



BAYELSA STATE GOVERNMENT

STATE BUDGET OFFICE
MINISTRY OF BUDGET AND ECONOMIC PLANNING

OUR REF: BUD/ADM/282/VOL. 1/204

13th October, 2025.

The Secretary to the State Government

The Head of Service

All Hon. Commissioners

All Chairmen of Statutory Commissions and 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

The Accountant-General of the State

The Auditors-General (State/Local Government)

All General Managers

All Special Advisers

All Senior Special Advisers

All Technical Advisers

All Extra Ministerial Department and Parastatals

BAYELSA STATE GOVERNMENT OF NIGERIA

2026 BUDGET PREPARATION / 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 2026-2028 Estimates. We will continue to use the instrument of the IPSAS Classification and the Medium-Term Expenditure Framework (MTEF) in the preparation of the 2026 Annual Budget.
- 1.2 As usual, this Call Circular contains summaries of information of the 2026-2028 MTEF and the Fiscal Strategy Paper (FSP), as well as detailed instructions on the preparation of the 2026 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 2025 BUDGET

2.1 2025 BUDGET PERFORMANCE REVENUE OUT-TURN

The total appropriated revenue for 2025 Approved Budget as amended stood at N699,573,167,592.00bn which was made up of N17.000bn from Statutory Allocation, N147.804bn from 13% Derivation, VAT N57.000bn, Electronic Money Transfer Levy (EMTL) N1.900bn, Exchange Rate Gain Difference N104.205bn,

Excess Crude N39.062, Derivation Refunds N14.000bn, Opening balance N14.200bn, Signature bonus N66.000bn, Other FAAC Distributions N116.800bn, dependent Revenue (IGR) N39.000bn, Aids & Grants N32.600bn, and other Capital Development Fund (CDF) Receipt N50.000bn. Total revenue out-turn as at 30th June, 2025 was N291.144bn and actual Opening balance was N209.329bn. This consists of Statutory Allocation N25.148bn, 13% Derivation N146.319bn, VAT N42.191bn, EMTL N1.646bn, Exchange Rate Gain Difference N4.882, and IGR N27.260bn. The Revenue Performance is lower than the projected half year estimated amount.

2.2. 2025 BUDGET PERFORMANCE EXPENDITURE OUT-TURN

Out of the total budget of N699.573bn, Recurrent Expenditure was expected to take N266.308bn while capital expenditure was N433.265bn. Summarily, as at 30th June, 2025 N107.261bn was spent on Recurrent Expenditure and N238.285bn on Capital Expenditure for the period in view.

3.0 2026- 2028 MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

S/N	DISCRIPTION	2025	2026	2027	2028
1	Oil Price Benchmark	\$70.00	\$60.00	\$60.00	\$60.00
2	Oil Production Benchmark (MBPD)	1.5	1.7	1.75	1.8
3	Exchange Rate(N/\$)	N1.500/\$	N1.500/\$	N1.500/\$	N1.500/\$
4	Inflation Rate	24.00%	23.00%	17.00%	15.00%
5	National Real GDP Growth	3.40%	3.20%	3.30%	3.30%
6	Mineral Ratio	18%	20%	22%	24%

The 2026 – 2028 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 2026-2028 periods.

Table 1: Key parameters and Assumption for 2026 – 2028

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

Table 2: Summary of (2026 – 2028) Revenue and Expenditure Projection

Bayelsa State Medium Term Fiscal Framework

TABLE: SUMMARY OF AGGREGATE REVENUE AND EXPENDITURE ESTIMATES 2026 - 2028							
DESCRIPTION	2024 ACTUAL	2025 BUDGET	2025 ACTUAL (NBN) JAN-JUNE	2026 (F) (NBN)	2027 (F) (NBN)	2028 (F) (NBN)	2026-2028 TOTAL (NBN)
Opening Balance (A)		14,200,000,000.00	209.33	10,500,000,000.00	100,000,000,000.00	95,000,000,000.00	205,500,000,000.00
Statutory Allocation		17,000,000,000.00	25.14	42,296,008,542.34	71,903,214,521.98	75,498,375,248.08	189,697,598,312.40
VAT		57,000,000,000.00	42.19	84,000,000,000.00	142,800,000,000.00	149,940,000,000.00	376,740,000,000.00
13% Derivation		138,804,511,503.72	146.32	212,638,040,843.22	382,748,473,517.80	401,885,897,193.69	997,272,411,554.70
Refund on Excess Crude		39,062,795,619.25	19.53	39,062,795,619.25	46,875,354,743.10	49,219,122,480.26	135,157,272,842.61
Exchange Gain		103,073,041,793.33	16.88	18,000,000,000.00	21,600,000,000.00	22,464,000,000.00	62,064,000,000.00
Forex Equalization			0.44				
Electronic money transfer		1,900,000,000.00	1.65	3,500,000,000.00	2,660,000,000.00	2,660,000,000.00	8,820,000,000.00
Solid Mineral			0.16				
13% Derivation Refund		14,000,000,000.00					
Signature Bonus		13,000,000,000.00					
Signature Bonus Derivation		53,000,000,000.00					
Tax Refund (FIRS Refund)							
Non Oil Revenue							
Cash call refund		100,000,000,000.00	31.64	90,000,000,000.00	79,000,000,000.00		169,000,000,000.00
Flood Prevention Fund							
Goods for Valuable Consideration		10,000,000,000.00					-
Augmentation			8.09	10,000,000,000.00			10,000,000,000.00
NLNG Dividends (1999-2023)- Derivation			46.80	132,000,000,000.00	132,000,000,000.00	132,000,000,000.00	396,000,000,000.00
Infrastructure Refunds			24.76	49,513,513,513.54	49,513,513,513.54	49,513,513,513.54	148,540,540,540.62
Project Gazelle							-
Condensates				100,000,000,000.00	54,000,000,000.00		154,000,000,000.00
NLNG - General				78,000,000,000.00			
PPT Royalty -13%			72.65				-
Total Fed. Allocation (B)		561,040,348,916.30	645.58	869,510,358,518.35	847,587,042,782.87	796,667,394,922.02	2,513,764,796,223.24
Year On Year Growth							
IGR		39,000,000,000.00	31.01	53,942,566,496.00	64,731,079,795.20	90,623,511,713.28	209,297,158,004.48
Grants							
External Grant							
NG-CARES		23,000,000,000.00		5,000,000,000.00	20,000,000,000.00	20,000,000,000.00	45,000,000,000.00
SDG		2,000,000,000.00		2,000,000,000.00	2,000,000,000.00	2,000,000,000.00	6,000,000,000.00
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		2,000,000,000.00	2,000,000,000.00	2,000,000,000.00	6,000,000,000.00
NFWP		4,800,000,000.00		4,800,000,000.00	4,800,000,000.00	4,800,000,000.00	14,400,000,000.00
GAVI				25,608,953.00	15,365,372.00	10,243,581.00	51,217,906.00
UNICEF				200,098,529.00	184,090,647.00	176,086,705.00	560,275,881.00
Other FGN				292,681,446.69	247,160,305.60	224,399,734.70	764,241,486.99
SABER				3,000,000,000.00	3,000,000,000.00	3,000,000,000.00	
Internal Grant							
SUBEB		3,600,000,000.00		3,600,000,000.00	3,600,000,000.00	3,600,000,000.00	10,800,000,000.00
Internal Loan		50,000,000,000.00		50,000,000,000.00	50,000,000,000.00	85,000,000,000.00	185,000,000,000.00
TOTAL OTHER REVENUE (C)	-	128,400,000,000.00	31.01	128,860,955,424.69	154,577,696,119.80	215,434,241,733.98	489,872,893,278.47
TOTAL REVENUE (A+B+C)	-	689,440,348,916.30	676.59	998,371,313,943.04	1,002,164,738,902.67	1,012,101,636,656.00	3,012,637,689,501.71
EXPENDITURE ESTIMATES							
DESCRIPTION	2024 ACTUAL	2025 BUDGET	2025 ACTUAL (NBN) JAN-JUNE	2026 (F) (NBN)	2027 (F) (NBN)	2028 (F) (NBN)	2026-2028 TOTAL (NBN)
Personnel Cost		91,961,743,951.04	35.428	106,218,183,513.15	117,210,454,409.26	119,522,558,953.35	342,951,196,875.77
Pensions and Gratuity		13,029,815,318.00	8.054	18,000,000,000.00	18,360,000,000.00	18,543,600,000.00	54,903,600,000.00
Contributory Pension Scheme		6,294,261,592.66	0.918	6,294,261,592.66	6,420,146,824.51	6,484,348,292.75	19,198,756,709.92
Overhead Cost		79,650,869,203.67	28.325	120,926,483,042.93	122,773,134,234.91	128,085,331,175.49	371,784,948,453.33
Grants, Contributions and Subsidies		9,147,130,796.33	1.004	9,147,130,796.33	9,330,073,412.25	9,423,374,146.38	27,900,578,354.96
10% Contribution to SUBEB		2,500,000,000.00	2.573	2,500,000,000.00	2,500,000,000.00	2,500,000,000.00	7,500,000,000.00
Transfer: RDAs		4,500,000,000.00	3.127	4,500,000,000.00	4,500,000,000.00	4,500,000,000.00	13,500,000,000.00
CRFC: TRANSFERS: OTHER PERSONNEL COST (18,000.00 MINIMUM WAGE, ARREARS, CORPERS ALLOWANCE ETC)		3,346,460,935.00	1.516	3,346,460,935.00	3,346,460,935.00	3,346,460,935.00	10,039,382,805.00
Public Debt Services		52,944,847,915.94	25.095	78,497,440,000.00	80,067,388,800.00	80,868,062,688.00	239,432,891,488.00
TOTAL RECURRENT EXPENDITURE (D)		263,375,129,712.64	238.285	349,429,959,880.06	364,507,658,615.93	373,273,736,190.98	1,087,211,354,686.97
CAPITAL EXPENDITURE (E)		404,761,958,243.47	238.285	616,494,286,359.83	605,086,726,272.40	605,934,597,273.70	1,827,515,609,905.93
PLANNING RESERVE CAPITAL (F)		21,303,260,960.19		32,447,067,703.15	32,570,354,014.34	32,893,303,191.32	97,910,724,908.81
TOTAL EXPENDITURE (D+E+F)	-	689,440,348,916.30	476.570	998,371,313,943.04	1,002,164,738,902.67	1,012,101,636,655.99	3,012,637,689,501.71

3.1. KEY POLICY PRIORITIES/THRUSTS OF THE BAYELSA STATE GOVERNMENT FOR 2026 -2028 MEDIUM TERM PERIOD

3.1.1 Human and Capital Infrastructure Development: Heavy investment in infrastructure—roads, internal roads, senatorial highways, a state secretariat, etc. Very large portion of budget committed to Works & Infrastructure.

3.1.2 Fiscal Discipline, Transparency & Coordination: Emphasis on efficient implementation, coordination among ministries, departments and agencies (MDAs), controlling recurrent expenditure, and ensuring transparency in revenue and spending.

3.1.3 Recurrent Expenditure Control: Ensuring that personnel, overhead and other recurrent costs are maintained within sustainable limits, to free more resources for capital investment.

3.1.4 Boosting Internally Generated Revenue (IGR) & Diverse Revenue Sources: Acknowledgement of need for greater IGR, relying also on statutory allocations, derivation, VAT, exchange gains, and capital receipts (signature bonuses, loans, etc.).

3.1.5 Sectoral Development & Social Services:

- **Education:** Significant allocation to improve access and quality, including technical colleges in all local government areas.
- **Health:** Expanded healthcare delivery.
- **Agriculture & Blue Economy:** To enhance food security and economic diversification away from oil.
- **Security:** Strengthening peace, safety & security infrastructure.
- **Youth & Sports Development:** Large allocations to youth development, sport infrastructure.
- **Urban & Housing Development:** Affordable housing, urban renewal, addressing infrastructure deficits in cities and rural areas.
- **Energy & Power:** Improving power generation, addressing energy supply issues.
- **Community Development & Welfare:** Ensuring that community-level projects are funded; improving welfare of civil servants, pensions & gratuities.

4.0 THE 2026 BUDGET FRAMEWORK

As required by law, the Annual Budget of the State is based on the MTEF/FSP document. In this case, the 2026 State annual budget draws full strength from the 2026-2028 MTEF/FSP document. Thus, based on the parameters and projections in table 1 above, Aggregate Revenue and therefore Expenditures for 2026 fiscal year is projected at N998.371bn.

TABLE: 3 SUMMARY OF 2026 AGGREGATE REVENUE AND EXPENDITURE

S/N	DETAILS	2026 BN	% OF TOTAL
	REVENUE		
1	Opening Balance	10,500,000,000.00	1.1
2	Statutory allocation	42,296,008,542.34	4.2
3	13% Derivation	212,638,040,843.22	26.3
4	VAT	84,000,000,000.00	8.4
5	Refund for Excess Crude	39,062,795,619.25	3.9
6	Exchange Gain	18,000,000,000.00	1.8
7	Electronic Money Transfer	3,500,000,000.00	0.4
8	NLNG Dividends (1999-2023) Derivation	132,000,000,000.00	13.2
9	Infrastructure Refunds	49,513,513,513.54	5.0
10	Condensates	100,000,000,000.00	10
11	NLNG- General	78,000,000,000.00	7.8
12	Cash Call Refund	90,000,000,000.00	9.0
13	Augmentation	10,000,000,000.00	1.0
14	IGR	53,942,566,496.00	5.4
	Aids and Grants		
15	HOPEGOV	2,000,000,000.00	0.2
16	Nigeria for Women Project (NFWP)	4,800,000,000.00	0.5
17	NG-Cares	5,000,000,000.00	0.5

18	SDGS	2,000,000,000.00	0.2
19	RAAMP	4,000,000,000.00	0.4
20	GAVI	25,608,953.00	0.003
21	UNICEF	200,098,529.00	0.020
22	Other FGN	292,681,446.69	0.029
23	SABER	3,000,000,000.00	0.3
24	SUBEB	3,600,000,000.00	0.4
25	Internal Loan	50,000,000,000.00	0.1
	Total	998,371,313,943.04	100.0
	EXPENDITURE		
1	Personal cost	106,218,183,513.15	10.6
2	Pensions and Gratuity	18,000,000,000.00	1.8
3	Contributory Pension Scheme	6,294,261,592.66	0.6
4	Overhead cost	120,926,483,042.93	12.1
5	Grants, Contributions and Subsidies	9,147,130,796.33	0.9
6	10% Contribution to SUBEB	2,500,000,000.00	0.3
7	RDAs	4,500,000,000.00	0.5
8	CRFC	3,346,460,935.00	0.3
9	Public Debt Services	78,497,440,000.00	7.9
	TOTAL RECURRENT EXPENDITURE	349,429,959,880.06	34.9
10	Capital Expenditure	616,494,286,359.93	61.8
11	PLANNING RESERVE CAPITAL	32,447,067,703.15	3.3
	TOTAL CAPITAL EXPENDITURE	648,941,354,063.08	65.1
	Total	998,371,313,943.04	100.0

5.0 INSTRUCTIONS/GUIDELINES FOR THE PREPARATION OF 2026 BUDGET PROPOSAL

MDAs should adhere strictly to the following instructions/guidelines in preparing and submitting their 2026-2028 budget proposals.

- 5.1 All personnel cost computations which should be based on current rates and staff on ground. It should be done on the attached templates (CD) which is the current minimum scale including the 25% and 35% compliance already developed by the State Budget Office.
- 5.2 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.
- 5.3 All allocated envelopes are for Overhead and Capital spending only.
- 5.4 All MDAs must comply fully with the National Chart of Accounts in preparing their Budget.
- 5.5 All Revenue Generating MDAs should compute their proposed revenues for the period of 2026-2028 in the budget template.
- 5.6 All MDAs should as a matter of priority include the projects citizens nominated at the concluded **Critical Stakeholder's** public interaction session for the preparation of the 2026 Citizens/Annual Budget.
- 5.7 All MDAs should note that the Budget Preparation Template is a generic one and as such MDAs are strongly advised to allocate funds to only those vital and critical economic codes based on their priorities.
- 5.8 The underlisted MDAs should make necessary provisions in the following programmes as captured in the Budget Preparation Template:

5.8.1 Nutrition Specific and Sensitive Programmes

One of the three pillars of the Human Capital Development in the NDP 2021-25 is Food and Nutrition. Thus, MDAs that implement nutrition specific & sensitive programmes are requested to make budgetary provisions and allocations to nutrition expenditure. Budgetary provisions and allocations should be tagged using the 'Nutrition Budget Tagging Reference and Guidance Manual'. Such provisions must be consistent with FNG priorities

contained in the National Multisectoral Plan of Action for Food & Nutrition (NMPFAN).

The following MDAs are the drivers of this programme:

- (1) Ministry of Education
- (2) Bayelsa State Universal Basic Education (SUBEB)
- (3) Ministry of Health
- (4) Ministry of Budget and Economic Planning
- (5) Ministry of Agriculture
- (6) Bayelsa State Primary Health Care Board

5.8.2 Climate Smart Infrastructure & Conditions for Accessing the Nigerian Sovereign Green Bond.

Existing infrastructure has largely not been designed to be climate smart. To Address climate risks and integrate mitigation and adaptation measures in the implementation of Nigeria's public investment programme, government will entrench the prioritisation and selection of clean-smart infrastructure projects in the medium term that meet available global funding arrangements. To this end, the following **MDAs**:

- (1) Ministry of Environment**
- (2) Ministry of Agriculture**
- (3) Ministry of Marine and Blue Economy**

with green projects based on their mandate and priorities are eligible to benefit from the Nigeria Sovereign Green Bond, as well as other sources of project financing as long as the project falls within the broad categories of eligibility for Green Projects and Objectives of the projects are consistent with the use of proceeds. MDAs should provide details on their contribution to one or more of the environmental objectives such as:

- a. Climate Change Mitigation (e.g., emission reduction);
- b. Climate Resource Adaptation;
- c. Natural Resource Conservation;
- d. Biodiversity Conservation; and
- e. Pollution Prevention and control.

5.8.3 HOPEGOVE ACTIVITIES

- (1) Ministry of Education
- (2) Bayelsa State Universal Basic Education (SUBEB)
- (3) Bayelsa State Primary Health Care Board

5.8.4 SABER ACTIVITIES

- (1) Ministry of Justice
- (2) Ministry of Finance
- (3) Ministry of Budget and Economic Planning
- (4) Due Process Bureau
- (5) Bayelsa State Board of Internal Revenue (BIR)
- (6) Ministry of Trade, Industry and Investment
- (7) Bayelsa State Investment Promotion Agency (BIPA)
- (8) Public Private Partnership (PPP)
- (9) Bayelsa State Geographical information System
- (10) Ministry of Land and Survey

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

6.0 OVERHEAD BUDGET

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

7.0 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.

8.0 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 20th October, 2025.**

9.0 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.

10. SPENDING CEILINGS FOR 2026 BUDGET:

The Overhead and Capital Expenditure for 2026, 2027 and 2028 Fiscal Years
MDA: _____

Admin. Code: _____

OVERHEAD EXPENDITURE

2026 N _____

2027 N _____

2028 N _____

CAPITAL EXPENDITURE

N _____

N _____

N _____

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

11. Submissions should reach the State Budget Office not later than **4:00pm on Monday 20th October, 2025.** Every envelop holder or accounting officers should please sign each page of the hard copy of the 2026 budget proposals of his/her MDA.

NOTE:

1. All MDAs with climate change expenditures should tag their activities in their budget provisions, should make necessary provisions for nutrition activities.
2. MDAs covered under SABER Programme should make necessary provisions in the expenditure line items accordingly.
3. MDAs covered under HOPEGOV Programme should make necessary provisions in the expenditure line items accordingly.
4. All MDAs should kindly come to the Deputy Director, State Budget Office to obtain the updated Budget Preparation Templates.

In addition, all revenue generating MDAs are hereby requested to ensure that their revenue projections must not be less than 45% increase of the outgoing year.



FLINT EPKOTUATEIN GEORGE

Honourable Commissioner for Budget and Economic Planning.