



***BAYELSA STATE GOVERNMENT OF  
NIGERIA***

***THE GLORY OF ALL LANDS***

***2020 REVISED COVID 19 RESPONSIVE  
CITIZENS BUDGET ESTIMATES***

***(BUDGET OF CONSOLIDATION FOR PROSPERITY)***



**GENERAL  
FRAME WORK**

2020 Revised COVID-19 Responsive Citizens Budget Summary

**TOTAL BUDGET EXPENDITURE IS ₦183.156 BILLION**

**₦177.656 BILLION**

**TOTAL REVENUE  
EXCLUDING LOANS.**

**₦5.500 BILLION**

**LOAN AS DEFICIT  
FINANCING ITEM**

**REVENUE EXCLUDING LOANS + LOAN AS FINANCING ITEM  
= TOTAL BUDGETED REVENUE OF ₦183.156 BILLION**


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**BALANCED BUDGET**

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# ECONOMIC ASSUMPTIONS UNDERLYING THE BAYELSA STATE REVISED 2020 COVID -19 RESPONSIVE BUDGET

The Bayelsa State Revised 2020 Covid-19 Responsive Citizen Budget, christened (Budget of Consolidation for Prosperity) is a budget targeted by the present Administration to positively ameliorate the crushing effect of Covid-19 on the citizens as well as Sustaining the State's economy from total depression, thereby positioning it for quick recovery and growth . It is anticipated to be a balanced budget with borrowings envisaged. It is anchored on the revised 2020 – 2022 Medium Term Expenditure Framework of the State on a projected Crude oil price of \$20pb, 1.7 mbpd oil production for 312 days, Exchange rate of N360 and an Inflation rate of 14.13%

DESCRIPTION	RATE/QUANTITY
CRUDE OIL PRICE	\$20 PB
PRODUCTION PER DAY (312 DAYS)	1.7 MBD
EXCHANGE RATE	₦360 : \$1
INFLATION	14.13%
Real GDP Growth	-4.42%
Mineral ratio	24.5%

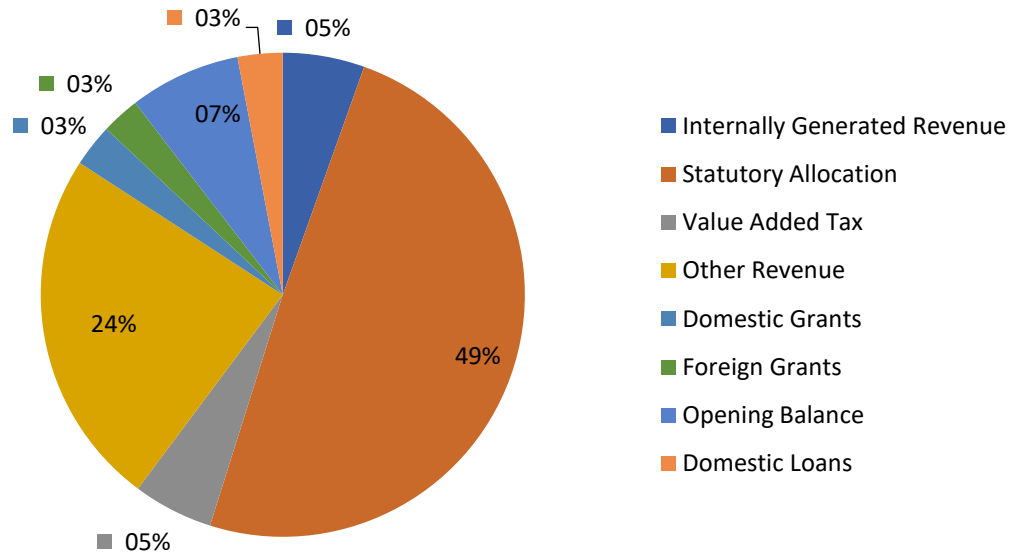
**The 2020 COVID -19 Responsive Revised Fiscal Framework (Revenue and Expenditure Budget Size – HOW THE MONEY WILL COME IN AND HOW IT WILL BE SPENT)**

**REVENUE BUDGET SIZE (IN) – HOW THE MONEY WILL COME IN**

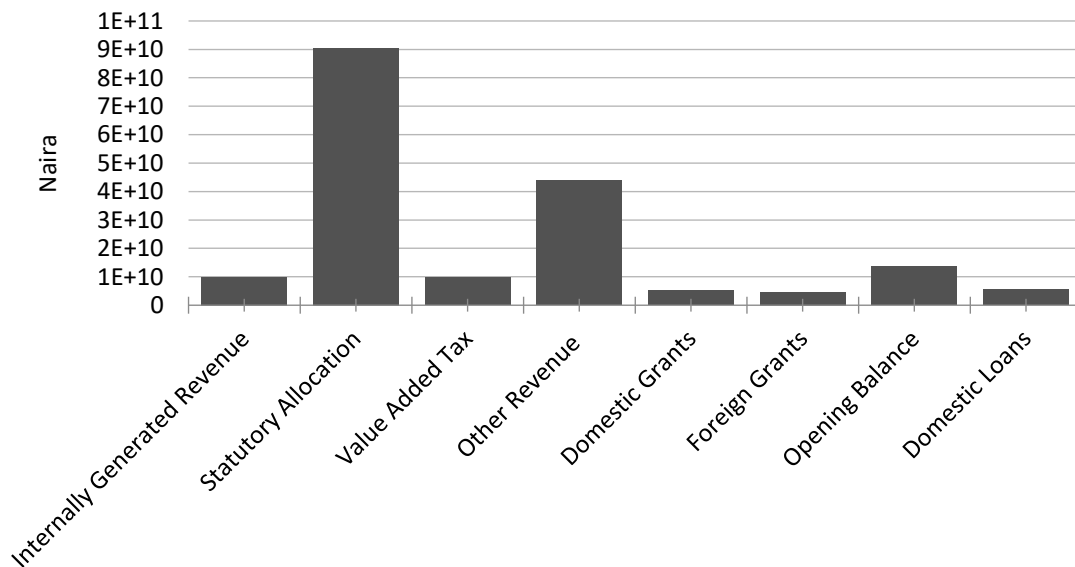
₦183.156b is the total money that is expected to be generated for the revised 2020 Covid-19 Response Budget period. This is 13.9% lower than the 2019 Budget period of ₦242.187b. Below are the different ways the money can be raised to fund the Budget;

<b>Source of Funds Composition</b>	<b>2020 Covid-19 Responsive Citizens Budget Target</b>	<b>2020 Percentage of Total Sources of Funds</b>
Internally Generated Revenue	10.000.000.000	5,5%
Statutory Allocation	90.486.647.583	49,4%
Value Added Tax	9.796.403.415	5,3%
Other Revenue	43.872.250.098	24,0%
Domestic Grants	5.200.000.000	2,8%
Foreign Grants	4.680.000.000	2,6%
Opening Balance	13.620.271.315	7,4%
Domestic Loans	5.500.000.000	3,0%

## 2020 Revised Covid-19 Citizens Budget Revenue and Financing



## 2020 Revised Covid- 19 Citizens Budget Revenue and Financing

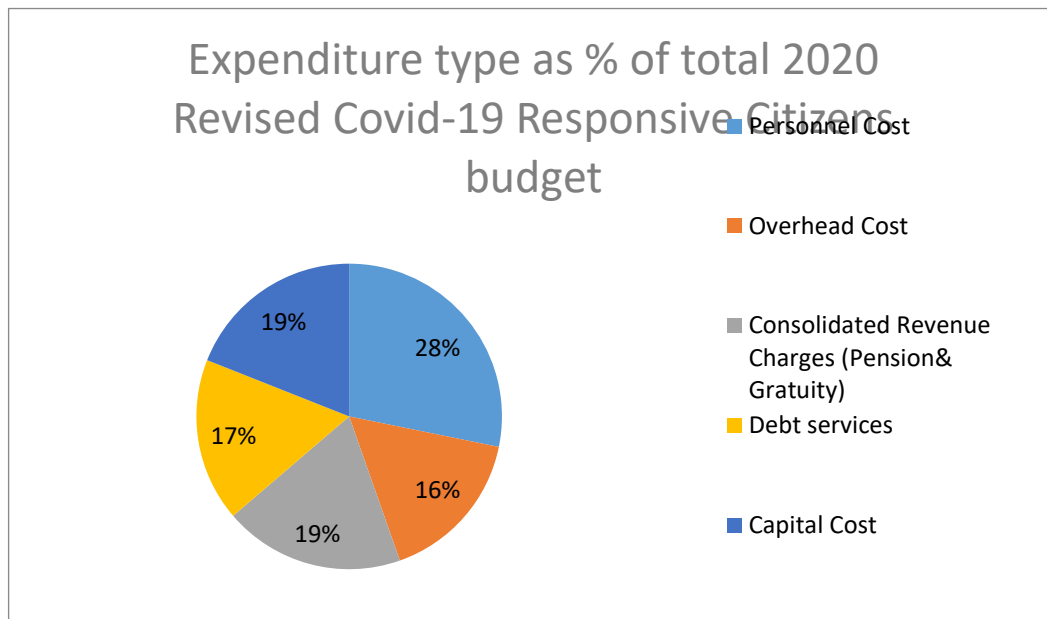


## EXPENDITURE BUDGET SIZE

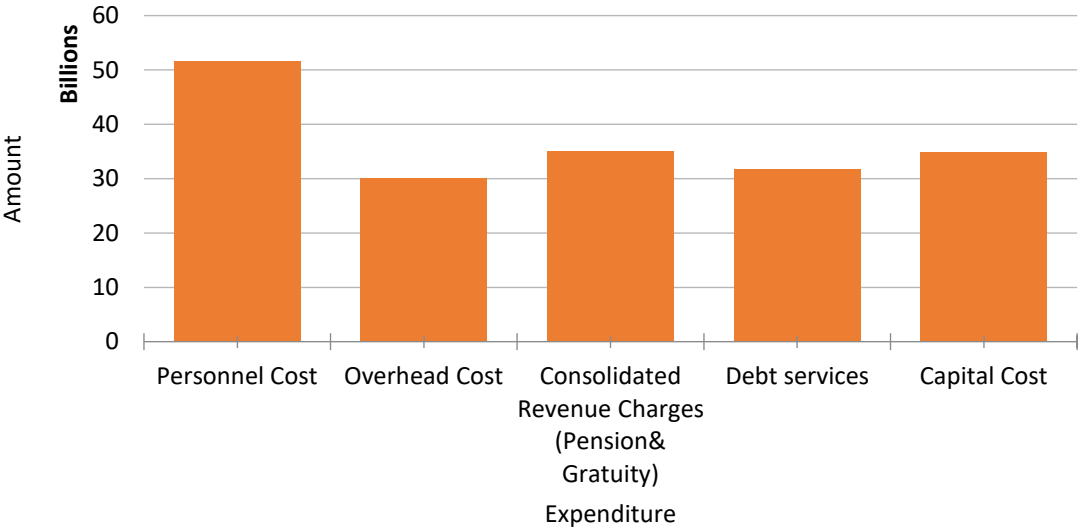
### (HOW THE MONEY WILL BE SPENT)

The Revised 2020 Covid-19 spending plan is ~~N~~183.156bn which is down by 11.3% from the 2019 approved budget estimates of ~~N~~229.836bn. The total budgeted money will be spent on the following;

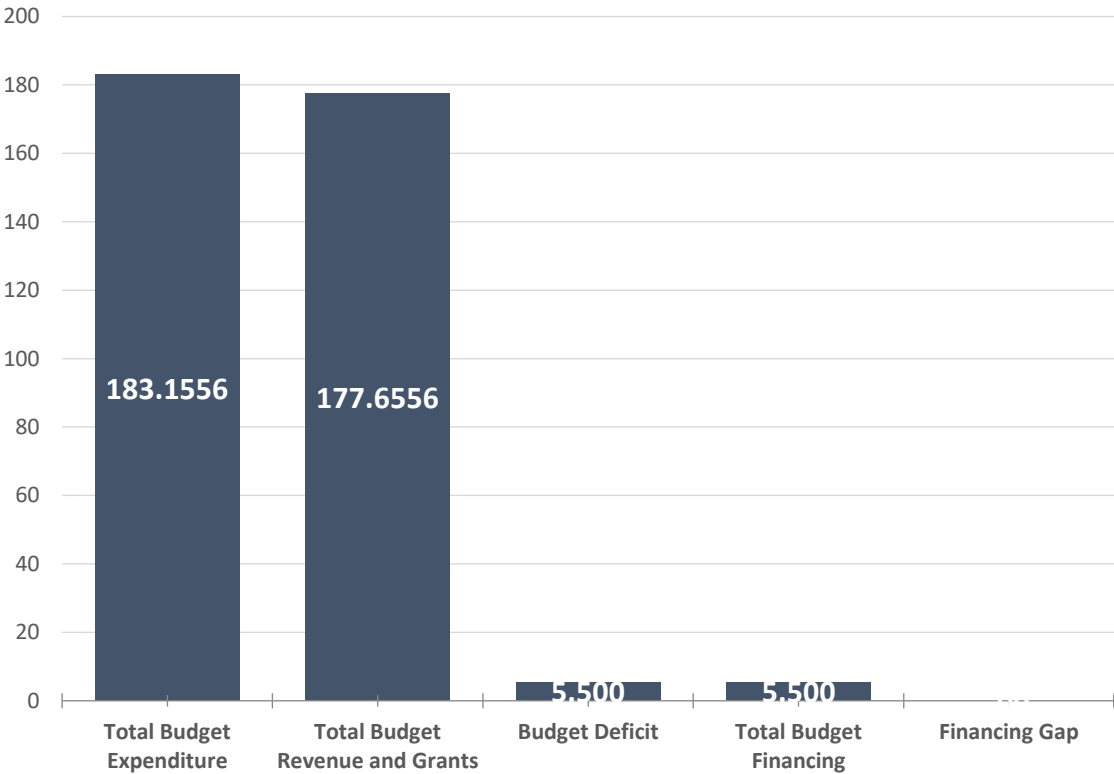
1. Capital expenditure is ~~N~~34.784b which is represents 18.99% of total expenditure.
2. Personnel Cost is ~~N~~51.646b which is 28.20% of total expenditure.
3. Overhead Cost is ~~N~~30.071b which is 16.42% of total expenditure.
4. Consolidated Revenue Fund Charge (CRFC) is ~~N~~35.000b which is 19.11% of total expenditure.
5. Debt Services is ~~N~~31.653b which is 17.28% of total expenditure.



# 2020 Revised Covid-19 Responsive Citizens Budgeted Expenditure



# 2020 Revised Covid-19 Citizens Budget General Framework Billion Naira





## THE 2019 BUDGET PERFORMANCE

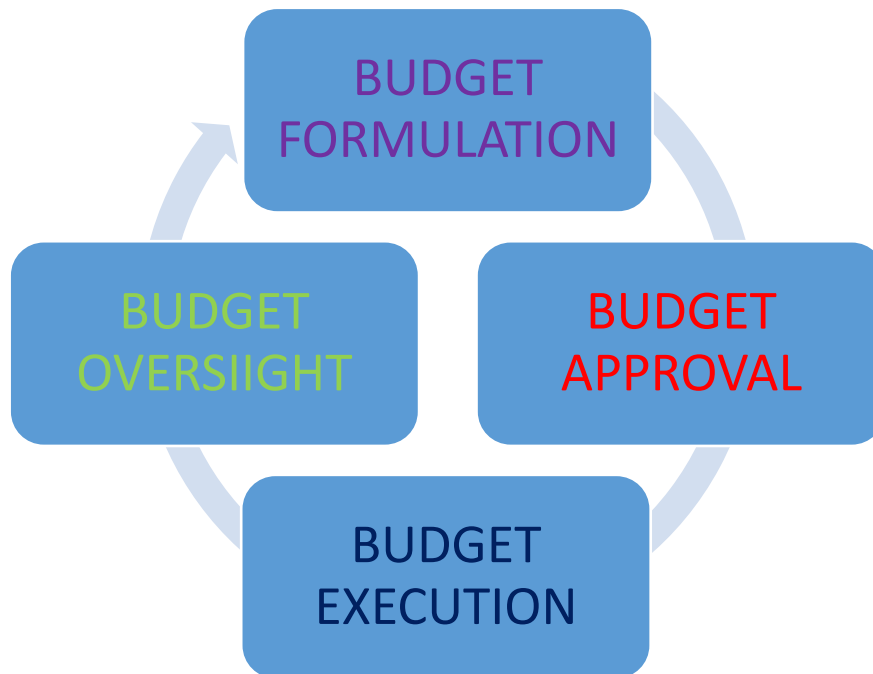
### REVENUE PERFORMANCE

The 2019 Budget had a projected revenue of ₦299.836b. While actual money that came in was ₦199.874b. This means that the Budget performed below expectation by ₦99.962b representing 20% decline. The following Table shows the various sources of Revenue and their actuals.

	2019 TARGETS	20019 ACTUALS
INTERNALLY GENERATED RE	20.739.451.550	16.808.226.982
STATUTORY ALLOCATION	233.595.610.669	163.103.031.710
VALUE ADDED TAX (VAT)	9.796.403.415	10.322.385.888
OTHER STATUTORY ALLOCATION	25.661.726.305	25.892.461.623
FOREIGN GRANTS	5.042.233.997	-
DOMESTIC GRANTS	5.000.000.000	-
TOTAL	299.835.425.936	216.126.106.203

## THE BUDGET PROCESS

The Bayelsa State Fiscal & Transparency Law 2006 as amended in 2019 stipulates that before any money can be spent from the State's coffers, there must be a budget. In compliance with this provision, the State Budget Office at the beginning of each financial year, and in collaboration with MDAs formulate and prepare the budget after due consultation with other governmental bodies and other relevant stakeholders. The proposed budget estimates are forwarded to Executive Council (EXCO), and then later presented to the State House of Assembly as a bill for passage into law. His Excellency, the Governor sign it to become the Appropriation Law. The following pictogram depicts the four major budget process.



1. **BUDGET FORMULATION**: The Executive by extension, the State Budget Office in collaboration with MDAs and Non-Governmental Bodies and other relevant stakeholders formulates the budget after various consultative meetings in the context of the Medium Term Expenditure Framework (MTEF). The estimates or proposal that emerges is forwarded to EXCO for its inputs and then sent to the State House of Assembly.
2. **BUDGET APPROVAL**: The State House of Assembly reviews and amend the budget proposal and enact it into Appropriation Law, after being signed by His Excellency, the Governor.
3. **BUDGET EXECUTION**: The Executive collect revenue and spends as part of allocation made in the budget law at the beginning of the financial year.
4. **BUDGET OVERSIGHT**: The budget accounts are audited and audit findings reviewed, which requires actions to be taken by the executive to correct audit findings. This is done from the end of the first quarter, April 2020 and continues through the entire budget process.

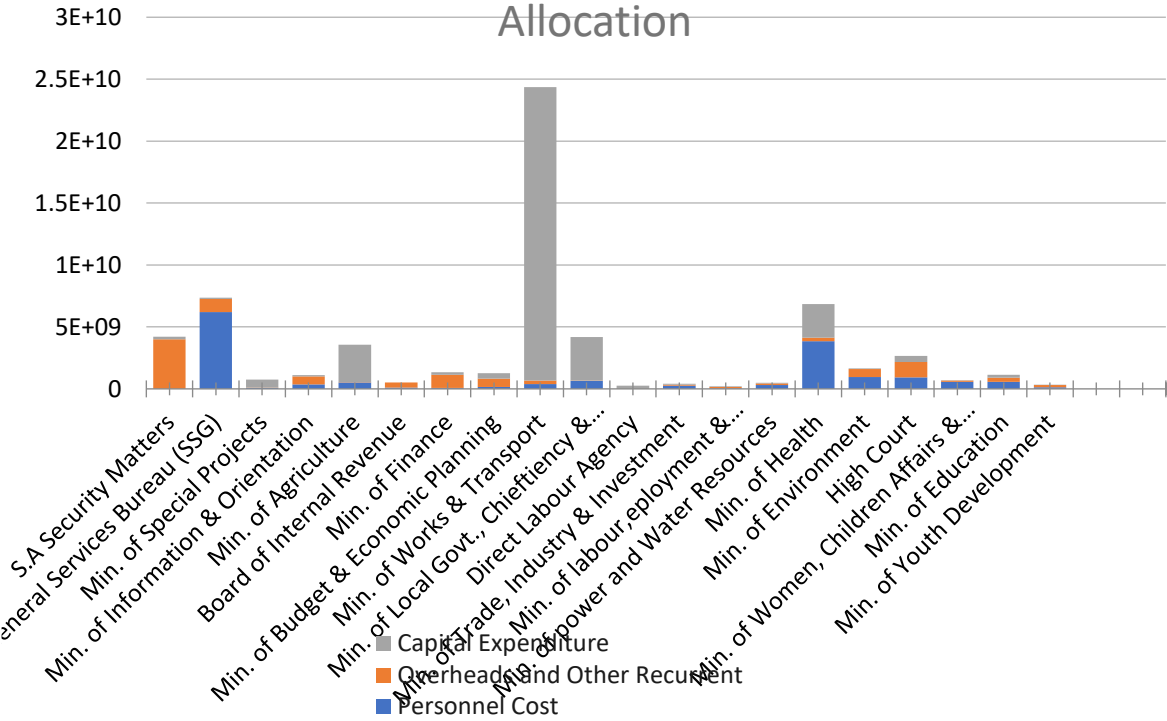
## **PRIORITIES IN ALLOCATION OF EXPEDITURE**

Government priority in the medium term as being revised to reflect the novel Covid-19 pandemic realities is on Agriculture, Health and Economic empowerment, targeted to cushion the effect of Covid-19 Pandemic on the citizenry as well as positioning the State's Economy for quick recovery and growth. The State economy need urgent intervention and drastic

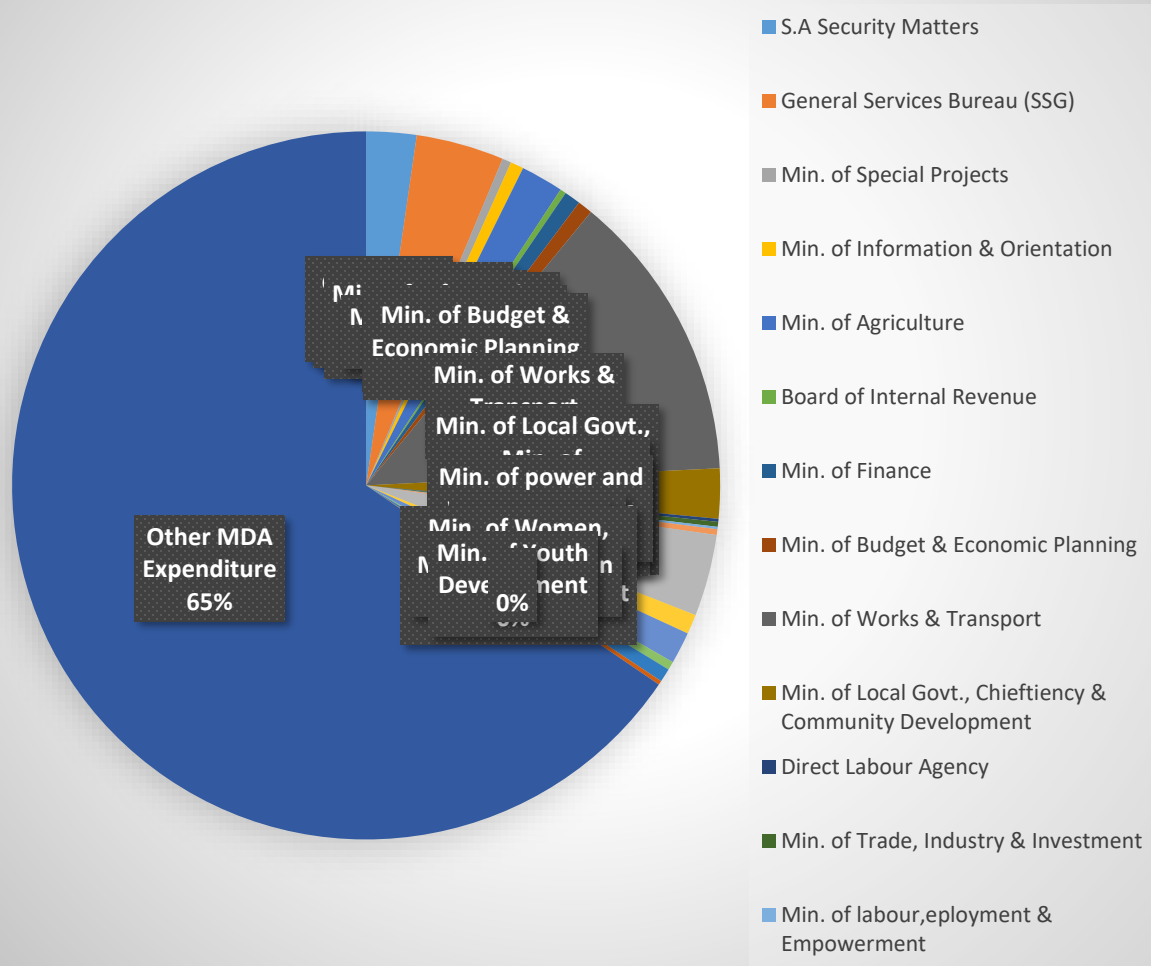
upgrading of existing health care infrastructure, Agricultural intervention and SMEs to bring in the desired economic turnaround. This was identified through the various budget consultation processes, and is evidence by Government massive intervention in the Economic and Social Sector. The Bayelsa State 2020 Covid-19 Responsive Citizens Budget Sectorial allocation is shown below;

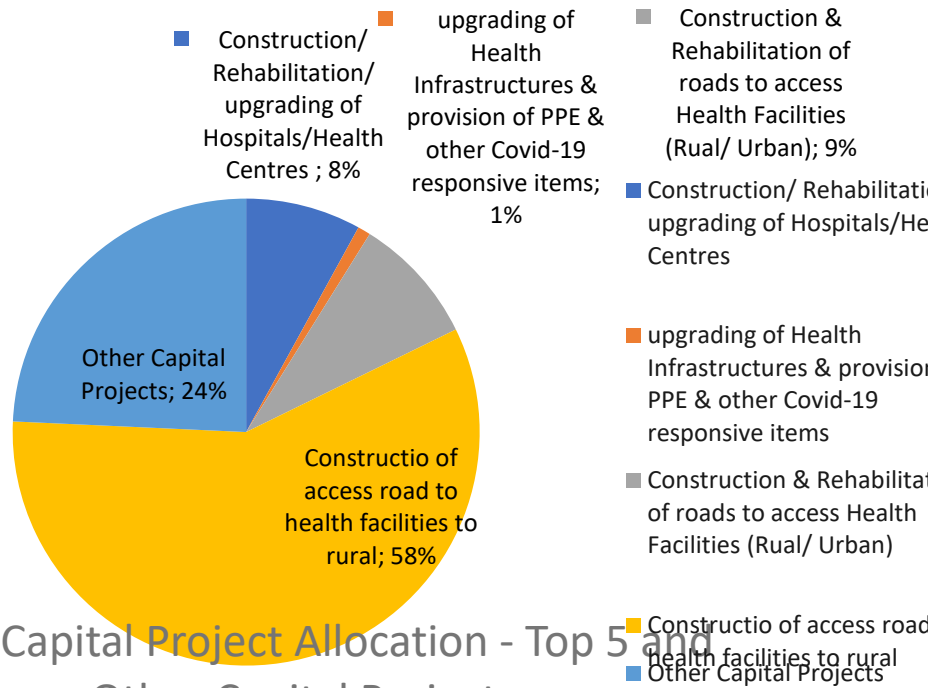
2020 COVID-19 RESPONSIVE CITIZENS BUDGET SECTORIAL ALLOCATION					
	PERSONNEL COST	OVERHEAD COST	RECURRENT COST	CAPITAL COST	TOTAL EXPENDITURE
ADMINISTRATIVE SECTOR	12,841,266,613.00	18,622,714,893.00	30,973,561,627.64	2,788,907,226.36	65,226,450,359.90
ECONOMIC SECTOR	5,512,295,665.00	4,150,637,247.24	8,297,352,790.71	27,886,804,448.44	45,847,090,151.3
LAW & JUSTICE	2,705,958,189.00	1,139,858,360.14	3,101,159,549.13	695,738,954.27	7,642,715,052.54
SOCIAL SECTOR	29,595,135,120.00	6,158,116,721.65	35,189,251,841.65	3,412,795,973.50	74,355,299,656.73
TOTAL	51,646,082,751.00	30,107,327,222.13	77,559,325,809.13	34,784,246,602.57	194,096,982,384

# 2020 Revised MDA Budgeted Expenditure Allocation



# Ministry/ Sector Share of Budgeted Expenditure

























## **SIGNIFICANT MEW MEASURES**

A critical look at the 2020 revised Covid-19 Responsive Citizens Budget shows a remarkable down turn in revenue and expenditure. On the revenue side, there is a decrease of 18.2% compared to that of 2019. Total planned revenue for 2019 was ₦265.132bn, while that of 2020 is ₦183.156bn, showing a decrease of ₦81.979b. At the expenditure side, there is also a decrease of 11.6% when compared to that of 2019. This was as a result of drastic measures taken by the present administration to cut down all spending to reflect the dwindling fall in oil price and global economic lockdown.

## **SPECIFIC INFORMATION & INFORMATION ABOUT TARGETED PROGRAMS.**

Government targeted programs to cushion the effect of Covid-19 Pandemic is poverty eradication with emphases on Agriculture, interventions in Health care/other areas, and the provision of SMEs. To this end, rigorous public enlightenment programs will be held as well as provision of palliatives in the form of food and cash and starter packs to the vulnerable citizens in order to bring our teeming youth population to a gainful self- employment.

## **BUDGET TERMINOLOGY (GLOSSARY)**

### **Budget**

Budget is an estimation of revenues and expenditure of the Government over a specific period, usually a year.

### **Citizen Budget**

Citizen Budget is a simplified, less technical version of government's budget specifically designed to present key information that is understandable by the general public.

**Recurrent Expenditure**

Is that part of the total government expenditure meant for monthly payment of salaries of government workers, payment of interest on debt and daily running of Ministries, Departments and Agencies of Government.

**Capital Expenditure**

Is that part of government total expenditures meant for development projects like schools, hospitals roads, etc in the state.

**Personnel Costs**

Are the part of recurrent expenditure of government used for the payment of salaries and pension of government workers?

**Budget support**

Is the amount given by the Federal Government to support the State to pay salaries and pensions in the event of low federal allocation?

**Overhead costs**

Are the part of recurrent expenditure of government used for daily or periodic administrative expenses?

**Debt Stock**

Is the total of domestic and external debts of the government over a period of time.

**Debt Servicing**

Is the amount of money allocated in the budget for repayment of principal of domestic and external debts?

**Statutory Allocation**

Is the allocation to the State by the Federal accounts. This is determined by Federal Account Allocation Committee (FACC).

**Cash Backed Capital Expenditure**

Is the amount in capital made available for execution of capital projects?

## **Revenue**

Is the total amount generated by the government over a specified period.

## **Internally Generated Revenue**

Is the total amount of money by generated by the state government by itself without the federal government support.

## **Consolidated Revenue Fund Charge**

Is part of the estimate, statutorily used to pay salaries of political office holders, for examples the Governor, Deputy Governor, Commissioned Commissioners, Judges, Pensions Gratuities, benefits of past Governors/Deputy Governors and interest of borrowings/debts

## **Value Added Tax (VAT)**

Is part of revenue that is given to the state by the Federal Government from all goods sold and service and services rendered in the Country.

## **CONTENT INFORMATION FOR FOLLOW-UP BY CITIZENS/ FEEDBACK**

### **CHANNELS**

Please contact the Bayelsa State Budget Office through the following medium in case you desire specific information. Also use these channel for interactions and possible feedback.

Bayelsa State Ministry of Finance web site at [www.mofby.gov.ng](http://www.mofby.gov.ng).

OR

## **CONTACT US**



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