability of government to maintain sound fiscal policies over time without having to introduce major budgetary or debt adjustments in the future. 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". Debt service takes the first call on resources, it therefore implies that a portion of the State's revenue is utilized for servicing debt at the expense of allocation for government services. Government should endeavor to strike a balance between revenue and expenditure, so that any debt incurred will not impact negatively on the position of the state leading to serious financial crisis.

Plateau State Debt burden indicator as at end- 2024

Debt Indicators	Thresholds	Ratio
Debt as % of SGDP	25%	6
Debt as % of Revenue	200%	43
Debt Service as % of Revenue	40%	23
Personnel Cost as % Revenue	60%	17
Debt Service as % of FAAC	No threshold	58
Interest Payment as % of Revenue	No threshold	3
External Debt Service as % of Revenue	No threshold	1

Going by the state's own projections, plateau state debt appears to be sustainable both in the medium to long term (2025-2028) as all the debt burden indicators are within their recommended thresholds. The Debt Stock as a share of SGDP 12% in 2025, 13% in 2028, and declined to 8% in 2034. Debt stock to revenue rose significantly to 101% in 2025, dropped to 73% in 2028 and further declined to 28% in 2034, and Debt Service as a share of Revenue is 14% in 2025, 18% in 2028 and 6% in 2034. This position signals an improvement in Government's spending and revenue growth. The trajectory of the state's debt rising in the short to long term (2025-2034) will be marginal and still within sustainable levels when revenue and expenditure stress test are applied in the all through the projected years.

4.2 BORROWING OPTIONS

Plateau State intends in the its reference Debt Management Strategy (S1) to re-balance its debt portfolio towards a mixture of long to short term maturity for both domestic and external sources. Plateau State forecast an average 60% of its domestic borrowing in Commercial bank loans at 35% interest rate with maturity period of 1 to 7 years, Bonds from the Capital

market at 25% for a period of 5- 10years and other CBN intervention funds at 9% single digit and longer repayment period of over 15 years over the period 2025-2034. While 40% of the borrowing requirement is to be sourced from the concessional windows of both multilateral and bilateral institutions for various infrastructure development projects. The financial institutions include International Development Association, African Development Bank (ADB), African Development Fund (AfDB), etc. This is also assumed at interest rates between 2% to 3% and maturity between 10-40 years.

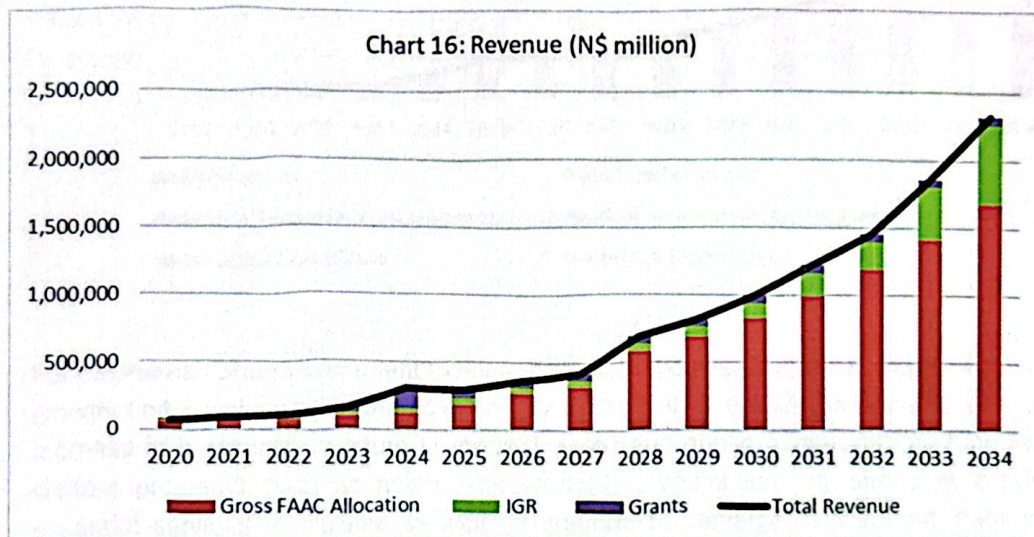
PLATEAU STATE BORROWING OPTIONS IN THE BASELINE SCENARIO (REFERENCE STRATEGY)

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Domestic Financing in NGN (Millions)	116,371.07	122,088.77	135,289.88	21,696.84	24,035.18	29,966.53	31,622.32	59,546.38	96,459.60	151,708.07
Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, and MSMEDF)	-	15,000.00	-	5,000.00	-	5,000.00	1,000.00	1,488.66	2,411.49	3,792.70
Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, and MSMEDF)	23,274.21	-	18,599.30	-	24,035.18	-	5,000.00	10,420.62	16,880.43	26,548.91
State Bonds (maturity 1 to 5 years)	-	59,000.00	35,000.00	16,696.84	-	24,966.53	10,000.00	11,909.28	19,291.92	30,341.61
State Bonds (maturity 6 years or longer)	69,822.64	-	81,690.57	-	-	-	15,622.32	23,818.55	38,583.84	60,683.23
Other Domestic Financing	23,274.21	48,088.77	-	-	-	-	-	11,909.28	19,291.92	30,341.61
External Financing in USD (Millions)	48.41	-	-	10.33	-	-	0.00	28.36	0.00	0.00
External Financing - Concessional Loans (e.g., World Bank, African Development Bank)	48.41	-	0.00	-	-	0.00	0.00	17.01	0.00	0.00
External Financing - Bilateral Loans	0.00	0.00	-	10.33	0.00	-	0.00	11.34	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
Total Gross Financing requirement in NGN (Millions)	193,951.79	122,088.77	135,289.88	36,161.40	24,035.18	29,966.53	31,622.32	99,243.96	96,459.60	151,708.07

4.3 DSA SIMULATION RESULTS

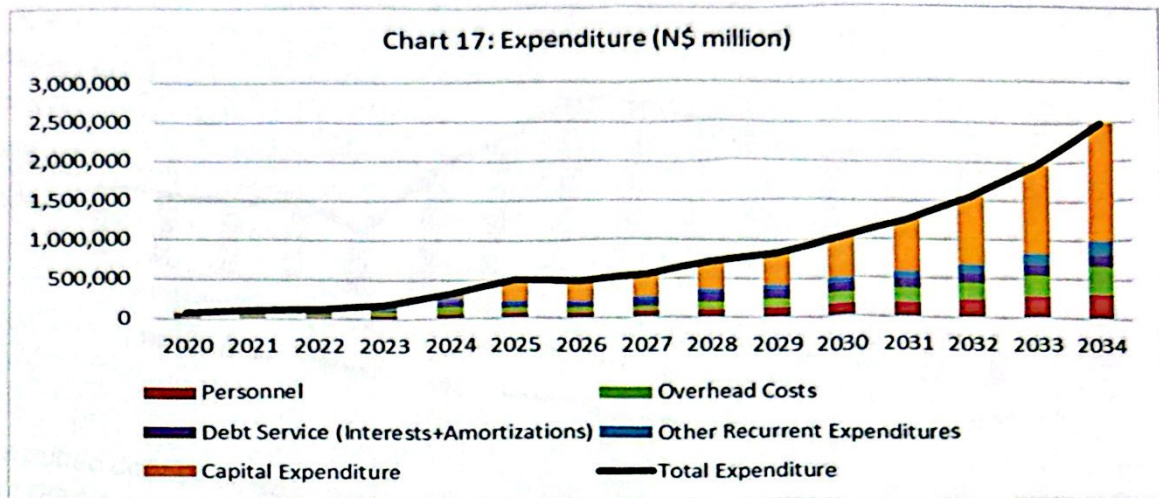
In the baseline scenario, the State debt appears sustainable both in the medium to long term. Total revenue (including grants and excluding other capital receipts) is projected to increase from N315.70 billion in 2024 to N2,329.34 trillion in 2034. FAAC still remains the largest contributor of revenue, estimated at N1,683.03 trillion in 2034. IGR which was projected at N52.35 billion in 2025, is projected to have a 12% growth over the medium term will stand at N81.50 billion in 2028 with an increase growth rate over the remaining years of projection (2029- 2034) estimated at N585691.0 billion in 2034. Similarly, grants are projected to grow marginally from N59.83 billion in 2025 to N60,617.0 billion by 2034.

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Revenue	76,688	93,569	104,561	160,212	315,706	300,341	362,309	422,921	688,492	821,307	999,553	1,221,734	1,457,772	1,865,570	2,329,341
Gross FAAC Allocation	55,131	62,498	74,959	99,795	124,594	188,207	268,440	326,376	578,654	695,179	834,050	997,452	1,189,786	1,416,258	1,683,033
IGR	19,122	23,506	15,687	25,845	31,140	52,307	44,583	47,257	59,072	73,840	111,546	168,808	210,849	390,461	585,691
Grants	2,435	7,145	13,914	34,572	159,972	59,828	49,287	49,287	50,766	52,289	53,857	55,473	57,137	58,851	60,617



Total expenditure in 2025 is projected to increase by 65% above the 2024 figure from N330.40 billion to N2,858.30 trillion in 2034 with capital expenditure taking the largest share, estimated at N1,497.48 trillion in 2034 reflecting a 60% of the total expenditure. Investment in infrastructure will require capital as such, the State's public debt will rise, increasing the debt service projections to N141.59 billion 2034 constituting 5.7% of the total expenditure. This includes flow debt (both domestic and external loans) and non-flow debt (domestic arrears in contract, judgement debts, pensions and gratuity, salaries and other staff claims and other liabilities).

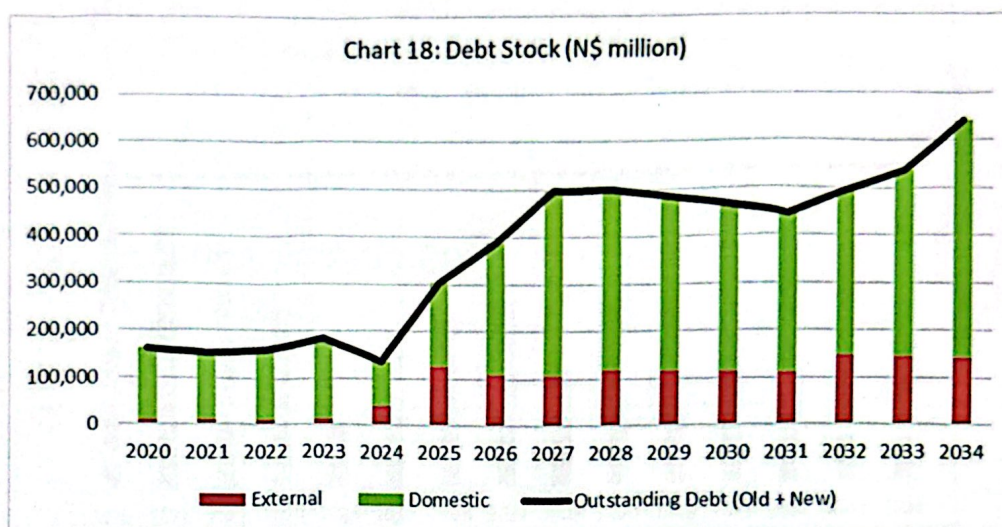
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Expenditure	89,473	107,407	127,478	189,865	330,396	507,849	483,893	557,682	724,102	844,767	1,028,920	1,252,730	1,556,364	1,961,351	2,480,342
Personnel	31,589	34,262	33,670	43,494	53,453	67,145	74,400	78,730	98,412	123,015	153,769	184,523	221,428	265,713	318,856
Overhead Costs	14,943	20,713	22,258	51,497	98,019	80,738	66,553	67,884	105,220	114,554	143,193	178,991	223,738	279,673	349,591
Debt Service (Interests+Amortizations)	19,381	29,929	49,776	35,112	70,788	41,842	53,870	81,495	122,317	129,348	134,645	137,373	130,289	136,042	141,594
Other Recurrent Expenditures	3,545	9,336	5,445	22,682	36,968	25,858	26,117	26,639	34,631	41,624	52,030	70,240	94,824	128,012	172,817
Capital Expenditure	20,015	13,167	16,329	37,080	71,168	292,266	262,953	302,935	363,522	436,227	545,283	681,604	886,085	1,151,911	1,497,484



For the Plateau State government to implement fiscal policies that will stimulate economic growth and development, characterized by high level of employment stable economy, increase in basic infrastructure in roads, bridges and public transportation, fund social welfare programs such as healthcare, education, social security aimed at providing essential services to citizens as well as respond to emergencies amidst inadequate revenues, Government need to strike a balance between its revenue and expenditure by financing the deficit gaps.

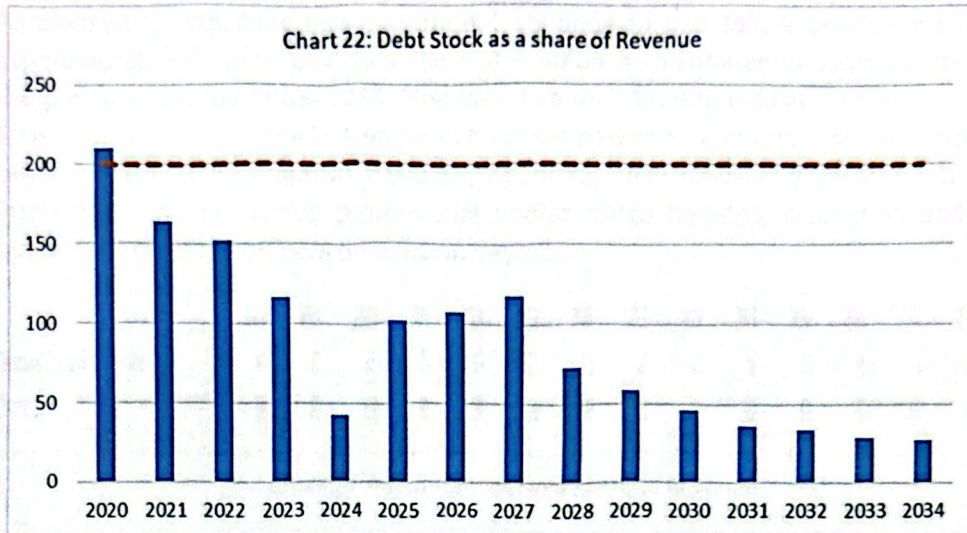
Consequently, the total debt stock rose to its peak from N135.91 billion in 2024 to N641.47 billion in 2034. The external debt is estimated to rise significantly, amounting to 22.3% in 2034 compared to the historical years.

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Outstanding Debt (Old + New)	161,329	153,216	159,576	187,520	135,910	304,715	389,975	500,651	502,521	484,575	466,792	445,428	494,565	538,142	641,472
External	10,091	10,936	10,562	13,587	41,821	126,585	108,395	106,213	118,307	115,937	113,567	111,197	148,525	146,155	143,263
Domestic	151,237	142,280	149,013	173,933	94,089	178,130	281,580	394,438	384,214	368,638	353,224	334,231	346,040	391,987	498,209



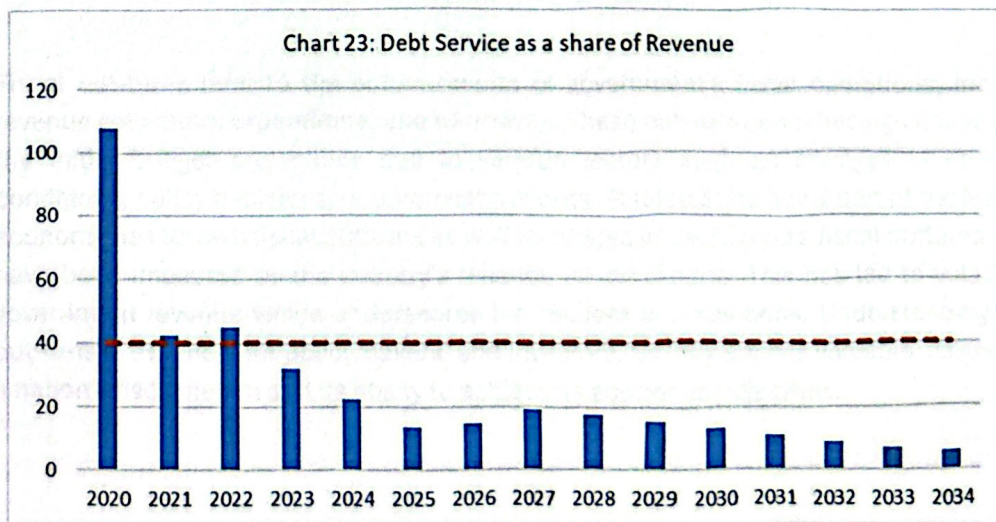
The total public debt as a share of revenue in 2024 stood at 43%. This indicator had its peak in 2028 (118%) but remained within the indicative threshold 200% all through the projection period (2025-2034). As Government maintains fiscal discipline and ensure that deficit financing is used only when necessary, as well as investment in productive sectors, such as infrastructure and human capital, that ensures deficit financing leads to long-term economic growth. The fiscal deficit will stabilize, thereby improving the debt to revenue ratio.

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Debt as % of Revenue	210	164	153	117	43	101	108	118	73	59	47	36	34	29	28
Threshold	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200



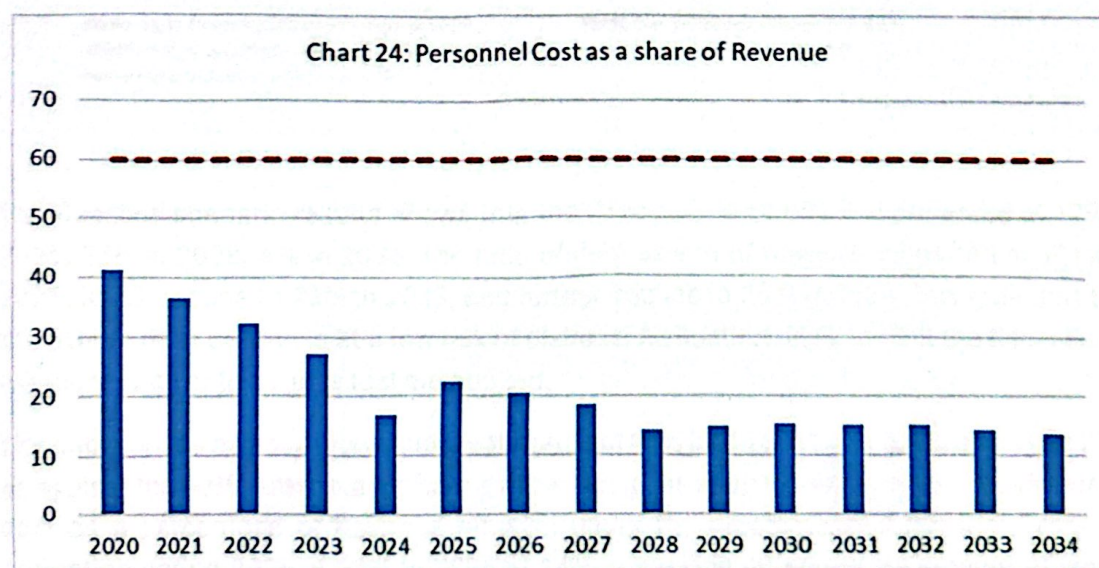
Similarly, the Plateau State debt service to revenue ratios are within the 40% threshold throughout the projection period (2025-2034). This appears sustainable as compared to the historical years. declining from 23% in 2024 to 6% in 2034.

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Debt Service as % of Revenue	108	42	45	32	23	14	15	19	18	16	13	11	9	7	6
Threshold	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40

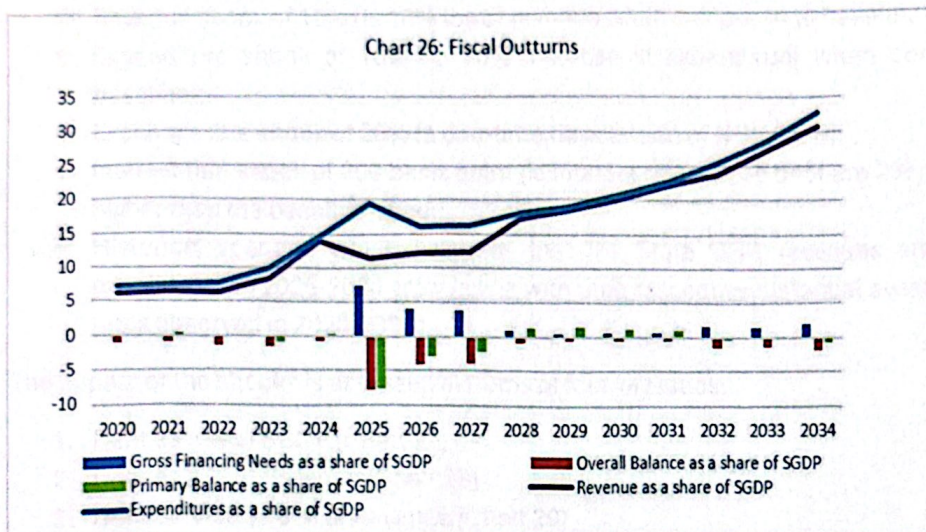


As revenue figures grow and government continue to maintain a balance on recurrent expenditures, personnel cost as a share of revenue is anticipated to decrease gradually in the projected period 2025- 2034. However, this debt burden indicator remains within the 60% threshold despite the implementation of the new minimum wage, which is expected to put a constraint on financial flexibility, operating cash flows and government planned implementation of various professional bodies fringe benefits, promotion and prompt placement of retired officers on pension payroll.

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Personnel Cost as % of Revenue	41	37	32	27	17	22	21	19	14	15	15	15	15	14	14
Threshold	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60



Fiscal out-turns refer to the actual results of government's fiscal operations, including revenue collection, expenditure, and borrowing. These out-turn can differ significantly from the initial budget projections due to various factors such as changes in economic conditions, policy decisions, or unforeseen events. Plateau State being part of the National economy has its own fiscal outturns as well as shares in the Nigeria's fiscal outturns which have been impacted by the country's reliance on oil exports. This has led to volatility in government revenue which underscores the realism in projections. Understanding fiscal outturns is essential for policymakers, and investors, as they provide valuable insights into a nation's fiscal health and its ability to achieve its economic objectives.



The Baseline scenario results shows that the Debt as a % of SGDP is projected at 12% in 2025, 13% in 2028, 8% in 2034. The ratio of debt as a % of revenue estimated at 101% in 2025, it will decline to 73% in 2028, and further decline to 28% in 2034. This indicates that the State's debt burden is at a low risk of distress. A situation likely to limit the fiscal space when majority of the stress test are applied.

The debt service as a % of Revenue is estimated at 14% in 2025, 18% in 2028, and 6% in 2034 as against the 40% threshold indicating a low risk in the state's debt portfolio. The Personnel cost as a percentage of Revenue remains under the recommended threshold over the projection period 2025 at 22% to 2034 at 14%, a position reflecting the amount of money needed to pay wages and salaries.

Other debt burden indicators Debt Service as a share of FAAC, Interest rate as a share of revenue and External debt service as a share of revenue were projected in 2025 at 22%, 2% and 1% respectively. Though, these indicators have no benchmark, they however reflect the amount of resources government expend to meet up these obligations.

4.4 DSA SENSITIVITY ANALYSIS

In Debt Sustainability Analysis, sensitivity analysis is a crucial step in assessing a state's debt sustainability. It involves testing the robustness of the DSA results to changes in assumptions, variables, or scenarios. Plateau state being part of the National economy is susceptible to shocks due to government's dependency on Federal transfers, relatively weak economic profile, high committed expenses and elevated liquidity constraints.

This section looks at five specific shocks when compared to the baseline scenario over the period 2025-2034.

- ❖ Revenue shock of 10% (ie 10% lower revenue when compared to baseline);
- ❖ Expenditure shock of 10% (ie 10% increase in expenditure when compared to baseline);
- ❖ Exchange rate shock of 20% (a one-time devaluation of NGN/USD);
- ❖ Interest rate shock of 200 basis point (ie interest rates on all debt are 2% per annum higher than the baseline); and
- ❖ Historical scenario which assumes that the State GDP, revenues and primary expenditure in 2025-2034 grow in line with their respective historical average growth rates observed in 2020-2024.

The impact of the shocks is assessed in terms of four key ratios:

1. Debt as a % of SGDP (Chart 27)
2. Debt as a % of Revenue (Chart 28)
3. Debt Service as a % of Revenue (Chart 29)
4. Personnel cost as a % of Revenue (Chart 30)
5. Revenue shock

Unexpected changes in revenue is unlikely to be specific and uniform across the revenue types. The impact of the a shock might be an increased need to borrow, reduces capacity to service existing debts, trigger downward ratings and increases borrowing cost amongst other things.

As shown in charts (27-30), the impact of the revenue shock will affect all the debt burden indicators with the Debt/ SGDP at 16% in 2025, Debt/Revenue in 2028 at 106%. The Debt Service/ Revenue peaked in 2027 at 22% but within the threshold; Personnel cost to revenue increased to 23 % in 2026 with a shock in revenue. This position gives comfort, as it depicts the state's debt portfolio at a low risk of distress.

Expenditure Shock

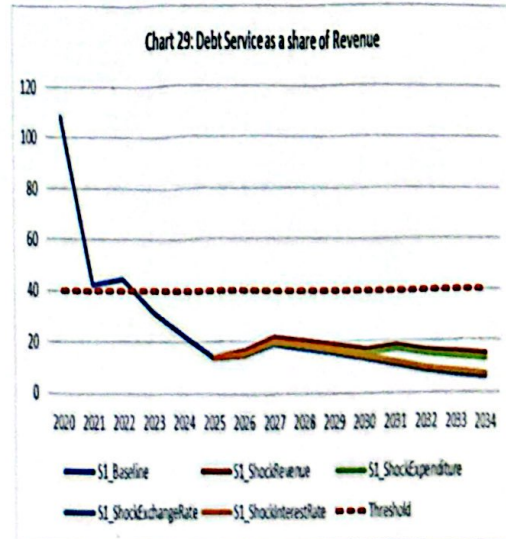
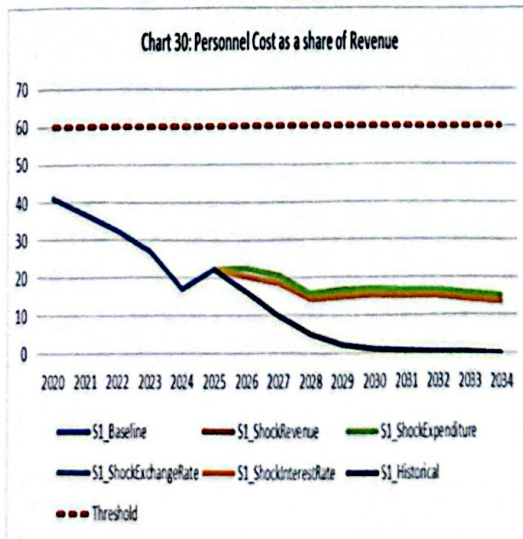
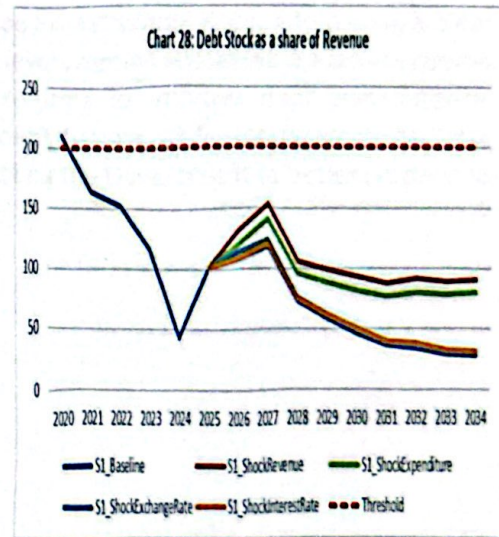
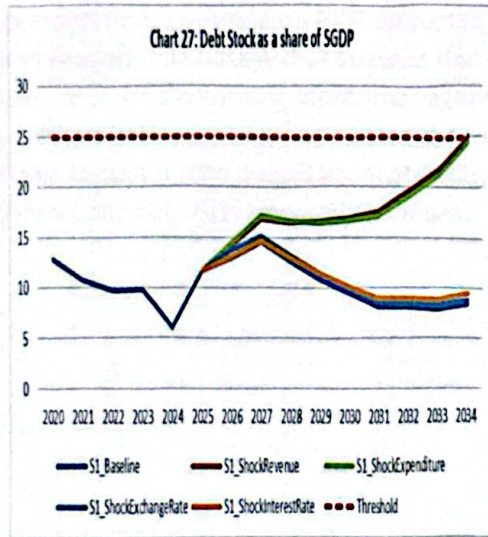
Like the revenue shock, the expenditure shock has similar implications on the four ratios in both the short and long term with Debt/SGDP reaching its peak in 2034 at 24%, Debt/ Revenue peaked 141% in 2027; Debt Service/Revenue peaking in 2020 at 20%; and Personnel cost/Revenue peaks in 2026 at 23%. Taking the trajectory of the state's debt portfolio away from the baseline projections but within recommended thresholds all through the projection period (2025- 2034).

Exchange Rate shock

The Exchange rate shocks tends to affect the value and servicing cost of foreign debt. Plateau state projected more of the foreign loans not only for the concessionary terms, but mindful that this shock does not reflect a negative impact on the Debt/SGDP, Debt /Revenue, Debt service/ Revenue, Personnel cost/ Revenue ratios at 9%, 29%, 6% and 14% respectively as this does not take the debt portfolio away from the baseline in the long term (2034).

Interest Rate Shock

The impact of the interest rate shock on the state's debt portfolio is assessed by the effects on the cost of servicing its debt. For Plateau state the interest rate shock has impact on the Debt/Revenue (75%), and Debt Service/Revenue (18%) reflecting a marginal increase from the baseline 73% and 18% respectively in the medium term (2028).



The five shocks as simulated all have impacts on the ratios at the magnitudes tested, with the revenue and expenditure shocks affecting the state's ability to service its debt, Interest Rates shock will affect the cost of borrowing and the debt service burden, the Exchange Rates shock affects the value of foreign-denominated debt and the debt service burden.

The DSA shows that the state is sustainable in the baseline, and at a low risk when some of the shocks (Revenue and Expenditure) are applied. However, it is important for the State to periodically on a quarterly basis analyze its revenue and expenditure performances, aims to improve strong IGR growth for a stronger cashflow which will drive more capital project implementation. Leverage on PPP projects to close infrastructure gaps, and having a clear debt management strategy that ensures that debt levels remain sustainable even in extreme shocks and implementing debt management reforms to improve debt transparency, diversify the debt portfolio, and reduce the risk of debt distress are few of the steps the State can take to sustain the overall fiscal stability, enabling the Government to better respond to economic shocks or unexpected expenses.

5.0 DEBT MANAGEMENT STRATEGY

A Debt Management Strategy is formulated to guide the borrowing activities of the State Government. It compares alternative funding sources available to Government as it pursues the desired structure of debt portfolio considering the costs and risks trade-offs. In the implementation of a strategy, it is important to note that the attainment of the debt portfolio target for external debt largely depends on the Federal Government's provision in the appropriation law and the assessment of the International Capital Market (ICM).

"Public debt management is the process of establishing and executing a strategy for managing 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"

For any Debt Management strategy, its cost is measured by the expected value of a performance indicator as projected in the baseline. The risk is measured by the deviation from the expected value caused by the un-expected shock as projected in the most adverse scenario.

5.1 ALTERNATIVE BORROWING OPTIONS

Plateau state considered four Debt Management strategies and their cost and risk implications on the Total Public Debt profile in the future. Both Domestic and External sources were considered, however, the compositions are different for each strategy.

Strategy 1

This is the baseline/ reference strategy (S1) which the state considered 60/40 ratio of Domestic/External sources with longer maturities in line with the gross borrowing requirement. The domestic source comprises of Bonds from the capital market, Commercial bank loans and borrowing from FGN/CBN intervention finances. While the external sources are the concessional and semi-concessional funding of the Multilateral window of World Bank, African Development Bank and Bilateral windows over the DMS period. This is also detailed in the previous chapter

Strategy 2

Under this strategy (S2), the State considered financing its Budget deficit domestically from Commercial Banks. Though the commercial bank loans are usually not cost effective, they are easily accessible compared to other instruments of deficit financing.

Strategy 3

The third strategy (S3) constitutes domestic funding from capital market with 3% commercial banks in maturities of 1-5 years and 6 and longer years to augment and improve cash flow management.

Strategy 4

The fourth strategy (S4) constitute 50% of Domestic borrowing from both the capital market and Commercial banks and 50% external borrowings from both Multilateral and Bilateral windows of the World Bank loans in the mid years all projection period 2025- 2034.

5.2 DMS SIMULATION RESULTS

The cost risk trade off charts illustrates the balancing of the cost of a facility with the potential risks involved. It aids in decision making that optimizes costs and risks tradeoff. Sound debt strategy should analyze the benefits derived from utilizing a facility against the potential costs and risks.

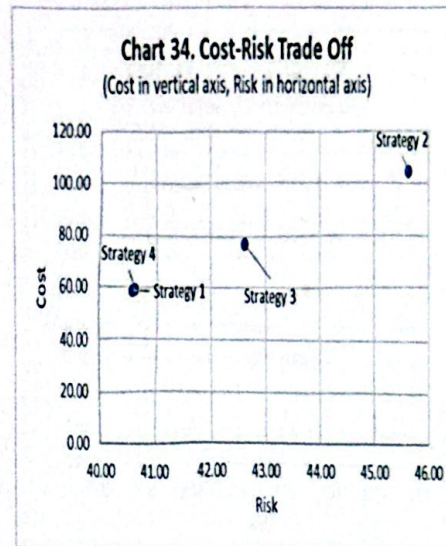
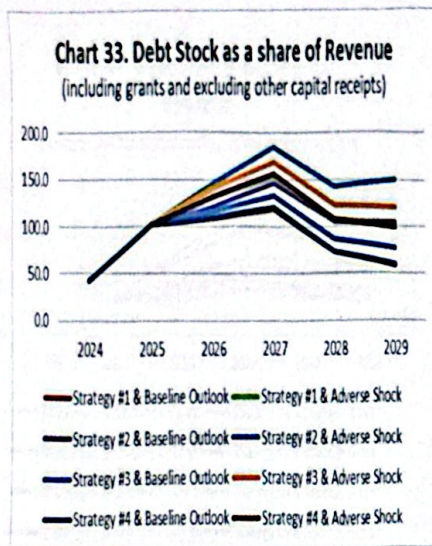
In this section, we would illustrate the performance of the four strategies chosen by the Plateau State Government with reference to three debt burden indicators

- i. Debt/Revenue
- ii. Debt Service/Revenue
- iii. Interest Rate/Revenue

5.2.1 Debt/ Revenue

The S1 shows the Debt stock to revenue is estimated to increase from 43% in 2024 to 73% with a cost risk of 59.0/40.6%. This is against S4 (59.3%/40.6%), S3 (77.5%/ 42.6%) and S2 (104.5%/45.6%) at the end of the Debt Management Strategy period in 2028. This shows that the S1 is the least costly with same risk as S4 due to the portfolio mix of both domestic and external Sources of financing from the multilateral and bilateral windows of the World Bank. The state is also deliberate as external financing is dependent on FGN MTEF/Appropriation Act and the availability of these facilities. Never the less, ***the State will consider S1 as the preferred strategy over S4, S3 and S2. This strategy has a portfolio mix of 60/40 ratio of Domestic/External sources with longer maturities in line with the gross borrowing requirement. The domestic source comprises of Bonds from the capital market, Commercial bank loans and borrowing from FGN/CBN intervention finances. While the external sources are the concessional and semi-concessional funding of the Multilateral window of World Bank, African Development Bank and Bilateral windows over the DMS period.***

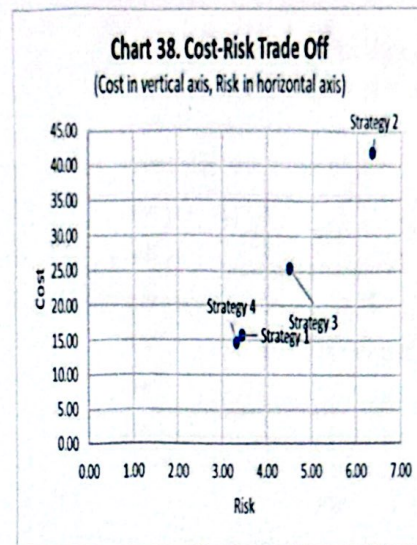
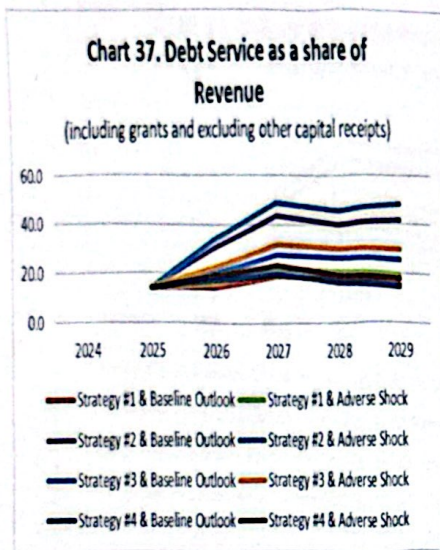
Debt Stock as % of Revenue (including grants and e:	2024	2025	2026	2027	2028	COST RISK measured only in 2029	
						2029	
Strategy #1 & Baseline Outlook	43.0	101.5	107.6	118.4	73.0	59.0	40.6
Strategy #1 & Adverse Shock		101.5	130.7	152.9	106.4	99.6	
Strategy #2 & Baseline Outlook	43.0	101.5	121.1	146.6	105.8	104.5	45.6
Strategy #2 & Adverse Shock		101.5	145.6	184.3	142.9	150.1	
Strategy #3 & Baseline Outlook	43.0	101.5	115.8	132.9	87.5	77.5	42.6
Strategy #3 & Adverse Shock		101.5	139.8	169.0	122.5	120.1	
Strategy #4 & Baseline Outlook	43.0	101.5	108.9	121.0	74.1	59.3	40.6
Strategy #4 & Adverse Shock		101.5	132.1	155.8	107.6	99.9	



5.2.2 Debt Service/Revenue

Debt service as a share of revenue. S4 has the lowest cost at 14.6% at the end of the medium term 2087 when compared to S1, 15.7%, S3 25.4% and S2 41.98%. The S4 is also has the least risk at 3.3% compared to S1, S3 and S2 whose risks are 3.4%, 4.5% and 6.4% respectively. Considering the cost-risk analysis, the State would consider **Strategy 1 as the preferred strategy for implementation because of the its portfolio mix over S4 which is cheaper but difficult to implement compared to the S1 and other strategies.**

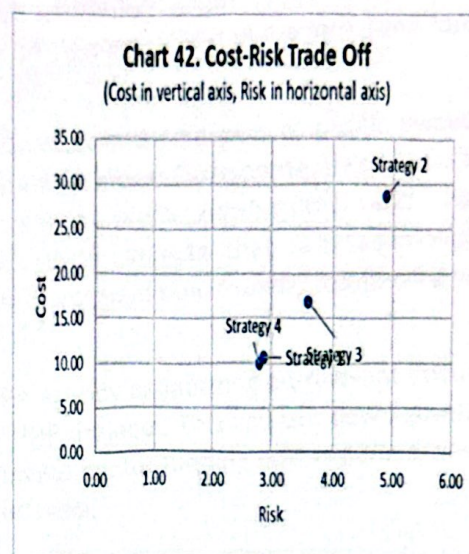
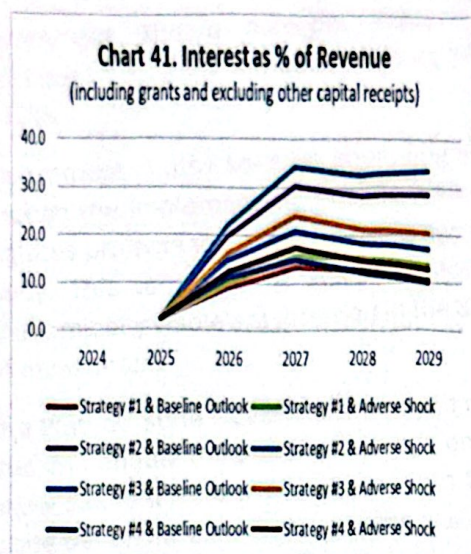
Debt Service as % of Revenue (including grants and	2024	2025	2026	2027	2028	COST	RISK measured only in 2029
						2029	
Strategy #1 & Baseline Outlook		13.9	14.9	19.3	17.8	15.7	3.4
Strategy #1 & Adverse Shock		13.9	16.5	22.2	20.8	19.2	
Strategy #2 & Baseline Outlook		13.9	30.8	43.5	40.4	41.9	6.4
Strategy #2 & Adverse Shock		13.9	34.2	49.1	45.9	48.3	
Strategy #3 & Baseline Outlook		13.9	20.4	28.2	26.4	25.4	4.5
Strategy #3 & Adverse Shock		13.9	22.6	32.1	30.4	29.9	
Strategy #4 & Baseline Outlook		13.9	17.3	20.5	16.6	14.6	3.3
Strategy #4 & Adverse Shock		13.9	19.2	23.6	19.5	17.9	



5.2.3 Interest/Revenue

Similarly, for this debt burden indicator, S4 is the least costly with the lowest risk (10.0% and 2.8%) when compared to S1 (10.6% and 2.9%), S3 (16.9% and 3.9%) and S2 (28.6% and 4.9%) at the end of the DMS period 2028. In this regard, **the preferred strategy still remains S1 which is most implementable by the state** when compared with other strategies.

Interest as % of Revenue (including grants and excl	2024	2025	2026	2027	2028	COST RISK measured only in 2029	
						2029	
Strategy #1 & Baseline Outlook	2.3	9.1	13.4	12.8	10.6	2.9	
Strategy #1 & Adverse Shock	2.3	10.1	15.7	15.3	13.5		
Strategy #2 & Baseline Outlook	2.3	19.8	30.2	28.2	28.6	4.9	
Strategy #2 & Adverse Shock	2.3	22.0	34.3	32.4	33.5		
Strategy #3 & Baseline Outlook	2.3	14.6	20.9	18.4	16.9	3.6	
Strategy #3 & Adverse Shock	2.3	16.2	24.0	21.5	20.5		
Strategy #4 & Baseline Outlook	2.3	11.0	15.0	12.3	10.0	2.8	
Strategy #4 & Adverse Shock	2.3	12.3	17.4	14.7	12.8		



5.3 DMS ASSESSMENT

Considering the analysis above, it is obvious the strategy for implementation is S1. Though it is not the best in all the debt burden indicators, as S4 is cheaper and less risky when looking at the Debt Service/ Revenue and Personnel Cost/Revenue but not easily implemented as 50% of the funding are projected to be from external sources which are dependent on FGN MTEF/Appropriation Act and the availability of these facilities. Also the S1 projected the State's debt at N484.58 billion as against S4 at N486.91 billion at the end of the DMS period 2029. Hence, the State will consider **the implementation of S1 for a prudent debt portfolio.**

The S1 projected the state debt to be N484.58 billion as against S2 at N858.38 billion, S3 at N636.32 billion and S4 at N486.91 billion at the end of the medium term DMS period 2029. In addition, the cost-risk trade-offs are considered using debt to revenue, debt service to revenue and interest rate to revenue amongst other ratios.

5.4 CONCLUSION

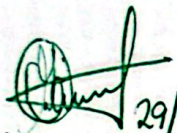
The DMS 2025-2028 represents a robust framework for prudent management, as it provides a systematic approach to decision making on the appropriate composition of external and domestic borrowing to finance the budget. The cost-risk trade-offs of the alternative strategies under the DMS have been evaluated within the medium-term context. In order to reduce the cost of carrying debt, Government will continue to priorities concessional financing to the extent possible before considering non-concessional credit.

Continuous efforts to diversify sources of revenue away from FAAC is crucial. The need to grow the IGR will reduce the State's gross financing needs and hence the need to borrow.

Government should consider implementing a medium-term independent revenue mobilization strategy, aimed at targeting IGR to rise by more than the medium term forecast of 12%.

Government is also keen on improving effectiveness and efficiency of public investment through the implementation of the Plateau State Strategic Development Framework that requires projects to go through the stages of: concept, profile, pre-feasibility and feasibility study. This is aimed at ensuring that only ready projects that are technically and economically viable are included in the State's Investment plan thereby maximizing returns on investment.

The Plateau State Government through its PPP Agency is finalizing all relevant documents that will enable the state to leverage on key PPP projects. This will cut down government expenses and allows same to tap into the private sector funding and expertise which are quite beneficial as well share in the associated risks.



29/11/2025

Hon. (Mrs) Grace Shwarta Dongkum
Commissioner of Finance

ANNEXURE I: TABLE OF ASSUMPTION

2025		Projection Methodology	Source
Assumptions			
Economic activity	State GDP (at current prices)	MBS Estimates for historical figures and projections for 2025 - 2024.	Debt Management Office, Abuja
Revenue			
1. Gross Statutory Allocation (Gross means with no deductions, do not include VAT Allowance)	1. Gross Statutory Allocation (Gross means with no deductions, do not include VAT Allowance)	Historical figures 2020 - 2024 are from the MTEF document. While 2025-2024 figures are from the MTEF document. While 2025-2024 calculated using the historical index of the Federation account revenue distribution across State Government.	Plateau State DSA Team, and the Debt Management Office, Abuja
1a. of which Net Statutory Allocation (Net means of deductions)	1a. of which Net Statutory Allocation (Net means of deductions)	Gross SHA less deductions from FMC	Plateau State DSA Team
1b. of which Deductions	1b. of which Deductions	Direct deductions from FMC on current outstanding facilities and other to the State.	Plateau State DSA Team
2. Devolution (if applicable to the State)	2. Devolution (if applicable to the State)	Not applicable	Plateau State DSA Team
3. Other FMC Transfers (exchange rate gain, augmentation, others)	3. Other FMC Transfers (exchange rate gain, augmentation, others)	The 2025 figure is the approved Budget, 2025-2023 are from the MTEF document. Projections for 2025-2023 will grow by 20% while projections for 2023-2024 will grow by 25%.	Plateau State DSA Team
4. VAT Allocation	4. VAT Allocation	The 2025 figure is the approved Budget, 2025-2023 are from the MTEF document. While projections for 2025-2024 are extrapolated from the FGA MTEF.	Plateau State DSA Team, and the Debt Management Office, Abuja
5. GGR	5. GGR	The 2025 figure is the approved Budget, figures from 2025-2023 are from the MTEF document. Projections from 2023-2024 are expected to grow by 25% while a 50% growth is projected from 2023-2024. This is based on the changes made in the Harmonised Revenue Administrative Law and the concerted effort of the PSRAS in achieving new revenue lines, increase in the number of processes automated and the enforcement of zero cash policy.	Plateau State DSA Team
6. Capital Receipts	6. Capital Receipts	2025 figure is the approved Budget, projected figures from 2025-2023 are from the MTEF document. While projections from 2025-2024 are expected to grow by 35%. The State is making frantic effort in creating a donor- friendly environment to enable more grants into the state.	Plateau State DSA Team
6a. Grants	6a. Grants	The 2025 figure is the approved Budget. The acquisition of new assets by the new Administration will drive an 80% growth all through the projection period.	Plateau State DSA Team
6b. Sales of Government Assets and Privatization Proceeds	6b. Sales of Government Assets and Privatization Proceeds	The 2025 figure is the approved Budget, projected figures from 2025-2023 are from the MTEF document. Projections from 2025-2024 are expected to grow by 25%.	Plateau State DSA Team
6c. Other Non-Debt Creating Capital Receipts	6c. Other Non-Debt Creating Capital Receipts		
Expenditure			
1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	1. Personnel costs (Salaries, Pensions, Civil Servant Social Benefits, other)	The 2025 figure is the approved Budget, projections from 2025-2023 are from the MTEF document, an increase in these figures compared to previous years is occasioned by the planned recruitment for key sectors promotion of existing staff, domestication/ implementation of various professional bodies fringe benefits and the prompt placement of retired Officers on Pension Payroll. While projections for 2025-2024 are expected to grow by 35%.	Plateau State DSA Team
2. Overhead costs	2. Overhead costs	Towards an effective service delivery, Overhead cost is expected to grow by 25% from 2025-2024. 2025 figure is the approved Budget, while the MTEF accounted for figures from 2025-2023.	Plateau State DSA Team
3. Interest Payments (Public Debt Charges, including interest deducted from FMC Allocation)	3. Interest Payments (Public Debt Charges, including interest deducted from FMC Allocation)	The 2025 figure is the approved Budget, projections from 2025-2023 are from the MTEF document, an increase in these figures compared to previous years is occasioned by Government's effort to increase support to key sectors. While 2025-2023 is projected to grow by 75%, 2023-2024 is projected to grow by 35%.	Plateau State DSA Team
4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest Payments)	4. Other Recurrent Expenditure (Excluding Personnel Costs, Overhead Costs and Interest Payments)	The 2025 figure is the approved Budget, projections from 2025-2023 are from the MTEF document, a 20% growth is projected for 2025-2023. 2023-2024 is projected to grow by 35% and 2023-2024 is projected to grow by 40%. This is in line with Government's determination to invest in key infrastructure in Agriculture, Mining and Tourism.	Plateau State DSA Team
5. Capital Expenditure	5. Capital Expenditure		Plateau State DSA Team
Closing Cash and Bank Balance	Closing Cash and Bank Balance	Maintaining sufficient liquidity to meet short term obligations.	Plateau State DSA Team

Debt Amortization and Interest Payments	Debt Outstanding at end-2024 External Debt - amortization and interest Domestic Debt - amortization and interest New debt issued/contracted from 2025 onwards New External Financing External Financing - Concessional Loans (e.g., World Bank, African Development Bank) External Financing - Bilateral Loans Other External Financing New Domestic Financing Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, etc.) Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, etc.) State Bonds (maturity 1 to 5 years) State Bonds (maturity 6 years or longer) Other Domestic Financing	Profiles from the Debt Management Office. Amortization schedules from the Plateau State Debt Management Department. Current available rates are considered for External Financing at 2% interest rate, 40years tenor with 10 years Moratorium. Current available rates are considered for External Financing at 3% interest rate, 20 years tenor with 5years moratorium. NA Current available rates are considered for Domestic Financing at 35% interest rate, 12 - 60 months tenor without grace period. Current available rates are considered for Domestic Financing at 35% interest rate, 72 -120 months tenor with 12 months grace period. Current available rates are considered for Domestic Financing at 25% interest rate, 7 years tenor without grace period. Current available rates are considered for Domestic Financing at 35% interest rate, 15 years tenor with 24 months grace period. Current available rates are considered for Domestic Financing based on the CBN Single-Digit Policy of 9%, 30 years tenor with 24 months grace period.
Proceeds from Debt-Creating Borrowings corresponding to Debt Strategy S1	Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S1 New Domestic Financing in Million Naira Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, etc.) Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, etc.) State Bonds (maturity 1 to 5 years) State Bonds (maturity 6 years or longer) Other Domestic Financing New External Financing in Million US Dollar External Financing - Concessional Loans (e.g., World Bank, African Development Bank) External Financing - Bilateral Loans Other External Financing	Comprises of 60% Domestic Borrowing in Commercial Banks, Bonds and CBN Concessional Windows. While 40% External Financing in both World Bank Concessional windows and Bilateral loans Current available rates are considered for Domestic Financing at 35% interest rate, 12 - 60 months tenor without grace period. Current available rates are considered for Domestic Financing at 35% interest rate, 72 -120 months tenor with 12 months grace period. Current available rates are considered for Domestic Financing at 25% interest rate, 7 years tenor without grace period. Current available rates are considered for Domestic Financing at 35% interest rate, 15 years tenor with 24 months grace period. Current available rates are considered for Domestic Financing based on the CBN Single-Digit Policy of 9%, 30 years tenor with 24 months grace period. Current available rates are considered for External Financing at 2% interest rate, 40years tenor with 10 years Moratorium. Current available rates are considered for External Financing at 3% interest rate, 20 years tenor with 5years moratorium. NA
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, etc.) Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, etc.) State Bonds (maturity 1 to 5 years) State Bonds (maturity 6 years or longer) Other Domestic Financing New External Financing in Million US Dollar External Financing - Concessional Loans (e.g., World Bank, African Development Bank) External Financing - Bilateral Loans Other External Financing	This Strategy is 90% external Financing with 10% domestic as bridging financing. Current available rates are considered for Domestic Financing at 35% interest rate, 12 - 60 months tenor without grace period. Current available rates are considered for Domestic Financing at 35% interest rate, 72 -120 months tenor with 12 months grace period. Current available rates are considered for Domestic Financing at 25% interest rate, 7 years tenor without grace period. Current available rates are considered for Domestic Financing at 35% interest rate, 15 years tenor with 24 months grace period. Current available rates are considered for Domestic Financing based on the CBN Single-Digit Policy of 9%, 30 years tenor with 24 months grace period. Current available rates are considered for External Financing at 2% interest rate, 40years tenor with 10 years Moratorium. Current available rates are considered for External Financing at 3% interest rate, 20 years tenor with 5years moratorium. NA

Proceeds from Debt-Creating Borrowings
corresponding to Debt Strategy S3

Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S3

This Strategy is 100% Domestic borrowing in Commercial Bank loans, Bonds and other Domestic financing

New Domestic Financing in Million Naira

Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, etc.) Current available rates are considered for Domestic Financing at 35% interest rate, 12 - 60 months tenor without grace period.

Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, etc.) Current available rates are considered for Domestic Financing at 35% interest rate, 72 - 120 months tenor with 12 months grace period.

State Bonds (maturity 1 to 5 years)

Current available rates are considered for Domestic Financing at 25% interest rate, 7 years tenor without grace period.

State Bonds (maturity 6 years or longer)

Current available rates are considered for Domestic Financing at 35% interest rate, 15 years tenor with 24 months grace period.

Other Domestic Financing

Current available rates are considered for Domestic Financing based on the CBN Single-Digit Policy of 9%, 30 years tenor with 24 months grace period.

New External Financing in Million US Dollar

External Financing - Concessional Loans (e.g., World Bank, African Development Bank)

Current available rates are considered for External Financing at 2% interest rate, 40 years tenor with 10 years Moratorium.

External Financing - Bilateral Loans

Current available rates are considered for External Financing at 3% interest rate, 20 years tenor with 5 years moratorium.

Other External Financing

NA

Proceeds from Debt-Creating Borrowings
corresponding to Debt Strategy S4

Planned Borrowings (new bonds, new loans, etc.) for Debt Strategy S4

100% Domestic Bonds with 10% Commercial Bank loans in the medium term.

New Domestic Financing in Million Naira

Commercial Bank Loans (maturity 1 to 5 years, including Agric Loans, Infrastructure Loans, etc.) Current available rates are considered for Domestic Financing at 35% interest rate, 12 - 60 months tenor without grace period.

Commercial Bank Loans (maturity 6 years or longer, including Agric Loans, Infrastructure Loans, etc.) Current available rates are considered for Domestic Financing at 35% interest rate, 72 - 120 months tenor with 12 months grace period.

State Bonds (maturity 1 to 5 years)

Current available rates are considered for Domestic Financing at 25% interest rate, 7 years tenor without grace period.

State Bonds (maturity 6 years or longer)

Current available rates are considered for Domestic Financing at 35% interest rate, 15 years tenor with 24 months grace period.

Other Domestic Financing

Current available rates are considered for Domestic Financing based on the CBN Single-Digit Policy of 9%, 30 years tenor with 24 months grace period.

New External Financing in Million US Dollar

External Financing - Concessional Loans (e.g., World Bank, African Development Bank)

Current available rates are considered for External Financing at 2% interest rate, 40 years tenor with 10 years Moratorium.

External Financing - Bilateral Loans

Current available rates are considered for External Financing at 3% interest rate, 20 years tenor with 5 years moratorium.

Other External Financing

NA

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Financing Needs and Sources (Million Euro)																										
Financing Needs																										
i) Primary balance	-105,665.67	-67,713.48	-53,267.41	86,706.48	105,807.72	105,278.66	106,375.89	31,696.73	40,200.88	9,407.06																
ii) Debt service	41,902.44	58,007.33	82,048.06	121,873.58	152,086.35	143,791.84	149,120.39	165,480.51	140,371.97	164,579.35	161,579.35	154,304.12	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67	145,116.67
Annexations																										
	34,882.88	24,727.04	21,007.58	30,897.26	38,901.51	56,209.34	54,170.55	52,304.12	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55	54,170.55
Interests																										
	4,594.56	33,200.79	61,040.48	90,936.32	93,584.84	94,708.91	91,174.85	91,100.49	95,493.85	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80	106,631.80
iii) Financing Needs Other than Annexation Payments (i.e., Variation in Cash and Bank Balances)																										
	-113,556.32	755.28	777.94	801.28	825.32	830.08	875.58	901.84	920.90	956.77																
Financing Sources																										
i) Financing Sources Other than Borrowing	105,810.79	126,516.59	158,483.41	35,864.38	27,423.94	39,302.59	42,783.68	114,066.15	109,405.99	124,943.18																
	0.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00																
ii) Gross Borrowing																										
Commercial bank loans (maturity 1 to 5 years, excluding Agri. Loans, Infrastructure Loans, and ECU/ECF)	153,561.79	126,356.59	136,643.41	35,718.38	27,173.94	39,112.65	43,553.68	114,036.15	109,155.99	124,693.18																
	2,809.28	3,156.66	3,416.69	0.00	27,713.94	39,112.65	1,000.00	17,765.54	2,729.90	4,930.33																
Commercial bank loans (maturity 5 years or longer, including Agri. Loans, Infrastructure Loans, and ECU/ECF)	20,848.94	22,786.65	23,912.00	0.00	0.00	0.00	5,000.00	12,010.80	10,100.30	30,571.31																
	23,974.21	25,853.32	27,328.88	0.00	0.00	39,112.65	0.00	13,775.34	21,813.20	34,938.64																
State bonds (maturity 1 to 5 years)		46,548.61	54,657.36	35,718.38	0.00	0.00	37,333.88	27,644.88	42,652.40	69,877.27																
	23,742.12	25,853.32	27,328.88	0.00	0.00	0.00	0.00	13,775.34	21,813.20	34,938.64																
Other domestic financing																										
External financing, Concessional loans (e.g., World Bank, African Development Bank)	46,548.61	0.00	0.00	0.00	0.00	0.00	0.00	27,644.88	0.00	0.00																
External financing, Bilateral loans	31,022.29	0.00	0.00	0.00	0.00	0.00	0.00	18,393.78	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00																

Costs and Fees (Million Euro)																													
Cost (billion)	161,328.68	153,215.65	155,575.44	107,519.94	138,909.73	304,751.14	390,265.67	505,540.59	510,652.42	498,535.65	489,046.37	476,493.92	536,735.51	592,647.39	711,219.89														
Interest	10,079.40	10,055.92	10,562.40	13,547.15	41,821.00	135,855.17	108,394.51	106,721.91	103,842.55	104,472.79	99,027.73	95,377.28	137,045.30	133,700.85	138,177.11														
Domestic	15,127.28	14,279.73	14,013.44	17,932.83	94,008.73	178,120.01	207,651.16	209,568.39	446,819.76	397,662.36	389,242.55	381,093.63	299,291.21	636,945.53	581,085.76														
Gross borrowing (flow)						193,951.79	128,366.59	136,643.41	35,714.38	27,723.94	31,122.65	43,533.64	114,685.15	109,155.99	174,693.14														
Interest						77,380.72	0.00	0.00	0.00	0.00	0.00	0.00	45,714.46	0.00															
Domestic						115,317.07	126,365.59	135,643.41	35,714.38	27,723.94	31,122.65	43,533.64	64,641.69	109,155.99	174,693.14														
Amortization (flow)	64,110.52	52,421.06	33,066.68	39,462.47	64,944.07	34,802.88	24,727.04	21,007.58	38,972.55	38,911.51	40,002.33	56,109.14	54,707.55	52,944.12	56,126.67														
Interest	715.61	205.36	319.48	390.37	1,540.41	2,554.08	2,181.60	2,181.60	2,370.06	2,370.06	2,370.06	3,735.45	3,735.45	3,735.45	3,527.14														
Domestic	68,984.71	75,200.71	32,767.20	39,002.10	59,443.66	32,329.79	22,565.44	18,825.98	36,521.65	36,521.65	46,622.26	52,383.70	50,455.11	49,516.67	52,002.93														
Interest (flow)	13,759.49	14,331.20	13,622.61	11,947.87	10,550.64	6,945.56	33,320.79	62,140.49	93,936.32	93,944.84	94,718.91	91,714.95	91,210.49	95,493.85	108,621.88														
Interest	153.02	98.08	120.62	200.87	214.94	624.63	2,177.09	2,177.09	2,177.09	2,177.09	2,177.09	2,177.09	2,177.09	2,177.09	2,177.09														
Domestic	13,506.67	14,233.12	13,701.99	11,747.00	10,735.70	6,333.94	31,148.70	59,668.39	88,144.23	91,442.75	92,656.82	91,002.76	89,719.06	92,340.59	95,316.99														
Net borrowing (gross borrowing minus amortization)						159,807.91	106,539.55	115,635.83	4,791.11	-11,477.37	-9,899.67	-12,755.46	60,385.60	55,911.87	115,966.51														
Interest						75,035.63	-2,181.60	-2,181.60	-2,370.06	-2,370.06	-2,370.06	-3,735.45	42,095.01	-3,735.45	-3,527.14														
Domestic						84,044.28	103,721.15	117,817.43	7,151.18	-9,857.51	-7,579.61	-4,850.01	10,716.58	59,637.32	122,790.35														

Debt Stock as % of SGP	12.5	10.9	1.9	1.3	6.2	11.2	12.8	14.4	12.5	11.2	9.6	6.4	1.5	6.8	9.3
Debt Stock as % of Revenue (including grants and excluding other capital receipt)	20.37	16.75	15.62	17.04	6.65	10.66	10.71	11.92	74.17	60.75	48.83	30.00	36.42	31.77	30.53
Debt Service as % of SGP						1.90	1.93	2.40	3.04	2.97	2.90	2.71	2.37	2.18	2.17
Debt Service as % of Revenue (including grants and excluding other capital receipt)						13.83	16.02	18.59	17.70	16.13	14.38	12.22	14.98	17.07	17.07
Interest as % of SGP						0.27	1.11	1.79	2.27	2.10	1.91	1.89	1.40	1.40	1.43
Interest as % of Revenue (including grants and excluding other capital receipt)						2.32	9.20	14.62	13.21	11.39	9.46	7.63	6.26	5.12	4.66
Personnel Cost as % of Revenue (including grants and excluding other capital receipt)						22.36	20.53	11.62	14.29	14.98	15.34	15.10	15.10	14.24	13.89

Adverse Stock Scenario is defined by the worst performance indicator measured in year 2023

For Debt Stock as % of SGP the adverse shock is Revenue	Revenue														
Debt Stock as % of SGP	11.82	14.18	17.10	16.67	16.44	17.36	18.13	20.23	22.66	26.00					
For Debt Stock as % of Revenue (including grants and excluding other capital receipt) the adverse shock is Revenue Revenue															
Debt Stock as % of Revenue (including grants and excluding other capital receipt)	101.46	128.79	154.30	107.71	108.52	95.46	90.94	85.11	82.15	94.21					
For Debt Service as % of SGP the adverse shock is Historical															
Debt Service as % of SGP	1.60	1.90	2.44	4.04	4.15	2.25	-2.91	-5.16	-40.74	-28.15					
For Debt Service as % of Revenue (including grants and excluding other capital receipt) the adverse shock is Revenue															
Debt Service as % of Revenue (including grants and excluding other capital receipt)	13.83	17.80	22.53	20.72	19.62	14.22	18.57	17.72	16.74	16.01					
For Interest as % of SGP the adverse shock is Historical															
Interest as % of SGP	0.27	1.09	2.25	3.29	3.34	1.38	4.56	-28.32	-44.69	-29.36					
For Interest as % of Revenue (including grants and excluding other capital receipt) the adverse shock is Revenue Revenue															
Interest as % of Revenue (including grants and excluding other capital receipt)	2.32	10.22	17.10	15.73	14.36	12.77	11.18	10.15	9.08	11.82					