



BAYELSA STATE DOMESTIC EXPENDITURES ARREARS CLEARANCE GUIDELINE

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INTRODUCTION

Domestic arrears are in existence in every part of the world due to limited disposal financial resources. However, government at every level take concerted effort to ensure that domestic arrears are objectively cleared-off within the shortest possible time in a well-planned manner. Domestic arrears are outstanding financial obligations which are defined to composed contractors' outstanding liabilities; outstanding Pensions and Gratuities; salary arrears; bank loans and other financial instruments, judgement debts and others.

The purpose of this framework is to ensure that contractual liabilities, outstanding pensions and gratuities and judgement debts in the context of domestic arrears definitions are objectively defrayed in a planned manner. The document stands as a focal instrument dictating how the recorded liabilities are continuously defrayed through the instrumentality of the provisions of the annual budget. More so, the framework will serve as the medium that describes the process of recording domestic liabilities of the state and how they will be cleared to avoid the accumulation of domestic arrears with a transparent prioritization mechanism.

This framework is developed principally to optimized the recording and settlement strategies of domestic financial obligations of the State. The major strategy the State Government will utilized in the convenient debt clearance is the gradual consideration of the outstanding obligations in the annual budget and their subsequent settlement as per the budgetary provisions. This will give a clear to a probable duration of settlement and as well showcase a better picture on domestic arrears settlement through the instrumentality of the Domestic Arrears Clearance Committee that will specifically set - up to oversee the activities of Domestic Arrears Clearance.

Furthermore, the essence of this document is to further outline the planned actions on how domestic

arrears of the State Government will be settled and the mechanism employed in the prioritization of the arrears' settlement and to ensure at least 5% in year on year reduction of a total stock of arrears. This will be done in collaboration with existing laws and policies of the State to ensure that the growth of domestic arrears is reduced to the barest minimum.

As part of the government's VISION on entrenchment of transparency and accountability in the public sector, this framework will ensure that domestic arrears are properly recorded, validated and reported in a structured manner for the benefit of diverse stakeholders.

The vision of having a domestic arrears settlement provision in the annual budget and its implementation will in no small measure mitigates the accumulation of domestic debts and continuously reduce existing domestic arrears.

As earlier stated, this document will be used in conjunction with other relevant documents, specifically, the State Debt Management Law, the State Fiscal Responsibility Law, the State Transparency Law, Procedure Manuals, International Public Sector Accounting Standards, Finance Laws and other Regulations in the State and Stakeholders are urged to apply the document in conjunctions with these documents whenever the need arises.

This document has unlimited number of users. However, the primary user of this document is the Bayelsa State Government of Nigeria. Other users of this document are financial institutions, International donor agencies, Ministries/Departments and Agencies where domestic arrears are accumulated and as well the managers of the arrears' clearance structure cum public finance regulators and the State House of Assembly.

INSTITUTIONAL ARRANGEMENT FOR THE DOMESTIC ARREARS CLEARANCE FRAMEWORK

In-order to have a better picture of debt stocks and establish a virile procedural mechanism to verify, validate, record, categorize, prioritize and report the accurate domestic arrears of the State in compliance with the yearning of donor agencies, stakeholders the International Public Sector Accounting Standards implementation demands and other extant laws and policies, this framework is drawn up to address issues that borders on accountability, transparency and credible governance principles of the State and judicious management of government scarce financial resources.

Sequel to the foregoing, Bayelsa State Government design this **Domestic Arrears Clearance Framework** as institutional mechanism with the overall objective to deal with every activity bordering on the gradual or total clearance of domestic arrears expenditures of the State.

In furtherance of implementing this laudable framework of the State, a committee will be composed to process every elements of domestic arrears of the State in accordance with acceptable guidelines and standards.

Responsibilities of the Domestic Arrears Clearance Committee

The primary objective of the Committee is to complement the efforts of the Debt Management Office by discharging her statutory responsibility for proper recording and accounting for all categories of domestic arrears balances.

The duties of the Committee shall include, but not limited to the following:

1. Establishment of robust and adequate guidelines of specific in nature by setting up roles and properly defined responsibilities for relevant persons and institution for the verification,

- validation, recording and reporting domestic arrears on an agreed and acceptable format,
2. Ensure the creation of a publicly accessible online version for the domestic arrear expenditures database and also safeguard the continual existence of a systematic, updated and accurate internal domestic expenditure arrears database on a monthly basis,
 3. Exercise an oversight responsibility for adequate recording, verification, validation and reporting process on domestic expenditure arrears in accordance with international best practice,
 4. Ensure an adequate categorization and prioritization of domestic arrears based on outlined strategies and continually modify the existing State Government Arrears Clearance Framework (ACF) to reflect the policy desires of the citizens and international organizations on the development, prioritization and clearance of domestic arrear expenditures.
 5. Ensure that the verified true position of the domestic arrears is transparently and accurately reported in a progressive manner,
 6. Ensure that reported domestic arrear expenditures are substantiated with verifiable source document and data,
 7. Ensure that verified of domestic arrears expenditures are validated,
 8. Ensure that verified domestic arrear expenditures are adequately provided for in the State's Government annual and medium-term fiscal projection

Specific Activities

The composed domestic arrears clearance committee shall undertake the ensuing specific activities:

1. Development of domestic arrears framework
2. Verification, validation, recording and reporting of domestic arrears expenditures.
3. Consolidation of the entire State Government domestic arrears expenditures,

4. Develop a comprehensive domestic arrears database.
5. Develop a credible domestic arrears clearance timetable and a transparently prioritization framework.
6. Implementation of records management guidelines on domestic arrears.
7. Establish an adequate internal control mechanism on arrears clearance process;
8. Create a publicly accessible online version of the domestic arrears expenditures database.
9. Ensure an adequate and transparent reporting of verified domestic arrears to stakeholders,
10. Timely production of the State Government Arrears Verification, Validation and Clearance Report.

Reporting Responsibility

The Committee shall be directly supervised by the Commissioner for Finance of the State. Every report shall be submitted to the Executive Governor of the State through the Honorable Commissioner for Finance and as well comply with the provisions of the Fiscal Responsibility Law.

Guideline on Domestic Arrears Clearance Framework

The state government will employ the following measures to ensure that accumulated domestic arrears are reasonably cleared and further to ensure that new ones are eliminated or prevented from being adding more burden to the finances of the State;

- a. A realistic budgetary provision measures shall be employed to ensure that budgeted allocations are judiciously applied for the purpose it was budgeted for and further ensure that adequate budget discipline is exercised;

- b. Institutional frameworks will be deepened to ensure that implementation of this strategy have a broader coverage and a better legal and regulatory functionality;
- c. The existing Treasury Single Account policy shall be continuously deepened to ensure that more monies are swept into the Account for efficient application in-order to reduce commercial borrowings;
- d. Proper and adequate record keeping and timely financial reporting will be employed through the application of the State' integrated Financial Management Information and in relations to the requirements of the International Public Sector Accounting Standards (IPSAS) and other best practices;
- e. Continuous utilization of the integrated financial information management system and other technological solutions in processing financial transactions for the entrenchment of transparency and accountability in the system;
- f. The state Government shall continue to reinforce the fiscal control mechanism to effectively implement the debt sustainability protocols;
- g. The State Government will ensure that the cash management policy, Fiscal Responsibility Law and debt management law will continuously be implemented and harnessed to enhance integrated cash and effective debt management;
- h. A centralized payment system shall be embraced and midwifed by the office of the Accountant -General in-order to monitor and prioritize payments, primarily to reduce the accumulation of domestic arrears and encourage effective and efficient management of liquid asset.
- i. The State Government shall continue to come up with policies and programme that will facilitate clearing domestic arrears expenditures.

- j. The State Government shall exercise oversight roles on Ministries/Parastatals/Agencies and other institutions of the State to ensure a timely expenditure arrears clearance to avoid been defaulted or failed into arrears falling into arrears financial transactions.
- k. Adequate fiscal rules and controls mechanism shall be implemented in the arrears' accumulation and clearance processes.
- l. A comprehensive fiscal report shall be published in a quarterly manner to provide information on commitment, liquidation cancellation, extension and payment on the Ministry of Finance webpage and updated quarterly.
- m. Adequate verification measures shall be undertaken to ensure that only valid claims are recorded and cleared.
- n. The State Government shall implement a transparent and credible procurement process based on the State procurement law and other policy guidelines

POLICIES AND ACTIONS TO PREVENT THE OCCURRENCE OF NEW ARREARS

The following policies and actions are employed to prevent the growth of new arrears.

- 1. The phased migration of State Government's employees to the Contributory Pension Scheme.
- 2. The Continuous payment of estimated monthly pension and gratuity to newly retired civil servants to stop further growth.
- 3. Reduction in the time lag between the period of documentation and payment of monthly pension.
- 4. Full migration of all retirees unto softpay application in the month of retirement.
- 5. All contracts awarded are based on the availability of funds and are contained in the annual Budgets.
- 6. Payment is made at every milestone achievement.

POLICIES AND ACTIONS TO DETERMINE AND VERIFY ARREARS

The following policies and actions are employed to determine and verify arrears.

1. MDAs collate information on outstanding arrears and prepare consolidated report or database.
2. Collated and consolidated records and database are sent to the Domestic Arrears Expenditure Management Committee for verification based on the following criteria:
 - a. If the transaction was duly authorized by a responsible officer.
 - b. If it was in accordance with authorized Public Finance and Procurement Laws, Rules and Regulations.
 - c. If it was consistent with budgetary authorization.
 - d. If the transaction reflects a valid change on the Public purse for which commensurate goods or services have been received by the Government.
 - e. If the transaction was executed in line with applicable terms and conditions.
3. After the Domestic Arrears Expenditure Management Committee has verified the claims, the claims are further classified as Valid, Contestable or Rejected. However, only valid claims are presented for payment. The contestable claims are further presented for review if the need arises.
4. Presented claims for payment in the Office of the Accountant-General shall be done based on the ACF strategy and guidelines.
5. A monthly or quarterly report of all arrears cleared and outstanding shall be prepared and reported.

SOURCES FOR THE SETTLEMENT OF THE STATE DOMESTIC ARREARS EXPENDITURE

In a bid to successfully clear the domestic arrears of the State, a multi-year domestic arrears clearance framework will be designed to ensure that in each annual budget, funds shall be appropriated to a dedicated expenditure line based on the available financial resources towards the gradual clearance of arrears expenditure stock;

Sequel to the foregoing, Bayelsa State Government shall clear her arrears through the following sources of fund:

- A. Internally Generated Revenue of the State;
- B. Grants specifically for Arrears Clearance from Federal Government;
- C. Funds from Donor Agencies specifically meant for Arrears Clearance;
- D. Borrowing from financial Institutions;
- E. Federal Government Bonds
- F. Assets recovered and declared specifically for domestic arrears clearance
- G. Other sources

DOMESTIC ARREARS CLEARANCE ARRANGEMENT

The following strategies will be adopted in the clearance of domestic arrears in the State:

Strategy 1: Provide a monthly irrevocable standing payment order, a minimum of N600,000,000.00. Six Hundred million naira only for the clearance of contractors' liabilities from Federated Account Allocation Committee (FAAC).

Strategy 2: Allocation of a minimum of N200,000,000:00 (Two Hundred Million Naira) only monthly

to Pension and Gratuity alongside the monthly salary payment from FAAC;

Strategy 3: Allocation of available funds from other sources for the clearance of debt in lump sum of verified outstanding domestic stock arrears from one-off capital receipts;

Strategy 4: Allocation of available financial resource to specific type of arrear of public interest from available cash/bank balances.

IMPLICATIONS OF CLEARING/SETTLING THE STATE DOMESTIC ARREARS EXPENDITURES

In order of the State Government to be more committed to its vision in domestic arrears clearance policy guidelines in the mist of scarce and competing financial resources, the government uses the instrumentality of the State Budget and other relevant policy documents to implement, manage, direct and control the accumulation and settlement of accrued and fresh domestic arrears.

The implication thereon in the clearing/settling the State Domestic arrears expenditures are;

- a. To direct the state government to be more committed and focused on its fund management
- b. To improves on the credit rating of the State Government by rating agencies
- c. It improves on the credibility of the State Government and establishes contractors and relevant stakeholders' confidence in the State
- d. It helps the State in managing and clearing future domestic expenditure arrears
- e. It helps in preventing and controlling expenditure arrears
- f. It improves on the transparency on governance in the State.

CONTRACTUAL LIABILITY

The accrued contractor arrears of the State Government amount to N20,259.61BN. Though, the State Government proposed to pay a monthly sum of N325,000.00MN only for the year 2021. While in 2022, 2023 and 2024, the State Government proposed to pay a monthly sum of N475,000.00MN; N475,000:00MN and N413,300.25MN respectively. However, in 2025, the State Government would have completed the payment of its contractors' accrued liability.

The monthly and cumulative repayments will negatively impact on the finances of the State by reducing resources that would have been earmarked and used for other critical developmental expenditures by reducing the annual budgetary provision for such developmental expenditures from N329,029.04BN to N325,129.04BN in 2021. In 2022, the proposed budget volume of N205,713.90BN will be reduced to N200,103.93BN, while in 2023 and 2024, the proposed budget volumes will be progressively reduced to N205,320.66BN and N219,753.41BN respectively, though it will reduce the total debt stock level of the State. The State within this repayment period will experience operating cashflow challenges, but a robust cash management strategy will tactically reduce the shock. In furtherance, the State Government may not be able to take advantage short-term investment opportunities because of the expected cumulative outflow for the 4 years amounting to N20,259.60BN.

Having carefully prepared the budget it based on the economic outlook and the various financial inflows with the commitment of the State Government, the momentum in the repayment will be sustained. Where the unexpected happens, (shocks) whether global, domestic or both, the State may review its proposal to accommodate the reversed economic impact.

In conclusion, the State Government will successful clear its contractors' debt stock 2021 and

possibly forestall the growth complying with contractual policies, cash management guidelines and budgetary provisions.

Based on the State Government proposal, the contractors accrued domestic debt stock is expected to be fully liquidated in 2024 by paying the annual budgeted sum of N5,959.61BN and freeing the finances of the State for other critical development projects.

PENSION AND GRATUITY

The accrued Pension and Gratuity arrears of the State Government amount to N29,324.50BN. Though, the State Government proposed to pay a fixed monthly sum of N200,000.00MN only from year 2021 to year 2025. The implication of this is that by 2025, the State's Pension and Gratuity arrears must have reduced from N29,324.5BN to N13,324.6BN which represents 54% reduction.

The monthly and cumulative repayments will negatively impact on the finances of the State by reducing resources that would have been earmarked and used for other critical developmental expenditures by reducing the annual budgetary provisions for such developmental expenditures as follows:

YR	Budget (N000,)	Planned Repayment (N,000)	Budget balance	Accrued Debt stock balance
2020				29,324.55
2021	329,029.04	2,400.00	326,629.04	26,924.55
2022	205,713.90	3,000.00	202,713.90	23,924.55
2023	211,020.63	3,500.00	207,520.63	20,424.55
2024	224,713.02	3,500.00	221,213.02	16,924.55
2025	228,571.16	3,600.00	224,971.16	13,324.55
TOTAL REPAYMENT		16,000.00		

The State within this repayment period will experience operating cashflow challenges, but a robust cash management strategy will tactically reduce the shock. In furtherance, the State Government may not be able to take advantage of short-term investment opportunities because of the expected cumulative outflow for the 5 years amounting to N16BN.

Having carefully prepared the budgets based on the economic outlook and the various financial inflows with the commitment of the State Government, the momentum in the repayment will be sustained. Where the unexpected happens, (shocks) whether global, domestic or both, the State may review its proposal to accommodate the reversed economic impact.

The State Government would have successfully reduced her Pension and Gratuity arrears by 54% in 2025 with a balance of N13,324.55BN, which is 36% equivalent outstanding.

Based on the State Government arrears clearance policy, the Pension and Gratuity domestic debt stock is expected to be re-budgeted in-order to accommodate the outstanding balance of N13,324.55BN. However, this action will further affect the State Government's commitment on its development expenditures.

Criteria and Strategies for settlement of arrears

S/NO	CRITERIA/STRATEGIES	RATIONALE	REQUIRED DATA	AMOUNT
1	CONTRACTORS Ongoing works are paid first Accrued Liabilities	To ensure that ongoing projects are completed. To ensure that oldest and critical contractual debts are settled to avoid adverse rating.	Position of project Date of debt ranked by date of existence and criticality of job.	Payment based on recommended milestone. The sum of N600,000,000.00 will be provided monthly for the settlement of oldest and critical accrued arrears. More so, a lump sum over and

				above the N600M will be provided for the settlement, whenever such fund is received.
1	PENSION & GRATUITY Accrued Pension & Gratuity	Those who retired first are paid first	Those who retired first are addressed first	AMOUNT A lump sum in the minimum of N200,000,000.00 only will be provided for the monthly payment of pension & gratuity alongside the salary payment of civil servants of the State.

2	JUDGEMENT DEBTS	The judgement debts that entails more conditionalities and portends high risk if not immediately settled.	Those that a delay in payment could cause a high risk to the State are paid first.	If the amount involved is big, it will be divided into affordable amount equally in agreement with the beneficiary and cleared accordingly. If the amount involved is not much, it will be paid from available cash balance immediately.
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3	SALARIES	Those workers who are owed first and suffered most as a result of delay are paid first.	Date missed, payment was due	If the amount is much, payment will be made in phases on negotiated time frame with Trade Unions. Agreed funds are paid from monthly FAAC allocation. If the amount is not much it shall be paid from available cash balances.
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SUMMARY OF BAYELSA STATE DOMESTIC EXPENDITURE ARREARS FROM 2015-2019

COA CODE	DOMESTIC EXPENDITURE ARREARS	2020 FY	2019 FINANCIAL YEAR	2018 FINANCIAL YEAR	2017 FINANCIAL YEAR	2016 FINANCIAL YEAR	2015 FINANCIAL YEAR
001	CONTRACTUAL OBLIGATION	20,259,610,155.00	23,319,402,150.47	8,408,850,194.53	12,408,850,194.53	24,280,024,222.35	24,280,024,222.35
002	PENSIONS AND GRATUITY ARREARS	29,324,551,805.00	26,644,000,601.39	20,401,948,403.29	21,108,266,939.27	18,082,597,552.02	15,409,631,566.66
003	SALARIES		0.00	0.00	0.00	0.00	0.00
004	JUDGEMENT DEBT		0.00	0.00	0.00	0.00	0.00
		49,584,161,960	49,963,402,751.86	28,810,798,597.82	33,517,117,133.8	42,362,621,774.37	39,689,655,789.01



Maxwell Ebibai

Commissioner for Finance



Ifidi Tokoni

Accountant-General

YEARLY COMPARATIVE ANALYSIS OF BAYELSA STATE DOMESTIC DEBT STOCK

COA CODE	DOMESTIC EXPENDITURE ARREARS	2020 FY	2019 FINANCIAL YEAR	2018 FINANCIAL YEAR	2017 FINANCIAL YEAR	2016 FINANCIAL YEAR	2015 FINANCIAL YEAR
001	CONTRACTUAL OBLIGATION	20,259,610,155.00	23,319,402,150.47	8,408,850,194.53	12,408,850,194.53	24,280,024,222.35	24,280,024,222.35
002	PENSIONS AND GRATUITY ARREARS	29,324,551,805.00	26,644,000,601.39	20,401,948,403.29	21,108,266,939.27	18,082,597,552.02	15,409,631,566.66
003	SALARIES		0.00	0.00	0.00	0.00	0.00
004	JUDGEMENT DEBT		0.00	0.00		0.00	0.00
TOTAL		49,584,161,960	49,963,402,751.86	28,810,798,597.82	33,517,117,133.8	42,362,621,774.37	39,689,655,789.01

STATE DEBT PROFILE ANALYSIS

COA	Domestic Expenditure Arrears	2021	2022	2023	2024	2025	OUTSTANDING BALANCE
001	Contractual Obligation				0.00	0.00	445,167,740.42
	Accrued arrears	20,259,610,155.00	16,359,610,155.00	10,659,610,155.00	4,959,610,155.00	0.00	0.00
	Proposed repayment plan	3,900,000,000. 00	5,700,000,000.00	5,700,000,000.00	4,959,610,155.00	0.00	0.00
	% of proposed payment over accrued arrears	19.25	34.84	53.47	100		
002	Pension & Gratuity						
	Accrued arrears	29,324,551,805.00	26,924,551,805.00	23,924,551,805.00	20,424,551,805.00	16,924,551,805.00	13,324,551,805.00
	Proposed repayment plan	2,400,000,000.00	3,000,000,000.00	3,500,000,000.00	3,500,000,000.00	3,600,000,000.00	0.00
	% of proposed payment over accrued arrears	8.18	11.14	14.62	17.13	21.27	

ANALYSIS OF THE STATE DEBT PROFILE

CONTRACTUAL OBLIGATIONS

For the year 2021, a total of 19.25 % of the proposed payment plan will be achieved, 34.84% in 2022, 53.47% in 2023 and 100% in 2024.

However, in the first year the percentage seems insignificant but it progressively reduces the debt stock subsequently. If the State Government is committed to this budget plan, by 2024 the contractual obligations

would be fully cleared.

By this, the finances of the State would be free from encumbrances and would be used for other developmental projects.

PENSION AND GRATUITY

For Pension and Gratuity, a marginal 8.18 % was earmarked for 2021. This value increased to 11.14% in 2022, 14.62% in 2023 and 21.27% in 2024 which also accounts for a progressive reduction in the accrued arrears of Pension and Gratuity despite the closing balance of N13.32B within the budgetary period. The Government's gradual migration to Contributory Pension Scheme will temporarily stop the growth in Pension and Gratuity Arrears. Moreso, the Government plans to take a Bond to facilitate the settlement of Arrears and this will clear all outstanding balances.

MULTI YEAR DOMESTIC ARREARS CLEARANCE PLAN

description	2021	2022	2023	2024	2025
State GDP (Million NGN, at CURRENT PRICE)	5,142,095.00	5,083,673.00	5,627,900.00	6,028,606.00	6,457,843.00
Exchange rate NGN/US \$	378.00	379.00	379	379.00	379.00
Fiscal Indicator (million NGN)					
Revenue	329,029.04	205,713.90	211,020.63	224,713.02	228,571.16
Gross allocation (excl VAT)	40,700.00	34,791.36	31,644.28	30,637.17	32,156.28
EXCESS CRUDE	57,262.12	12,649.75	15,364.59	16,271.88	17,197.31
ECOLOGICAL FUND	0.00	0.00	0.00	0.00	0.00
Derivation	102,000.00	90,153.08	95,347.97	106,980.42	109,654.93
Other transfer	8,000.00	25,139.75	26,964.59	27,854.42	28,773.61
VAT	15,000.00	13,380.69	14,373.46	15,438.17	16,580.60
IGR	25,000.00	21,500.00	22,000.00	22,550.00	23,113.75
Capital receipts:	59,510.00	20,749.02	20,689.34	21,252.84	18,291.99
grants	19,990.00	11,500	4,500.00	11,490.00	11,771.10
donations	4,000.00	0.00	0.00	0.00	0.00
Other non-debt creating capital receipts (refunds)	10,520.00	171.41	173.98	178.59	179.24
Proceeds from borrowing	25,000.00	9,077.62	8,915.36	9,186.25	6,341.65
Expenditure:	329,029.04	205,826.58	211,578.37	224,395.11	228,789.46
Personnel cost	69,759.83	59,943.18	56,861.43	62,897.57	63,295.55
overhead	66,556.25	47,841.57	50,233.65	52,745.33	55,382.60
Accrued Domestic Arrears clearance:					
Contractual liabilities	3,900.00	5,700.00	5,700.00	4,959.61	0.00
Pension & Gratuity	2,400.00	3,000.00	3,500	3,500.00	3,600.0
Interest payment & other deductions from faac	18,022.79	18,235.44	18,511.27	17,572.15	16,515.98
Capital expenditure	126,325.33	51,128.54	53,684.97	56,369.22	59,187.68
Amortization (principal payment)	36,800.00	2,927.00	3,358.44	4,551.75	9,986.93
Budget balance	-25,000.00	-112.67	-557.73	317.91	-218.30
Opening cash & bank balance	21,556.92	11,267.36	11,154.69	10,596.95	10,914.86
Closing cash & balance	11,267.36	11,154.69	10,596.95	10,914.86	10,695.56

BAYELSA STATE DOMESTIC ARREAR EXPENDITURES MANAGEMENT COMMITTEE

The committee is made up of the following persons;

HONORABLE COMMISSIONER FOR FINANCE	CHAIRMAN
ACCOUNTANT-GENERAL OF THE STATE	ALTERNATE -CHAIRMAN
DIRECTOR OF TREASURY	MEMBER
DIRECTOR OF FINAL ACCOUNT	MEMBER
DIRECTOR OF THE STATE DEBT MANAGEMENT OFFICE	MEMBER
PERMANENT SECRETARY STATE PENSION BOARD	MEMBER
DIRECTOR DUE PROCESS OFFICE	MEMBER
DIRECTOR MINISTRY OF JUSTICE	MEMBER
DIRECTOR OF STATE BUDGET	MEMBER
DIRECTOR OF PENSION (OAG)	MEMBER
AUDITOR-GENERAL [STATE]	OBSERVER

SECRETARIAT

The secretariat of the Committee shall either be of the Office of the Accountant General or the State Debt Management office.

POWER AND AUTHORITIES OF THE COMMITTEE

The committee shall have the power to request from or access Ministry/Department/Agencies for information specifically required for the execution of its of function and responsibilities.

BUDGETARY PROVISION

A budgetary line shall be created for the committee either through the office of the Accountant-General of the State or Debt Management Office to enable the Committee to incur expenditures specifically for the execution of the assigned responsibilities. All expenditures incurred shall follow due process. The committee shall have the power to engage professional assistance in the course of exercising its functions.

PUBLICATION OF THE STATE'S DOMESTIC ARREARS

The general public and relevant stakeholders can access and confirm the database of all outstanding categories of domestic arrears of (N20,000,000.00), twenty million naira only and above of the Bayelsa State Government as reported from Ministry, Department and Agencies and confirmed by the Domestic Arrears Clearance Committee are published on the Ministry of Finance official website: mof.by.gov.ng

TENURE OF THE COMMITTEE

The committee will operate in perpetuity. However, the State Governor has the discretion to reconstitute or disband the committee.

CERTIFICATION

This document is developed specifically for the efficient, effective and transparent management of domestic arrears of the State.

It is one of the fundamental policy strategies employed by the State Government to strategically address comprehensively, credibly and realistically the impediments in Bayelsa Government Expenditure Arrears Settlement of the State.

The entire content of the policy thrust is a VISION OF BAYELSA STATE GOVERNMENT and has its authorization for implementation.



MAXWELL EBIBAI
COMMISSIONER FOR FINANCE



IFIDI TOKONI
ACCOUNTANT-GENERAL