



BAYELSA STATE GOVERNMENT

**STATE BUDGET OFFICE
MINISTRY OF BUDGET AND ECONOMIC PLANNING**

OUR REF: BUD/ADM/282/VOL.1/203

20th September, 2024.

The Secretary to the State Government
The Head of Service
All Hon. Commissioners
All Chairmen of Statutory Commission & Boards
All Directors-General
All Permanent Secretaries
All Managing Directors
The Clerk of the State House of Assembly
The Chief Registrar of the State High Court
The Chief Registrar of the Customary Court of Appeal
All Executive Secretaries
Accountant- General
Auditors-General (State/LG)
All General Managers
All Special Advisers
All Senior Special Advisers
All Technical Advisers
All Extra Ministerial Department and Parastatals

BAYELSA STATE GOVERNMENT OF NIGERIA 2025 BUDGET PREPARATION AND SUBMISSION CALL CIRCULAR

1. INTRODUCTION

- 1.1 Section – (22) of the Bayelsa State Fiscal Responsibility Law (2009) as amended requires the Ministry of Budget and Economic Planning to issue

the Budget Call Circular guiding the preparation of the Annual Budget Estimates. Hence, this Budget Call Circular provides guidance and clarity on the criteria for the Estimation of Revenue as well as the admission of Personnel, Overhead and Capital Expenditure in the 2025-2027 Estimates. We will continue to use the instrument of the IPSAS Classification and the Medium-Term Expenditure Framework (MTEF) in the preparation of the 2025 Annual Budget.

- 1.2 As usual this Call Circular contains summaries of information of the 2025-2027 MTEF and the Fiscal Strategy Paper (FSP), as well as detailed instruction on the preparation of the 2025 budget proposals of the MDAs.
- 1.3 The State Budget Office will only consider proposals that are in-line with the guidelines. All Desk Officers and Accounting Officers are encouraged to study carefully the guidelines because **Additional Administrative and Economic codes have been added to the existing ones**, so MDAs should take note of the Administrative and Economic code relevant to their sectors and make provision accordingly.
- 1.4 As we are all aware, the State derives over 70% of her revenue from the Federal Allocation. The removal of Fuel Subsidy, Increase in Crude Production and the Successful Monitoring and Reduction of Pipeline Vandalization (Oil Theft) have all played their roles in the increase of Revenue Allocation to the Sub-Nationals. Therefore, the State Government Revenue Projection is in line with the Federal Government Revenue Projections.

2 IMPLEMENTATION OF THE 2024 BUDGET

2.1. 2024 BUDGET PERFORMANCE REVENUE OUT-TURN

The total appropriated revenue for 2024 Approved Budget as amended stood at N489,443,672,374.00bn which was made up of N57.000bn from Statutory Allocation, N217.370bn from Derivation, VAT N36.000bn, Electronic Money Transfer Levy (EMTL) N3.450bn, Forex Equalization N5.500bn, Exchange Rate Gain Difference N43.000bn, Solid Mineral Funds N5.000bn, Tax Refunds (FIRS Refunds) N5.928bn, Non-Oil Revenue N2.000bn, Independent Revenue (IGR) N23.869bn, Aids & Grants N16.700bn, and other Capital Development Fund (CDF) Receipt N60.000bn. Total revenue out-turn as at 30th June, 2024 was

N224.197bn. This consists of Statutory Allocation N8.345bn, 13% Derivation N64.036bn, VAT N28.255bn, EMTL N13.547bnb, Exchange Rate Gain Difference N32.052, Non-Oil Revenue N0.467bn and IGR N46.984bn. The Revenue Performance is lower than the projected half year estimated amount.

2.2. 2024 BUDGET PERFORMANCE EXPENDITURE OUT-TURN

Out of the total budget of N489.443bn, Recurrent Expenditure was expected to take N224.436bn while capital expenditure was N265.007bn. As at 30th June, 2024. In summary N73.576bn was spent on Recurrent Expenditure and N119.256bn on Capital Expenditure for the period in view.

3.1 2025- 2027 MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

The 2025 – 2027 MTEF and FSP which was endorsed by the State Executive Council are based on the key parameters and assumptions as determined by the macroeconomic policies and targets of the Federal Government for the 2025-2027 periods.

Table 1: Key parameters and Assumption for 2025 – 2027

S/N	DISCRIPTION	2024	2025	2026	2027
1	Oil Price Benchmark	\$78.00	\$75.00	\$75.00	\$75.00
2	Oil Production Benchmark (MBPD)	1.5000	1.6500	1.7000	1.8000
3	Exchange Rate(N/\$)	N1500/\$	N1200/\$	N1200/\$	N1200/\$
4	Inflation Rate	31.00%	27.00%	21.00%	19.00%
5	National Real GDP Growth	3.10%	3.00%	3.10%	3.20%
6	Mineral Ratio	16%	18%	20%	22%

Based on the above, aggregate Revenue and Expenditure is projected below

Table 2: Summary of (2025 – 2027) Revenue and Expenditure Projection

Bayelsa State Medium Term Fiscal Framework

TABLE 2 SUMMARY OF AGGREGATE REVENUE AND EXPENDITURE ESTIMATES							
DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 ACTUAL (NBN) JAN- JUNE	2025 (F) (NBN)	2026 (F) (NBN)	2027 (F) (NBN)	2025-2027 TOTAL (NBN)
Opening Balance (A)	12.79	13,625,000,000.00		14,200,000,000.00	8,000,000,000.00	8,000,000,000.00	30,200,000,000.00
Statutory Allocation	33.59	57,000,000,000.00	8.34	17,000,000,000.00	17,000,000,000.00	17,000,000,000.00	51,000,000,000.00
VAT	32.90	36,000,000,000.00	28.26	57,000,000,000.00	57,000,000,000.00	57,000,000,000.00	171,000,000,000.00
13% Derivation	183.04	217,370,788,606.00	64.03	136,558,292,300.06	128,072,774,135.64	128,072,774,135.64	392,703,840,571.34
Refund on Excess Crude	1.36		19.53	39,062,795,619.25	39,062,795,619.24	39,062,795,619.24	117,188,386,857.73
Exchange Gain	1.72	43,000,000,000	63.07	103,073,041,793.33	103,073,041,793.33	103,073,041,793.33	309,219,125,379.99
Forex Equalization		5,500,000,000					
Electronic money transfer		3,450,000,000.00	0.92	1,900,000,000.00	1,900,000,000.00	1,900,000,000.00	5,700,000,000.00
Solid Mineral		5,000,000,000.00					
Tax Refund (FIRS Refund)		5,928,773,768.00					
Non Oil Revenue		2,000,000,000.00					
13% Derivation Refund			16.63	14,000,000,000.00	20,000,000,000.00	20,000,000,000.00	54,000,000,000.00
Signature Bonus			39.00	13,000,000,000.00	25,000,000,000.00	25,000,000,000.00	63,000,000,000.00
Signature Bonus Derivation			37.46	40,000,000,000.00	40,000,000,000.00	40,000,000,000.00	120,000,000,000.00
Cash call refund			13.00	100,000,000,000.00	100,000,000,000.00		200,000,000,000.00
Goods for Valuable Consideration			19.70	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00	30,000,000,000.00
Total Fed. Allocation (B)	265.40	388,874,562,374.00	309.94	545,794,129,712.64	549,108,611,548.21	449,108,611,548.21	1,544,011,352,809.06
Year On Year Growth							
IGR	18.39	23,869,070,000.00	47.06	39,000,000,000.00	39,000,000,000.00	39,000,000,000.00	117,000,000,000.00
Grants							
External Grant (SIFTAS)							
NG-CARES		4,000,000,000.00	10.85	23,000,000,000.00	-	-	23,000,000,000.00
Internal Grant (SUBEB)		3,700,000,000.00		3,600,000,000.00	3,700,000,000.00	3,700,000,000.00	11,000,000,000.00
SDG		5,000,000,000.00		2,000,000,000.00	5,000,000,000.00	5,000,000,000.00	12,000,000,000.00
Donor: Rural Access Agricultural Marketing Project (RAAMP)		4,000,000,000.00		4,000,000,000.00	4,000,000,000.00	4,000,000,000.00	12,000,000,000.00
HOPEGOV				2,000,000,000.00	4,000,000,000.00	5,000,000,000.00	11,000,000,000.00
Internal Loan	11.77	60,000,000,000.00		50,000,000,000.00	50,000,000,000.00	50,000,000,000.00	150,000,000,000.00
Nigeria for Women Project (NFWP)				4,800,000,000.00	4,800,000,000.00	4,800,000,000.00	14,400,000,000.00
TOTAL OTHER REVENUE (C)	30.16	100,569,070,000.00	57.91	128,400,000,000.00	110,500,000,000.00	111,500,000,000.00	350,400,000,000.00
TOTAL REVENUE (A+B+C)	295.56	489,443,632,374.00	367.84	674,194,129,712.64	659,608,611,548.21	560,608,611,548.21	1,894,411,352,809.06
EXPENDITURE ESTIMATES							
DESCRIPTION	2023 ACTUAL	2024 BUDGET	(NBN) JAN- JUNE	2025 (F) (NBN)	2026 (F) (NBN)	2027 (F) (NBN)	2025-2027 TOTAL (NBN)
Personnel Cost	53.45	53,690,557,051.00	24.87	101,961,743,951.04	101,961,743,951.04	101,961,743,951.04	305,885,231,853.12
Pensions and Gratuity	14.11	13,029,815,318.00	6.14	13,029,815,318.00	13,029,815,318.00	13,029,815,318.00	39,089,445,954.00
Contributory Pension Scheme		2,400,000,000.00	1.05	11,294,261,592.66	11,294,261,592.66	11,294,261,592.66	33,882,784,777.97
Overhead Cost	80.11	94,210,539,070.00	22.77	114,375,738,407.34	107,104,650,000.01	107,104,650,000.01	328,585,038,407.36
Grants, Contributions and Subsidies	14.22	13,844,000,000.00		18,294,261,592.66	18,294,261,592.66	18,294,261,592.66	54,882,784,777.97
10% Contribution to SUBEB		2,500,000,000.00	1.48	3,500,000,000.00	3,500,000,000.00	3,500,000,000.00	10,500,000,000.00
RDAs		170,000,000.00		340,000,000.00	340,000,000.00	340,000,000.00	1,020,000,000.00
CRFC: TRANSFERS: OTHER PERSONNEL COST (18,000.00 MINIMUM WAGE, ARREARS, CORPERS ALLOWANCE ETC)		1,346,460,935.00	0.13	3,346,460,935.00	3,346,460,935.00	3,346,460,935.00	10,039,382,805.00
Public Debt Services	90.10	43,245,160,000.00	17.84	52,944,847,915.95	52,944,847,915.95	52,944,847,915.95	158,834,543,747.85
TOTAL RECURRENT EXPENDITURE (D)	251.99	224,436,532,374.00	74.29	319,087,129,712.64	311,816,041,305.31	311,816,041,305.31	942,719,212,323.27
CAPITAL EXPENDITURE (E)	139.91	252,732,000,000.00	119.26	337,351,650,000.00	330,402,941,730.75	236,352,941,730.75	904,107,533,461.51
PLANNING RESERVE CAPITAL (F)		12,275,100,000.00		17,755,350,000.00	17,389,628,512.14	12,439,628,512.14	47,584,607,024.29
TOTAL EXPENDITURE (D+E+F)	391.90	489,443,632,374.00	193.54	674,194,129,712.64	659,608,611,548.21	560,608,611,548.21	1,894,411,352,809.06

3.2. STRATEGIC PRIORITIES OF BAYELSA STATE GOVERNMENT FOR 2025 -2027 MEDIUM TERM PERIOD

The strategic priorities to be pursued by the Bayelsa State Government for the 2025-2027 periods are as expressed in the acronym A.S.S.U.R.E.D which is hinged on seven pillars that would serve as beacon to ensure economic growth, social development, infrastructure advancement, environmental sustainability, cultural preservation and good governance. The A.S.S.U.R.E.D Agenda entails Agricultural revolution, Sports development, Security, Urban renewal, Robust healthcare, Energy generation and Diversifying education. It is important to note that these are the key areas to which substantial proportion of the Overhead and Capital budget will be directed at to actualize the administration's Shared Prosperity Agenda.

3.3 THE 2025 BUDGET FRAMEWORK

As required by law, the Annual Budget of the State is based on the MTEF/FSP document. In this case, the 2025 State annual budget draws full strength from the 2025-2027 MTEF/FSP document. Thus, based on the parameters and projections in table 1 above, Aggregate Revenue and therefore Expenditures for 2025 fiscal year is projected at N674.194bn.

TABLE: 3 SUMMARY OF 2025 AGGREGATE REVENUE AND EXPENDITURE

S/N	DETAILS	2025BN	% OF TOTAL
	REVENUE		
1	Opening Balance	14,200,000,000.00	
2	Statutory allocation	17,000,000,000	2.5
3	13% Derivation	136,558,292,300.06	20.3
4	VAT	57,000,000,000	8.5
5	Refund for Excess Crude	39,062,795,619.25	5.8
6	Exchange Gain	103,073,041,793.33	15.3
7	Electronic Money Transfer	1,900,000,000.00	0.3
8	13% Derivation Refund	14,000,000,000.00	2.1
9	Signature Bonus	13,000,000,000.00	1.9

10	Signature Bonus Derivation	40,000,000,000.00	5.9
11	Cash Call Refund	100,000,000,000.00	14.8
12	Goods for Valuable Consideration	10,000,000,000.00	1.5
13	IGR	39,000,000,000.00	5.8
14	Aids and Grants	32,600,000,000.00	4.8
15	HOPEGOV	2,000,000,000.00	0.3
16	Nigeria for Women Project (NFWP)	4,800,000,000.00	0.7
17	Internal Loan	50,000,000,000.00	7.4
	Total	674,194,129,712.64	100
	EXPENDITURE		
1	Personal cost	101,961,743,951.04	15.1
2	Pensions and Gratuity	13,029,815,318.00	1.9
3	Contributory Pension Scheme	11,294,261,592.66	1.7
4	Overhead cost	114,375,738,407.34	17.0
5	Grants, Contributions and Subsidies	18,294,261,592.66	2.7
6	10% Contribution to SUBEB	3,500,000,000.00	0.5
7	RDAs	340,000,000	0.1
8	CRFC	3,346,460,935.00	0.5
9	Public Debt Services	52,944,847,915.95	7.9
10	Capital Expenditure	337,351,650,000.00	50.0
20	PLANNING RESERVE CAPITAL	17,755,350,000.00	2.6
	Total	674,194,129,712.64	100

4.1 INSTRUCTIONS/GUIDELINES FOR THE PREPARATION OF 2025 BUDGET PROPOSALS

MDAs should adhere strictly to the following instructions/guidelines in preparing and submitting their 2025-2027 budget proposals.

1. All personnel cost computations which should be based on current rates and staff on ground. It should be done on the attached templates (CD) already developed by the State Budget Office.
2. As emphasized severally, great care must be observed by the MDAs to ensure that all ongoing projects/initiatives are treated first before considering new ones.
3. All allocated envelopes are for Overhead and Capital spending only.
4. All MDAs must comply fully with the National Chart of Accounts in preparing their Budget.
5. All Revenue Generating MDAs should compute their proposed revenues for the period of 2025-2027 in the budget template.
6. All newly established MDAs should approach the Deputy Director, State Budget Office to obtain their updated nomenclature and Administrative Codes.

NOTE: All MDAs should complete the Capital Budget Description Template accordingly as contained in the Original Budget Preparation Template by enumerating it on the various capital line items to cover the specified amount allocated to the Economic Code.

E.g

Economic Code	Description	Amount
23020114	Construction/Provision of Road	50,000,000,000.00
	Construction of glory Drive Road	25,000,000,000.00
	Construction of Sagbama/Ekeremor Road	25,000,000,000.00

4.2 OVERHEAD BUDGET

MDAs are advised to follow the Economic Codes of the National Chart of Accounts while budgeting their overhead cost.

4.3 CAPITAL BUDGET: In addition to paragraph 5.2 above, all capital projects must fall under one of the programs, as in the MTSS document already developed by the MDAs and must prioritize the initiatives in their Capital Budget to fall in line with the A.S.S.U.R.E.D Agenda.

4.4 COUNTERPART FUNDING: As usual, for any Counterpart Funding proposal, MDAs must provide detailed information on the programs, the State’s involvement and benefits accruing to the State Budget Office on or before **Friday 24th September, 2024.**

4.5 INTERNAL REVENUE PROJECTIONS: The National Chart of Accounts has clearly defined codes for various revenue items. MDAs are therefore enjoined to use the templates already developed by the State Budget Office for such projections. The templates can be collected from the office of the Deputy Director of the State Budget Office.

4.6 SPENDING CEILINGS FOR 2025 BUDGET:

The Overhead and Capital Expenditure for 2025, 2026 and 2027 Fiscal Years for_____

OVERHEAD EXPENDITURE

2025 N_____

2026 N_____

2027 N_____

CAPITAL EXPENDITURE

N_____

N_____

N_____

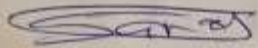
Please remember that the foregoing allocation envelop for Overhead expenditure does not include personnel costs.

6.0 Submissions should reach the State Budget Office not later than **4:00pm on Friday 27th September, 2024.** Every envelop holder or accounting officers should please sign each page of the hard copy of the 2025 budget proposals

of his/her MDA.

NOTE:

1. All MDA's with climate change expenditures should tag their activities in their budget provisions. secondly, the following Ministries- Health, Education, Women Affairs, Agriculture and Ministry of Budget should make necessary provisions for nutrition activities.
2. MDAs covered under SABER Programme such as Ministry of Women Affairs, Bayelsa State Geographic Information System (BGIS), Ministry of Justice and Ministry of Finance should make necessary provisions in the expenditure line items accordingly.
3. MDAs covered under HOPEGOV Programme such as Ministry of Education (SUBEB) and Ministry of Health (Primary Health Care) should make necessary provisions in the expenditure line items accordingly.



Sarah O. Roland (FCE)

For: Honourable Commissioner for Budget and Economic Planning