EKITI STATE EXECUTIVE COUNCIL APPROVES ₦3,031,076,059.82 TERM LOAN AS COUNTERPART CONTRIBUTION FOR 2019 AND 2020 UBEC/SUBEB PROJECTS

Wednesday July 8th, 2020

Ekiti State Executive Council held its 13th EXCO meeting for the year 2020 today, 8 July, 2020. As usual, it was a virtual meeting.

Governor Kayode Fayemi and members of the council deliberated on the following Memoranda, and granted approval as requested.

Memoranda presented and approved are follows;

1. Memorandum on the offer of N3, 031,076,059.82 term loan for 2019 and 2020 Ekiti State Government counterpart contribution for SUBEB/UBEC projects: The term loan was approved by council, to enable Ekiti State Government meet up with its statutory 50% counterpart obligation towards the release of funds for UBEC/SUBEB projects for the year 2019 and 2020. Failure to do so would disqualify the State from receiving her share of the UBEC/SUBEB funding. Being a Federal and State Government partnership, both tiers of government are required to come up with their respective 50% contributions before the total sum is released to the State Government.

   It should be recalled that Governor Kayode Fayemi has substantially defrayed the outstanding counterpart funds for the years 2016, 2017 and 2018 UBEC/SUBEB projects, which was initially neglected by the previous administration, and the repayment is still ongoing.

   Governor Fayemi informed the Council that he has constituted 3 separate monitoring units, tasked with the assignment of carrying out an infrastructure audit in the Education sector, to determine the precise needs of the various schools. Their mandate also includes monitoring the execution of all SUBEB projects in the State, to ensure that all contracts awarded, follow the contract specifications and timelines.

2. The Memorandum on the Ekiti State Debt Management Law 2020 was tendered before the Executive Council. Ekiti State Government in 2011, put in place the law titled “Regulation to provide for the Establishment of the State Debt Management Office, and for connected purposes. Nine years later, the contents and realities of the Regulation are becoming obsolete, due to economic changes and other factors in the global financial order, and practices. This has necessitated the need to make necessary changes and amendments in the regulation, to suit the current economic realities.
   The draft of the reviewed law was prepared by the Ministry of Finance, and the legal clearance of the Ministry of Justice was obtained. With the approval of the Executive Council, the bill will be forwarded to the Ekiti State House of Assembly for legislative processing, and passage into law.

3. The Executive Council approved the amendment of section 34(1) (b) of the Ekiti State Fiscal Responsibility Law (No 12) of 2019. As advised by the Ministry of Justice, Section 34(1) (b) was amended to read:

   “The State Government shall ensure that the level of public or internal debt as a portion of the state income is held at a sustainable level, as prescribed by the House of Assembly, from time to time, on the advice of the Fiscal Responsibility Commission”.

   The amendment will be forwarded to the Ekiti State House of Assembly for legislative processing, and subsequent passage into law.

<u>Signed</u>

Aare Muyiwa Olumilua
Commissioner for Information and Values Orientation