



Benue State Government

ECONOMIC AND FISCAL UPDATE (EFU), FISCAL STRATEGY PAPER (FSP) AND BUDGET POLICY STATEMENT (BPS)

To Cover Period: 2026 – 2028

September, 2025

Document Control	
Document Version Number:	3
Document Prepared By:	Benue State Budget and Economic Planning Commission
Document Approved By:	Benue State Executive Council (EXCO)
Date of Approval:	
Date of Publication:	September, 2025
Distribution List:	

Table of Contents

1	Introduction and Background	9
1.A	Introduction	9
1.A.1	Budget Process.....	9
1.A.2	Summary of Document Content	10
1.A.3	Preparation and Audience	10
1.B	Background	10
1.B.1	Legislative and Institutional Arrangements for PFM	10
1.B.2	Overview of Budget Calendar	12
2	Economic and Fiscal Update	13
2.A	Economic Overview.....	13
2.A.1	Global Economy	13
2.A.2	Africa	15
2.A.3	Nigerian Economy	16
2.A.4	Benue State Economy	20
2.B	Fiscal Update	21
2.B.1	Historic Trends	21
2.B.2	Debt Position.....	37
3	Fiscal Strategy Paper	39
3.A	Macroeconomic Framework	39
3.B	Fiscal Strategy and Assumptions	39
3.C	Indicative Three-Year Fiscal Framework.....	40
3.C.1	Assumptions.....	41
3.C.2	Fiscal Trends.....	42
3.D	Local Government FAAC and IGR Estimates.....	45
3.E	Fiscal Risks	46
4	Budget Policy Statement.....	48
4.A	Budget Policy Thrust	48
4.B	Sector Allocations (3 Year)	48
4.C	Considerations for the Annual Budget Process.....	52
5	Summary of Key Points and Recommendations	53

List of Figures

Figure 1: MTEF Process.....	9
Figure 2: Statutory Allocation.....	21
Figure 3: VAT.....	22
Figure 4: IGR	23
Figure 5: Other Federation Account Receipts	24
Figure 6: Grants	25
Figure 7: Other Capital Receipts.....	26
Figure 8: Loans/Financing.....	27
Figure 9: Personnel.....	28
Figure 10: Social Benefits	29
Figure 11: Overheads.....	30
Figure 12: Grants, Contributions, Subsidies, Transfers	31
Figure 13: Public Debt Service	31
Figure 14: Capital Expenditure	32
Figure 15: Recurrent: Capital Expenditure Ratio.....	33
Figure 16: Sector Expenditure Trend.....	34
Figure 17: Benue State Macroeconomic Framework.....	39
Figure 18: Benue State Revenue Trend.....	43
Figure 19: Benue State Expenditure Trend	44

List of Tables

Table 1: Budget Calendar	12
Table 2: Real GDP Growth - Selected Countries.....	15
Table 3: Inflation (CPI) - Selected Countries.....	15
Table 6: Sector Expenditure – Budget Vs Actual	35
Table 7: Debt Position as at 31st December 2025	37
Table 8: Benue State Medium Term Fiscal Framework.....	41
Table 9: LG FAAC and IGR Estimates 2026 – 2028.....	45
Table 10: Fiscal Risks.....	46
Table 11: Indicative Sector Expenditure Ceilings 2026-2028	49

List of Abbreviations

AfDB	African Development Bank
AFS	Audited Financial Statement
BIRS	Benue State Internal Revenue Service
BNSG	Benue State Government
BPS	Budget Policy Statement
BRINCS	Brazil, Russia, India, Nigeria, China, South Africa
BSBEP	Benue State Budget and Economic Planning Commission
CBN	Central Bank of Nigeria
C&E	Customs and Excise
CIT	Companies Income Tax
CPI	Consumer Price Index
CRF	Consolidated Revenue Fund
CSO	Civil Society Organisations
DMO	Debt Management Office (State)
DMO	Debt Management Office (Federal)
DSA	Debt Sustainability Analysis
DPR	Department of Petroleum Resources
EFU	Economic and Fiscal Update
EIA	US Energy Information Administration
ExCo	Executive Council
FAAC	Federal Allocation Accounts Committee
FGN	Federal Government of Nigeria
FIRS	Federal Inland Revenue Service
FRL	Fiscal Responsibility Law
FSP	Fiscal Strategy Paper
FX	Foreign Exchange
G11	A group of eleven countries - specifically Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, Turkey, South Korea, and Vietnam
G20	A group of 20 countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States, and the European Union.
GDP	Gross Domestic Product
GOEs	Government Owned Entities
IGR	Internally Generated Revenue
IMF	International Monetary Fund
IRS	Internal Revenue Service
IsDB	Islamic Development Bank
JTB	Joint Tax Board
LG	Local Government
MBPD	Million Barrel Per Day
MDAs	Ministries, Departments and Agencies
MEO	Macroeconomic Performance and Outlook
MINT	Mexico, Indonesia, Nigeria, and Turkey
MOF	Ministry of Finance
MOMR	Monthly Oil Market Report
MPC	Monetary Policy Committee

MPR	Monetary Policy Rate
MTBF	Medium-term Budget Framework
MTEF	Medium Term Expenditure Framework
MTFF	Medium Term Fiscal Framework
MTSS	Medium Term Sector Strategy
NBS	National Bureau of Statistics
NCS	National Customs Service
NGO	Non-Government Organisations
NNPC	Nigerian National Petroleum Company
NPC	National Planning Commission
NURPC	Nigerian Upstream Petroleum Regulatory Commission
OAGF	Office of the Accountant General for the Federation
OAGS	Office of the Accountant General for the State
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OPEC	Organisation of Petroleum Exporting Countries
PFM	Public Financial Management
PITA	Personal Income Tax Act
PMS	Premium Motor Spirit (Petrol)
PPP	Public Private Partnership
SFTAS	State Fiscal Transparency Accountability and Sustainability Project
SHOA	State House of Assembly
STEO	Short-Term Energy Outlook
UBE	Universal Basic Education
UNICEF	United Nations Children's Fund
US	United State
USD	United State Dollars
VAT	Value Added Tax
WASH	Water Sanitation and Hygiene
WEO	World Economic Outlook

EXECUTIVE SUMMARY AND ACKNOWLEDGEMENTS

1. Purpose & Scope

It is with great optimism that we introduce this Medium-Term Expenditure Framework (MTEF) document covering fiscal years 2026 to 2028 for Benue State. This three-year expenditure blueprint is anchored on the State's vision for inclusive growth, improved service delivery and sustainable development. Guided by the broader framework of the 10-year State Development Plan (2025-2034) recently launched by the State Government, the MTEF seeks to translate policy ambition into credible resource allocations and actionable priorities.

The Medium-Term Expenditure Framework (MTEF) represents a strategic approach to public financial management that aims to improve the alignment between policy priorities, planning, and budgeting over a multi-year horizon. By integrating fiscal discipline, strategic resource allocation, and efficient service delivery, the MTEF supports the achievement of sustainable development outcomes.

This document sets out the government's fiscal outlook and expenditure priorities for the next three years, providing a transparent and credible basis for budget formulation. It reflects our commitment to fiscal responsibility, macroeconomic stability, and the effective use of public resources to deliver on national priorities.

The MTEF also serves as a tool to promote accountability, enabling policymakers, stakeholders, and citizens to understand how resources are allocated in line with policy objectives. It encourages a culture of planning and performance, where budget decisions are informed by results and long-term implications.

Summarily, the 2026–2028 Medium-Term Expenditure Framework (MTEF) provides a rolling three-year fiscal planning instrument for Benue State, designed to link broad strategic priorities with resource allocation decisions. It sets out sectoral spending limits, revenue estimates and fiscal policy assumptions for the period 2026 through 2028.

2. Risk Management & Fiscal Sustainability

The MTEF emphasizes the need for risk-sensitive planning: identifying shocks (e.g., revenue shortfalls, inflation, exchange rate volatility), building buffers, and ensuring debt and contingent liabilities remain within sustainable bounds. The framework tasks MDAs and the Budget Office with periodic review and adjusting course where necessary.

3. Economic and Fiscal Context

Benue State operates within a national and global environment of heightened uncertainty, including inflationary pressures, fluctuations in federal transfers and evolving fiscal rules. State Governments are encouraged to adopt realistic assumptions on revenue growth, expenditure commitments and borrowing. To this extent, key contextual factors include, the need to diversify the economy beyond traditional sectors and boost internally generated revenue; Rising demands on social services, infrastructure gaps and the imperative of poverty reduction; the importance of maintaining debt sustainability and ensuring that capital expenditure is effective and well-targeted.

The global and national economic environment within which this MTEF has been prepared remains challenging. Revenue volatility, inflationary pressures and competing demands on the public purse require disciplined fiscal policy, selectivity in programme design and strong institutional accountability. The Advisory Note issued by the Nigerian Governors' Forum emphasizes the importance of realistic revenue projections, prioritized capital investment and strengthened public financial management for the 2026-2028 period.

4. Fiscal Strategy & Policy Priorities

The fiscal strategy for Benue State over the medium term is premised upon: Consolidation of recurrent expenditure so as to free space for high-impact capital spending; Prioritizing investments that stimulate productivity, notably in agriculture/value-chains, education/skills, health infrastructure and rural access; Improving efficiency and transparency in public sector spending, including through monitoring and evaluation systems; Enhancing revenue mobilization, including through strengthening the state's internally generated revenue (IGR) base and prudent management of federal allocations.

In this light, the MTEF sets out aggregate expenditure ceilings, recurrent and capital envelopes, revenue forecasts and risk-tolerance parameters over the medium term. These provide a planning horizon beyond the annual budget cycle, enabling the Government, MDAs and stakeholders to align investment choices, policy initiatives and programme sustainability.

5. Sectoral Priorities & Investment Focus

The MTEF reflects Benue State's sectoral priorities as captured in its broader development plan. Over the coming three years, the State will focus on the following key areas of emphasis to include: Agriculture and agro-processing: Given Benue's designation as the "food basket" of the Nation, investment in modern farming methods, value chain linkages, market access and processing infrastructure is imperative; Education and human capital development: Expansion of access, improvement in quality, completion of ongoing projects and teacher professional development; Health and nutrition: Strengthening primary healthcare, reducing malnutrition, improving maternal and child health outcomes, and completing deferred infrastructure. For example, the State's multi-sectoral plan for food and nutrition indicates significant investment over a four-year period; Physical infrastructure: Roads (rural/urban) and associated transportation networks, rural electrification, water supply and sanitation — to enhance connectivity and livelihoods; Social protection and inclusive growth: Implementing policies to reduce vulnerability, enhance social safety nets, and promote economic inclusion.

6. Implementation, Monitoring and Evaluation

For the MTEF to translate into real outcomes, robust implementation mechanisms are required. These include: Clear identification of programs/projects linked to budget allocations; Performance indicators and milestones for each major investment or policy area; Annual reviews and updates of the MTEF envelope, allowing adjustments as conditions change; Transparent reporting to the State House of Assembly and public disclosure of results.

7. Expected Outcomes & Medium-Term Impacts

Over the three-year horizon, the State expects to: Increase the ratio of capital expenditure to total expenditure, thereby accelerating infrastructure delivery and closing service-delivery gaps; Improve agricultural productivity and value-chain participation, thereby boosting economic growth and employment; Enhance human development indicators (e.g., nutrition, health outcomes, education quality); Strengthen fiscal resilience through diversified revenue and improved expenditure efficiency; Lay the foundation for the longer-term aims of the 10-year State Development Plan (2025-2034).

8. Revenue Projections & Aggregate Expenditure Ceilings

While specific and detailed figures for Benue State's 2026–2028 revenue and spending envelopes are not publicly disclosed in this summary, the framework is guided by the same principles applied across states: realistic forecasting, allowance for shocks, and prudent fiscal margins. For example, national guidance suggests that states project Federation Account Allocation Committee (FAAC) receipts and VAT shares conservatively within the framework. The aggregate expenditure ceiling sets separate envelopes for

recurrent and capital expenditure, with a growing share of capital spending targeted in the latter years of the period, consistent with the need to build infrastructure and enhance service delivery.

9. Acknowledgments

The preparation of this Medium-Term Expenditure Framework (MTEF) would not have been possible without the support, collaboration, and contributions of various individuals and institutions.

We express our profound gratitude to the Executive Governor of Benue State, His Excellency Rev. Fr. Dr. Hyacinth Iormem Alia for providing the enabling environment as well as counterpart funding towards the framing of this document, without whose support, this document would not have seen the light of the day.

We wish to extend our sincere appreciation to the State House of Assembly for enabling the legislative alignment of this framework, and then the leadership of the Ministry of Finance, Treasury, the Office of the Accountant-General, whose guidance and oversight were instrumental throughout the process. Special thanks are due to the staff of the Benue State Budget and Economic Planning Commission for coordinating sectoral inputs, ensuring alignment with policy priorities, and facilitating the technical processes that underpin this framework.

Sincere thanks are extended to the Honourable Commissioners and Heads of Ministries, Departments and Agencies (MDAs) for their active involvement in data collection, forecasting and programme-alignment exercises.

We also acknowledge the contributions of all sectoral ministries, departments, and agencies (MDAs), whose active participation and valuable inputs have enriched the content and relevance of this MTEF. Their commitment to evidence-based budgeting and fiscal discipline has been vital in shaping realistic and strategic expenditure plans.

Our gratitude also goes to our development partners (UNICEF, EU and ILO) and technical advisors for their continued support and capacity-building efforts, which have enhanced our ability to implement medium-term planning tools aligned with national development goals. Recognition is also due to civil society groups, and the wider citizenry whose input during budget-town halls and technical engagements has enriched this document.

Lastly, we recognize the efforts of the technical working group, analysts, and support staff who dedicated their time and expertise to the compilation, analysis, and presentation of this document.

We call upon all stakeholders to engage actively with the MTEF process and to use this framework as a guide for decision-making, program implementation, and policy dialogue. Through collaborative efforts and shared responsibility, we can ensure that public spending contributes meaningfully to inclusive growth and national development.

10. Conclusion

The 2026–2028 MTEF for Benue State is a critical instrument that bridges strategic ambition with practical resource allocation over the medium term. Its success will depend not only on the soundness of its assumptions and allocations but equally on effective implementation, rigorous monitoring, participatory governance and stakeholder accountability. As we embark on this three-year journey, it is our collective responsibility — government, private sector, civil society and citizens — to ensure the commitments made are realized, service delivery is improved and the promise of shared prosperity for the people of Benue is fulfilled. Together we can ensure that the policies, programs and resources charted herein translate into improved livelihoods, resilient communities and shared prosperity.



Professor Jerome Terhemba Andohol

Issued by the Director-General/Chief Executive Officer of the Budget & Economic Planning, Commission, Benue State

1 Introduction and Background

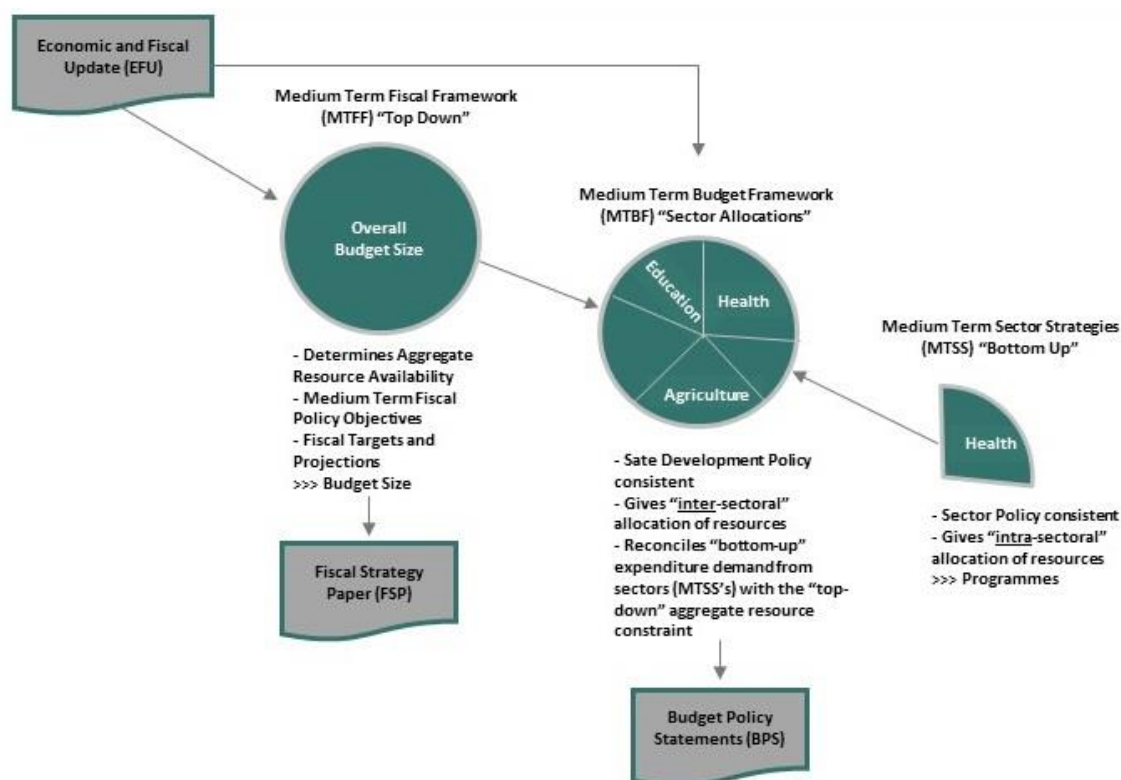
1.A Introduction

1. The Economic and Fiscal Update (EFU) provides economic and fiscal analyses which form the basis for the budget planning process. It is primarily aimed at policymakers and decision makers in the Benue State Government. The EFU also provides an assessment of budget performance (both historical and current) and identifies significant factors affecting implementation.
2. On the other hand, the Fiscal Strategy Paper (FSP) and the Budget Policy Statement (BPS) are key elements in the Medium-Term Expenditure Framework (MTEF) and annual budget process, and as such, they determine the resources available to fund Government projects and programmes from a fiscally sustainable perspective.
3. Benue State Government decided to adopt the preparation of the EFU-FSP-BPS for the first time in 2023 as part of the movement toward a comprehensive MTEF process. This is the first rolling iteration of the document and covers the period 2026 -2028.

1.A.1 Budget Process

4. The budget process describes the budget cycle in a fiscal year. Its conception is informed by the MTEF process, which has three components, namely:
 - i. Medium Term Fiscal Framework (MTFF);
 - ii. Medium Term Budget Framework (MTBF);
 - iii. Medium Term Sector Strategies (MTSS).
5. It commences with the conception through preparation, execution, control, monitoring and evaluation and goes back again to conception for the ensuing year's budget.
6. The MTEF process is summarised in the diagram below:

Figure 1: MTEF Process



1.A.2 Summary of Document Content

7. In accordance with international best practice in budgeting, the production of a combined Economic and Fiscal Update (EFU), Fiscal Strategy Paper (FSP) and Budget Policy Statement (BPS) is the first step in the budget preparation cycle for Benue State Government (BNSG) for the period 2026-2028.
8. The purpose of this document is threefold:
 - i. To provide a backwards-looking summary of key economic and fiscal trends that will affect the public expenditure in the future - Economic and Fiscal Update;
 - ii. To set out medium-term fiscal objectives and targets, including tax policy; revenue mobilisation; level of public expenditure; deficit financing and public debt - Fiscal Strategy Paper and MTFF; and
 - iii. Provide indicative sector envelopes for the period 2026-2028, which constitute the MTBF.
9. The EFU is presented in Section 2 of this document. The EFU provides economic and fiscal analysis to inform the budget planning process. It is aimed primarily at budget policy makers and decision takers in the Benue State Government. The EFU also provides an assessment of budget performance (both historical and current) and identifies significant factors affecting implementation. It includes:
 - Overview of Global, National and State Economic Performance;
 - Overview of the Petroleum Sector;
 - Trends in budget performance over the last six years.
10. The FSP is a key element in the BNSG Medium Term Expenditure Framework (MTEF) process and annual budget process. As such, it determines the resources available to fund the Government's growth and poverty reduction programme from a fiscally sustainable perspective.

1.A.3 Preparation and Audience

11. The purpose of this document is to provide an informed basis for the 2026-2028 budget preparation cycle for all of the key Stakeholders, specifically:
 - State House of Assembly (SHoA);
 - Executive Council (ExCo);
 - Benue State Budget and Economic Planning Commission;
 - Ministry of Finance;
 - All Government Ministries, Departments and Agencies (MDAs);
 - Civil Society.
12. The document is prepared within the first two quarters of the year before the annual budget preparation period. It is prepared by the Benue State Government (EFU-FSP-BPS) Working Group using data collected from International, National and State organisations.

1.B Background

1.B.1 Legislative and Institutional Arrangements for PFM

13. Legislative Framework for PFM in Benue State – The fundamental law governing public financial management in Nigeria and Benue State is the 1999 Constitution as amended. Sections 120 and 121 of the Constitution provide that all revenues accruing to the Benue State Government shall be received into a Consolidated Revenue Fund (CRF) to be maintained by the Government, and no revenue shall be paid into any other fund, except as authorised by the State House of Assembly (SHoA) for a specific purpose. The withdrawal of funds from the CRF shall be authorised by the SHoA through the annual budget or appropriation process. The Governor of Benue State shall prepare and lay expenditure

proposals for the coming financial year before the SHoA, and the SHoA shall approve the expenditure proposal by passing an Appropriation Law. The Appropriation Law shall authorise the executive arm of government to withdraw and spend the amounts specified from the CRF.

14. Benue State Legislative Framework for Public Financial Management (PFM) mandates the House of Assembly to control expenditure and audit public funds, alongside state-specific laws like the Fiscal Responsibility Law and various implementing frameworks by the Ministry of Finance and Office of the Auditor General.
15. The framework includes legislative approval of the budget, oversight on its execution through reports and audits, and adherence to national laws like the Public Procurement Act.
16. The key components of the legislative framework include:
 - Public Procurement Commission Law 2020
 - Fiscal Responsibility Law 2020
 - Debt Management Establishment Law 2020
 - Benue State Financial Instructions.
 - Appropriation Law passed annually by the Benue State House of Assembly.
17. Institutional Framework for PFM in Benue State – The Constitution vests the executive powers of the State in the Governor. The Constitution provides that “the Governor shall cause to be prepared and laid before the House of Assembly at any time before the commencement of each financial year, estimates of the revenues and expenditure of the State for the next following financial year”. The Governor of Benue State exercises his executive powers either directly or through the Deputy Governor, the Commissioners, Special Advisers, Permanent Secretaries, and other officers in the public service of the State.
18. Specifically, Benue State Executive Council (ExCO) formulates the policies of the State Government, considers, and recommends the State’s budget to the House of Assembly. On passage, the Governor signs the appropriation bill into law.
19. The Benue State Institutional Framework is guided by principles of fiscal discipline, strategic resource allocation and efficient service delivery, like the Benue State Government’s Arrears Clearance Framework.
20. The State Budget and Economic Planning Commission oversees the preparation of the budget, both capital and recurrent. It is also in charge of planning (long and medium-term), setting the broad agenda for development. The commission is the organ of the ExCO that formulates and executes fiscal policy. It also coordinates and manages the State’s fiscal policies and all revenue and expenditure profiles of the government.
21. The Ministry of Finance is responsible for core treasury functions such as revenue and expenditure management, accounting, fund and cash management. The Ministry of Finance has two important quasi-autonomous agencies, the Office of the Accountant General for the State (OAGS) and the Benue State Internal Revenue Services (BIRS).
22. Specific functions of the OAGS include accounting for all receipts and payments of the State Government; supervising the accounts of the State Ministries, Departments, and Agencies (MDAs); collating and preparing Statutory Financial Statements of the State Government and any other Statements of accounts required by the Commissioner for Finance; maintain and operate the accounts of the Consolidated Revenue Fund, development fund, and other public funds and provide cash backing for the operations of the State Government; maintain and operate the State Government’s accounts; conduct routine and in-depth inspection of the books of accounts of State ministries, departments and agencies to ensure compliance with rules, regulations, policy decisions and maintenance of account codes; and formulate and implement the accounting policy of the State Government.

23. Benue State Internal Revenue Service is responsible for the generation of government revenue. The Board formulates and executes Joint Tax Board (JTB) policies on taxation, stamp duties, and motor vehicle licensing, among others.
24. The Debt Management Office manages Benue State public debt, as well as liaising with the Debt Management Office at the Federal level.
25. Another important institutional framework in the circle of financial management in the State is the Public Procurement Commission. The commission plays a significant role in ensuring that all MDAs adhere to the best practices in procurement.
26. Benue State Fiscal Responsibility Commission is responsible for monitoring compliance with the State's appropriation law. It is to ensure that expenditures incurred are provided for in the annual budget derived through the State's Development Plan.

1.B.2 Overview of Budget Calendar

27. Indicative Budget Calendar for Benue State Government is presented below:

Table 1: Budget Calendar

Stage	Date(s)	Responsibility
Sector Performance Review (Previous Year)	January – February	Ministry of Finance, Benue State Budget & Economic Planning Commission, MDAs
Draft Medium-Term Expenditure Framework (MTEF) & Fiscal Strategy Paper (FSP)	July – August	Benue State Budget & Economic Planning Commission, Ministry of Finance
Issuance of Budget Call Circular	July – August	Benue State Budget & Economic Planning Commission
MDA Budget Preparation	September – October	All Ministries, Departments & Agencies (MDAs)
MDA–Budget Office Bilateral Discussions	October	Benue State Budget & Economic Planning Commission, MDAs
Submission of Draft Budget to State Executive Council (SEC)	September	Benue State Budget & Economic Planning Commission
Presentation of Appropriation Bill to the House of Assembly	November	Governor
Legislative Review & Public Hearings	November – December	House of Assembly
Passage of Appropriation Bill	December	House of Assembly
Assent of Appropriation Bill	December	Governor

2 Economic and Fiscal Update

2.A Economic Overview

2.A.1 Global Economy

28. The International Monetary Fund's (IMF's) July 2025 World Economic Outlook (WEO) Update projects global growth at 3.0 per cent for 2025 and 3.1 per cent in 2026. The forecast for 2025 is 0.2 percentage points higher than that in the reference forecast of the April 2025 World Economic Outlook (WEO) and 0.1 percentage point higher for 2026. This reflects stronger-than-expected front-loading in anticipation of higher tariffs, lower average effective US tariff rates than announced in April, an improvement in financial conditions, including due to a weaker US dollar, and fiscal expansion in some major jurisdictions.
29. Global headline inflation is expected to fall to 4.2 per cent in 2025 and 3.6 per cent in 2026, a path similar to the one projected in April. The overall picture hides notable cross-country differences, with forecasts predicting inflation will remain above target in the United States and be more subdued in other large economies.
30. The global median of sequential headline inflation has increased a notch, but core inflation has eased considerably and is now below 2 per cent. Several economies, including the euro area, have seen downside surprises. In the United States, inflation has ticked up, with tentative signs of pass-through from tariffs and a weaker dollar to consumer prices in some import-sensitive categories, and intermediate goods costs for producers have risen.
31. Since the April 2025 WEO, uncertainty has remained elevated even as effective tariff rates have come down. Most notably, China and the United States on May 12 agreed to lower for 90 days (until August 12) tariffs that had resulted from the post-April 2 escalation. The US pause on higher tariffs for most of its trading partners is now set to expire on August 1, pushing back the original deadline of July 9.
32. Letters issued by the US administration in July to some trading partners threaten to impose tariffs even higher than those announced on April 2, 2025. Legal proceedings are currently underway in the United States concerning the use of the International Emergency Economic Powers Act as a legal basis for the imposition of tariffs. Although the passage of the One Big Beautiful Bill Act (OBBBA) in July brought clarity to the near-term path of US fiscal policy, it has added to uncertainty about longer-term fiscal sustainability.
33. The US effective tariff rate underlying the projections is 17.3 per cent, compared with 24.4 per cent in the April reference forecast. The corresponding effective tariff rate for the rest of the world is 3.5 per cent, compared with 4.1 per cent in the April reference forecast.
34. US equity markets have largely rebounded, erasing losses from the April 2 tariff fallout and reaching new heights. Other global equity markets have also rallied, swayed by tariff-related announcements and releases of macroeconomic data that turned out to be better than expected. Notably, the US dollar has depreciated further, defying expectations that tariffs and larger fiscal deficits would cause the currency to appreciate. Implied paths for policy rates have flattened for advanced economies, while continued dollar weakness has provided some monetary policy space for emerging market and developing economies. Yield curves have steepened in the context of fiscal concerns, although the steepening thus far is not unusual by historical standards, despite very high debt and deficit levels in many countries.
35. With these forces in place, the global economy has continued to hold steady, but the composition of activity points to distortions from tariffs, rather than underlying robustness. Global growth in the first quarter of 2025 was 0.3 percentage points above that predicted in the April WEO. International trade and investment drove activity, while private consumption was more subdued across major jurisdictions.

36. Real GDP decreased in the United States, at an annualised rate of 0.5 per cent, marking the first quarterly contraction in three years. Consumer spending rose only by 0.5 per cent, but this came after remarkably fast growth of 4.0 per cent in the fourth quarter of 2024. Imports and business investment surged—especially in information processing equipment. Taken together, these patterns were consistent with aggressive front-loading by US firms and households ahead of expected higher prices induced by tariffs.
37. In the euro area, GDP accelerated to 2.5 per cent, driven by investment and net exports, even as private consumption lost steam. Ireland largely led the spurt, with growth shrinking to 1.4 per cent when Ireland is excluded. China's real GDP growth, at an annualised rate of 6.0 per cent, exceeded expectations. This was mainly driven by exports, propped up by a depreciating renminbi closely tracking the dollar and with declining sales to the United States more than offset by strong sales to the rest of the world (Figure 2), and, to a smaller extent, by consumption, supported by fiscal measures.
38. Japan's economy contracted by an annualised 0.2 per cent, as soft private consumption and weak net exports weighed on growth, while strong private investment helped cushion the decline. Global trade grew robustly in the first quarter, but high-frequency indicators point to an unwinding of front-loading in the second quarter.
39. The US effective tariff rate underlying the projections is 17.3 per cent, compared with 24.4 per cent in the April reference forecast. The corresponding effective tariff rate for the rest of the world is 3.5 per cent, compared with 4.1 per cent in the April reference forecast.
40. Economic policy uncertainty is assumed to remain elevated this year and next. Prices for energy commodities are expected to fall by about 7 per cent in 2025, less than projected in the April WEO. Oil prices increased materially during military strikes between the Islamic Republic of Iran and Israel in June, with the increase primarily reflecting higher risk premiums, because the physical supply of oil was not disrupted. This geopolitics-induced increase has now largely receded, and bearish fundamentals are back in focus, with strong supply from both inside OPEC+ (the Organisation of the Petroleum Exporting Countries plus selected non-member countries, including Russia) and sources outside of OPEC+ outpacing tepid growth in demand.
41. Prices for natural gas have remained relatively contained amid expectations of lower energy demand resulting from trade uncertainty, news of European Union plans for more flexible targets about storage filling, and the prospects of ample increases in liquid natural gas supply in the medium term.
42. Monetary policy rates in the United Kingdom and the United States are expected to decline in the second half of 2025, though at varying speeds, whereas the IMF projects that the policy rate in the euro area to remain unchanged and that in Japan to rise gradually. Fiscal stimulus is anticipated in major economies in the near term, including China, Germany, and the United States. In the United States, the OBBBA is expected to increase the fiscal deficit by about 1.5 percentage points of GDP in 2026, with tariff revenues offsetting about half of this increase. In the medium term, despite back-loaded spending cuts and sizable tariff revenues, US fiscal deficits are projected to be larger than they were in the April WEO.
43. The economic outlook (GDP growth rate and inflation rate) of selected countries is shown in Tables 2 and 3 below.
44. Countries selected are chosen to represent G20, BRINCS, MINT, N-11, Petro-economies and other large African countries.

Table 2: Real GDP Growth - Selected Countries

Country	Actual ¹				Forecast		
	2022	2023	2024	2025	2026	2027	2028
Mexico	2.0	3.3	1.5	-0.3	1.4	2.1	2.2
Indonesia	5.4	5.0	5.0	4.7	4.7	4.9	5.0
Turkey	2.7	5.1	3.2	2.7	3.2	3.4	3.7
United States	2.5	2.9	2.8	1.8	1.7	2.0	2.1
Germany	1.4	-0.3	-0.2	0.0	0.9	1.5	1.2
United Kingdom	4.8	0.4	1.1	1.1	1.4	1.5	1.5
China	3.1	5.4	5.0	4.0	4.0	4.2	4.1
Ghana	3.8	3.1	5.7	4.0	4.8	4.9	5.0
South Africa	1.0	0.7	0.6	1.0	1.3	1.6	1.7
Brazil	3.0	3.2	3.4	2.0	2.0	2.2	2.3
Angola	4.2	1.0	4.5	2.4	2.1	2.5	2.9
Nigeria	3.3	2.9	3.4	3.4	3.2	3.0	3.3

Source: IMF's World Economic Outlook.

Table 3: Inflation (CPI) - Selected Countries

Country	Actual				Forecast		
	2022	2023	2024	2025	2026	2027	2028
Mexico	7.9	5.5	4.7	3.5	3.2	3.0	3.0
Indonesia	4.1	3.7	2.3	1.7	2.5	2.5	2.5
Turkey	72.3	53.9	58.5	35.9	22.8	16.5	15.0
United States	8.0	4.1	3.0	3.0	2.5	2.1	2.2
Germany	8.7	6.0	2.5	2.1	1.9	2.1	2.2
United Kingdom	9.1	7.3	2.5	3.1	2.2	2.0	2.0
China	2.0	0.2	0.2	0.0	0.6	1.4	1.8
Ghana	31.9	39.2	22.9	17.2	9.4	8.0	8.0
South Africa	6.9	5.9	4.4	3.8	4.5	4.5	4.5
Brazil	9.3	4.6	4.4	5.3	4.3	3.4	3.0
Angola	21.4	13.6	28.2	22.0	16.4	11.5	10.0
Nigeria	18.8	24.7	33.2	26.5	37	17.6	17.3

Source: IMF's World Economic Outlook.

2.A.2 Africa

45. The African Economic Outlook 2025², Africa's economic performance improved in 2024, but growth remains fragile amidst multiple shocks and rising global uncertainty. Average real gross domestic

¹ * = estimate

² African Development Bank Group, African Economic Outlook, 2025 - Making Africa's Capital Work Better for African's Development.

product (GDP) growth picked up marginally from 3.0 per cent in 2023 to 3.3 per cent in 2024, buoyed by strong government spending and private consumption.

46. The growth uptick in 2024 was evident in 29 of 54 African countries. In addition, 10 African countries, including Angola, Ghana, Niger, and Uganda, saw growth increases of more than 1.0 percentage points from 2023 to 2024. However, this slight improvement was overshadowed by persistent inflationary pressures, currency depreciations and high debt service costs. Deepening geopolitical fragmentation, regional conflicts, and rising global uncertainty, spurred by emerging trade policies in several countries, further cloud the outlook for the short and medium terms.
47. The IMF's 2025 Africa Economic Outlook underscores a critical turning point for Sub-Saharan Africa (SSA). While the region demonstrated resilience in 2024 with growth at 4.0%, this momentum has been disrupted. The 2025 projection of 3.8% reflects heightened vulnerability due to global trade frictions, tighter financial conditions, and falling commodity prices. This deceleration threatens to stall poverty reduction efforts, widen fiscal imbalances, and erode recent developmental gains.
48. A central area of concern is the region's growing debt burden. As of early 2025, public debt in Sub-Saharan Africa averages over 60% of GDP, and debt servicing costs have risen sharply. In many countries, debt service now absorbs more than 40% of government revenues, placing immense pressure on public budgets and crowding out vital investments in social services and infrastructure. Given the reliance on non-concessional contributions, the IMF outlines several key levers through which governments can improve revenue performance: Broadening the tax base: Many SSA countries operate with narrow tax bases due to large informal economies. Expanding formalisation through simplified tax regimes, better data collection, and incentives for registration is essential to capturing a larger share of economic activity. Borrowing and the limited availability of long-term, affordable capital exacerbate fiscal vulnerabilities, particularly for countries without robust sovereign credit profiles.
49. In response, the IMF stresses the urgent need for robust domestic resource mobilisation not only to restore fiscal stability but to create fiscal space for development and resilience-building. However, the current landscape reveals persistent underperformance: the average tax-to-GDP ratio in SSA remains below 16%, still below pre-pandemic levels and significantly lower than in other regions—19.3% in Asia and the Pacific, 21.5% in Latin America and the Caribbean, and 34.0% in OECD countries. This revenue shortfall limits governments' ability to fund essential services and respond to shocks.
50. Despite the potential, revenue mobilisation is not without its political and social risks. Poorly designed or regressive tax policies can increase inequality, provoke resistance, or deepen informality. As such, the IMF advocates for inclusive and progressive tax systems, underpinned by transparency, accountability, and public trust. Simultaneously, the need to build fiscal and external buffers is more urgent than ever. Reserves, contingency financing arrangements, and prudent expenditure management are critical tools for reducing vulnerability to external shocks, whether financial, climatic, or geopolitical. Countries that lack such buffers risk being forced into pro-cyclical spending cuts just when social protection and public investment are most needed.

2.A.3 Nigerian Economy

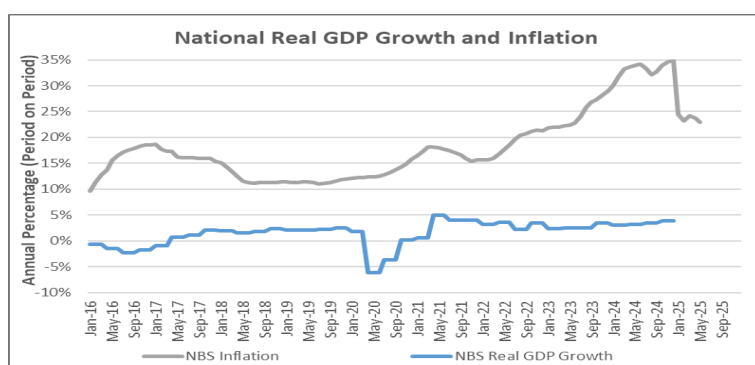
Macroeconomic

51. Nigeria has implemented major reforms over the last two years, which have impacted monetary and fiscal stability and economic resilience:
 - The Naira exchange rate has settled in the range of 1,500 to 1,600 after the harmonisation of exchange rate regimes and the free-floating of the Naira
 - The fuel subsidy has been removed, freeing up trillions of Naira to support the budgets of Federal, State and Local Governments, and for interventions aimed at the most vulnerable
 - Real GDP growth is stable, and Inflation is on a downward trend.

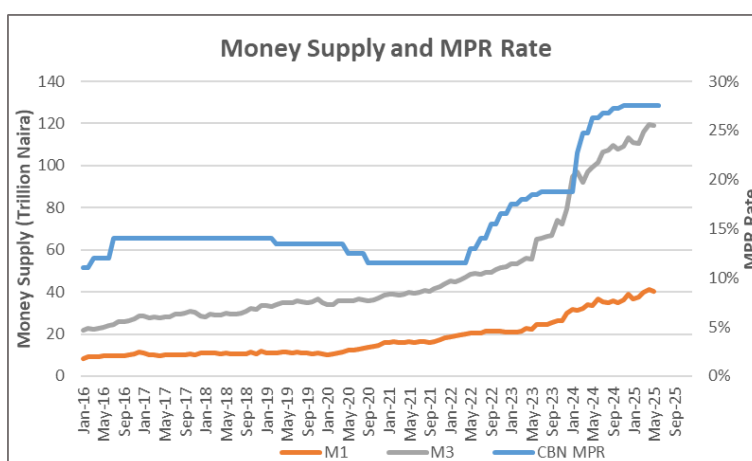
- Crude Oil production is close to the 1.5 Million Barrels Per Day (MBPD) threshold of Nigeria's OPEC quota. Including lease condensates, production is close to 1.7 MBPD over the first half of 2025
- The passage of the four Tax Acts in mid-2025 – Nigeria Tax Act 2025, Nigeria Tax Administration Act 2025, the Joint Revenue Board of Nigeria (Establishment) Act 2025 and the Nigeria Revenue Service Establishment Act 2025. These lay the foundation for improved tax administration, a fairer pro-growth tax regime, which should ultimately result in increases in economic growth and an increased Tax to GDP ratio (providing the government with more resources) over the medium term.



52. The past 24 months have been characterised by significant policy shifts that have reshaped the macro-fiscal landscape in Nigeria – not least the free float of the Naira, the official policy of fuel subsidy (Premium Motor Spirit (PMS) Under Recovery) removal, and FGN's movement away from using Central Bank of Nigeria (CBN) Ways and Means borrowing to fund its revenue shortfalls. These domestic policy changes have had profound impacts on the country's macro-fiscal performance.
53. **Steadily increasing real GDP growth and rebased CPI inflation** – after a brief dip in Quarter 1 of 2024, real GDP growth has crept up quarter by quarter over the remainder of 2024, from 2.98% in quarter 1 to 3.84% in quarter 4 and 3.13 in quarter 1, 2025, providing an overall growth rate of 3.40% for 2024, up from 2.74% in 2023. Transport and financial services were two of the largest contributors to the increased growth. A slight uptick in crude oil production also provided a positive contribution (real growth in the oil sector reached 5.54% in 2024). Worryingly, real agriculture sector growth was weak at 1.19% in 2024.



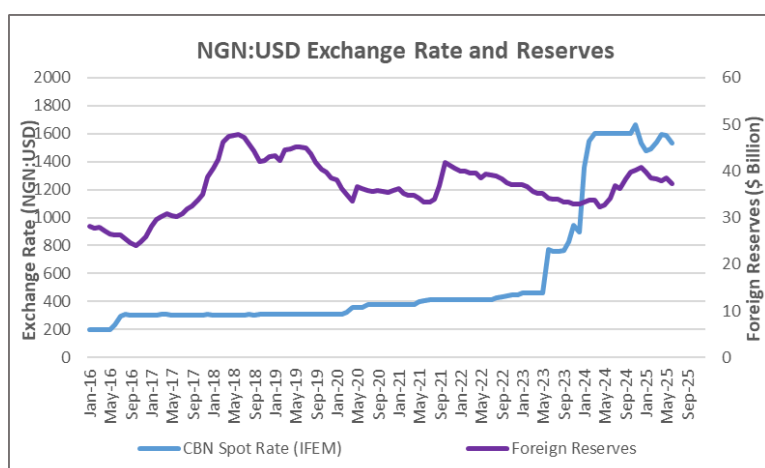
54. NBS undertook a Consumer Price Index (CPI) rebased exercise in early 2025, which has resulted in a significant drop in inflation from January 2025 onwards. The rebasing exercise, which was based on household expenditure data from surveys and administrative sources, reduced the weighting on (1) Food and Non-Alcoholic Beverages and (2) Housing, Water, Electricity, Gas and Other Fuels, whilst significantly increasing the weightings for (1) Transport and (2) Restaurants and Accommodation Services. The increased weighting of transport reflects the increased price of PMS. CPI inflation had reached an all-time high of 34.80% in December 2024, before falling back by more than 10% to 24.48% in January 2025 - largely because of the rebasing exercise. By July 2025, the figure had fallen to 21.88% - the lowest rate in two years. This drop was also assisted by the impacts of the 2024 Naira devaluation and the removal of the fuel subsidy, which started to fall out of the CPI inflation figures.



55. To combat rising inflation, the Central Bank of Nigeria (CBN) has aggressively raised interest rates over the last 16 months. Since the new Central Bank Governor took office, the Monetary Policy Rate (MPR) has been increased six times, from 18.75% before the first Monetary Policy Committee (MPC) meeting in February 2024 to 27.5% as of the end of June 2025. The direct impact of this monetary policy stance

is the increase in the cost of borrowing for the government, private sector, and individuals, thus reducing effective demand. This raising of interest rates (i.e. MPR) has followed a similar path as other Lower Middle Income (and Advanced) countries globally. This increase in interest rates, along with the reduced dependence of FGN on CBN Ways and Means borrowing, has helped to bring the money supply under control. M3 money supply grew by only 19.9% in the 12 months to May 2025. This compares the top 43.0% twelve months earlier (i.e. the 12-month period to May 2024), and 52.0% in the 12 months to May 2023.

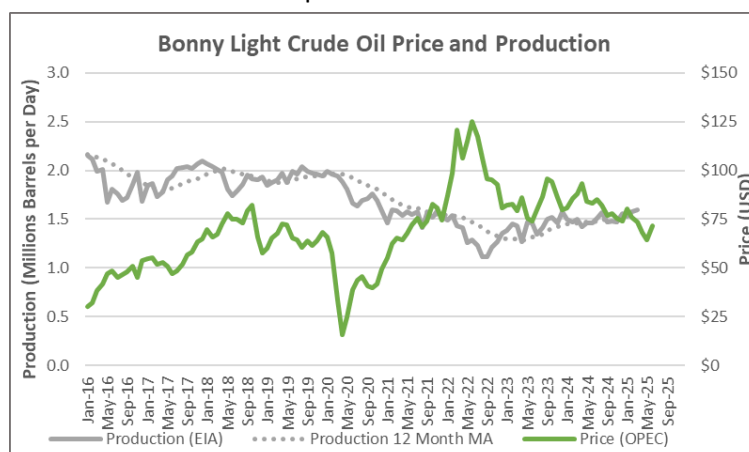
56. **Stabilisation of the Exchange Rate**—after years of multiple exchange rates and the fixing on the official exchange rate far above its market value, the free float of the Naira by the Central Bank of Nigeria (CBN) in mid-2023 saw a series of devaluations that took the Naira from N460 to the US Dollar (USD) in May 2023 to N1,600 to the USD by mid-2024. Over the last 12 months, the rate has stabilised in the region of N1,500 to N1,600, with foreign reserves hovering around the range of \$35-\$40 billion. The devaluation has had multiple knock-on economic and fiscal implications – as noted above, inflation surged as the price of imported goods increased, not least PMS, which was also subject to the removal of the subsidy. Foreign debt service costs of



Federal and State governments, as well as the naira valuation of foreign debt stocks, are other impact points.

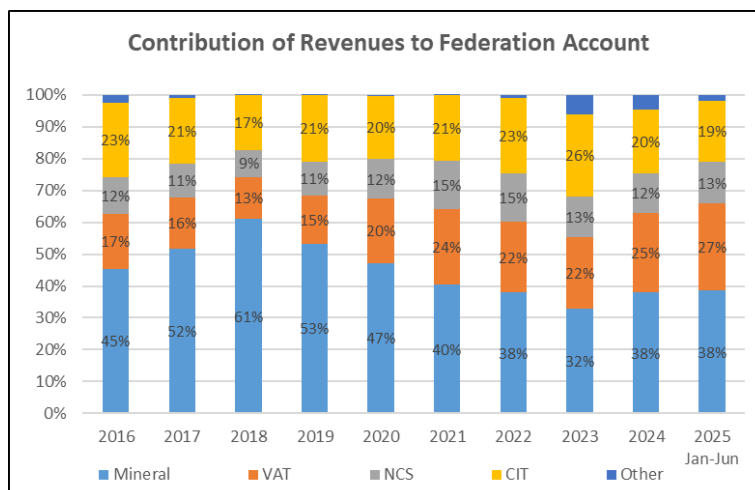
57. **Flat Crude Oil Price, slight uptick in Crude Oil Production** – after the brief spike in crude oil prices in mid-2022 as a result of the conflict in Ukraine (Bonny Light reached a high of \$125.22 per barrel in June 2022), prices quickly fell back below the \$100 mark by August 2022 as the global economy slowed and demand for crude oil followed suite. Tensions in the Middle East from late 2023 also saw the prices move back towards \$100 barrels per day; however, this was short-lived. The price of Bonny Light has been fluctuating within the range of \$65 to \$80 per barrel for the last 12 months, with occasional swings of up to \$10 in a single day as a result of incidents and political statements related to the ongoing Middle East conflict.

58. Crude Oil Production (including lease condensate) has averaged around 1.675 Million Barrels per day (MBPD) over the first six months of 2025, according to figures published by the [Nigeria Upstream Petroleum Regulation Commission \(NUPRC\)](#). These figures are consistent with those published by the [US Energy Information Administration \(EIA\)](#) and the [Organisation of Petroleum Exporting Countries \(OPEC\)](#).

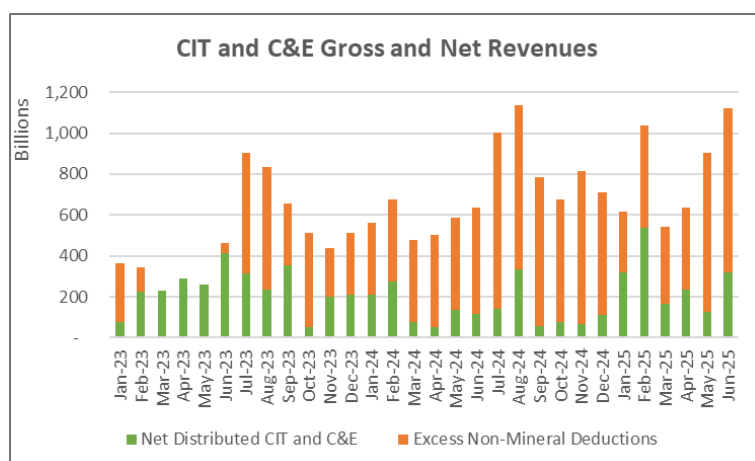


59. The 2025 production figure of 1.675 MBPD is higher than the 1.47 MBPD produced in 2023 and 1.55 MBPD in 2024. Around 250,000 barrels of Nigeria's production are in the form of lease condensate, which does not count towards its 1.5 MBPD OPEC (Organisation of Oil Exporting Countries) production quota. Nigeria is seeking to increase its output to 2.0 MBPD by 2027 amid expectations that production will move closer to its capacity of 2.4MBPD, as stated by the Nigerian National Petroleum Company (NNPC).

60. **Decreased reliance on Crude Oil revenues** – the trend in the makeup of Federation Account revenues over the last ten years shows a clear reduction of government dependence on mineral sector revenues. This has been both as a result of periods of suppressed global crude oil prices, a sustained period of lower production (less than 1.5 MBPD), as well as the strong growth in non-mineral revenues (far outstripping nominal GDP growth). The increase in the VAT rate from 5% to 7.5% also boosted VAT collections.
61. However, there is still a need to maximise the benefit of Nigeria's crude oil reserves to create fiscal space for critical economic and social structure investments and to boost funding for critical service delivery.



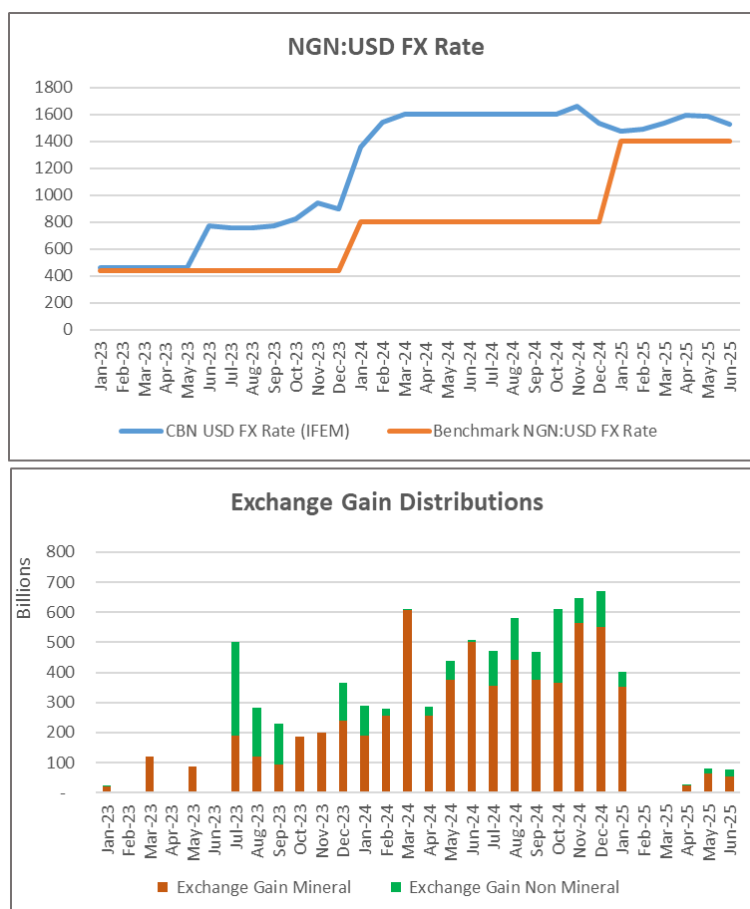
62. **Reductions in distributable non-Mineral revenues** - a significant proportion of CIT and Customs revenues have been deducted from FAAC as "Excess Non-Mineral" over the last 18 months, meaning the growth levels for the gross revenue receipts noted above have not been reflected in Statutory Allocation distributions. The "Excess" deductions are to be made when the revenue in the month exceeds 1/12 of the budgeted revenue in the FGN annual budget and are intended to be used to augment distributions in the months when actual revenues fall short of the budget. However, what has been observed in terms of deductions and distributions of Excess Non-Mineral does not appear to be made in a systematic



manner – rather, they have been used to fund various initiatives, including the share of signature bonuses to States, different infrastructure and security initiatives, etc.

63. In 2024, a total of N6.9 trillion was deducted as Excess Non-Mineral, whilst a meagre N100 billion was distributed. In the first six months of 2025, N3.16 trillion has been deducted.
64. To put these figures into context, the total collection for gross CIT and Customs in the first half of 2025 was N4.85 trillion. So, 65% of the gross accrued revenue has been deducted as excess non-mineral.

65. **Exchange Gain** – the market exchange rates in 2024 were significantly above the benchmark rates in the FGN 2024-2026 MTEF-FSP document, as a result of the devaluations of the naira as discussed earlier in this section.
66. This resulted in higher-than-forecast revenues from transactions based on foreign currencies (imports and exports). This “windfall” is separated from the underlying revenue sources (e.g. Mineral Revenue, Customs, etc) and presented as “Exchange Gain Mineral” and “Exchange Gain Non-Mineral” in the monthly FAAC Schedule 1.
67. Exchange Gains, particularly for Mineral revenues, were a significant contributor to Federation Account revenues in 2024. A total of N5.86 trillion was distributed as Exchange Gain in 2024 (N4.83 trillion as Mineral and N1.02 trillion as Non-Mineral). However, as the exchange rate benchmark for 2025 was set close to the market rate (1,500 to the USD), the increased revenues from the deviations are now captured mainly under the standard revenue streams (mineral, CIT and C&E) (albeit there have been some minor exchange gain distributions in the second quarter of 2025).



2.A.4 Benue State Economy

68. Benue State, located in Nigeria’s North Central region, boasts a predominantly agrarian economy and is widely recognised as the “Food Basket of the Nation.” Its fertile land, favourable climate, and proximity to the Benue River have positioned it as a leading producer of staple crops and a key contributor to Nigeria’s agricultural output.
69. Agriculture is the backbone of Benue’s economy, engaging a majority of the population and contributing significantly to state revenue. Major crops include yams, cassava, maize, rice, and soya beans, with Benue accounting for over 70% of Nigeria’s total soya bean production. The state also produces millet, sorghum, potatoes, and legumes. While subsistence farming remains common, there is a growing shift toward commercial agriculture and agro-processing, supported by government initiatives and private investment.
70. Benue’s industrial sector is modest but expanding, with activities centred around food processing, mining, textiles, furniture production, and construction materials. Makurdi, the state capital, serves as the primary commercial hub, followed by Gboko and Otukpo, which facilitate trade in agricultural produce and local crafts. Efforts to develop agro-industrial parks and attract investment in manufacturing are ongoing.
71. The state is endowed with a variety of solid minerals, including limestone, clay, gypsum, baryte, coal, and lead. However, the mining sector remains underdeveloped due to limited infrastructure and investment. The government has identified this sector as a strategic area for diversification and is encouraging exploration and private sector participation.

72. With an estimated GDP of ₦8.08 trillion based on the recently released data from NBS as of 2023, Benue ranks 11th among Nigeria's 36 states and holds the largest economy in the North Central region, trailing only Niger State. It also boasts the highest per capita GDP in the region, reflecting its strong agricultural base and growing commercial activity.
73. Despite its strengths, Benue faces several economic challenges, including inadequate rural infrastructure, limited access to agricultural financing, underutilization of mineral resources, and periodic herder invasions that disrupt farming activities. These issues hinder productivity and investment.
74. In terms of growth opportunities, Benue State has significant potential for economic expansion through:
- Development of agro-processing and value chains
 - Investment in solid minerals and mining infrastructure
 - Promotion of tourism and cultural heritage
 - Expansion of the digital economy and youth entrepreneurship
 - Strengthening of Public-Private Partnerships in key sectors

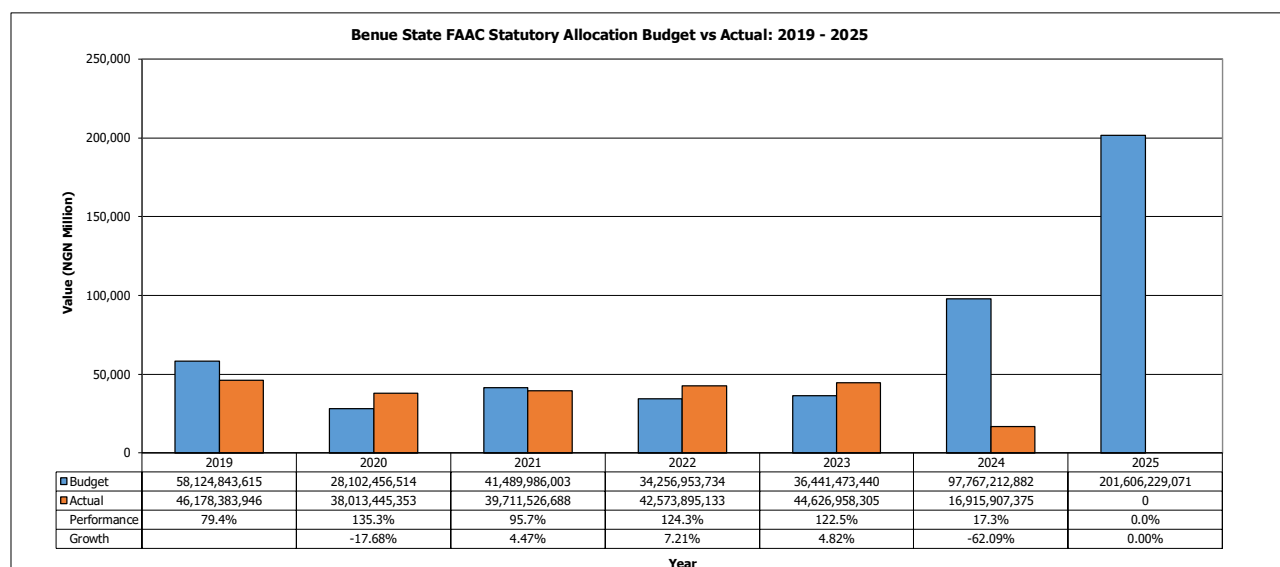
2.B Fiscal Update

2.B.1 Historic Trends

Revenue Side

75. On the revenue side, the document looks at Statutory Allocation, VAT, IGR, Excess Crude, and Capital Receipts – budget versus actual for the period 2019-2024 (six-year historic) and 2025 budget.

Figure 2: Statutory Allocation

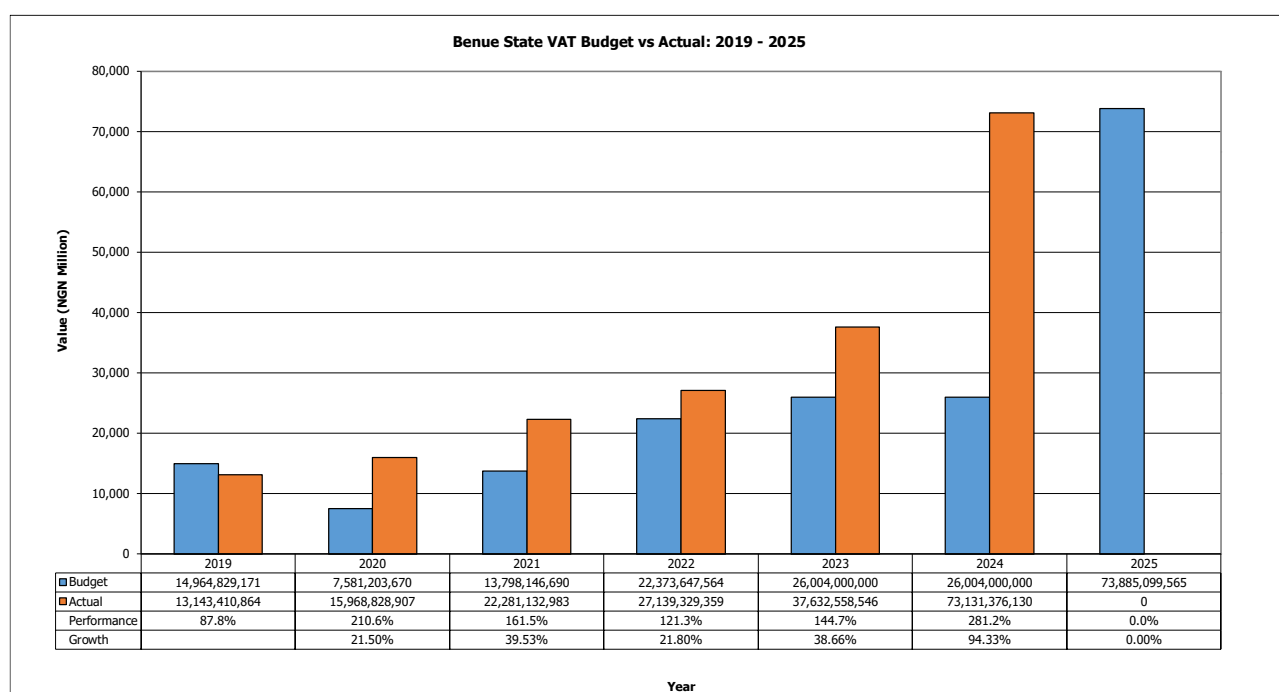


76. Figure 2 titled “Benue State FAAC Statutory Allocation Budget vs Actual: 2019–2025” shows the statutory allocation budgeted by Benue State against what was received over the seven years. In 2019, the state budgeted ₦58.12 billion but received only ₦46.17 billion, resulting in a performance rate of 79.4%. In 2020, the budget dropped significantly to ₦28.1 billion, but actual allocation also fell to ₦38 billion, though relatively higher than the budgeted amount. However, the reduction caused a negative growth rate of -17.68% compared to the previous year. This decline was due to the broader macroeconomic challenges, such as reduced national revenue inflows or external shocks like the

COVID-19 pandemic. The performance gap persisted into 2021, where, although the budget increased to ₦41.6 billion, actual receipts were ₦39.7 billion, showing a slight recovery with 95.7% performance and a 4.47% growth rate

77. From 2022 to 2023, the trend of modest gains continued. In 2022, Benue State budgeted approximately ₦34.3 billion but received ₦42.57 billion, reflecting a surplus leading to a growth rate of 7.21%. Similarly, in 2023, the budget was ₦36.44 billion with actual receipts of ₦44.6 billion, yielding a performance rate of 124.3% and 122.5% performance for 2022 and 2023, respectively. These led to growth rates of 7.21% and 4.82% respectively. The years suggest improvement in actual allocations, over and above the State's budgetary expectations. However, the budget ballooned to approximately ₦97.8 billion in 2024, yet actual receipts stood at only ₦16.9 billion, representing a drastic decline in revenue growth by -62.09% and the widest gap between budget and actual allocation across the observed period. This sharp discrepancy points to either over-ambitious budget projections, structural fiscal constraints, or severe statutory allocation shortfalls from the federation allocation pool. By 2025, the budget projection increased to ₦201 billion. If historical patterns persist, the State may face funding gaps. The data shows the need for more conservative and evidence-based budgeting, enhanced revenue diversification, and prudent fiscal reforms to align expectations with fiscal realities.

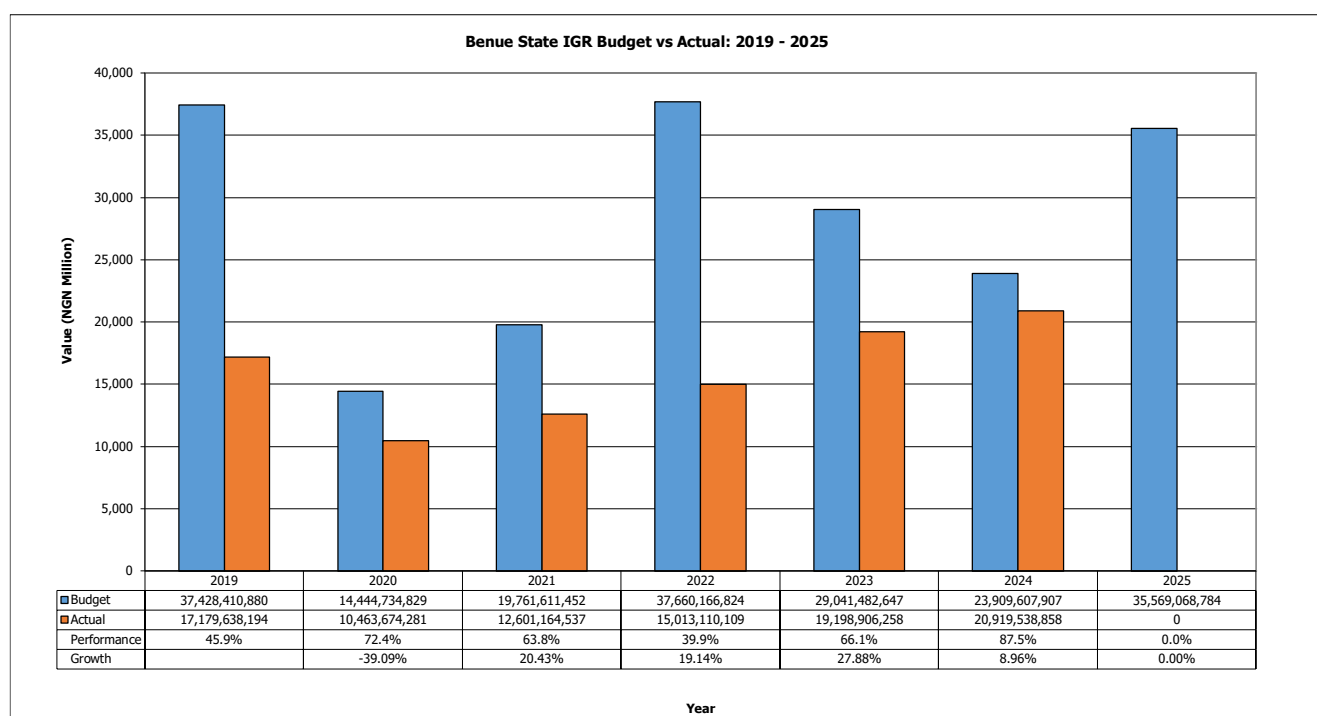
Figure 3: VAT



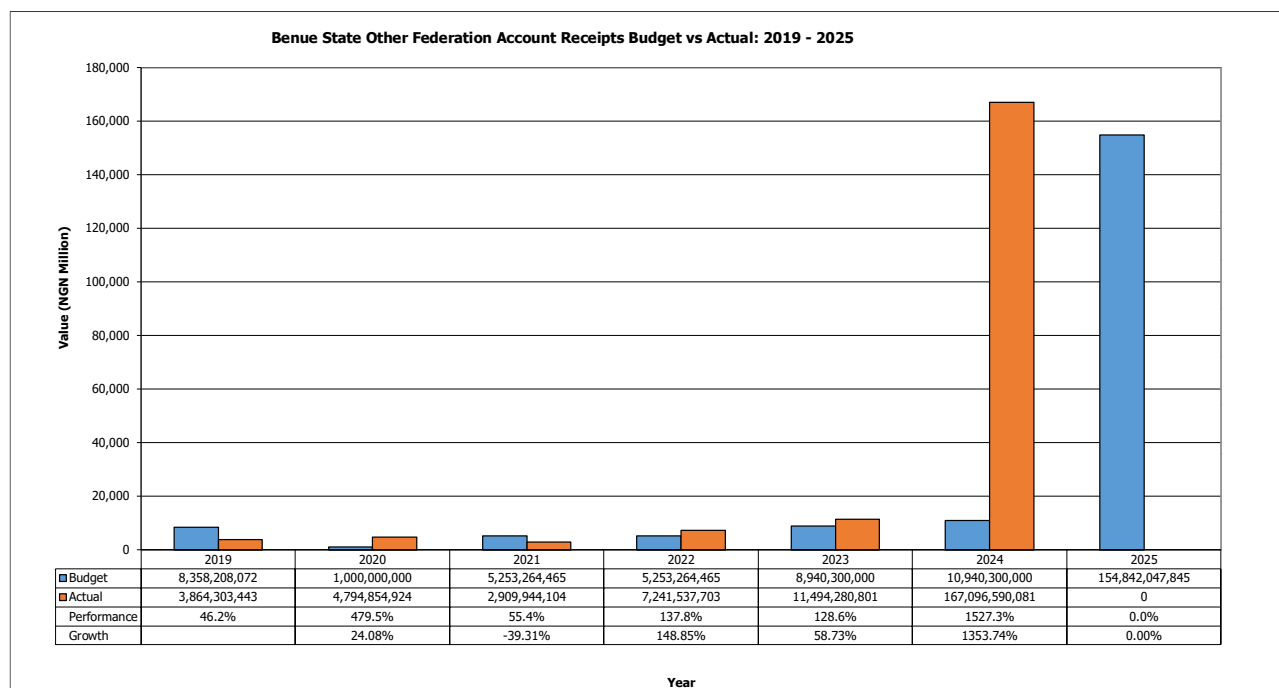
78. Figure 4 titled “Benue State VAT Budget vs Actual: 2019–2025” presents the State’s projected Value Added Tax (VAT) revenues and the actual amounts received across the period. This graph shows a consistent pattern of actual revenues surpassing budget projections in most years, indicating conservative budgeting and stronger-than-expected VAT collections. In 2019, the State budgeted about ₦14.96 billion but received ₦13.14 billion, translating to a performance rate of 87.8%. However, in 2020, a remarkable shift occurred. The budget was conservatively pegged at approximately ₦7.58 billion, while actual VAT receipts surged to ₦15.97 billion, representing a staggering 210.6% performance rate. This marked improvement continued into 2021, where the budget stood at ₦13.8 billion while actual VAT receipts hit approximately ₦22.28 billion, reflecting 161.5% performance and strong annual growth of 39.53%.
79. From 2022 through 2024, the upward trend in VAT collections persisted. In 2022, actual receipts (₦27.14 billion) exceeded the ₦22.37 billion budget, yielding a performance rate of 121.3%. Similarly, in 2023, VAT collections soared to ₦37.63 billion against a ₦26.00 billion budget, maintaining a strong performance rate of 144.7% with impressive growth of 38.66%. The most striking year was 2024, when

actual VAT revenues nearly tripled the projection. Against a budget of ₦26.0 billion, the State received ₦73.1 billion, an extraordinary performance of 281.2% and growth of 94.33%. This massive jump explains the increasing centrality of VAT as a dependable and buoyant revenue source, particularly when compared to statutory allocations, which suffered sharp underperformance in the same year. For 2025, the budget projects a massive ₦73.9 billion in VAT revenues, closely aligned with the 2024 actual receipts. A general observation is that, except for 2019, the actual VAT collections significantly exceeded projections, pointing to a more reliable and buoyant revenue stream for the State compared to statutory allocations.

Figure 4: IGR

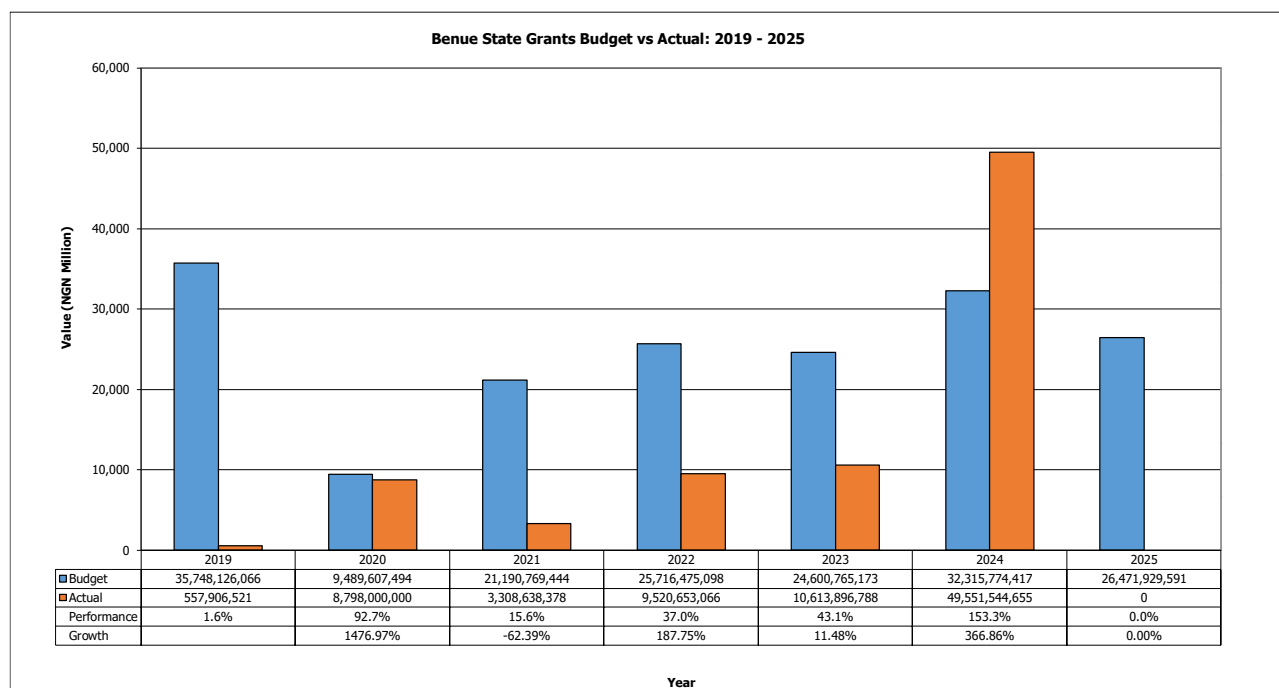


80. Figure 4 titled “Benue State IGR Budget vs Actual: 2019–2025” shows the State’s Internally Generated Revenue (IGR) performance over the period. In 2019, Benue State set a high revenue target of ₦37.43 billion but managed to collect only ₦17.18 billion, reflecting a performance rate of 45.9%. Consequently, the situation in 2020 saw a much lower budgeted IGR of ₦14.44 billion, perhaps in recognition of previous underperformance and the expected economic disruptions of the COVID-19 pandemic. Actual collections stood at ₦10.16 billion, yielding a performance rate of 72.4%, which, although still below target, reflected more realistic projections. However, growth compared to the previous year was sharply negative at -39.09%, showing the severe impact of economic contraction and reduced economic activities on IGR. From 2021 to 2023, IGR performance showed modest improvements, but budget-expectation mismatches persisted. In 2021, the budget was ₦19.76 billion, with actual collections of ₦12.6 billion, giving a performance rate of 63.8% and a positive growth of 20.43% compared to 2020. By 2022, the budget increased again to ₦37.66 billion, but actual collections were only ₦15.01 billion, pushing performance down to 39.9%, the lowest across the observed years. In 2023, the budget target was ₦29.04 billion, with actual collections of ₦19.2 billion, marking a better performance rate of 66.1% and growth of 27.88%, indicating gradual improvements in collection efficiency or expansion of the taxable base. In 2024 IGR was budgeted at ₦23.9 billion, which saw receipts of ₦20.9 billion representing 87.5% performance. This indicates 8.96 growth over the previous year.

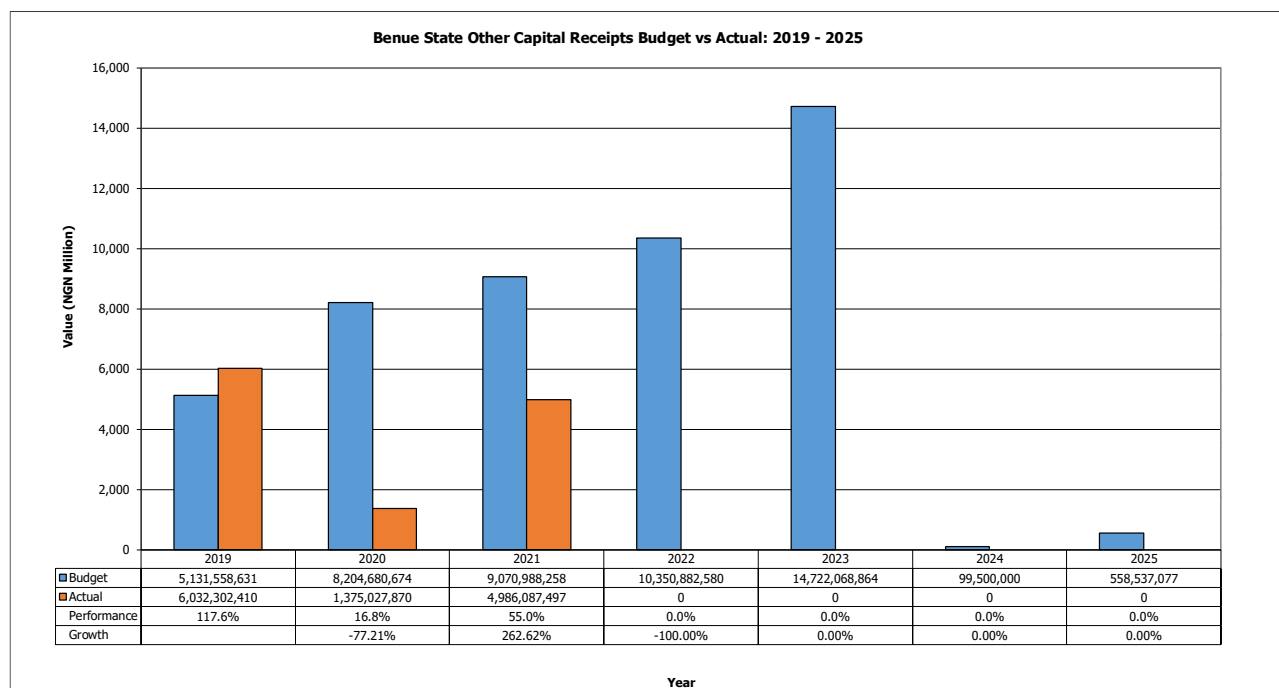
Figure 5: Other Federation Account Receipts

81. Figure 5 shows “Benue State Other Federation Account Receipts Budget vs Actual: 2019–2025” presenting the revenue inflows from other components of the Federation Account aside from statutory allocation and VAT. In 2019, the State budgeted ₦8.36 billion but received only ₦3.86 billion, showing a performance rate of just 46.2%. However, in 2020, the state budgeted a modest ₦1.0 billion but received ₦4.79 billion, yielding a remarkable 479.5% performance and 24.08% growth from the previous year. This reflects how conservative budgeting combined with higher-than-expected national disbursements can result in significant overperformance. The trend, however, reversed in 2021 when the budget rose to ₦5.25 billion, but actual receipts dropped to ₦2.91 billion, leading to a performance rate of 55.4% and negative growth of -39.31%. From 2022 onward, the figures depict both recovery and explosive growth.
82. In 2022, the budget remained at ₦5.25 billion, while actual receipts rose to ₦7.24 billion, representing 137.8% performance and 148.85% growth compared to the previous year. This positive turnaround continued in 2023, when the budgeted amount increased to ₦8.94 billion and actual collections reached ₦11.49 billion, yielding 128.6% performance and 58.73% growth. However, the most extraordinary year was 2024 when the budgeted figure was ₦10.94 billion, yet actual receipts skyrocketed to an unprecedented ₦167.1 billion. This represents a staggering 1527.3% performance and an astronomical growth rate of 1353.74% compared to the previous year. The high inflow of other Federation Account receipts was due to high performance of exchange gains and the electronic money transfer levy (EMTL). Looking ahead to 2025, the State has budgeted a massive ₦154.8 billion in anticipation of continued high inflows, which is unlikely. A striking feature of this graph is the high volatility in actual collections relative to budgets, with performance swinging from significant underperformance in some years to dramatic overperformance in others. This inconsistency shows the unpredictability of this revenue source, which may stem from the irregular nature of inflows such as exchange rate differentials, excess crude proceeds, or intervention funds.

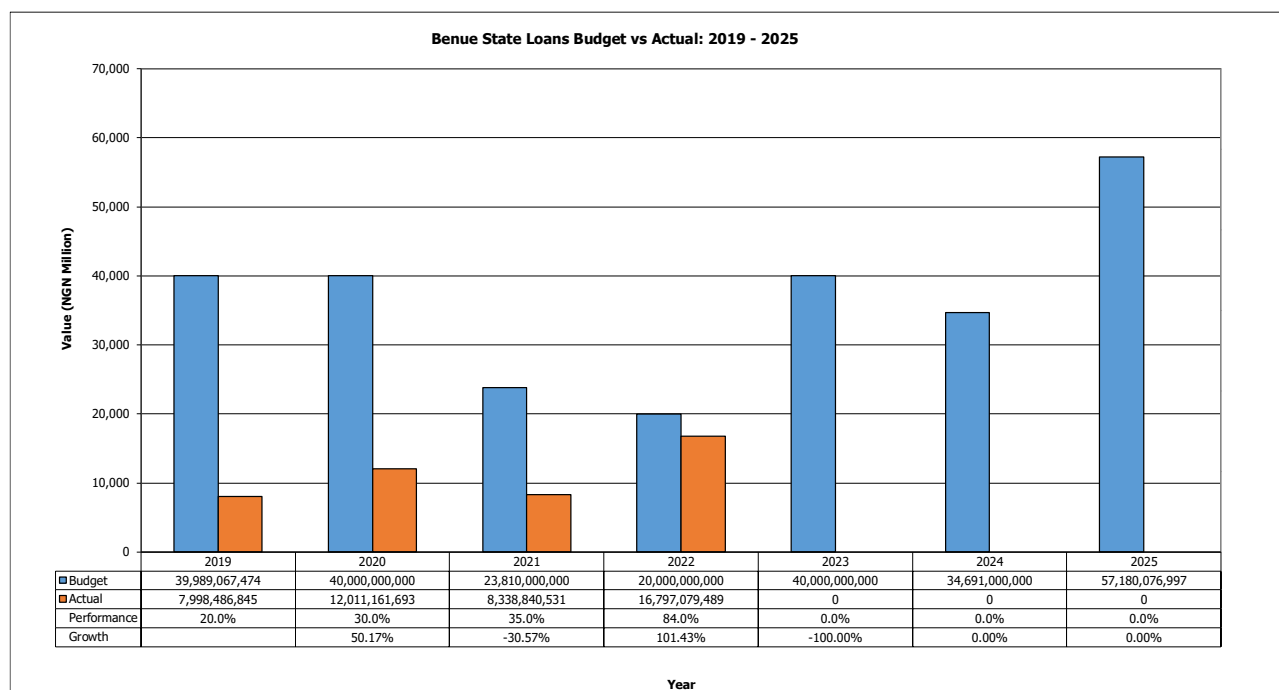
Figure 6: Grants



83. Figure 6 shows the Benue State grants budget versus actual receipts from 2019 to 2025. In 2019, the budgeted amount was approximately ₦35.75 billion, yet the State only realised around ₦557.91 million. This represents a performance of just 1.6%, highlighting a major shortfall in expected grants inflows. However, the picture changed dramatically in 2020 when the performance surged to 92.7%, with ₦8.8 billion actual receipts against the ₦9.19 billion budget. From 2021 to 2023, actual performance continued to fluctuate, though at higher levels than in 2019. In 2021, only ₦3.31 billion was received against ₦21.19 billion budgeted, yielding a performance of 15.6%. However, this was followed by stronger performance in 2022, when ₦9.52 billion was collected against ₦25.72 billion budgeted, reaching 37%. This upward trend carried over into 2023, with ₦10.61 billion realised from ₦24.6 billion budgeted, giving a performance rate of 43.1%. While these amounts still fall short of meeting the full budget, they suggest incremental improvements in grant collection capacity, indicating either stronger negotiations with partners or better alignment of budgets with realistic grant expectations.
84. The standout year in the trend is clearly 2024. Benue State budgeted ₦32.32 billion but remarkably achieved ₦49.55 billion in actual grants, overshooting its budget by a wide margin and resulting in a performance level of 153.3%. This sharp turnaround from the preceding years demonstrates extraordinary growth in grant inflows, recorded at 366.86% compared to 2023. Such a performance could be attributed to expanded donor interest, improved project designs that attracted more funding, or stronger institutional capacity to access external resources. In 2025, the budget has been set at ₦26.47 billion. The historical trend suggests that performance can be erratic, ranging from as low as 1.6% in 2019 to as high as 153.3% in 2024. This unpredictability reflects the challenges of relying heavily on grants as a revenue stream, given their dependence on external funding bodies, conditionalities, and broader economic and political factors.

Figure 7: Other Capital Receipts

85. The graph in Figure 7 presents the Other Capital Receipts from Benue State using the budgeted versus actual receipts from 2019 to 2025. In 2019, the State budgeted ₦5.13 billion but actually received ₦6.03 billion, resulting in a performance rate of 117.6%. This is the only year in the series where actual receipts exceeded the budget. In 2020, the situation shifted sharply. The budget increased significantly to ₦8.2 billion, but actual receipts dropped to just ₦1.38 billion, yielding a performance of only 16.8%. This represented a steep 77.2% decline compared to the previous year. The year 2021, however, brought some recovery, with actual receipts of ₦4.99 billion against a budget of ₦9.07 billion. This performance level of 55% was far from perfect but indicated that the State was able to mobilise a more meaningful share of its expected receipts compared to 2020. The 262.6% growth compared to the previous year shows this rebound, even though the actual values still lagged significantly behind budgeted targets.
86. The real collapse occurs from 2022 onward. Despite steady or even rising budgets to ₦10.35 billion in 2022 and ₦14.72 billion in 2023, no actual receipts were recorded, bringing performance down to 0% for multiple consecutive years. This trend persisted in 2024, where, despite a symbolic budget entry of just ₦99.5 million, actual receipts remained zero. The same is true for 2025 so far, though the actual data are yet to be collected. This prolonged pattern of non-performance raises important questions about the viability of “Other Capital Receipts” as a dependable revenue line in Benue State’s budgetary framework.

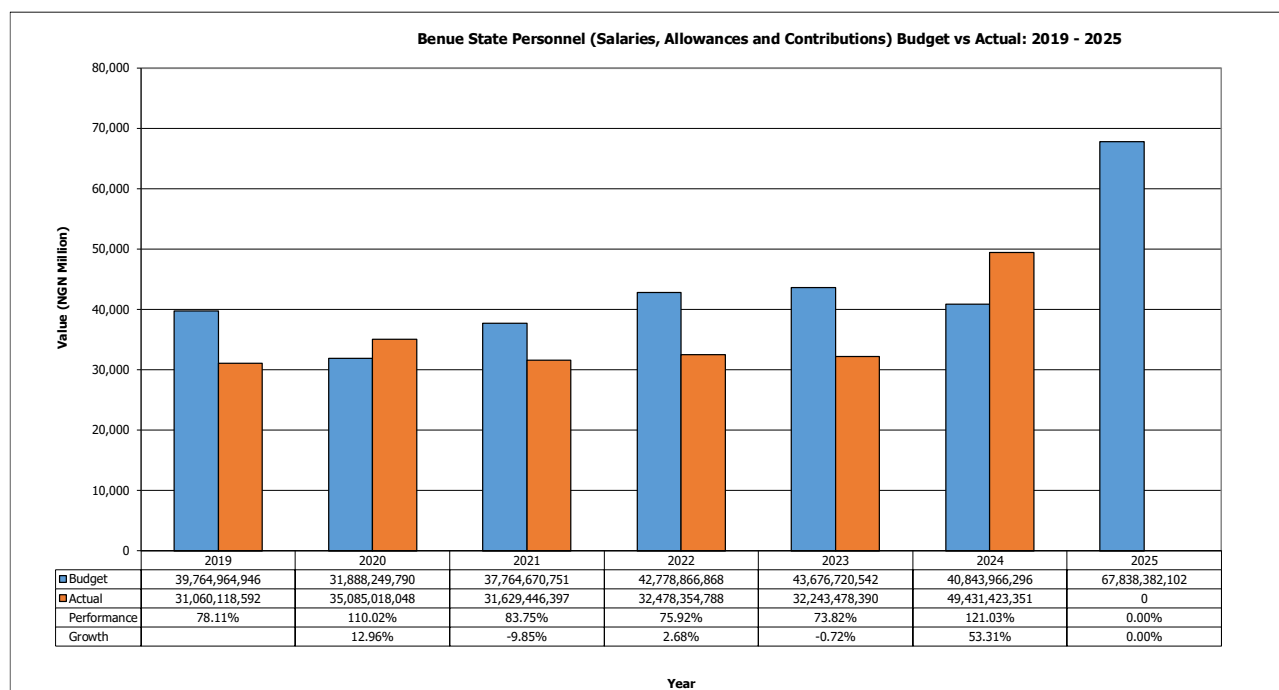
Figure 8: Loans/Financing

87. Figure 8 shows the Benue State loans budget versus actual financing from 2019 to 2025. In 2019, the State projected to secure loans worth approximately ₦39.99 billion, but only ₦7.99 billion was actually obtained. This translated to a performance rate of just 20.0%. By 2020, however, the situation improved slightly, with ₦12.01 billion received against a ₦40 billion budget, representing a performance of 30.0%. This upward trend suggested an enhanced ability to access loans, even though the actual amounts continued to fall significantly short of budgetary estimates. In 2021, the loan budget was reduced to ₦23.81 billion, but the State only secured ₦8.34 billion, yielding a performance of 35.0%. While the budget cut indicated more conservative planning, actual performance still hovered below 40%, reflecting persistent financing shortfalls. In 2022, against a ₦20 billion budget, the State realised ₦16.8 billion, giving an impressive performance rate of 84.0%. This surge represented a growth rate of 101.43% from the previous year, showing a significantly improved loan access, possibly due to favourable credit conditions or increased borrowing needs to finance expenditure pressures. The trend reversed in 2023 when, despite budgeting ₦40 billion for loans, the State recorded zero actual receipts. This resulted in a performance of 0.0%, pointing to either a deliberate policy shift away from loans or an inability to secure external financing despite high budgetary projections. Although, ₦34.69 billion was budgeted in 2024 to address the fiscal gaps, however, nothing was secured in this regard. The reason was to enhance the state's debt sustainability ratio, as well as observe the extent to which statutory inflows and IGR could be invested into state infrastructure for development. This further provided a clear borrowing path on what is actually needed as borrowed funds for public investment. To this extent, by 2025, the borrowing plan was set at ₦57.18, but later supplemented at ₦107.1 billion given changes in government priorities as well as expanded access to domestic and external lenders.

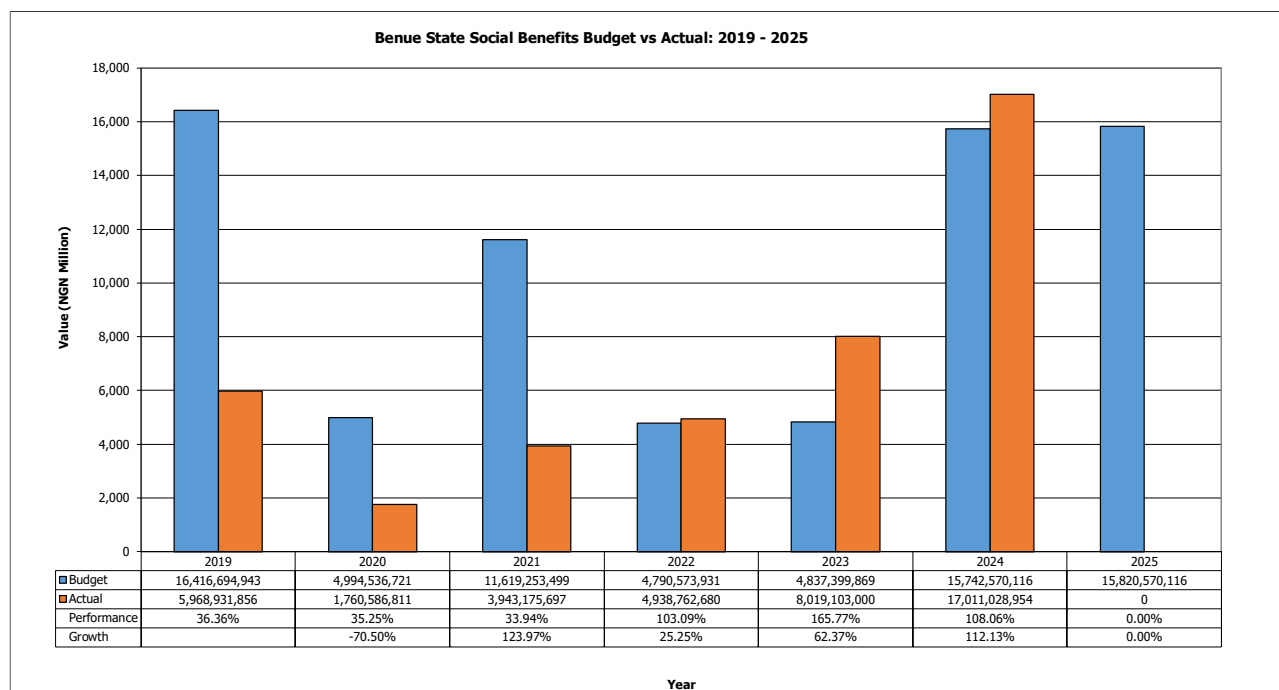
Expenditure Side

88. On the expenditure side, the document looks at Consolidated Revenue Fund (CRF) charges, Personnel, Overheads and Capital Expenditure – budget versus actual for the period 2019-2024 (six years) and 2025 budget.

Figure 9: Personnel

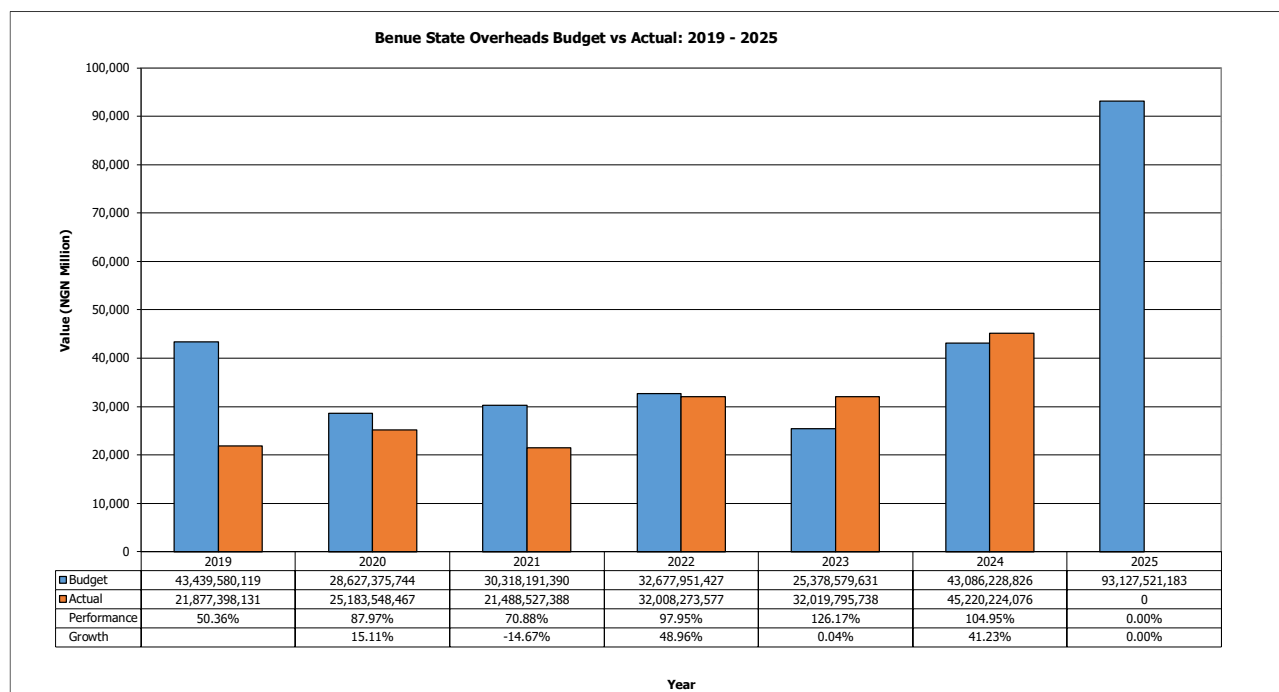


89. Figure 9 shows the Benue State personnel (salaries, allowances, and contributions) budget versus actual expenditures from 2019 to 2025. In 2019, the budgeted amount was approximately ₦39.76 billion, while actual personnel costs stood at ₦31.06 billion. This translated to a performance of 78.1%, indicating that while most of the budgeted amount was utilised, there was still a shortfall in spending relative to projections. By 2020, although the personnel budget was reduced to ₦31.89 billion, actual expenditure surged to ₦35.09 billion, giving a performance rate of 110.02%. This overshoot of the budget suggests higher-than-expected personnel-related obligations that pushed spending beyond planned levels. In 2021, the personnel budget was slightly raised to ₦37.76 billion, but actual spending declined to ₦31.63 billion, representing a performance of 83.75%. This reversal indicates tighter control over personnel costs or possible delays in the disbursement of salaries and allowances. By 2022, the personnel budget rose further to ₦42.78 billion, yet actual expenditure amounted to ₦32.48 billion, producing a performance rate of 75.92%. The relatively low execution rate in this year suggests persistent expenditure constraints, perhaps linked to revenue shortfalls or deliberate efforts to manage the wage bill. The year 2023 showed a similar pattern of underperformance. Against a budget of ₦43.68 billion, the State spent ₦32.24 billion, yielding a performance of 73.82%. However, in 2024, the budget was set at ₦40.84 billion, but the actual personnel spending increased to ₦49.43 billion. This resulted in a performance rate of 121.03%, marking the highest overshoot in the period under review. The sharp increase likely stemmed from the increase in the minimum wage that was implemented in 2024. For 2025, the personnel budget is projected at a record ₦67.84 billion. From above, personnel spending overshooting in 2020 and 2024 is an indication of the challenges of managing personnel costs, which often fluctuate in response to policy changes, labour negotiations, and arrears payments.

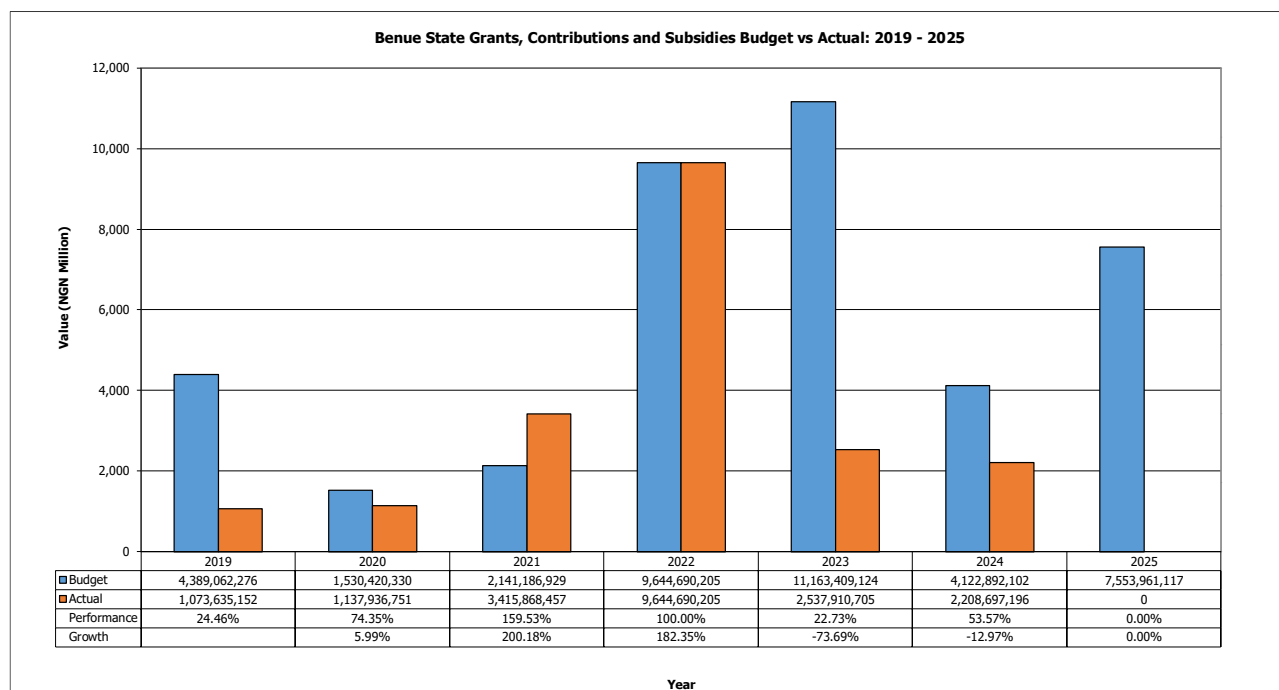
Figure 10: Social Benefits

90. Figure 10 shows the Benue State social benefits budget versus actual expenditures from 2019 to 2025. In 2019, the State budgeted approximately ₦16.42 billion for social benefits, but actual spending reached only ₦5.97 billion. This resulted in a performance rate of 36.36%. In 2020, the budget was cut drastically to ₦4.99 billion, yet actual spending stood at only ₦1.76 billion, producing a performance rate of 35.25%. This contraction in both budget and actual spending signalled fiscal tightening and a steep 70.5% decline in growth, pointing to difficult economic circumstances and possible reprioritisation away from social benefit allocations. The situation began to improve in 2021, when the budget was raised to ₦11.62 billion, though actual spending amounted to just ₦3.94 billion. This represented a modest performance of 33.94%, yet growth surged by 123.97% compared to the previous year. In 2022, the budget fell sharply again to ₦4.79 billion, but this time, actual expenditure of ₦4.94 billion slightly exceeded the budget. This yielded a performance rate of 103.1%, marking the first time within the period under review that actual spending surpassed planned allocations. The overshoot suggested a strong policy emphasis by the State to pay pensions and gratuity of retired civil servants and other public servants.
91. By 2023, the upward trend continued as the State budgeted ₦4.84 billion for social benefits but ended up spending ₦8.02 billion. This translated into a performance rate of 165.77% and a growth rate of 62.37%, indicating significant scaling up of spending on pensions and gratuity well beyond initial projections. The momentum carried into 2024, when ₦15.74 billion was budgeted and actual expenditure rose further to ₦17.01 billion, resulting in a performance rate of 108.06%. For 2025, the budget has been set at ₦15.82 billion. However, as of reporting, no actual expenditures have been recorded.

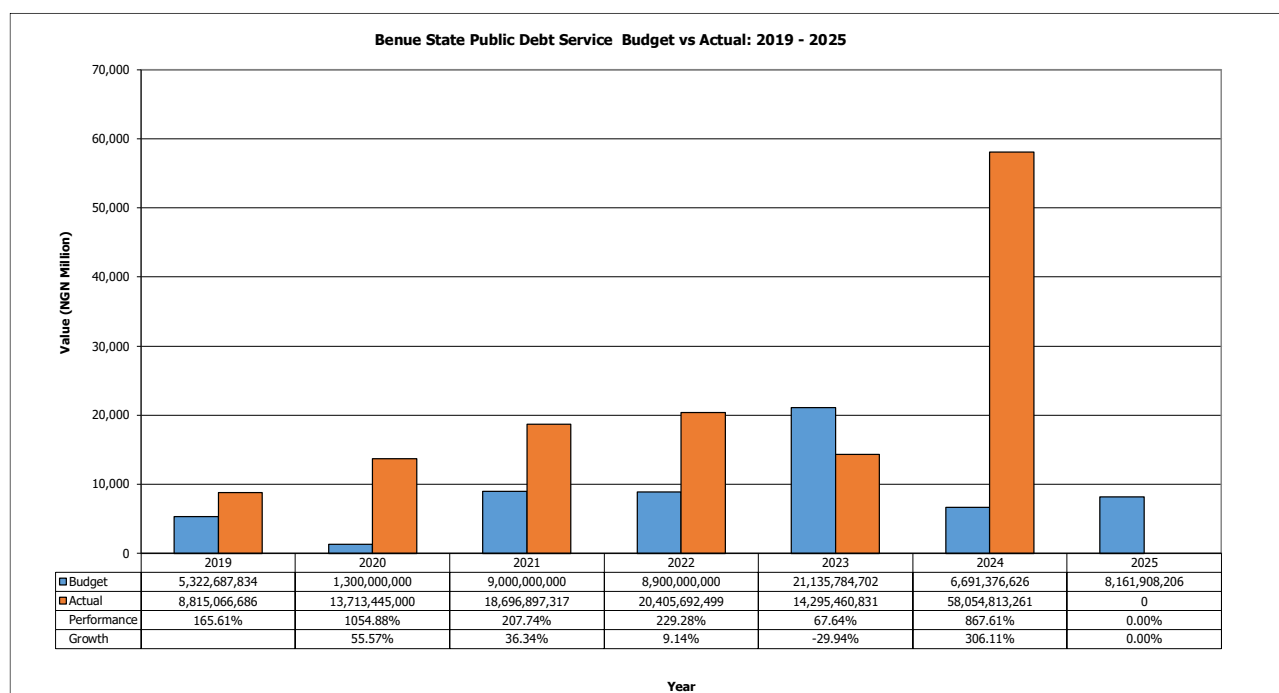
Figure 11: Overheads



92. Figure 11 shows the Benue State overheads budget versus actual expenditures from 2019 to 2025. In 2019, the State budgeted approximately ₦43.44 billion for overheads, but actual expenditure reached only ₦21.88 billion. This translated into a performance rate of 50.36%, showing that less than half of the projected overhead spending was actualised. In 2020, however, the budget was cut back to ₦28.63 billion, while actual spending stood at ₦25.18 billion. This produced a stronger performance rate of 87.97% and reflected a 15.11% growth, suggesting better budget alignment with actual disbursements. By 2021, the overhead budget was raised to ₦30.32 billion, yet actual expenditure declined slightly to ₦21.49 billion, resulting in a performance rate of 70.88% and a contraction of 14.67% in growth. This indicates the continued challenges in fully implementing overhead allocations despite higher budgetary provisions. The situation improved in 2022, when the overhead budget was ₦32.68 billion and actual expenditure rose sharply to ₦32.01 billion, leading to a performance rate of 97.95% and an impressive 48.96% growth. By 2023, however, the budget was reduced to ₦25.38 billion while actual overheads remained high at ₦32.02 billion. This overshoot pushed performance to 126.17%, signalling that overhead spending outpaced planned allocations, perhaps due to rising administrative and operational costs. The upward trend persisted in 2024, when ₦43.09 billion was budgeted, but actual spending rose further to ₦45.22 billion. This gave a performance rate of 104.95% and 41.23% growth, showing that overhead costs continued to increase. For 2025, the budget has been set at ₦93.13 billion.

Figure 12: Grants, Contributions, Subsidies, Transfers

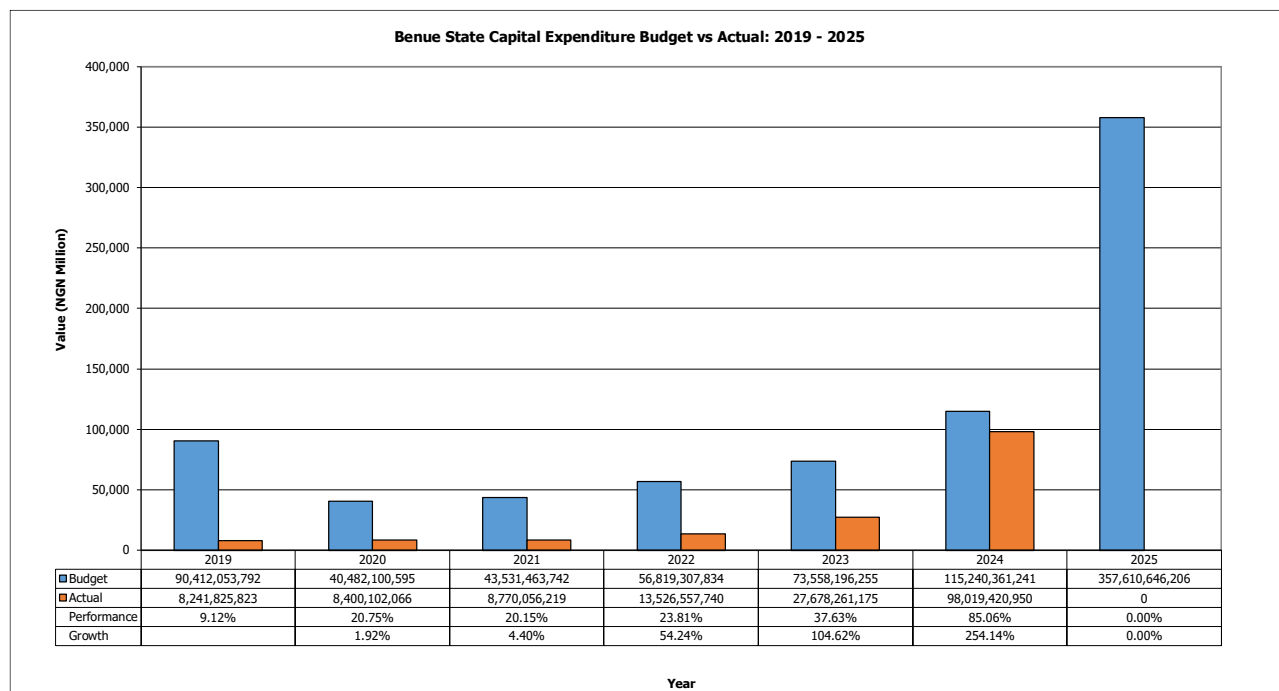
93. Figure 12 shows the Benue State grants, contributions and subsidies budget versus actual expenditures from 2019 to 2025. As depicted in Figure 12, Actual performance over budget was 24.46% in 2019, rose to 74.35% in 2020, rose significantly to 159.53% in 2021 and 100% in 2022, and dropped significantly to 22.73% in 2023 and 53.57% in 2024. The spike in the amount budgeted and spent by the State in 2022 was due to the State's special poverty alleviation programme. The programme did not continue in 2023, hence the drop in actual performance.

Figure 13: Public Debt Service

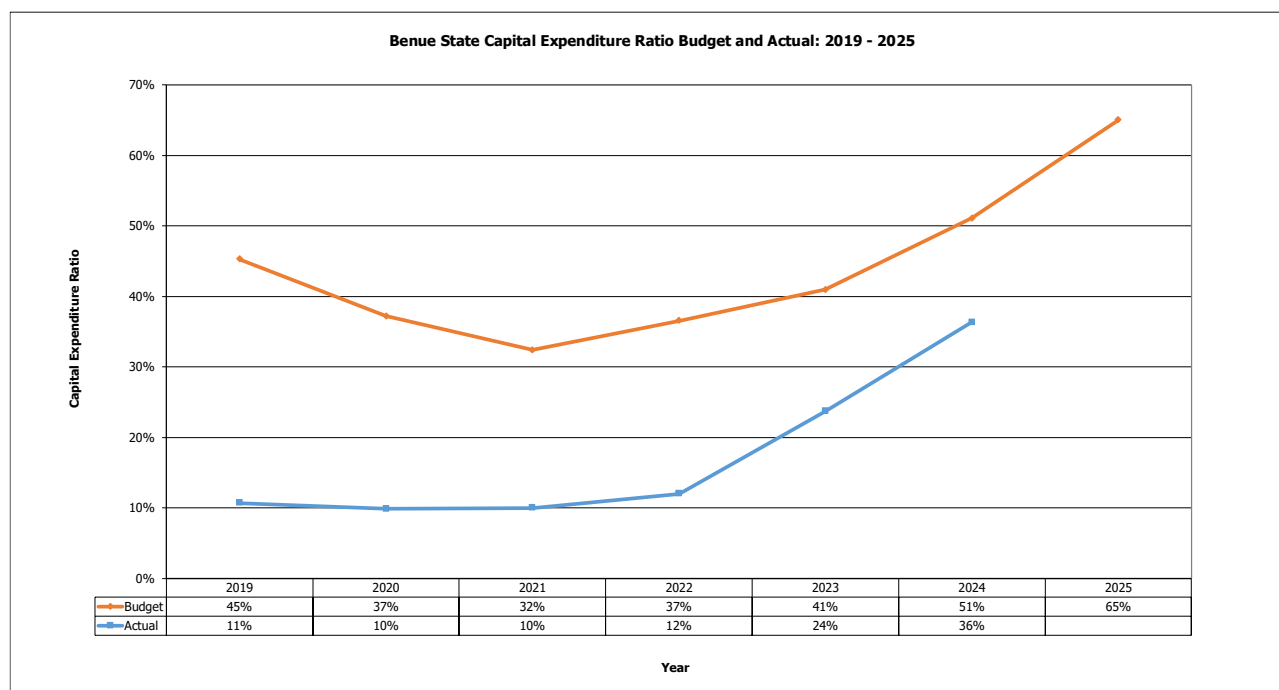
94. Public Debt Charge includes payment for internal and external debts (principal and interest). As shown in Figure 13, performance exceeded the target in 2019, 2020, 2021, 2022, and 2024 (i.e., 165.61%, 1,054.88%, 207.74, 229.28% and 867.61% respectively). However, performance was less than target in 2023 and 2025.

2023 (i.e., 67.64%). The State recorded a spike in debt servicing costs in 2024 with the payment of N58.05 billion.

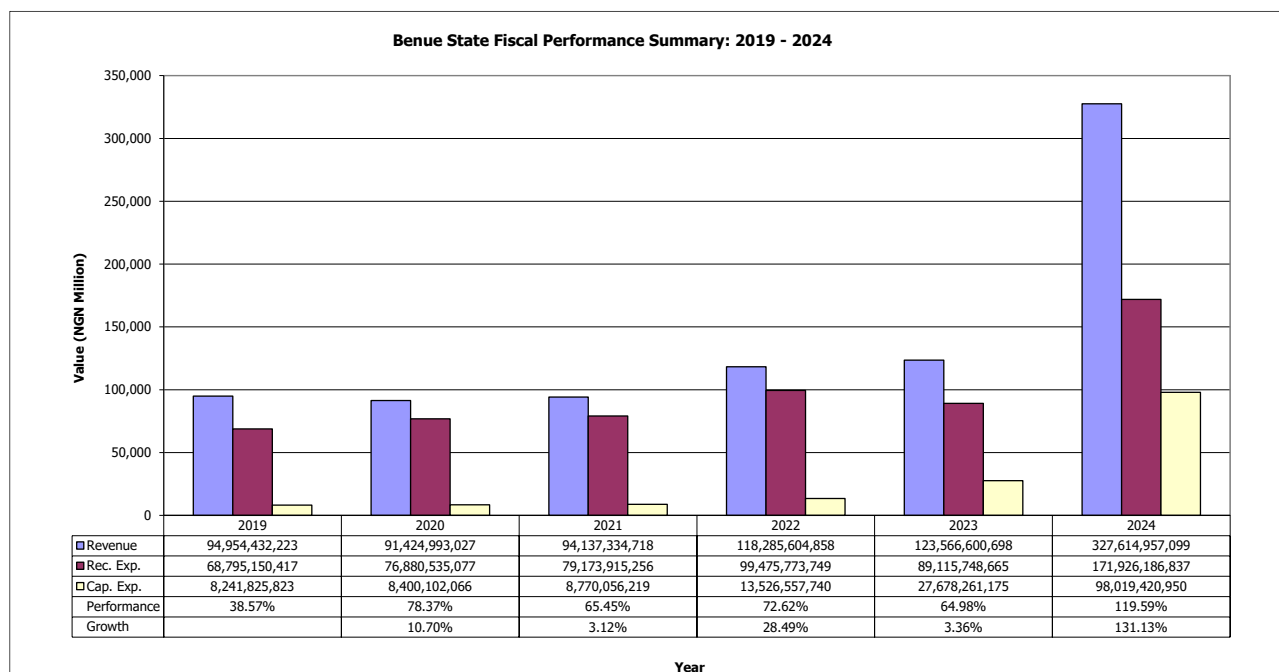
Figure 14: Capital Expenditure



95. Figure 14 shows the Benue State capital expenditure budget versus actual performance from 2019 to 2025. In 2019, the State budgeted approximately ₦90.41 billion for capital projects, but only ₦8.24 billion was actually spent. This translated into a performance rate of just 9.12%, reflecting a very wide gap between plans and implementation. In 2020, the capital expenditure budget was reduced sharply to ₦40.48 billion, while actual spending increased slightly to ₦8.40 billion. This gave a performance rate of 20.75% and a modest growth of 1.9% compared to the previous year. Despite the adjustment in budget size, the State continued to struggle with underperformance in capital project execution. In 2021, the capital budget rose slightly to ₦43.53 billion, but actual spending stood at ₦8.77 billion, yielding a performance rate of 20.15%. This represented only 4.4% growth, showing limited improvements in capital expenditure delivery. The trend improved significantly in 2022, when ₦56.82 billion was budgeted, and ₦13.53 billion was actually spent, leading to a performance rate of 23.81%. This represented a 54.24% growth in actual spending, signalling a stronger push toward capital investment, though the execution rate remained far below budgeted levels.
96. By 2023, capital expenditure rose to ₦73.56 billion, and actual spending more than doubled to ₦27.68 billion. This marked a performance rate of 37.63% and a growth rate of 104.62%, showing the most significant expansion in capital spending up to that point. The trend peaked in 2024, when the budget allocation surged to ₦115.24 billion, and actual spending climbed to ₦98.02 billion. This translated into a performance rate of 85.06% and a growth rate of 254.14%, indicating a remarkable turnaround in capital project delivery and suggesting stronger fiscal commitment or improved financing capacity for infrastructure and development projects. For 2025, the capital budget is projected at an unprecedented ₦357.61 billion, the highest within the review period. From above, the trend in capital expenditure between 2019 and 2025 reveals persistent underperformance in the early years, followed by a dramatic surge in 2023 and 2024. This shift highlights the increasing priority given to capital investment in recent years.

Figure 15: Recurrent: Capital Expenditure Ratio

97. Figure 13 presents the trend of the capital expenditure ratio in Benue State, comparing budgeted allocations with actual outcomes between 2019 and 2025. The data shows a consistent divergence between the budgeted expectations and the actual performance. In 2019, the State projected that 45% of its expenditure would be allocated to capital investments, but only 11% actual expenditure was on capital expenditure. This gap reflects the State's limited capacity to translate fiscal priorities into real developmental spending, with most funds channelled instead toward recurrent obligations. The following years reflect a similar trend of underperformance in capital expenditure ratios. In 2020, the budgeted ratio fell to 37%, while the actual ratio slightly decreased to 10%. The trend of low capital expenditure suggests that the State remained heavily burdened by recurrent costs such as salaries, pensions, and overheads, leaving little fiscal space for infrastructure and developmental projects. The ratio narrowed further in 2021, when the budgeted target dropped to 32%, but the actual remained stagnant at 10%. These three consecutive years reflect a structural imbalance in public finance, where recurrent obligations consistently crowded out developmental investments.
98. From 2022 onward, a gradual shift began to emerge. The budgeted ratio was 37%, but the actual rose modestly to 12%, suggesting a slow but deliberate attempt to rebalance expenditure priorities. In 2023, the capital ratio budgeted was 41%, while the actual ratio more than doubled to 24%. This marks a significant change in the pattern, indicating increased commitment toward capital investments and possibly improved fiscal capacity to fund infrastructure projects. The momentum strengthened further in 2024, when the budgeted ratio rose to 51% and the actual ratio reached 36%. This sharp increase reflects the most successful alignment between budgeted and actual capital spending in the review period, pointing to better fiscal discipline, stronger revenue mobilisation, or improved access to financing. The trend continues into 2025, where the State projects a capital expenditure ratio of 65%, the highest in the period.

Figure 16: Sector Expenditure Trend

99. In summary, Benue State's fiscal performance ranges between 38.57% and 131.13% as depicted in Figure 16. The lowest performance was recorded in 2016, while the highest performance was recorded in 2024, significantly due to impressive revenue performance, particularly FAAC receipts. To sustain the impressive performance of 2024, the state must continue to increase domestic revenue mobilisation, leveraging the new tax reforms introduced by the Federal Government, improve expenditure and risk management, and improve the governance and investment climate of the state to attract new investment opportunities and development/donor support.

By Sector

100. Analysis of both personnel, overhead & capital budget, and actual expenditure with performance indicators for all sectors from 2019 to 2024 is presented in the Tables below.

Table 4: Sector Expenditure – Budget Vs Actual

Benue State Personnel (Salaries, Allowances and Social Contributions) Expenditure by Sector												
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance	Average Budget	Average Actual
1	Government House Administration	328,603,052	270,700,306	294,861,832	5,704,871,593	2,494,490,512	8,751,643,622	3,524,959,852	16,453,475,789	469.38%	4.02%	21.49%
2	Benue State House of Assembly	498,888,109	1,150,000	801,535,312	361,636,605	427,801,669	750,912,815	624,105,515	563,000,769	71.28%	1.43%	1.16%
3	Ministry of Information, Culture and Tourism	921,490,155	1,108,151,159	948,509,442	610,555,496	955,509,446	904,550,495	849,583,826	1,178,065,692	103.43%	2.23%	2.62%
4	Bureau of Internal Affairs and Special Services (BIASS)	80,465,123	85,263,004	109,572,812	18,485,515	109,572,812	108,860,975	124,500,000	140,678,866	83.30%	0.26%	0.24%
5	Office of the Head of Service (HOS)	752,832,835	683,186,117	828,784,449	434,756,838	782,758,115	798,382,130	904,013,466	830,499,647	84.04%	1.98%	1.89%
6	Auditor General	217,788,826	288,190,842	198,958,455	183,975,107	198,958,455	160,918,583	210,440,852	221,730,996	103.47%	0.50%	0.59%
7	Benue State Civil Service Commission	3,832,000	1,001,337	4,456,861	4,197,348	4,197,348	3,940,204	5,200,830	2,233,405	66.74%	0.01%	0.01%
8	Benue State Independent Electoral Commission (BSIEC)	203,837,303	190,396,046	202,480,756	70,418,035	202,480,756	184,060,757	247,959,575	1,217,993,546	194.09%	0.52%	1.15%
9	Local Government Service Commission	20,157,636	30,236,469	1,962,723,620	23,027,926	20,157,636	18,927,250	25,300,564	26,503,147	4.87%	1.23%	0.07%
10	Ministry of Communications and Digital Economy	0	0	0	0	0	0	92,822,090	0	0.00%	0.06%	0.00%
11	Office of the Secretary to the State Government (SSG)	1,372,450,530	1,143,206,892	1,778,764,998	1,466,105,281	2,278,764,998	822,469,840	2,880,893,805	1,214,631,777	55.91%	5.03%	3.20%
12	Ministry of Agriculture & Food Security	1,815,883,217	1,548,704,620	1,997,643,750	1,541,538,796	1,756,448,150	1,496,616,817	1,891,453,654	1,574,983,587	82.58%	4.52%	4.25%
13	Ministry of Finance	851,303,935	1,108,493,763	863,397,022	1,032,496,981	862,151,930	810,052,133	1,234,708,234	811,329,519	98.71%	2.31%	2.59%
14	Ministry of Science and Technological Innovation	59,667,480	0	59,667,480	0	59,667,480	79,773,351	77,730,948	92,420,516	67.07%	0.16%	0.12%
15	Ministry of Power and Transport	0	0	0	0	0	0	100,000,000	0	0.00%	0.06%	0.00%
16	Ministry of Works, Housing and Urban Development	230,569,076	174,893,363	210,866,028	99,697,891	205,866,028	192,545,305	118,960,857	132,708,707	78.28%	0.46%	0.41%
17	Benue State Budget and Economic Planning Commission	54,471,768	23,570,838	56,334,591	81,464,713	56,334,591	57,505,038	108,799,242	73,944,470	75.81%	0.19%	0.16%
18	Fiscal Responsibility Commission	0	0	56,920,332	56,612,159	62,680,340	0	62,680,340	0	31.06%	0.11%	0.04%
19	Ministry of Water Resources, Environment and Climate Change	411,542,586	350,328,137	443,125,731	290,052,867	443,125,731	358,734,588	386,002,982	363,976,990	80.95%	1.02%	0.94%
20	Ministry of Cooperatives and Rural Development	109,388,172	111,782,028	107,259,252	56,576,890	107,259,252	76,864,039	145,825,505	151,933,866	84.55%	0.28%	0.27%
21	Ministry of Lands, Survey and Solid Minerals	112,981,648	122,964,098	120,421,620	89,125,360	120,421,620	104,621,196	121,599,194	124,630,132	92.83%	0.29%	0.30%
22	Ministry of Industry, Trade and Investment	85,250,268	93,154,745	113,833,397	110,323,117	218,233,397	132,617,488	216,689,859	232,527,896	89.69%	0.38%	0.39%
23	Benue State Judicial Service Commission	1,514,950,559	1,332,754,672	1,495,094,251	1,066,415,911	2,050,791,922	2,068,043,455	2,515,177,105	1,258,524,554	75.58%	4.59%	3.95%
24	Ministry of Justice and Public Order	260,364,898	274,178,844	285,701,191	257,347,203	285,701,191	304,925,650	280,349,063	206,346,606	93.77%	0.67%	0.72%
25	Ministry of Women Affairs and Social Welfare	134,147,836	107,718,199	178,813,008	5,786,407	178,813,008	103,710,918	287,327,238	144,092,174	81.03%	0.47%	0.44%
26	Ministry of Education and Knowledge Management	17,010,356,468	15,947,417,734	19,591,647,862	13,753,821,546	18,090,403,263	8,558,499,960	18,279,573,616	14,018,390,016	77.64%	44.21%	36.04%
27	Ministry of Health and Human Services	10,362,513,406	6,443,345,273	9,712,189,419	4,576,556,462	11,310,570,981	4,439,627,315	4,936,984,570	7,677,389,486	63.70%	22.00%	15.95%
28	Ministry of Youth, Sports and Creativity	212,152,928	46,620,546	217,212,210	546,374,954	219,212,210	162,913,289	222,898,437	207,780,241	110.58%	0.53%	0.66%
29	Ministry of Humanitarian Affairs and Disaster Management	0	0	0	0	0	0	200,000,000	0	0.00%	0.12%	0.00%
30	Bureau of Local Government and Chieftaincy Affairs	138,780,936	142,037,364	138,350,700	35,874,274	138,350,700	139,103,456	167,425,076	177,325,094	84.81%	0.35%	0.34%
	Total	37,764,670,751	31,629,446,397	42,778,866,868	32,478,354,788	43,676,720,542	31,590,820,669	40,843,966,296	49,367,117,488	87.88%	100.00%	100.00%

Benue State Overhead Expenditure by Sector												
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance	Average Budget	Average Actual
1	Government House Administration	3,296,132,157	4,426,864,195	4,197,692,309	3,232,700,517	3,215,094,896	3,589,516,108	7,442,472,466	6,752,781,505	99.18%	13.81%	13.77%
2	Benue State House of Assembly	887,035,106	10,426,075	1,649,322,105	1,519,139,170	1,436,415,474	1,320,333,920	2,429,998,651	3,006,301,620	91.46%	4.87%	4.48%
3	Ministry of Information, Culture and Tourism	208,963,901	166,152,638	528,624,613	184,847,148	397,754,121	124,197,089	156,010,627	115,580,191	45.75%	0.98%	0.45%
4	Bureau of Internal Affairs and Special Services (BIASS)	10,042,626,980	8,244,326,539	6,382,501,100	11,755,723,912	8,782,136,041	9,483,966,781	10,283,900,000	433,234,632	84.29%	27.00%	22.88%
5	Office of the Head of Service (HOS)	307,412,065	125,676,888	572,770,970	94,461,498	413,679,679	179,328,392	246,836,800	130,051,018	34.37%	1.17%	0.41%
6	Auditor General	29,867,693	45,802,443	81,941,438	16,033,920	61,070,197	21,595,026	21,240,000	8,807,650	47.52%	0.15%	0.07%
7	Benue State Civil Service Commission	28,719,810	3,000,000	51,268,436	24,576,102	43,007,650	30,907,827	21,240,000	13,316,705	49.78%	0.11%	0.05%
8	Benue State Independent Electoral Commission (BSIEC)	875,626,050	27,233,790	1,758,673,650	301,584,337	189,012,005	20,732,121	1,923,961,100	4,424,541,803	100.56%	3.61%	3.65%
9	Local Government Service Commission	216,599,485	319,742,097	267,016,284	201,524,467	127,113,959	108,651,687	127,080,000	117,724,030	101.33%	0.56%	0.57%
10	Ministry of Communications and Digital Economy	0	0	0	0	0	0	263,760,000	739,256,250	280.28%	0.20%	0.57%
11	Office of the Secretary to the State Government (SSG)	1,050,491,555	726,562,000	901,042,710	577,177,622	887,299,896	1,196,282,583	1,253,191,600	2,078,586,711	111.89%	3.11%	3.50%
12	Ministry of Agriculture & Food Security	395,010,147	80,552,024	481,608,660	49,112,688	682,145,467	66,235,712	451,409,467	62,768,472	12.87%	1.53%	0.20%
13	Ministry of Finance	7,572,190,373	3,090,277,435	7,462,094,088	5,704,036,682	1,823,541,539	4,551,105,044	8,056,182,676	9,021,836,815	89.78%	18.95%	17.11%
14	Ministry of Science and Technological Innovation	67,809,750	0	104,078,750	0	74,650,968	22,627,515	72,764,868	9,979,417	10.21%	0.24%	0.02%
15	Ministry of Power and Transport	0	0	0	0	0	0	43,610,250	5,927,021	13.59%	0.03%	0.00%
16	Ministry of Works, Housing and Urban Development	52,331,225	37,246,399	108,702,000	32,161,911	74,907,700	41,233,160	57,583,700	5,985,557	39.73%	0.22%	0.09%
17	Benue State Budget and Economic Planning Commission	84,045,124	43,432,942	156,829,544	94,374,881	174,190,681	82,018,502	200,035,851	333,716,006	89.99%	0.47%	0.42%
18	Fiscal Responsibility Commission	36,020,000	0	43,230,000	0	43,230,000	0	30,261,000	0	0.00%	0.11%	0.00%
19	Ministry of Water Resources, Environment and Climate Change	316,388,086	116,540,040	483,195,780	77,854,294	546,325,688	295,489,722	660,276,334	290,695,175	38.91%	1.53%	0.60%
20	Ministry of Cooperatives and Rural Development	17,986,420	12,320,113	22,884,180	4,697,992	23,860,060	6,657,775	5,898,717	2,658,318	22.96%	0.08%	0.02%
21	Ministry of Lands, Survey and Solid Minerals	47,608,151	23,365,000	38,485,000	710,226,860	26,939,500	8,993,800	30,478,000	6,613,050	522.05%	0.11%	0.57%
22	Ministry of Industry, Trade and Investment	21,919,428	15,109,946	125,339,293	36,837,641	229,518,765	25,118,325	139,321,285	19,020,249	18.62%	0.39%	0.07%
23	Benue State Judicial Service Commission	273,469,029	358,334,268	1,480,234,892	363,021,508	1,072,296,361	561,776,114	1,006,935,595	848,377,517	55.61%	2.92%	1.63%
24	Ministry of Justice and Public Order	169,438,406	763,889,773	1,059,377,830	764,521,922	742,964,481	1,315,384,638	1,051,914,490	8,377,248,449	371.10%	2.30%	8.58%
25	Ministry of Women Affairs and Social Welfare	332,228,127	138,013,746	353,071,731	22,411,668	267,730,072	54,356,659	433,487,224	102,312,448	22.87%	1.05%	0.24%
26	Ministry of Education and Knowledge Management	1,854,464,704	2,202,926,428	2,306,413,464	2,711,467,164	2,315,576,963	6,556,614,337	3,609,205,922	5,538,419,271	168.65%	7.67%	13.01%
27	Ministry of Health and Human Services	1,722,947,919	221,586,869	1,255,776,209	3,441,294,368	1,297,366,906	821,923,469	966,402,950	2,437,654,372	132.05%	3.99%	5.29%
28	Ministry of Youth, Sports and Creativity	195,321,240	36,358,051	455,219,891	51,325,774	198,330,014	91,740,364	571,344,696	208,705,102	27.33%	1.08%	0.30%
29	Ministry of Humanitarian Affairs and Disaster Management	0	0	0	0	0	0	782,052,076	1,215,312,500	84.84%	0.92%	0.60%
30	Bureau of Local Government and Chieftaincy Affairs	215,538,460	252,787,687	350,556,500	37,159,533	245,389,550	664,956,450	273,353,000	118,895,770	98.98%	0.83%	0.82%
	Total	30,318,191,390	21,488,527,388	32,677,951,427	32,008,273,577	25,378,579,631	32,019,795,737	43,086,228,826	45,220,224,076	99.45%	100.00%	100.00%

Benue State Capital Expenditure by Sector											
No.	Sector	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2023 Actual	2024 Budget	2024 Actual	Performance	Average Budget
1	Government House Administration	1,097,762,030	1,515,170,330	5,619,233,000	1,500,000	1,539,782,560	90,746,747	5,172,734,378	24,534,571,817	194.66%	4.64%
2	Benue State House of Assembly	976,508,000	0	1,029,640,000	0	753,165,000	413,323,057	3,105,600,000	75,898,000	8.34%	2.03%
3	Ministry of Information, Culture and Tourism	1,223,008,311	265,183,091	1,542,308,320	149,388,552	1,060,849,405	0	774,162,830	638,390,720	22.89%	1.59%
4	Bureau of Internal Affairs and Special Services (BIASS)	150,000,000	0	181,100,000	93,792,000	443,100,000	5,004,350	0	0	12.76%	0.27%
5	Office of the Head of Service (HOS)	60,994,948	107,074,435	389,173,120	0	276,635,184	807,525	997,000,000	0	6.26%	0.60%
6	Auditor General	4,333,200	0	79,332,600	0	55,532,820	25,800	500,000,000	0	0.00%	0.22%
7	Benue State Civil Service Commission	25,800,000	0	8,800,000	0	20,160,000	0	70,000,000	0	0.00%	0.04%
8	Benue State Independent Electoral Commission (BSIEC)	36,245,130	0	48,234,630	0	30,203,341	0	27,256,000	6,367,556,000	4486.12%	0.05%
9	Local Government Service Commission	25,139,540	0	132,459,540	0	25,139,540	0	25,139,540	0	0.00%	0.07%
10	Ministry of Communications and Digital Economy	0	0	0	0	0	0	706,914,297	670,000,000	94.78%	0.24%
11	Office of the Secretary to the State Government (SSG)	75,663,900	307,965,048	125,663,900	0	38,019,730	1,900,000	65,343,900	468,564,120	255.48%	0.11%
12	Ministry of Agriculture & Food Security	6,130,388,677	0	8,336,419,842	280,607,658	11,449,937,115	776,352,110	6,159,257,111	6,412,842,118	23.29%	11.09%
13	Ministry of Finance	462,176,064	0	531,518,064	0	535,862,645	312,641,410	12,183,083,522	47,400,700	2.63%	4.74%
14	Ministry of Science and Technological Innovation	732,625,507	0	781,770,387	0	589,239,271	0	5,308,078,870	293,551,724	3.96%	2.56%
15	Ministry of Power and Transport	0	0	0	0	0	11,531,442,487	1,980,860,000	845,149,108	624.81%	0.69%
16	Ministry of Works, Housing and Urban Development	10,638,865,259	3,493,478,548	12,652,882,145	11,545,001,655	26,120,572,662	9,728,754,557	26,333,333,333	20,620,774,420	59.92%	26.20%
17	Benue State Budget and Economic Planning Commission	2,121,840,817	0	1,264,840,817	0	1,084,448,572	156,827,167	3,527,908,073	47,171,681	2.55%	2.77%
18	Fiscal Responsibility Commission	3,510,000	0	65,800,000	529,580,720	46,060,000	0	3,850,000	0	444.20%	0.04%
19	Ministry of Water Resources, Environment and Climate Change	3,409,347,428	63,876,250	4,060,758,920	407,695,736	4,101,115,662	332,328,114	4,393,556,421	7,346,660,206	51.05%	5.52%
20	Ministry of Cooperatives and Rural Development	3,798,592,112	833,919,126	4,593,592,112	500,000,000	11,896,974,570	1,698,902,620	10,731,550,000	0	9.78%	10.73%
21	Ministry of Lands, Survey and Solid Minerals	3,068,316,800	322,604,500	2,234,836,800	0	1,494,385,760	0	1,520,100,400	23,078,104	4.16%	2.88%
22	Ministry of Industry, Trade and Investment	451,870,800	33,079,842	663,505,219	4,989,556	1,182,665,470	34,846,608	3,797,700,000	9,012,089,632	149.04%	2.11%
23	Benue State Judicial Service Commission	459,596,460	0	3,271,491,969	0	1,970,844,378	560,000	4,706,888,287	794,387,217	7.64%	3.60%
24	Ministry of Justice and Public Order	142,845,400	0	146,400,000	0	102,480,000	0	1,000,000,000	85,093,487	6.11%	0.48%
25	Ministry of Women Affairs and Social Welfare	258,707,300	40,000	507,692,300	0	774,901,610	930,000	1,190,500,000	108,000,000	3.99%	0.94%
26	Ministry of Education and Knowledge Management	2,402,867,078	1,211,457,735	4,737,991,898	2,932,496	4,264,491,404	1,133,749,065	6,397,524,850	2,656,525,274	28.11%	6.16%
27	Ministry of Health and Human Services	5,164,296,682	611,390,814	3,200,171,325	11,069,367	2,982,945,907	558,189,360	9,236,701,270	13,997,626,365	73.74%	7.12%
28	Ministry of Youth, Sports and Creativity	570,012,299	0	547,690,926	0	672,483,648	0	4,275,407,535	2,972,980,258	49.91%	2.10%
29	Ministry of Humanitarian Affairs and Disaster Management	0	0	0	0	0	900,000,000	553,000,000	0	162.75%	0.19%
30	Bureau of Local Government and Chieftaincy Affairs	40,150,000	4,816,500	66,000,000	0	46,200,000	930,200	496,910,624	1,110,000	1.06%	0.22%
	Total	43,531,463,742	8,770,056,219	56,819,307,834	13,526,557,740	73,558,196,255	27,678,261,175	115,240,361,241	98,019,420,950	51.18%	100.00%

2.B.2 Debt Position

101. A summary of the consolidated debt position for Benue State Government is provided in the table below.

Table 5: Debt Position as at 31st December 2024

Debt Sustainability Analysis		
A DSA RATIO SCENARIOS:	Sustainability Thresholds	As at 31st December 2024
Solvency Ratios	Percentage	Percentage
1 Total Domestic Debt/IGR	150%	585.94%
2 Total External Debt/Gross FAAC	150%	15.27%
3 Total Public Debt/Total Recurrent Revenue	150%	58.20%
4 Total Public Debt/State GDP Ratio	25%	No GDP Figure Available
Liquidity Ratios	Percentage	Percentage
5 Domestic Debt Service/IGR	15%	265.35%
6 External Debt Service/Gross FAAC	10%	0.99%
8 Debt Service Deductions from FAAC/Gross FAAC	40%	1.94%
8 Total Debt Service/Total Recurrent Revenue	25%	20.88%
B PUBLIC DEBT DATA AS AT 31st DECEMBER 2024		Naira
1 Total Domestic Debt		122,575,619,594
2 Total External Debt		39,263,902,091
3 Total Public Debt		161,839,521,686
4 Total Domestic Debt Service 2024		55,509,415,229
5 Total External Debt Service in 2024		2,545,398,032
6 Total Public Debt Service		58,054,813,261

102. Table 7 presents the debt sustainability analysis (DSA) of Benue State as of 31st December 2024, disaggregating solvency ratios, liquidity ratios, and overall public debt data. The solvency indicators reveal a mixed picture. The ratio of total domestic debt to internally generated revenue (IGR) stands at a staggering 585.94%, far exceeding the sustainability threshold of 150%. This indicates that the State's domestic debt burden is disproportionately high relative to its ability to generate revenue internally, suggesting a heavy reliance on borrowing rather than homegrown revenue sources. On the other hand, external debt to gross FAAC (federation account allocation) is 15.27%, which falls comfortably within the sustainability benchmark of 150%. Similarly, total public debt to recurrent revenue stands at 58.20%, well below the threshold of 150%, suggesting that despite high domestic debt exposure, the State's overall debt relative to recurrent revenue remains within manageable levels.
103. Turning to liquidity ratios, the analysis paints a concerning picture, especially with respect to domestic debt service. The ratio of domestic debt service to IGR is 265.35%, significantly breaching the recommended ceiling of 15%. This indicates that the internally generated revenue in the State is grossly insufficient to cover its domestic debt service obligations, highlighting acute fiscal stress. Conversely, external debt service to gross FAAC is only 0.99%, well below the 10% benchmark, implying that external debt obligations remain manageable and pose no immediate liquidity threat. Debt service deductions from FAAC as a share of gross FAAC stand at 1.94%, which is also within the permissible threshold of 40%. In addition, total debt service to recurrent revenue is recorded at 20.88%, which, though below the ceiling of 25%, signals that about one-fifth of recurrent revenue is already being absorbed by debt servicing. This reduces fiscal space for recurrent obligations such as salaries, pensions, and overheads.
104. Section B of the table presents the absolute figures for the public debt in Benue State as of December 2024. The total domestic debt amounts to ₦122.58 billion, while total external debt is ₦39.26 billion, bringing the aggregate public debt to ₦161.84 billion. Debt servicing remains a critical issue, with ₦55.51 billion spent on domestic debt service and ₦2.55 billion on external debt service, amounting

to a combined ₦58.05 billion in total debt service obligations for the year. This debt service burden is disproportionately skewed toward domestic debt, which accounts for over 95% of the total. The scale of domestic debt servicing relative to revenues suggests that Benue State's fiscal stability is heavily undermined by high interest payments and short-term borrowing pressures. From above, Benue State's overall debt-to-revenue indicators appear moderate when viewed against external benchmarks. The composition and servicing profile of the debt raise serious concerns. The excessive reliance on domestic borrowing, coupled with unsustainable debt service ratios relative to internally generated revenue, highlights structural weaknesses in revenue mobilisation and fiscal discipline. The relative comfort in external debt indicators reflects cautious foreign borrowing, but this does not offset the risks posed by the ballooning domestic obligations.

3 Fiscal Strategy Paper

3.A Macroeconomic Framework

105. The Macroeconomic framework is based on:

Figure 17: Benue State Macroeconomic Framework

Benue State Macroeconomic and Mineral Framework 2026 - 2028

Item	2026	2027	2028
National Inflation (CPI)	23.00%	17.00%	15.00%
National Real GDP Growth	3.20%	3.30%	3.30%
Oil Price Actual	60.0000	60.0000	60.0000
Oil Price Benchmark	\$55.00	\$55.00	\$55.00
Oil Production Benchmark (MBPD)	1.7000	1.7500	1.8000
NGN:USD Exchange Rate	1500	1500	1500
Other Assumptions			
Mineral Ratio (Before Subsidy)	20%	22%	24%

3.B Fiscal Strategy and Assumptions

Policy Statement

The Benue State Government is dedicated to mobilising its citizens to harness the state's rich agricultural, human, and natural resources to foster sustainable wealth creation, promote individual prosperity, collective development, and peaceful coexistence in a secure, transparent, and accountable environment. Guided by the Benue State Fiscal Responsibility Law 2020, Part V, Section 22(1), the state's fiscal policy for 2026-2028 emphasises aggregate fiscal discipline, allocative efficiency, and effective spending to position Benue as a leading agricultural and economic hub, leveraging its status as the "Food Basket of the Nation".

Objectives and Targets

106. The key targets from a fiscal perspective are:

- **Expenditure Optimisation:** Streamline personnel and overhead costs to allocate at least 45% of the annual budget to capital development, prioritising agriculture, rural infrastructure, and healthcare.
- **Internally Generated Revenue (IGR) Growth:** Achieve a 12% annual IGR increase by improving tax administration, adopting digital revenue platforms, and tapping into agriculture, solid minerals, and eco-tourism.
- **Prudent Debt Management:** Limit borrowing to capital expenditure projects with high economic returns, ensuring compliance with the Benue State Fiscal Responsibility Law 2020 and maintaining debt-to-revenue ratios within sustainable limits.
- **Diversified Capital Financing:** Secure at least 15% of capital receipts from non-loan sources, such as Public-Private Partnerships (PPPs), grants, and development partner funding, by 2028.
- **Project Completion Focus:** Complete 75% of ongoing capital projects (e.g., irrigation systems, agro-processing facilities, rural roads) before starting new projects to maximise impact and fiscal efficiency.
- **Economic Growth through Agriculture:** Drive a 4% annual increase in state GDP by investing in agriculture (rice, yams, cassava, soybeans) and agro-allied industries, supported by value chain development.
- **Fiscal Transparency:** Introduce the State Integrated Financial Management Information System (SIFMIS) to ensure real-time budget monitoring and management, public access to fiscal data, and compliance with statutory reporting requirements.

- **Agricultural Modernisation:** Allocate 20% of capital expenditure to agricultural transformation, including mechanisation, irrigation, and Agricultural Development Zones (ADZs) to boost commercial farming and exports.
- **Climate Resilience:** Invest in flood control infrastructure, drought-resistant crops, and solar-powered irrigation to safeguard agricultural productivity, targeting a 10% reduction in climate-related economic losses by 2028.
- **Social Inclusion:** Expand social investment programs, such as youth and women empowerment initiatives and microfinance schemes, reaching 80,000 beneficiaries annually to reduce poverty and unemployment.
- **Digital Revenue Systems:** Implement digital tax collection and expenditure tracking platforms to reduce revenue leakages by 25% and enhance fiscal transparency by 2028.
- **Solid Minerals and Tourism:** Develop frameworks for sustainable mining (e.g., limestone, kaolin) and eco-tourism, targeting 3% of IGR from these sectors by 2028.
- **Security for Economic Stability:** Strengthen security through community policing and surveillance systems to support agricultural and economic activities, allocating 5% of the budget to security infrastructure.
- **Stakeholder Engagement:** Establish a Fiscal Strategy Implementation Committee with private sector, civil society, and community representation to ensure inclusive policy execution and accountability.

3.C Indicative Three-Year Fiscal Framework

107. The indicative three-year fiscal framework for the period 2026-2028 is presented in the table below.

Table 6: Benue State Medium Term Fiscal Framework

Benue State Fiscal Framework 2026 - 2028				
Item	2025 Original Budget	2026 Forecast	2027 Forecast	2028 Forecast
Opening Balance		50,000,000,000		
Recurrent Revenue				
Statutory Allocation Derivation	201,606,229,071.33	150,943,734,372.93	194,378,461,818.20	240,365,551,372.56
VAT	73,885,099,564.98	167,629,854,597.02	200,203,055,970.50	235,252,972,276.04
IGR	35,569,068,783.83	49,488,395,247.10	51,962,815,009.45	54,560,955,759.92
Other Federation Account Revenues	154,842,047,845.31	97,838,785,379.60	97,838,785,379.60	97,838,785,379.60
Other Recurrent Revenues (Recurrent Grants)	9,206,327,316.12	4,540,508,908.57	4,564,504,811.33	4,540,508,908.57
Total Recurrent Revenue	475,108,772,581.58	470,441,278,505.22	548,947,622,989.09	632,558,773,696.70
		-	-	-
Recurrent Expenditure				
Personnel (Salaries, Allowances and Contributions)	67,838,382,102.18	88,930,364,742.09	93,376,882,979.19	96,178,189,468.57
Social Benefits	15,820,570,116.09	23,648,509,957.79	24,830,935,455.68	27,314,029,001.25
Overheads	93,127,521,183.22	69,335,916,240.16	72,802,712,052.16	76,442,847,654.77
Grants, Contributions and Subsidies	7,553,961,116.78	6,192,608,980.47	6,811,869,878.52	7,493,056,866.37
Public Debt Service	8,161,908,206.28	17,208,102,987.42	15,730,960,122.64	15,730,960,122.64
Total	192,502,342,724.55	205,315,502,907.92	213,553,360,488.19	223,159,083,113.59
		-	-	-
Transfer to Capital Account	282,606,429,857.03	338,139,794,537.30	335,394,262,500.90	409,399,690,583.11
Capital Grants	17,824,139,352.22	28,269,110,366.60	26,214,270,264.86	30,388,986,596.51
Other Capital Receipts	-	-	-	-
Total	17,824,139,352.22	28,269,110,366.60	26,214,270,264.86	30,388,986,596.51
Reserves				
Contingency Reserve		6,948,698,923.87	8,201,990,551.12	9,732,006,990.69
Planning Reserve		5,434,552,974.45	5,489,476,229.89	6,325,587,736.97
Climate Response Reserve		-	-	-
Total Reserves	-	12,383,251,898.33	13,691,466,781.01	16,057,594,727.65
		-	-	-
Capital Expenditure	357,610,646,205.89	413,500,266,209.82	401,897,537,004.98	476,868,342,543.66
Discretionary Funds	325,663,635,047.40	359,541,638,513.25	353,273,475,123.20	424,936,771,161.53
Non-Discretionary Funds	31,947,011,158.49	48,524,074,722.12	43,134,585,651.90	45,605,983,645.17
Planning and Climate Reserves	-	5,434,552,974.45	5,489,476,229.89	6,325,587,736.97
		-	-	-
Financing (Loans)	57,180,076,996.66	54,040,060,229.79	48,490,994,790.35	46,811,672,354.73
Total Revenue (Including Opening Balance)	550,112,988,930.45	625,764,468,041.62	623,652,888,044.29	709,759,432,647.94
Total Expenditure (including Reserves)	550,112,988,930.44	625,764,468,041.62	623,652,888,044.29	709,759,432,647.94

3.C.1 Assumptions

108. **Statutory Allocation** – The forecast for the statutory allocation is based on the benchmarked oil price, exchange rate, and the oil production Benchmark for the 3 years indicated in Section 3. A. However, this is in line with the advisory note on the 2026-2028 macroeconomic framework provided by the Nigerian Governors Forum. The FGN, 2026-2028 MTEF/FSP is yet to be finalised. However, the State will continue to monitor to ensure that the assumptions are consistent with the assumptions that will be in the FGN 2026-2028 MTEF/FSP.
109. **VAT** – The elasticity techniques based on the macroeconomic assumptions as explained above and on the assumption that the VAT rate will remain at 7.5% were used to forecast VAT for 2026-2028. This forecast also noted that the State's share of the VAT will increase from 50% to 55% and other emerging issues with the new Tax Acts on the mode of sharing across the States.
110. **Other Federation Account Receipts** – The estimation for other federation account receipts is based on the own value forecast, calculating the anticipated receipts for 2026, 2027 and 2028. More importantly, the State considered the dynamics around the current year receipts so far and used them to estimate receipts over the next three years.
111. **Internally Generated Revenue (IGR)** – The current administration is improving on the ongoing measures to grow IGR. These measures, taken into consideration the impact of the new federal tax

law due to take effect next year, are anticipated to yield results as actual IGR for the current year is increasing. It is anticipated that IGR will continue to increase by 35% in the current year and start to stabilise from 2026, with a minimum annual growth of 20% and 5% in 2027 and 2028. Therefore, Own Percentage is used to forecast IGR for 2026 – 2028.

112. **Grants** – The internal grants are based on the actual anticipated inflows, where the states have already signed a memorandum of understanding. External grants are also based on signed grant agreements with the development partners.
113. **Financing (Net Loans)** – The Benue State intends to secure an external loan/borrowing of about N37 billion in 2026 (mainly from World Bank). However, the State is not planning to take any loan from Domestic Sources in 2026, due to the current adverse solvency and liquidity ratios around total domestic loans and domestic loans servicing costs.
114. **Personnel** – The new minimum wage was operationalised in 2024, hence the spike in the actual personnel expenditure in 2024 (i.e., 53% increase from 2023 actual expenditure). However, it is anticipated that the trend will stabilise in 2025 and 2026. Own percentage forecast was used to forecast personnel costs for 2026, 2027, and 2028. The projection is that the total wage bill will increase by 12% in 2025, with a gradual increase of 10%, 5% and 3% over the 2026–2028 fiscal years.
115. **Social Benefits** – A substantial amount of pensions and gratuity was owed by the State before the inauguration of the current administration. A substantial proportion of the outstanding social benefits costs was paid in 2024, resulting in an increase of 112% from the 2023 actual expenditure. It is anticipated that there will be a reduction in social benefit costs in 2025 (i.e., -15%) and grow marginally in 2026, 2027 and 2028, which will be owed as pension and gratuity payments. Hence, the social benefits will increase by 12%, 5% and 10% in 2026, 2027 and 2028.
116. **Overheads** – Overhead actual performance was relatively unstable between 2019 and 2021 before stabilising in 2022 and 2023. However, the actual performance ballooned in 2024 due to the high level of inflation recorded in the country in 2024, which increased overhead expenditures. It is anticipated that overhead costs will remain stable going forward, as the inflation rate is more stable. Consequently, the own percentage method is used to forecast overhead for 2026, 2027 and 2028 (5% applied for each year).
117. **Grants, Contributions, Subsidies and Transfers** – Grants. Contributions, subsidies and transfers forecast for 2026, 2027, and 2028 were based on the current performance of this main expenditure class for 2025. It is anticipated that the performance for 2025 will increase by 60% over the 2024 actual. The own percentage growth of 20%, 10% and 10% for 2026, 2027 and 2028 were used, factoring in promotion of staff and salary notch increases.
118. **Public Debt Service** - is based on the projected principal and interest repayments in the Benue State Debt Sustainability Analysis document for 2026, 2027 and 2028.
119. **Contingency and Planning Reserves** – The contingency reserve is estimated at 2% of the total capital expenditure for the plan period. The contingency reserve will not be allocated for any specific expenditure line, as the fund will be for any unforeseen event that may arise during the fiscal year. The planning reserve is estimated at 1% of recurrent revenue. The planning reserve will be allocated to specific recurrent and capital expenditure items during the bilateral discussion stage before the budget is presented to the State House of Assembly.
120. **Capital Expenditure** – is based on the balance from the recurrent account plus capital receipts, less reserves (contingency and planning) as outlined above.

3.C.2 Fiscal Trends

121. Based on the above envelope, plus actual figures for 2019-2024 (using the same basis for forecasting as noted in the sub-sections within section 3.B), the trend from historical actual to forecast can be seen for revenue and then expenditure in the line graphs below.

Figure 18: Benue State Revenue Trend

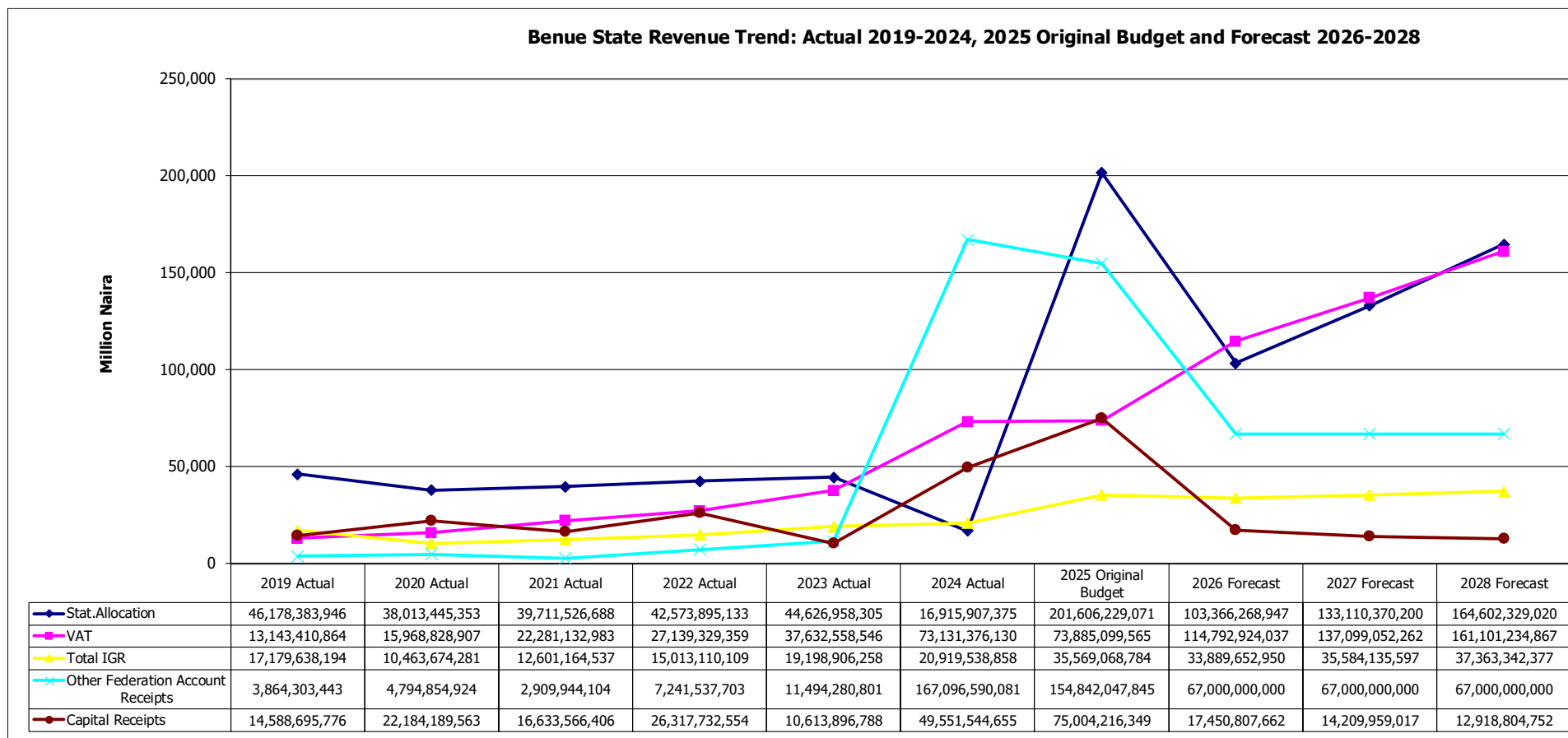
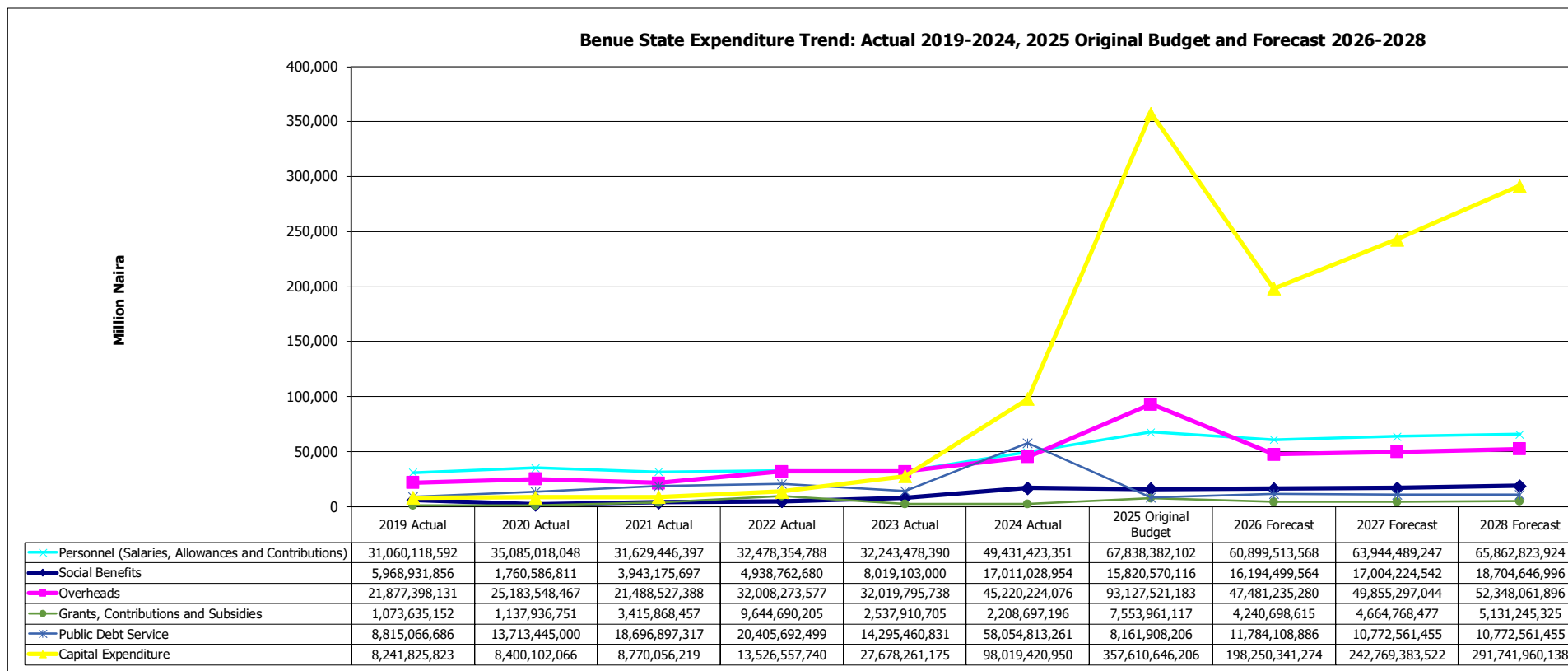


Figure 19: Benue State Expenditure Trend



3.D Local Government FAAC and IGR Estimates

122. Based on the macroeconomic and mineral sector assumptions in the sections 3.A-3.C and above and the latest horizontal and vertical sharing ratios, Table 7 below provides estimates of the FAAC revenues and share of State IGR for the 23 Local Governments of Benue State.

Table 7: LG FAAC and IGR Estimates 2026 – 2028

Local Government Council	2026			
	Statutory Allocation	VAT	Other Federation Account	Total Transfer
ADO	3,744,957,970	3,547,230,796	2,790,124,981	10,082,313,747
AGATU	3,304,358,767	3,090,661,670	2,461,863,128	8,856,883,564
APA	3,199,601,695	2,955,490,286	2,383,815,437	8,538,907,419
BURUKU	3,793,085,987	3,726,222,266	2,825,982,041	10,345,290,295
GBOKO	4,922,835,046	4,844,711,779	3,667,684,697	13,435,231,522
GUMA	4,022,017,933	3,638,870,336	2,996,544,367	10,657,432,636
GWER EAST	3,815,259,459	3,437,446,383	2,842,502,055	10,095,207,897
GWER WEST	3,278,652,762	3,138,380,238	2,442,711,253	8,859,744,252
KATSINA ALA	4,141,784,063	3,877,528,031	3,085,774,333	11,105,086,427
KONSHISHA	3,918,597,255	3,884,402,618	2,919,492,336	10,722,492,210
KWANDE	4,486,532,332	4,050,322,284	3,342,623,879	11,879,478,495
LOGO	3,445,392,570	3,476,474,436	2,566,938,255	9,488,805,261
MAKURDI	4,138,726,291	4,401,264,898	3,083,496,185	11,623,487,374
OBI	3,057,293,672	2,970,550,964	2,277,790,970	8,305,635,606
OGBADIBO	3,211,751,694	3,185,666,442	2,392,867,612	8,790,285,748
OHIMINI	2,929,509,228	2,773,299,323	2,182,587,079	7,885,395,630
OJU	3,706,724,102	3,484,927,151	2,761,639,409	9,953,290,662
OKPOKWU	3,473,577,144	3,531,125,239	2,587,936,752	9,592,639,135
OTUKPO	4,068,198,226	4,143,777,753	3,030,950,304	11,242,926,283
TARKA	2,819,577,675	2,831,034,323	2,100,684,219	7,751,296,217
UKUM	3,855,274,357	3,821,407,190	2,872,314,557	10,548,996,103
USHONGO	3,753,950,543	3,615,392,973	2,796,824,763	10,166,168,279
VANDEIKYA	3,976,097,863	3,916,455,199	2,962,332,305	10,854,885,366
Total	85,063,756,634	82,342,642,578	63,375,480,917	230,781,880,129

Local Government Council	2027			
	Statutory Allocation	VAT	Other Federation Account	Total Transfer
ADO	4,822,586,196	4,236,515,312	2,790,124,981	11,849,226,488
AGATU	4,255,202,623	3,691,227,393	2,461,863,128	10,408,293,143
APA	4,120,301,241	3,529,790,016	2,383,815,437	10,033,906,694
BURUKU	4,884,563,263	4,450,287,729	2,825,982,041	12,160,833,034
GBOKO	6,339,402,612	5,786,117,907	3,667,684,697	15,793,205,217
GUMA	5,179,371,390	4,345,961,901	2,996,544,367	12,521,877,658
GWER EAST	4,913,117,250	4,105,398,005	2,842,502,055	11,861,017,310
GWER WEST	4,222,099,601	3,748,218,454	2,442,711,253	10,413,029,307
KATSINA ALA	5,333,600,754	4,630,994,660	3,085,774,333	13,050,369,746
KONSHISHA	5,046,190,954	4,639,205,090	2,919,492,336	12,604,888,381
KWANDE	5,777,551,862	4,837,365,641	3,342,623,879	13,957,541,381
LOGO	4,436,819,526	4,152,009,842	2,566,938,255	11,155,767,623
MAKURDI	5,329,663,094	5,256,502,100	3,083,496,185	13,669,661,379
OBI	3,937,043,453	3,547,777,228	2,277,790,970	9,762,611,652
OGBADIBO	4,135,947,455	3,804,693,135	2,392,867,612	10,333,508,202
OHIMINI	3,772,488,470	3,312,196,392	2,182,587,079	9,267,271,942
OJU	4,773,350,364	4,162,105,057	2,761,639,409	11,697,094,829
OKPOKWU	4,473,114,337	4,217,280,183	2,587,936,752	11,278,331,272
OTUKPO	5,238,840,266	4,948,981,023	3,030,950,304	13,218,771,594
TARKA	3,630,923,627	3,381,150,239	2,100,684,219	9,112,758,085
UKUM	4,964,646,611	4,563,968,629	2,872,314,557	12,400,929,796
USHONGO	4,834,166,422	4,317,922,506	2,796,824,763	11,948,913,691
VANDEIKYA	5,120,237,616	4,677,486,008	2,962,332,305	12,760,055,928
Total	109,541,228,986	98,343,154,448	63,375,480,917	271,259,864,352

Local Government Council	2028			
	Statutory Allocation	VAT	Other Federation Account	Total Transfer
ADO	5,963,539,268	4,978,209,820	2,790,124,981	13,731,874,069
AGATU	5,261,921,074	4,337,457,345	2,461,863,128	12,061,241,547
APA	5,095,104,006	4,147,756,830	2,383,815,437	11,626,676,273
BURUKU	6,040,179,200	5,229,407,766	2,825,982,041	14,095,569,008
GBOKO	7,839,212,174	6,799,104,184	3,667,684,697	18,306,001,056
GUMA	6,404,734,600	5,106,817,424	2,996,544,367	14,508,096,391
GWER EAST	6,075,488,640	4,824,137,565	2,842,502,055	13,742,128,261
GWER WEST	5,220,986,363	4,404,425,935	2,442,711,253	12,068,123,551
KATSINA ALA	6,595,452,366	5,441,751,391	3,085,774,333	15,122,978,090
KONSHISHA	6,240,045,629	5,451,399,237	2,919,492,336	14,610,937,202
KWANDE	7,144,435,787	5,684,252,118	3,342,623,879	16,171,311,784
LOGO	5,486,505,870	4,878,909,822	2,566,938,255	12,932,353,947
MAKURDI	6,590,583,114	6,176,767,566	3,083,496,185	15,850,846,865
OBI	4,868,490,118	4,168,893,096	2,277,790,970	11,315,174,184
OGBADIBO	5,114,451,885	4,470,787,742	2,392,867,612	11,978,107,239
OHIMINI	4,665,003,842	3,892,068,691	2,182,587,079	10,739,659,613
OJU	5,902,654,962	4,890,772,425	2,761,639,409	13,555,066,795
OKPOKWU	5,531,387,500	4,955,607,162	2,587,936,752	13,074,931,414
OTUKPO	6,478,272,939	5,815,408,211	3,030,950,304	15,324,631,454
TARKA	4,489,946,836	3,973,094,415	2,100,684,219	10,563,725,469
UKUM	6,139,209,092	5,362,990,990	2,872,314,557	14,374,514,638
USHONGO	5,977,859,206	5,073,869,121	2,796,824,763	13,848,553,089
VANDEIKYA	6,331,610,643	5,496,382,065	2,962,332,305	14,790,325,013
Total	135,457,075,115	115,560,270,920	63,375,480,917	314,392,826,953

3.E Fiscal Risks

123. The analysis and forecasting basis as laid out above implies some fiscal risks, including but not limited to:

Table 8: Fiscal Risks

Risk	Likelihood	Impact	Reaction
Disruptions in agricultural production due to invasion of natives by herders, climate variability, or supply chain issues may lead to reduced output and revenue.	Medium	High	Dependence on Statutory Allocation is crucial to the budget; however, clear prioritisation of projects in the capital budget is required. Increased IGR efforts to decrease reliance on federal transfers and seek alternative funding sources (grants, PPPs, etc.).
Security situation countrywide and within Benue State (e.g., herder's invasion, banditry) could affect economic activity and agricultural output, resulting in risks to VAT and Statutory Allocation.	Medium	High	The estimates for VAT and Statutory Allocation are not overly ambitious. Clear prioritisation of projects in the capital budget is required. Increased IGR efforts to reduce reliance on federal transfers and explore alternative funding sources (grants, PPPs, etc.).

Risk	Likelihood	Impact	Reaction
Risks associated with debt financing.	Low	Medium	Use of external borrowing to finance budget deficits, with strict adherence to debt sustainability frameworks.
Mismanagement and inefficient use of financial resources.	Medium	High	Adherence to existing and new institutional and legal/regulatory frameworks to ensure transparent and efficient use of financial resources.
Floods and other natural disasters are impacting economic activity and the IGR tax base, causing increased overhead expenditure.	Medium	Medium	Increased investment in climate resilience (flood control, irrigation), and enhanced disaster preparedness, adaptation, and awareness.

124. It should be noted, however, that no budget is without risk. The ongoing implementation of the 2025 budget should be closely monitored, as should the security situation and impact of the fiscal and economic outlook.

4 Budget Policy Statement

4.A Budget Policy Thrust

125. The overall policy objectives for the 2026-2028 budget period for Benue State are captured by the following points:

a. Revenue Mobilisation & Fiscal Sustainability

- Strengthen Internally Generated Revenue (IGR) mechanisms through digital tax systems, land use charges, and SME levies
- Optimise Federal Account Allocation Committee (FAAC) inflows with improved fiscal discipline
- Expand Public-Private Partnerships (PPP) and attract donor funding (targeting the 4% external financing gap)

b. Inclusive Social Protection & Human Capital Development

- Implement the 5-year Social Protection Policy and Multisectoral Action Plan for Food and Nutrition
- Increase budgetary allocations to education, healthcare, and youth empowerment
- Launch targeted conditional cash transfers and school feeding programs in underserved communities

c. Agricultural Transformation & Food Security

- Invest in mechanised farming, irrigation systems, and agro-processing zones
- Support farmer cooperatives and access to credit through budget-backed guarantees
- Fund climate-resilient agriculture and extension services

d. Infrastructure & Urban Renewal

- Prioritise road rehabilitation, rural electrification, and water supply projects
- Allocate capital expenditure to urban renewal in Makurdi and secondary cities
- Leverage PPPs for housing, transport, and ICT infrastructure

e. Governance, Transparency & Citizen Engagement

- Adopt performance-based budgeting and quarterly budget performance reviews
- Publish citizen-friendly budget summaries and dashboards
- Institutionalise participatory budgeting with civil society and community leaders

f. Environmental Sustainability & Climate Action

- Budget for reforestation, flood control, and waste management
- Integrate climate adaptation into all capital projects
- Establish a Green Fund for eco-friendly initiatives

4.B Sector Allocations (3 Year)

126. The total forecasted budget size for the 2026 fiscal year as explained in Section 3.C above is N428,523,506,257 of which N140,600,055,913 is recurrent expenditure (i.e. Personnel, Overhead, Social Contributions, Special Programmes, Grants, Contributions and Subsidies, and Public Debt Charge), N283,164,981,337 will be for capital expenditure, and N4,758,469,007 will be for contingency reserve for unforeseen event that may occur during the fiscal year. A planning reserve of N3,721,581,864 provision was made, which will be allocated to sectors at the bilateral discussion stage to fund critical expenditure items not envisaged at the stage of issuing the budget call circular.

127. Presented in the table below are the indicative three envelopes for sectors and sub-sectors.

Table 9: Indicative Sector Expenditure Ceilings 2026-2028

Benue State Personnel (Salaries, Allowances and Social Contributions) Expenditure by Sector						
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	2028 Allocation
1	Government House Administration	10.53%	6,412,216,398	10.53%	6,732,827,218	6,934,812,034
2	Benue State House of Assembly	1.40%	854,270,894	1.40%	896,984,439	923,893,972
3	Ministry of Information, Culture and Tourism	2.19%	1,333,968,633	2.19%	1,400,667,065	1,442,687,077
4	Bureau of Internal Affairs and Special Services (BIASS)	0.23%	142,336,748	0.23%	149,453,585	153,937,193
5	Office of the Head of Service (HOS)	1.75%	1,067,303,537	1.75%	1,120,668,714	1,154,288,775
6	Auditor General	0.48%	291,164,183	0.48%	305,722,392	314,894,064
7	Benue State Civil Service Commission	0.01%	8,813,522	0.01%	9,254,198	9,531,824
8	Benue State Independent Electoral Commission (BSIEC)	0.92%	558,403,701	0.92%	586,323,886	603,913,602
9	Local Government Service Commission	0.45%	274,316,196	0.45%	288,032,006	296,672,966
10	Ministry of Communications and Digital Economy	0.07%	42,677,585	0.07%	44,811,464	46,155,808
11	Office of the Secretary to the State Government (SSG)	4.17%	2,537,841,191	4.17%	2,664,733,250	2,744,675,248
12	Ministry of Agriculture & Food Security	4.16%	2,534,426,642	4.16%	2,661,147,974	2,740,982,413
13	Ministry of Finance	6.52%	3,972,055,600	6.52%	4,170,658,380	4,295,778,132
14	Ministry of Science and Technological Innovation	0.14%	82,415,811	0.14%	86,536,602	89,132,700
15	Ministry of Power and Transport	0.08%	45,708,240	0.08%	47,993,652	49,433,461
16	Ministry of Works, Housing and Urban Development	0.36%	217,259,529	0.36%	228,122,506	234,966,181
17	Benue State Budget and Economic Planning Commission	0.20%	122,125,444	0.20%	128,231,717	132,078,668
18	Fiscal Responsibility Commission	0.09%	52,581,856	0.09%	55,210,949	56,867,277
19	Ministry of Water Resources, Environment and Climate Change	0.87%	527,272,695	0.87%	553,636,330	570,245,420
20	Ministry of Cooperatives and Rural Development	0.27%	163,953,399	0.27%	172,151,069	177,315,601
21	Ministry of Lands, Survey and Solid Minerals	0.26%	160,100,959	0.26%	168,106,007	173,149,187
22	Ministry of Industry, Trade and Investment	0.37%	225,869,797	0.37%	237,163,286	244,278,185
23	Benue State Judicial Service Commission	5.33%	3,245,213,444	5.33%	3,407,474,116	3,509,698,339
24	Ministry of Justice and Public Order	0.61%	370,071,550	0.61%	388,575,127	400,232,381
25	Ministry of Women Affairs and Social Welfare	0.58%	353,798,217	0.58%	371,488,128	382,632,772
26	Ministry of Education and Knowledge Management	38.06%	23,177,014,790	38.06%	24,335,865,529	25,065,941,495
27	Ministry of Health and Human Services	18.92%	11,524,765,883	18.92%	12,101,004,177	12,464,034,302
28	Ministry of Youth, Sports and Creativity	0.52%	319,188,151	0.52%	335,147,559	345,201,986
29	Ministry of Humanitarian Affairs and Disaster Management	0.14%	87,930,208	0.14%	92,326,719	95,096,520
30	Bureau of Local Government and Chieftaincy Affairs	0.32%	194,448,766	0.32%	204,171,204	210,296,340
	Total	100.00%	60,899,513,568	100.00%	63,944,489,247	65,862,823,924

Benue State Overhead Expenditure by Sector						
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	2028 Allocation
1	Government House Administration	15.06%	7,151,258,242	15.06%	7,508,821,154	7,884,262,212
2	Benue State House of Assembly	9.23%	4,384,862,889	9.23%	4,604,106,033	4,834,311,335
3	Ministry of Information, Culture and Tourism	0.60%	285,708,868	0.60%	299,994,312	314,994,027
4	Bureau of Internal Affairs and Special Services (BIASS)	22.40%	10,634,770,701	22.40%	11,166,509,236	11,724,834,698
5	Office of the Head of Service (HOS)	0.84%	400,198,574	0.84%	420,208,502	441,218,927
6	Auditor General	0.08%	38,181,875	0.08%	40,090,968	42,095,517
7	Benue State Civil Service Commission	0.06%	29,555,069	0.06%	31,032,822	32,584,463
8	Benue State Independent Electoral Commission (BSIEC)	2.54%	1,204,961,257	2.54%	1,265,209,319	1,328,469,785
9	Local Government Service Commission	0.43%	202,735,016	0.43%	212,871,767	223,515,356
10	Ministry of Communications and Digital Economy	0.47%	221,195,095	0.47%	232,254,850	243,867,592
11	Office of the Secretary to the State Government (SSG)	3.25%	1,545,328,258	3.25%	1,622,594,671	1,703,724,404
12	Ministry of Agriculture & Food Security	0.81%	386,740,414	0.81%	406,077,434	426,381,306
13	Ministry of Finance	17.66%	8,383,891,263	17.66%	8,803,085,826	9,243,240,117
14	Ministry of Science and Technological Innovation	0.13%	63,219,259	0.13%	66,380,222	69,699,233
15	Ministry of Power and Transport	0.24%	111,955,709	0.24%	117,553,494	123,431,169
16	Ministry of Works, Housing and Urban Development	0.14%	66,503,846	0.14%	69,829,039	73,320,491
17	Benue State Budget and Economic Planning Commission	0.70%	332,963,456	0.70%	349,611,629	367,092,211
18	Fiscal Responsibility Commission	0.05%	21,810,966	0.05%	22,901,515	24,046,590
19	Ministry of Water Resources, Environment and Climate Change	1.04%	495,626,990	1.04%	520,408,340	546,428,757
20	Ministry of Cooperatives and Rural Development	0.13%	63,941,129	0.13%	67,138,185	70,495,094
21	Ministry of Lands, Survey and Solid Minerals	0.24%	113,029,512	0.24%	118,680,988	124,615,037
22	Ministry of Industry, Trade and Investment	0.36%	169,971,251	0.36%	178,469,813	187,393,304
23	Benue State Judicial Service Commission	2.58%	1,223,138,623	2.58%	1,284,295,554	1,348,510,332
24	Ministry of Justice and Public Order	4.91%	2,332,017,193	4.91%	2,448,618,053	2,571,048,955
25	Ministry of Women Affairs and Social Welfare	0.95%	449,084,291	0.95%	471,538,505	495,115,430
26	Ministry of Education and Knowledge Management	8.52%	4,046,859,184	8.52%	4,249,202,143	4,461,662,251
27	Ministry of Health and Human Services	4.18%	1,982,402,017	4.18%	2,081,522,118	2,185,598,224
28	Ministry of Youth, Sports and Creativity	1.13%	538,110,779	1.13%	565,016,318	593,267,134
29	Ministry of Humanitarian Affairs and Disaster Management	0.58%	277,173,725	0.58%	291,032,411	305,584,032
30	Bureau of Local Government and Chieftaincy Affairs	0.68%	324,039,829	0.68%	340,241,820	357,253,911
	Total	100.00%	47,481,235,280	100.00%	49,855,297,044	52,348,061,896

Benue State Capital Expenditure by Sector			Discretionary Funds			
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	2028 Allocation
1	Government House Administration	15.56%	38,322,607,913	15.56%	37,654,500,684	45,292,904,979
2	Benue State House of Assembly	0.79%	1,935,982,483	0.79%	1,902,231,025	2,288,108,128
3	Ministry of Information, Culture and Tourism	0.87%	2,135,607,775	0.87%	2,098,376,097	2,524,042,212
4	Bureau of Internal Affairs and Special Services (BIASS)	0.18%	455,424,908	0.18%	447,485,138	538,259,743
5	Office of the Head of Service (HOS)	0.36%	894,103,651	0.36%	878,516,061	1,056,727,449
6	Auditor General	0.09%	225,962,762	0.09%	222,023,381	267,061,937
7	Benue State Civil Service Commission	0.02%	50,977,988	0.02%	50,089,250	60,250,106
8	Benue State Independent Electoral Commission (BSIEC)	1.45%	3,573,521,587	1.45%	3,511,221,662	4,223,490,584
9	Local Government Service Commission	0.06%	147,621,970	0.06%	145,048,364	174,472,151
10	Ministry of Communications and Digital Economy	1.05%	2,576,594,371	1.05%	2,531,674,638	3,045,237,534
11	Office of the Secretary to the State Government (SSG)	0.33%	820,975,368	0.33%	806,662,679	970,298,249
12	Ministry of Agriculture & Food Security	7.81%	19,228,323,920	7.81%	18,893,101,896	22,725,662,361
13	Ministry of Finance	4.51%	11,095,399,124	4.51%	10,901,964,575	13,113,482,761
14	Ministry of Science and Technological Innovation	1.39%	3,429,987,800	1.39%	3,370,190,209	4,053,850,194
15	Ministry of Power and Transport	3.78%	9,308,358,366	3.78%	9,146,078,661	11,001,406,583
16	Ministry of Works, Housing and Urban Development	22.17%	54,591,226,104	22.17%	53,639,495,656	64,520,536,343
17	Benue State Budget and Economic Planning Commission	2.35%	5,784,972,655	2.35%	5,684,118,818	6,837,170,825
18	Fiscal Responsibility Commission	0.13%	329,429,022	0.13%	323,685,834	389,347,129
19	Ministry of Water Resources, Environment and Climate Change	4.36%	10,737,241,516	4.36%	10,550,051,001	12,690,181,754
20	Ministry of Cooperatives and Rural Development	4.71%	11,604,644,778	4.71%	11,402,332,161	13,715,352,421
21	Ministry of Lands, Survey and Solid Minerals	1.13%	2,776,335,164	1.13%	2,727,933,198	3,281,308,127
22	Ministry of Industry, Trade and Investment	6.31%	15,546,274,413	6.31%	15,275,244,364	18,373,904,286
23	Benue State Judicial Service Commission	2.66%	6,541,732,941	2.66%	6,427,685,926	7,731,574,249
24	Ministry of Justice and Public Order	0.46%	1,125,335,015	0.46%	1,105,716,192	1,330,016,267
25	Ministry of Women Affairs and Social Welfare	0.42%	1,040,481,657	0.42%	1,022,342,147	1,229,729,379
26	Ministry of Education and Knowledge Management	6.20%	15,274,878,377	6.20%	15,008,579,781	18,053,145,455
27	Ministry of Health and Human Services	8.73%	21,486,277,228	8.73%	21,111,690,583	25,394,302,889
28	Ministry of Youth, Sports and Creativity	1.66%	4,074,855,845	1.66%	4,003,815,777	4,816,009,886
29	Ministry of Humanitarian Affairs and Disaster Management	0.33%	800,389,799	0.33%	786,435,994	945,968,479
30	Bureau of Local Government and Chieftaincy Affairs	0.12%	298,588,715	0.12%	293,383,190	352,897,442
Total		100.00%	246,214,113,216	100.00%	241,921,674,941	290,996,699,901

Benue State Capital Expenditure by Sector		Non-Discretionary Funds		
No.	Sector	2026 Allocation	2027 Allocation	2028 Allocation
1	Government House Administration	20,047,521	20,047,521	20,047,521
2	Benue State House of Assembly	0	0	0
3	Ministry of Information, Culture and Tourism	8,819,743	8,819,743	8,819,743
4	Bureau of Internal Affairs and Special Services (BIASS)	0	0	0
5	Office of the Head of Service (HOS)	0	0	0
6	Auditor General	0	0	0
7	Benue State Civil Service Commission	0	0	0
8	Benue State Independent Electoral Commission (BSIEC)	0	16,432,394	0
9	Local Government Service Commission	0	0	0
10	Ministry of Communications and Digital Economy	0	0	0
11	Office of the Secretary to the State Government (SSG)	0	0	0
12	Ministry of Agriculture & Food Security	13,216,305,852	12,750,000,000	15,750,000,000
13	Ministry of Finance	0	0	0
14	Ministry of Science and Technological Innovation	0	0	0
15	Ministry of Power and Transport	0	0	0
16	Ministry of Works, Housing and Urban Development	0	0	0
17	Benue State Budget and Economic Planning Commission	5,011,259,053	5,011,259,053	5,011,259,053
18	Fiscal Responsibility Commission	0	0	0
19	Ministry of Water Resources, Environment and Climate Change	5,979,776,495	3,629,776,495	2,479,776,495
20	Ministry of Cooperatives and Rural Development	0	0	0
21	Ministry of Lands, Survey and Solid Minerals	0	0	0
22	Ministry of Industry, Trade and Investment	1,221,907,838	1,221,907,838	585,481,213
23	Benue State Judicial Service Commission	0	0	0
24	Ministry of Justice and Public Order	0	0	0
25	Ministry of Women Affairs and Social Welfare	0	0	0
26	Ministry of Education and Knowledge Management	3,390,848,645	2,500,000,000	2,995,272,360
27	Ministry of Health and Human Services	2,000,000,000	2,000,000,000	2,000,000,000
28	Ministry of Youth, Sports and Creativity	0	0	0
29	Ministry of Humanitarian Affairs and Disaster Management	1,380,321,109	1,380,321,109	1,380,321,109
30	Bureau of Local Government and Chieftaincy Affairs	1,000,000,000	1,000,000,000	1,000,000,000
Total		33,229,286,257	29,538,564,154	31,230,977,494

Benue State Capital Expenditure by Sector		Total Capital Envelope				
No.	Sector	% 2026	2026 Allocation	% 2027	2027 Allocation	2028 Allocation
1	Government House Administration	13.7%	38,342,655,434	13.9%	37,674,548,205	45,312,952,500
2	Benue State House of Assembly	0.7%	1,935,982,483	0.7%	1,902,231,025	2,288,108,128
3	Ministry of Information, Culture and Tourism	0.8%	2,144,427,518	0.8%	2,107,195,840	2,532,861,955
4	Bureau of Internal Affairs and Special Services (BIASS)	0.2%	455,424,908	0.2%	447,485,138	538,259,743
5	Office of the Head of Service (HOS)	0.3%	894,103,651	0.3%	878,516,061	1,056,727,449
6	Auditor General	0.1%	225,962,762	0.1%	222,023,381	267,061,937
7	Benue State Civil Service Commission	0.0%	50,977,988	0.0%	50,089,250	60,250,106
8	Benue State Independent Electoral Commission (BSIEC)	1.3%	3,573,521,587	1.3%	3,527,654,056	4,223,490,584
9	Local Government Service Commission	0.1%	147,621,970	0.1%	145,048,364	174,472,151
10	Ministry of Communications and Digital Economy	0.9%	2,576,594,371	0.9%	2,531,674,638	3,045,237,534
11	Office of the Secretary to the State Government (SSG)	0.3%	820,975,368	0.3%	806,662,679	970,298,249
12	Ministry of Agriculture & Food Security	11.6%	32,444,629,772	11.7%	31,643,101,896	38,475,662,361
13	Ministry of Finance	4.0%	11,095,399,124	4.0%	10,901,964,575	13,113,482,761
14	Ministry of Science and Technological Innovation	1.2%	3,429,987,800	1.2%	3,370,190,209	4,053,850,194
15	Ministry of Power and Transport	3.3%	9,308,358,366	3.4%	9,146,078,661	11,001,406,583
16	Ministry of Works, Housing and Urban Development	19.5%	54,591,226,104	19.8%	53,639,495,656	64,520,536,343
17	Benue State Budget and Economic Planning Commission	3.9%	10,796,231,708	3.9%	10,695,377,871	11,848,429,878
18	Fiscal Responsibility Commission	0.1%	329,429,022	0.1%	323,685,834	389,347,129
19	Ministry of Water Resources, Environment and Climate Change	6.0%	16,717,018,010	5.2%	14,179,827,496	15,169,958,249
20	Ministry of Cooperatives and Rural Development	4.2%	11,604,644,778	4.2%	11,402,332,161	13,715,352,421
21	Ministry of Lands, Survey and Solid Minerals	1.0%	2,776,335,164	1.0%	2,727,933,198	3,281,308,127
22	Ministry of Industry, Trade and Investment	6.0%	16,768,182,252	6.1%	16,497,152,202	18,959,385,498
23	Benue State Judicial Service Commission	2.3%	6,541,732,941	2.4%	6,427,685,926	7,731,574,249
24	Ministry of Justice and Public Order	0.4%	1,125,335,015	0.4%	1,105,716,192	1,330,016,267
25	Ministry of Women Affairs and Social Welfare	0.4%	1,040,481,657	0.4%	1,022,342,147	1,229,729,379
26	Ministry of Education and Knowledge Management	6.7%	18,665,727,022	6.4%	17,508,579,781	21,048,417,815
27	Ministry of Health and Human Services	8.4%	23,486,277,228	8.5%	23,111,690,583	27,394,302,889
28	Ministry of Youth, Sports and Creativity	1.5%	4,074,855,845	1.5%	4,003,815,777	4,816,009,886
29	Ministry of Humanitarian Affairs and Disaster Management	0.8%	2,180,710,908	0.8%	2,166,757,103	2,326,289,588
30	Bureau of Local Government and Chieftaincy Affairs	0.5%	1,298,588,715	0.5%	1,293,383,190	1,352,897,442
	Total	100.00%	279,443,399,473	100.00%	271,460,239,095	322,227,677,395

4.C Considerations for the Annual Budget Process

128. The budget call circular should include the following instructions to MDAs for the annual budget submissions:

- Only prioritised projects contained in the Health, Education, WASH, and Social Protection sectors' MTSS should be in the MDA's budget proposal.
- Other MDAs should ensure detailed needs assessments for capital projects and strategic Consultation with the citizenry to back up each item of the Budget, in line with the Government's promise to ensure effective citizen engagement.
- Other MDAs' Budget submissions for capital projects must include full lifetime capital investment requirements (costs) and also sources of funding (particularly if grants and/or loans are being used to fund partially/fully the project).
- Finally, all MDAs are expected to ensure strict compliance with the National Chart of Accounts codes, Budget ceilings to ensure it is in line with MTEF and other highlights as indicated in the Benue State Budget Calendar.

5 Summary of Key Points and Recommendations

129. We summarise below a list of the key points arising in this document:

- The draft MTEF document should be presented to the Executive Council (ExCo), and the Director-General/CEO Benue State Budget and Economic Planning Commission should present the final MTEF to the State House of Assembly (SHoA) for their review and approval in accordance with the Fiscal Responsibility Law (FRL).
- The State budget estimates should be based on the MTEF document, which has historically provided more realistic estimates than have been included in the Annual Budget.
- Loans expected to be drawn as capital receipts should be captured in the budget only when they have been approved and commitment fees are paid, and documentation is lodged with the Debt Management Office (DMO).
- For all loans, the precise impact on debt sustainability ratios should be assessed, and a detailed analysis of the impact of the associated expenditure (for example, Economic Analysis, Financial Analysis) is also undertaken to help justify the funding.