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Nigeria's Economic Reforms

What Has Changed Across Nigeria's States? An Analysis of State Finances in the Post-Subsidy Years

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An Analysis of State Finances in the Post-Subsidy Years

About BudgIT

BudgIT is a civic organisation that uses creative technology to simplify public information, stimulate a community of active citizens, and enable their right to demand accountability, institutional reforms, efficient service delivery, and an equitable society.

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Table of Contents

Abbreviation

AE
Administrative Expenditure

ARGAS
Aggregate Revenue Growth Across States

ASR
Aggregate State Revenues

ASE
Aggregate State Expenditures

BIRs
Budget Implementation Reports

CAGR
Compound Annual Growth Rate

CEE
Composition of Education Expenditure

EGANS
Expenditure Growth Across Nigerian States

FAAC
Federation Account Allocation Committee

HE
Health Expenditure

IE
Infrastructure Expenditure

IGR
Internally Generated Revenue

IMF
International Monetary Fund

MDAs
Ministries, Departments and Agencies

NBS
National Bureau of Statistics

PEFA
Public Expenditure and Financial Accountability

PEGR
Personnel Expenditure Growth Rate

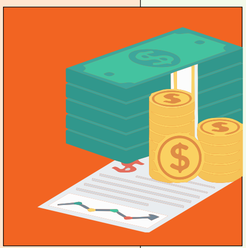
RGANS
Revenue Growth Across Nigerian States

SUBEBs
State Universal Basic Education Boards

Key Insights

Revenue growth was Driven by Federal transfers

Most of the revenue growth came from higher federal transfers driven by currency devaluation, tax reforms that favoured subnationals, and higher oil revenues.



Aggregate FAAC allocations increased from N3.427 trillion in 2022 to N11.378 trillion in 2025, representing nominal growth of 232.06% and a CAGR of 50.20%. Over the same period, aggregate IGR increased from N1.565 trillion to N4.147 trillion, representing nominal growth of 165.01% and a CAGR of 38.38%.

Personnel spending on a slow run

Personnel expenditure declined as a share of total expenditure from 24.99% in 2022 to 16.16% in 2025. Aggregate personnel expenditure increased from N1.55 trillion to N2.89 trillion, representing nominal growth of 85.90% and a CAGR of 22.96%.

While state revenue grew at a CAGR of 46.74%, personnel costs rose much more slowly, suggesting wages did not keep pace with fiscal growth or inflation. This may partly explain the weak transmission of economic reforms to households.

Revenue outpaced expenditure

Between 2022 and 2025, aggregate state revenue increased from N4.840 trillion to N15.526 trillion, representing a CAGR of 47.48%.

Aggregate state expenditure rose from N6.218 trillion to N17.880 trillion, with a CAGR of 42.20%. Faster revenue growth suggests states generally exercised greater fiscal restraint in the immediate post-subsidy period.

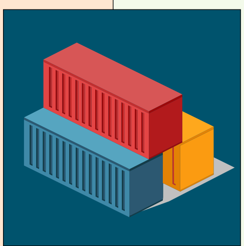
Most states tripled their revenues

The median revenue CAGR across states was 46.54%, with 22 of 34 states tripling their revenues between 2022 and 2025. Enugu recorded the fastest growth, with revenue increasing from N102 billion to N665.85 billion.

The sharp increase in IGR was largely driven by receipts from the State Housing Development Corporation through interventions in the landed property market. While impressive, the sustainability of these cyclical receipts remains uncertain.

Fiscal outcomes diverged sharply

Delta recorded the largest fiscal surplus before borrowing at N1.05 trillion, followed by Ondo (N187.71 billion) and Bayelsa (N125.09 billion). Other surplus states included Sokoto, Plateau, Taraba, Anambra, Enugu, Kano, Osun, Cross River, and Kwara.



By contrast, Oyo recorded the largest fiscal deficit at N196.98 billion, followed by Lagos (N183.93 billion), Borno (N138.77 billion), Bauchi (N123.74 billion), Yobe (N112.70 billion), Niger (N105.18 billion), Ogun (N86.70 billion), Jigawa

Expenditure expanded rapidly

Abia recorded the fastest expenditure growth, with spending rising from N46.52 billion in 2022 to N409.56 billion in 2025, representing a CAGR of 106.48%. Enugu followed at 84.58%, reflecting its exceptional IGR growth.

Seven of the ten fastest-growing states were in Northern Nigeria, suggesting improved fiscal conditions enabled many states to expand public investment and government activities.

Capital spending accelerated

Aggregate capital expenditure increased from N2.794 trillion in 2022 to N10.845 trillion in 2025, representing nominal growth of 288.16% and a CAGR of 57.16%.

This significantly outpaced overall expenditure growth of 42.20%, indicating that states devoted a larger share of expanding budgets to capital investment.

Key Insights

Personnel growth varied widely across states.

Abia, Osun, Ekiti, Yobe, Benue, and Edo at least doubled personnel expenditure during the review period.

In contrast, Ebonyi, Kwara, Zamfara, Kaduna, Kano, Borno, Katsina, Sokoto, Anambra, Kebbi, Enugu, and Imo recorded personnel expenditure growth of less than 70%, indicating limited investment in the public workforce despite high inflation.

Capital Expenditure Growth Surges

States with the fastest capital expenditure growth were not necessarily the largest investors. Lagos remained the largest capital spender in 2025 with N1.77 trillion, followed by Bayelsa (N812.71 billion), Delta (N734.98 billion), Enugu (N512.61 billion), and Jigawa (N420.97 billion).

By contrast, some states expanded rapidly from smaller bases. Slower capital expenditure growth was recorded in Taraba (59.88%), Bauchi (58.57%), Kwara (54.37%), Gombe (54.26%), Edo (53.98%), Ondo (38.89%), and Ogun (36.51%).

Education lost budget share.

Despite higher nominal spending, education's share of total expenditure declined from 14.85% in 2022 to 12.35% in 2025.

Aggregate education expenditure increased from N923.66 billion to N2.21 trillion, representing nominal growth of 139.05% and a CAGR of 33.71%.

SUBEB funding strengthened

Actual expenditure on State Universal Basic Education Boards (SUBEBs) increased more than fivefold, from N44.70 billion in 2022 to N240.84 billion in 2025.

Its share of total education expenditure rose from 6.03% to 11.25%, reflecting improved state capacity to provide counterpart funding for UBEC matching grants.

Health spending grew but lost priority.

Aggregate health expenditure increased from N485.08 billion in 2022 to N1.188 trillion in 2025, representing nominal growth of 144.95% and a CAGR of 34.80%.

However, health's share of total expenditure declined from 7.80% to 6.65%.

Infrastructure gained further advantage

Infrastructure's share of total expenditure increased from 24.36% in 2022 to 34.49% in 2025.

Total infrastructure expenditure rose from N1.515 trillion to N6.166 trillion, representing nominal growth of 307.08% and a CAGR of 59.67%, outpacing both revenue and overall expenditure growth.

Works dominated infrastructure spending

Spending through Ministries of Works remained the largest component of infrastructure investment, increasing from N997.73 billion in 2022 to N4.49 trillion in 2025.

Its share of infrastructure expenditure rose from 51.1% to 68.7%.

Borrowing remained significant

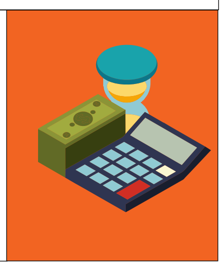
Aggregate borrowing increased from N1.24 trillion in 2022 to N2.05 trillion in 2025, representing nominal growth of N812.65 billion and a CAGR of 18.31%.

Borrowing remained an important financing strategy despite improved fiscal conditions. In 2025, 10 of the 36 states (excluding Akwa Ibom and Rivers, where comparable data were unavailable) recorded fiscal surpluses before borrowing, while 25 recorded fiscal deficits.

Administrative costs grew but more contained

Aggregate administrative expenditure increased from N845.28 billion in 2022 to N2.16 trillion in 2025, representing nominal growth of 153.34%. However, its share of total expenditure declined from 13.59% to 12.10%.

The Office of the Governor/Government House remained the largest recipient of administrative funding, while expenditure through the Office of the Secretary to the State Government increased both in nominal terms and as a share of administrative spending.



Methodology

Data Sources

This study relies on actual fiscal data obtained from Quarter One to Quarter Four (Q1–Q4) Budget Implementation Reports (BIRs) published by the 36 state governments in Nigeria for 2022 and 2025. Unlike approved budgets, which reflect planned expenditures and revenue projections, budget implementation reports provide information on actual revenues received and expenditures incurred during the fiscal year. All expenditure data analysed in this report were extracted from the Total Expenditure by Administrative Classification section of the Budget Implementation Reports, ensuring consistency in the classification and comparison of spending across states.

Consequently, the analysis presented in this report captures the realities of state fiscal performance and expenditure behaviour. **The study covers a period of significant fiscal and macroeconomic changes in Nigeria. Between 2022 and 2025, the removal of the petrol subsidy,[1] the unification of the foreign exchange market, rising inflation, and increased Federation Account Allocation Committee (FAAC)[2] allocations significantly reshaped the fiscal environment within which state governments operated. These developments expanded the fiscal space available to many states while also increasing the cost of delivering public services.**

The three-year period also coincided with the transition from the World Bank-supported States Fiscal Transparency, Accountability and Sustainability (SFTAS)[3] Programme to the State Action on Business Enabling Reforms (SABER) Programme, which introduced performance-based incentives to strengthen fiscal governance, public financial management, and the business-enabling environment at the subnational level. These developments shaped the fiscal environment within which state governments operated during the study period and provide important context for understanding the revenue and expenditure trends presented in this report.

Scope of the Analysis

The report examines changes in state fiscal performance and expenditure priorities between 2022 and 2025. Specifically, the analysis focuses on:

- Aggregate actual state revenues;
- Aggregate actual state expenditures;
- Actual Internally Generated Revenue (IGR
- Actual capital expenditure;
- Actual personnel expenditure;
- Actual overhead expenditure
- Actual education expenditure;
- Actual health expenditure;
- Actual infrastructure expenditure; and
- Actual administrative expenditure.

The study covers all 34 states (excluding the Akwa Ibom and Rivers States that do not have complete implementation reports) of the federation and utilises actual Q1–Q4 implementation data to enable cross-state comparisons and trend analysis over time.

1.The State House, Abuja (2026) Fuel Subsidy Removal Saved Nigeria from Bankruptcy, Says President Tinubu. Available at: https://statehouse.gov.ng/fuel-subsidy-removal-saved-nigeria-from-bankruptcy-says-president-tinubu/ (Accessed: 20 July 2026).
2. National Bureau of Statistics (NBS) (2026) Official Website. Available at: https://www.nigerianstat.gov.ng/ (Accessed: 20 July 2026)
3.World Bank (2025) Nigeria's Path to Fiscal Transparency and Accountability. Available at: https://www.worldbank.org/en/news/press-release/2025/12/15/nigeria-s-path-to-fiscal-transparency-and-accountability (Accessed: 20 July 2026).

Sectoral Aggregation Approach

To ensure comparability across states, sectoral expenditures were constructed by aggregating actual expenditures reported by relevant ministries, departments, and agencies (MDAs).

Education Expenditure: This comprises actual spending by institutions and agencies responsible for basic, secondary, technical, and tertiary education, including state ministries of education, universal basic education boards, secondary education management boards, and state-owned higher institutions where applicable.

Health Expenditure: This includes actual spending by state ministries of health, hospital management boards, primary healthcare agencies, specialist hospitals, and other health-related institutions responsible for delivering public healthcare services.

Infrastructure Expenditure: Infrastructure expenditure was derived by aggregating spending reported under ministries and agencies responsible for public works, transportation, housing, lands, urban renewal, rural development, public utilities, and other infrastructure-related functions. States do not operate a uniform institutional structure, and the organisation of infrastructure functions varies considerably across the country. In some states, responsibilities for works, housing, transport, and urban development are managed by separate ministries and agencies, while in others these functions are combined under broader institutions or assigned different official titles. To ensure consistency and comparability across states, the analysis grouped together MDAs that perform similar infrastructure-related functions, regardless of their nomenclature or organisational arrangements. This approach ensures that infrastructure expenditure reflects comparable categories of public investment across all reporting states.

Administrative Expenditure: It consists of actual spending on core governance and administrative institutions, including Government Houses, Offices of the Secretary to the State Government (SSG), State Houses of Assembly, Ministries of Information, Offices of the Head of Service, Ministries of Special Duties, homeland security agencies, and other comparable administrative structures.

Revenue, Expenditure, and Personnel Analysis

The aggregate revenue and expenditure figures were generated by summing the actual Q1–Q4 revenues and expenditures reported by all reporting states for each reference year.

Fiscal Position Before Borrowing was estimated as the difference between total available resources (including opening balances) and actual total expenditure for each reporting year. Positive values indicate that available resources exceeded expenditure before borrowing, while negative values indicate financing gaps that would ordinarily require borrowing or other financing sources. This measure was used solely as an analytical indicator of states' fiscal positions prior to debt financing.

Personnel expenditure analysis focused on the actual personnel costs reported in state budget implementation reports, enabling an assessment of changes in wage bills and recurrent commitments between 2022 and 2025.

The analysis also examined actual Internally Generated Revenue (IGR) and actual capital expenditure to assess changes in states' revenue mobilisation capacity and investment priorities over the review period. State-level rankings were subsequently developed using the Compound Annual Growth Rate (CAGR) to identify jurisdictions recording the strongest and weakest growth across selected fiscal indicators.

Compound Annual Growth Rate (CAGR)

To measure changes over time, the study adopts the Compound Annual Growth Rate (CAGR) methodology. CAGR provides a standardised measure of average annual growth by accounting for the compounding effect between the initial and final years.

The formula applied in this analysis is:

$$CAGR = (B/A)^{(1/3)} - 1$$

Where:

- **A** represents the actual figure recorded in 2022;
- **B** represents the actual figure recorded in 2025; and
- **n** = 3 years, covering the period between 2022 and 2025.

The resulting values are expressed as percentages to facilitate comparisons across states and expenditure categories.

Overall growth rates for aggregate revenues and expenditures were calculated using the standard percentage growth formula:

$$\text{Overall Nominal Growth} = ((\text{2025 Value} - \text{2022 Value}) \div \text{2022 Value}) \times 100$$

Where relevant, expenditure and revenue shares were calculated by expressing a particular expenditure or revenue category as a proportion of aggregate actual expenditure for the corresponding year. These ratios were used to assess changes in expenditure composition and the relative contribution of selected revenue and expenditure categories over time.

Unless otherwise stated, all growth estimates presented in this report are expressed in nominal terms. The analysis is based on actual fiscal data reported in the Budget Implementation Reports (BIRs) and does not adjust for inflation or changes in purchasing power over the study period. Consequently, the reported growth reflects changes in nominal values and should not be interpreted as real growth.

Analytical Approach

The analysis combines descriptive statistics, growth analysis, and comparative assessments of state fiscal performance and expenditure priorities. Beyond aggregate trends, the report integrates both aggregate and state-level analysis to identify notable patterns, growth trajectories, fiscal positions before borrowing, and variations in expenditure priorities across reporting states. Comparative rankings are used to highlight states recording the strongest and weakest performance across selected fiscal indicators, while recognising that higher expenditure reflects increased financial commitment but does not, by itself, demonstrate project completion, value for money, improved infrastructure, or enhanced public service delivery.

By focusing on actual budget implementation outcomes rather than approved allocations, the study provides a stronger basis for understanding subnational fiscal behaviour, resource mobilisation, expenditure priorities, and financing patterns across Nigeria's states during the review period.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One

Executive Summary

This report examines changes in the fiscal performance and expenditure priorities of Nigeria's[4] 34 states, excluding Akwa Ibom and Rivers states, between 2022 and 2025 using[5] actual full year budget implementation data as sourced from official state fiscal repositories and also archived on Openstates.ng.

The analysis focuses on aggregate revenue and expenditure growth, personnel costs, overhead, capital, and spending patterns across critical sectors, such as education, health, infrastructure, and administration. All growth figures presented in this report are nominal and are derived from actual budget implementation data, unless otherwise stated. This report examines changes in the revenue structure and expenditure priorities following the removal of fuel subsidies, using the pre-subsidy period as the baseline for comparison. We are curious to know what has changed in the state spending over the years and their priorities in terms of personnel growth, education expenditure, health expenditure, infrastructure spending and administrative costs.

The findings indicate that state revenues recorded remarkable nominal growth during the period under review. **The aggregate state revenue increased from N4.840 trillion in 2022 to N15.526 trillion in 2025, representing an overall nominal increase of 220.76% over the period and a nominal compound annual growth rate (CAGR) of 47.48% .** This growth reflects stronger revenue inflows across states, supported largely by increased statutory allocations and, in some cases, improvements in internally generated revenue (IGR) performance.

Similarly, aggregate state expenditure, which expanded significantly, rose from N6.218 trillion in 2022 to N17.880 trillion in 2025, representing a nominal increase of 187.53% and a compound annual growth rate of CAGR of 42.20%. Despite this overall growth, the pace and composition of expenditure varied considerably across states, highlighting differences in fiscal priorities, governance approaches, and development strategies.

Aggregate actual expenditure on education increased from N923.66 billion in 2022 to N2.18 trillion in 2025, representing an overall nominal increase of 135.48% and a nominal CAGR of 33.04%. The aggregate actual expenditure

4. Excluding Akwa Ibom and Rivers Quarterly BIR. Akwa Ibom state has refused to publish detailed budget implementation reports for comprehensive analysis. Rivers State continues to face political headwinds that have limited governance and disclosure of public resources. However, these two
5. State Quarterly Budget Implementation Report Document

on health also increased substantially, rising from N485.08 billion to N1.19 trillion, representing an overall nominal increase of 144.95% with a nominal CAGR of 34.80%. These findings show that state spending on both education and health increased between 2022 and 2025, although the pace of growth varied across states.

Infrastructure expenditure experienced one of the strongest increases among the sectors examined. Aggregate actual spending on infrastructure, including roads, transportation, housing, land administration, and other public works, increased from N1.439 trillion in 2022 to N5.643 trillion in 2025, representing a nominal growth of 292.12% and a compound annual growth rate (CAGR) of 57.69%. **Infrastructure expenditure accounted for 23.1% of aggregate state expenditure in 2022, rising to 31.6% in 2025.** This increase indicates that infrastructure absorbed a larger share of total state expenditure over the review period, although the level and pace of investment varied considerably across states.

The analysis also reveals notable variations in administrative expenditure across states. While some states maintained relatively moderate spending on governance institutions, others recorded substantial increases in allocations to government houses, offices of the secretary to the state government, state legislatures, and other administrative structures. These differences highlight variations in the composition of state expenditure and the allocation of resources to administrative functions across states during the review period.

Personnel expenditure remained a major component of state spending throughout the period, although growth patterns differed considerably across states. In many instances, increases in personnel expenditure accounted for a substantial share of total expenditure growth, reflecting the rising cost of wage and salary commitments across state governments.

Overall, the report finds that although Nigerian states collectively experienced stronger nominal revenues and higher expenditure levels between 2022 and 2025, the composition of expenditure differed significantly across states. Expenditure on education, health, infrastructure, personnel, and administrative functions increased over the review period, although the pace of growth and the distribution of resources varied across jurisdictions. These variations provide insight into differences in expenditure patterns and fiscal management across Nigeria's subnational governments.

Background

01

At BudgIT, we believe that transparency and accountability in public finance extend beyond tracking how much governments receive; they also require a clear understanding of how public resources are allocated and utilised to meet citizens' needs. The composition of public expenditure provides critical insights into government priorities, the quality of service delivery, and the extent to which fiscal resources are being translated into tangible development outcomes.

Subnational governments occupy a strategic position in Nigeria's development landscape. We are of the view that state governments should be responsible for delivering essential public services in the areas of education, healthcare, transportation, infrastructure, housing, agriculture, and administrative governance. The effectiveness of these responsibilities depends not only on the volume of resources available to states but also on how such resources are managed and directed toward sectors that improve the welfare and livelihoods of citizens.

Over the years, BudgIT's work on fiscal transparency and accountability has consistently highlighted the importance of strengthening subnational fiscal management and ensuring that increased public revenues translate into improved development outcomes. Through initiatives such as the State of States[6] reports and other public finance analyses, BudgIT has emphasised that sustainable development requires a balanced approach to public spending and one that prioritises investments in human capital, infrastructure, and productive sectors while maintaining fiscal discipline and accountability.

Over the years, BudgIT's work on fiscal transparency and accountability has consistently highlighted the importance of strengthening subnational fiscal management and ensuring that increased public revenues translate into improved development outcomes.

6. BudgIT (2025) State of States 2025. Available at: https://budgit.org/wp-content/uploads/2025/10/StateofStates2025SEIIWEB.pdf (Accessed: 20 July 2026).

The fiscal environment of Nigerian states has evolved significantly in recent years. Rising statutory allocations, changes in internally generated revenue performance, and broader macroeconomic developments have expanded the fiscal space available to many states. While these developments have created opportunities for greater public investment, they have also raised important questions regarding expenditure priorities, fiscal sustainability, and the balance between recurrent obligations and developmental spending.

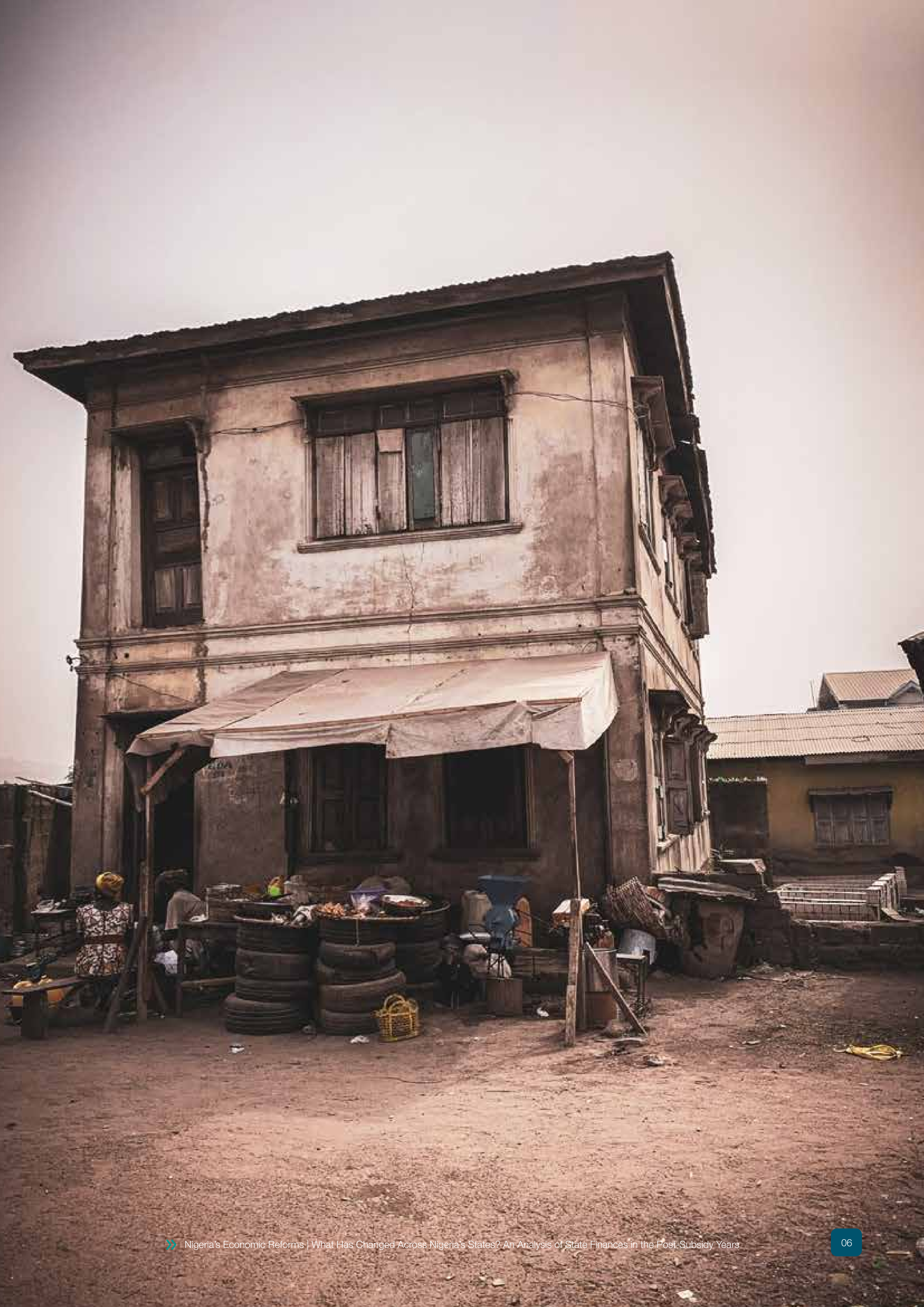
International development institutions, including the[7] World Bank and the[8] International Monetary Fund, have similarly stressed the importance of directing public expenditure toward sectors that promote long-term economic growth and social welfare. Investments in education and healthcare contribute directly to human capital development, while infrastructure spending supports economic productivity, connectivity, and improved service delivery. Conversely, rapidly expanding administrative and recurrent expenditures may reduce the resources available for developmental investments and pose challenges for fiscal sustainability.

Against this backdrop, this report examines the fiscal performance and expenditure priorities of Nigeria's 34 out of 36[9] (excluding Akwa Ibom and Rivers State due to incomplete documents) states by comparing actual budget implementation outcomes between 2022 and 2025. Unlike analyses that rely solely on approved budgets, this study utilises quarter one to quarter four budget implementation reports to capture actual revenues received and expenditures incurred by state governments. **Although this is a compilation of unaudited financial reports of states, this approach provides a more accurate representation of fiscal realities and government spending behaviour.**

The analysis focuses on aggregate revenue and expenditure growth, personnel spending, and expenditure patterns across four critical sectors: education, health, infrastructure, and administration. Sectoral aggregates were derived from actual expenditures reported by relevant ministries, departments, agencies, and institutions within each state. The report also identifies notable trends and variations in state spending priorities, highlighting cases of significant investments in social services and infrastructure, as well as instances where administrative and recurrent expenditures expanded more rapidly than developmental spending.

Ultimately, this report seeks to contribute to ongoing conversations on fiscal governance, public accountability, and development planning at the subnational level. By examining both the scale and composition of state expenditures, BudgIT aims to provide evidence that supports informed policymaking, strengthens citizen engagement, and promotes the efficient use of public resources in advancing sustainable development across Nigeria.

7. World Bank. (2025). Nigeria Development Update. Washington, DC: World Bank. Nigeria Development Update (NDU) (Accessed 20 July, 2026)
8. World Bank (2025). Nigeria Development Update. Fiscal Risks from Public Infrastructure (Accessed 20 July 2026)
9. Akwa Ibom and Rivers States were excluded from the analysis because their Budget Implementation Reports (BIRs) were either unavailable or incomplete as of 10 July 2026, the data cut-off date for this report.

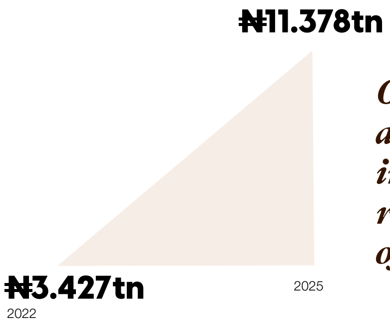


Key Findings on Revenue Growth Across Nigerian States (2022–2025)

02

Our analysis of actual Q1–Q4 budget implementation reports shows that Nigerian states experienced a remarkable increase in nominal revenues between 2022 and 2025. The aggregate state revenue rose from N4.840 trillion in 2022 to N15.526 trillion in 2025 by representing an overall nominal growth of 220.76% and a Compound Annual Growth Rate (CAGR) of 47.48% over the review period.

A closer examination of the composition of state revenues shows that the increase was driven primarily by higher statutory transfers through the Federation Account Allocation Committee (FAAC), although Internally Generated Revenue (IGR) also recorded substantial growth. Our analysis shows that aggregate FAAC allocations increased from N3.427 trillion in 2022 to N11.378 trillion in 2025 by representing an overall nominal growth of 232.06% and a CAGR of 50.2%. Over the same period, aggregate IGR increased from N1.565 trillion to N4.147 trillion, representing nominal growth of 165.01% and a CAGR of 38.38%. **This shows that significant growth has come from increased federal transfers due to currency devaluation, improved tax collection and increased oil revenues.**



Our analysis shows that aggregate FAAC allocations increased from N3.427 trillion in 2022 to N11.378 trillion in 2025 by representing an overall nominal growth of 232.06% and a CAGR of 50.2%.

Table 1: Aggregate State Revenue by Source, Growth, and Share (2022–2025)

Amount in NGN

2022	Indicator	CAGR (2022–2025)	2025
Aggregate Revenue **4.99tn**	**Indicator** *(Overall Nominal Growth)* **211.04%**		Aggregate Revenue **15.53tn**
1.56tn	**Total Actual IGR** *(165.01%)*	*38.38%*	**4.15tn**
3.43tn	**Total FAAC Allocation** *(232.06%)*	*49.19%*	**11.38tn**

Source: State Q4 Budget Implementation Reports, 2022 and 2025

2.1 The Dependence on Federal Transfers

The composition of state revenues also shifted during the review period. FAAC accounted for 68.7% of aggregate state revenue in 2022, increasing to 73.3% in 2025, while the contribution of IGR declined from 31.4% to 26.7%. Although states generated substantially more own-source revenue in absolute terms, the faster growth in statutory transfers meant that federal allocations constituted a larger share of total state revenues by 2025. This indicates that, despite improvements in domestic revenue mobilisation, many states remained heavily reliant on transfers from the Federation Account.

Looking at the growth closely, it represents one of the most significant expansions in subnational fiscal resources in recent years, and it did not occur in isolation. The period coincided with major fiscal and macroeconomic reforms, particularly the[10] removal of the petrol subsidy in 2023, the unification of the foreign[11] exchange market, and the resulting increase in revenues accruing to the Federation Account. These developments substantially expanded the resources available for distribution to states through the[12] Federation Account Allocation Committee (FAAC). The World Bank, in a number of their Nigeria Development Update[13] reports, has noted that these reforms created additional fiscal space for governments while also increasing expectations for stronger investments in human development and public service delivery.

Although aggregate IGR increased substantially during the period, its slower rate of growth relative to FAAC allocations indicates that the recent expansion in state revenues was driven more by higher federal transfers than by improvements in internally generated revenue. Nevertheless, several states continued to strengthen their revenue mobilisation efforts through improvements in tax administration, digital revenue collection systems, land administration reforms, and expanding economic activity. States such as Lagos, Ogun, Delta, and Kano have historically maintained relatively strong IGR

10. Nairametrics (2025) Fuel subsidy removal triples FAAC allocation to N3.2 trillion between 2023 and 2024 – Presidency. Available at: https://nairametrics.com/2025/01/17/fuel-subsidy-removal-triples-faac-allocation-to-n3-2-trillion-between-2023-and-2024-presidency/ (Accessed: 20 July 2026).
11. International Monetary Fund (2024) IMF Executive Board Concludes 2024 Article IV Consultation with Nigeria. Available at: https://www.imf.org/en/news/articles/2024/05/08/pr-24144-nigeria-executive-board-concludes-2024-art-iv-consultation (Accessed: 20 July 2026).
12. National Bureau of Statistics (various years) Federation Account Allocation Committee (FAAC) Reports. Available at: https://www.nigerianstat.gov.ng/ (Accessed: 20 July 2026).
13. World Bank (2025) Nigeria Development Update: Building Momentum for Inclusive Growth. Available at: https://www.worldbank.org/en/country/nigeria/publication/nigeria-development-update-ndu (Accessed: 20 July 2026).

bases, while others have increasingly pursued reforms aimed at reducing their dependence on federal transfers.

The rising revenues gave state governments more room to invest in areas that directly affect the lives of citizens, including education, healthcare, infrastructure, agriculture, and social protection. However, having more money does not automatically translate into better outcomes. What ultimately matters is how these resources are prioritised, managed, and converted into tangible improvements that people can see and experience in their daily lives.

2.2. Surging Nominal Growth of States' Revenues

The revenue growth was widespread across the federation, although the pace differed considerably from one state to another. **Enugu State**[14] **recorded the fastest revenue growth during the review period, with actual revenue increasing from N102.68 billion in 2022 to N665.85 billion in 2025, representing a nominal CAGR of 86.48%.** Abia followed with a CAGR of 66.05%, while Niger with 60.47% then Taraba with 54.33% and Bauchi with 53.87% recorded exceptionally strong growth. These states significantly outpaced the aggregate CAGR of 47.57%, reflecting substantial improvements in their revenue performance over the review period.

Several other states also recorded strong revenue growth. Edo posted a CAGR of 53.28%, followed by Imo with 52.89%, Katsina with 52.33%, Anambra with 52.20%, and Osun with 52.07%. Kogi, Plateau, Oyo, Cross River, Ekiti, and Gombe also recorded annual growth rates of approximately 50% and above. The performance of these states demonstrates that revenue expansion was not limited to a few large or economically advanced states. Rather, the gains were broadly distributed across the federation by reflecting the widespread impact of increased FAAC allocations and, in several cases, improvements in internally generated revenue mobilisation.

However, Lagos State remained Nigeria's largest subnational economy, with actual revenue increasing from N889.45 billion in 2022 to N2.63 trillion in 2025. However, its nominal CAGR of 43.49% ranked twenty-second among the reporting states by indicating that several smaller states experienced faster proportional revenue growth. Similarly, Delta State's revenue increased from N540.84 billion to N1.45 trillion during the review period, yet its CAGR of 38.90% remained below the aggregate CAGR across states. **These findings suggest that although the largest states by revenues continued to generate the highest revenues in absolute terms, a number of smaller states by revenues expanded their fiscal capacity at a faster rate.**

At the lower end of the ranking, Nasarawa recorded the slowest revenue growth among reporting states, with a CAGR of 27.94%, followed by Kebbi with 32.59%, Zamfara with 32.69%, Ogun with 32.71%, and Kaduna with 33.55%. The variation in revenue growth across states suggests that while the fiscal reforms implemented during the review period expanded the resources available to all states, the extent of the gains differed considerably. Differences in economic structure, revenue administration capacity, and the ability to mobilise internally generated revenue continued to shape fiscal outcomes across states. Although statutory allocations accounted for a larger share of the overall increase in revenues, strengthening domestic revenue mobilisation remains essential for improving long-term fiscal sustainability and reducing dependence on federal transfers.

As BudgIT has consistently argued, transparency, accountability, and citizen participation remain essential to ensuring that increased revenues produce tangible benefits for citizens. The timely publication of budget implementation reports, open procurement processes, and stronger public oversight will be critical to ensuring that the gains from recent fiscal reforms translate into improved service delivery and inclusive development.

14. The significant increase in Enugu State's IGR in 2025 was largely attributable to proceeds collected by the State Housing Development Corporation as part of the state government's intervention in the landed property market. We have our reservations on this approach, but we will continue to observe the cyclical nature of the receipts.

Table 2: Aggregate Revenue Growth Across States

Amount in Nbillion

Rank	State	Aggregate Revenue 2022	Aggregate Revenue 2025	CAGR
1	[15]Enugu	102.68	665.85	86.48%
2	Abia	83.59	382.70	66.05%
3	Niger	85.80	354.51	60.47%
4	Taraba	67.82	249.31	54.33%
5	Bauchi	99.25	361.53	53.87%
6	Edo	141.95	511.23	53.28%
7	Imo	106.07	379.12	52.89%
8	Katsina	102.43	362.08	52.33%
9	Anambra	110.69	390.26	52.20%
10	Osun	86.45	304.01	52.07%
11	Kogi	89.11	306.62	50.97%
12	Plateau	84.16	289.00	50.87%
13	Oyo	136.41	467.89	50.81%
14	Cross River	93.29	319.58	50.75%
15	Ekiti	80.64	275.55	50.62%
16	Gombe	79.18	264.94	49.57%
17	Borno	98.57	325.82	48.96%
18	Bayelsa	299.07	976.90	48.37%
19	Yobe	82.73	262.15	46.88%
20	Kano	163.47	486.81	43.87%
21	Sokoto	105.01	310.32	43.50%
22	Lagos	889.45	2,627.94	43.49%
23	Jigawa	132.15	388.54	43.26%
24	Kwara	105.70	307.68	42.78%
25	Adamawa	84.01	235.47	41.00%
26	Delta	540.84	1,449.42	38.90%
27	Benue	117.58	310.68	38.25%
28	Ondo	132.08	345.61	37.80%
29	Ebonyi	94.51	234.99	35.47%
30	Kaduna	150.28	357.94	33.55%
31	Ogun	186.76	436.48	32.71%
32	Zamfara	87.72	204.90	32.69%
33	Kebbi	82.04	191.24	32.59%
34	Nasarawa	90.05	188.59	27.94%

Source: State Q4 Budget Implementation Reports, 2022 and 2025

Note: *States are ranked according to their Compound Annual Growth Rate (CAGR) between 2022 and 2025. Akwa Ibom and Rivers were excluded from the ranking due to incomplete or unavailable data for the review period.*

15.

Table: 3 Key Findings on State Performance in Internally Generated Revenue

Amount in NGN

2022	Indicator (Change)	CAGR (2022–2025)	2025
IGR as a Share of Total Expenditure *(2022)* **25.17%**	**-1.97%**		IGR as a Share of Total Expenditure *(2025)* **23.20%**
6.22tn	**Total Actual Expenditure** *(187.53%)*	*42.20%*	17.88tn
1.57tn	**Total IGR** *(165.01%)*	*38.38%*	4.15tn

The table above shows that aggregate Internally Generated Revenue (IGR) increased significantly from N1.57 trillion in 2022 to N4.15 trillion in 2025 by representing an overall nominal growth of 165.01% and a compound annual growth rate (CAGR) of 38.38% over the three-year period. The substantial increase reflects improvements in states' capacity to mobilise own-source revenues through taxes, levies, fees, and other internally generated income, alongside reforms aimed at strengthening revenue administration.

Despite this strong performance, the growth in IGR was slower than the expansion in aggregate state expenditure. Our findings show that the total actual expenditure increased from N6.22 trillion in 2022 to N17.88 trillion in 2025 by representing an overall nominal growth of 187.53% and a CAGR of 42.20% during the same period and consequently, **IGR financed a slightly smaller proportion of aggregate expenditure, with its contribution declining from 25.17% in 2022 to 23.20% in 2025, a reduction of 1.97 percentage points.**

The decline in IGR's share of expenditure indicates that although states substantially increased their internally generated revenues, expenditure expanded at an even faster pace. This suggests that the additional spending commitments undertaken during the review period outpaced the growth in states' own-source revenues, thereby increasing the importance of other financing sources such as statutory allocations from the Federation Account and, where necessary, borrowing. While the growth in IGR demonstrates continued progress in strengthening domestic revenue mobilisation, the figures also highlight that internally generated revenues alone remained insufficient to keep pace with the rapid expansion in state expenditure.

The aggregate growth in internally generated revenue (IGR) between 2022 and 2025 concealed significant variations in performance across states. Our analysis shows that most states recorded improvements in own-source revenue mobilisation, and the scale of growth differed differently by reflecting differences in economic activity, tax administration, institutional capacity, and revenue mobilisation strategies. Examining state-level performance therefore provides a clearer picture of how fiscal self-reliance evolved during the review period.

In absolute terms, Lagos State remained the country's largest generator of internally generated revenue by a considerable margin. IGR increased from N656.35 billion in 2022 to N1.85 trillion in 2025, representing an additional N1.19 trillion in internally generated revenue and accounting for the largest revenue increase recorded by any state. Although Lagos ranked only eighth in terms of growth rate and its collections in 2025 were more than four times those of the next highest-performing state. Enugu State emerged as the second-largest IGR-generating state, with collections rising to N406.77 billion, followed by Ogun with N237.65 billion. Delta stood at at N206.44 billion, then Kano at N102.26 billion, Oyo also stood at N102.52 billion; and Edo at N98.45 billion, Kaduna at N86.72 billion, Kwara at N85.21 billion, and Abia at N66.86 billion. Based on the analysis, we noticed that these states accounted for the highest levels of internally generated revenue in 2025, highlighting the concentration of fiscal capacity among a relatively small group of states.

The fastest growth in internally generated revenue, however, was recorded by a different set of states. States like Enugu led the country with an exceptional CAGR of 153.01%, as its IGR expanded from N25.12 billion in 2022 to N406.77 billion in 2025, representing a nominal increase of N381.66 billion. Niger State ranked second with a CAGR of 76.33%, increasing collections from N12.11 billion to N66.37 billion, while Abia State followed closely with a 65.79 percent CAGR, raising IGR from N14.67 billion to N66.86 billion. Other high-performing states included Ekiti with 58.36%, Bayelsa with 52.99 percent, Katsina with 49.82 percent, and Cross River with 46.88%. These states substantially expanded their revenue bases during the review period, significantly strengthening their capacity to generate internally sourced revenue.

A larger group of states recorded steady but comparatively moderate improvements in IGR. This category included Lagos with 41.14%, Kano with 39.78%, Delta with 39.76 percent, Oyo with 37.73%, Edo with 37.34%, Gombe with 36.47%, Bauchi with 36.03%, Osun with 33.98%, Kwara with 33.93%, and Adamawa with 33.50%. Although these states did not match the rapid growth recorded by the leading performers, they nevertheless achieved sustained increases in internally generated revenue while maintaining relatively stable growth trajectories over the three-year period.

The growth remained comparatively modest across another group of states, with CAGR ranging between 13 and 27% These included Taraba with 26.94%, Kogi with 26.85%, Ogun with 25.84%, Plateau with 25.61%, Imo with 23.77, Nasarawa with 23.58%, and Borno with 23.06%. Kebbi also stood at 20.42%, followed by Ondo with 19.34% and Benue with 19.19%, Anambra with 18.51%, Zamfara with 16.42%, Yobe with 15.77%, and Kaduna with 13.07%. While these states generally expanded their internally generated revenues, their growth remained below the national IGR CAGR of 38.38 percent, and this suggests that improvements in revenue mobilization were relatively limited. Which of these states really had a decline?

Based on the analysis, we observed that only three states recorded declining internally generated revenue over the review period. State like Ebonyi is one of them; it experienced a marginal contraction, with IGR falling from N23.89 billion in 2022 to N23.25 billion in 2025, corresponding to a CAGR of -0.91% followed by Sokoto which recorded a larger decline, with collections decreasing from N23.60 billion to N20.58 billion (CAGR -4.46%), while Jigawa being the third also recorded the weakest performance nationally, as IGR declined from N59.40 billion to N35.27 billion, representing a negative CAGR of 15.95 percent. Data for Akwa Ibom and Rivers were unavailable and were therefore excluded from the analysis.

2.2.1 Expenditure Growth Across Nigerian States (2022–2025)

The significant increase in state revenues between 2022 and 2025 was accompanied by a corresponding expansion in public spending across the country. Our analysis of actual Q1–Q4 budget implementation reports shows that aggregate state expenditure increased from **N6.218 trillion in 2022 to N17.880 trillion in 2025, representing an overall growth of 187.53% and a compound annual growth rate (CAGR) of 42.20% over the three-year period.**

Table 4: Aggregate State Expenditure Growth (2022–2025)

Amount in NGN

Total State Exp. CAGR *(2022–2025)*	Indicator	*(Overall Growth)*
42.20%		**187.53%**
2022	Total State Expenditure	2025
6.22tn	**11.66tn** (Change)	17.88tn

Source: State Q4 Budget Implementation Reports, 2022 and 2025

The expansion in expenditure reflects the changing fiscal realities at the subnational level. The higher statutory allocations from the Federation Account, exchange-rate adjustments, and the fiscal effects of the petrol subsidy removal significantly expanded the resources available to state governments. The increased FAAC inflows provided many states with additional fiscal space to undertake projects, expand programmes, and meet growing development demands. The expansion in expenditure reflects the changing fiscal realities at the subnational level. Higher statutory allocations from the Federation Account, exchange rate adjustments, and the fiscal effects of the petrol subsidy removal significantly expanded the resources available to state governments.

The resulting increase in FAAC inflows created additional fiscal space by enabling many states to scale up public spending, finance capital projects, expand social programmes, and respond to growing development needs. However, expenditure growth remained below the pace of revenue growth over the review period, suggesting that states did not increase spending at the same rate as their expanding revenues. However, increased spending alone does not automatically translate into improved welfare outcomes. The real question is whether these additional resources are being channelled towards investments that improve citizens' quality of life and whether governments are able to deliver public services efficiently and transparently.

Table 5: Nominal Growth in Aggregate State Expenditure Across States (2022–2025)

Amounts are in ₦Billion

Rank	State	2022 Total Expenditure	2025 Total Expenditure	CAGR
1	Abia	46.52	409.56	106.48%
2	Enugu	102.65	645.52	84.58%
3	Niger	94.21	514.3	76.08%
4	Plateau	55.61	289.26	73.27%
5	Kano	134.8	583.99	63.02%
6	Borno	109.25	469.38	62.57%
7	Jigawa	136.18	569.41	61.10%
8	Adamawa	86.61	326.99	55.71%
9	Benue	107.25	402.26	55.37%
10	Bayelsa	292.88	1,061.14	53.59%
11	Anambra	98.51	354.78	53.28%
12	Osun	100.26	351.78	51.96%
13	Nasarawa	85.05	296.25	51.58%
14	Sokoto	96.83	322.71	49.37%
15	Ekiti	106.49	349.97	48.68%
16	Kogi	132.34	430.21	48.14%
17	Oyo	209.72	668.76	47.19%
18	Bauchi	171.42	532.31	45.89%
19	Katsina	156.74	482.41	45.46%
20	Imo	161.62	494.31	45.15%
21	Ebonyi	102.57	304.3	43.69%
22	Yobe	133.38	381.23	41.92%
23	Edo	195.93	556.53	41.62%
24	Kebbi	89.7	239.77	38.78%
25	Gombe	124.89	333.12	38.68%
26	Ogun	244.18	610.28	35.71%
27	Kwara	137.07	329.02	33.89%
28	Taraba	85.19	195.55	31.91%
29	Lagos	1,270.22	2,838.20	30.73%
30	Zamfara	114.89	254.42	30.34%
31	Ondo	151.33	310.09	27.02%
32	Kaduna	254.86	510.91	26.09%
33	Cross River	156.99	314.29	26.03%
34	Delta	672.12	1,146.65	19.49%

Source: State Q4 Budget Implementation Reports, 2022 and 2025

2.2.2 States on Expenditure Drive

The pace of expenditure growth varied considerably across the country. While most states expanded their spending between 2022 and 2025, a handful recorded exceptionally rapid increases.Abia emerged as the fastest-growing state in terms of expenditure, with spending increasing from N46.52 billion in 2022 to N409.56 billion in 2025 by representing a compound annual growth rate (CAGR) of 106.48%. Enugu followed with a CAGR of 84.58%, while Niger and Plateau recorded growth rates of 76.08% and 73.27%, respectively. These states significantly outpaced the aggregate expenditure CAGR of 42.20%, reflecting a substantial expansion in public spending over the review period.

Northern states also featured prominently among the fastest-growing spenders. Kano recorded a CAGR of 63.02%, followed by Borno with 62.57% and Jigawa with 61.10%, indicating that improved fiscal conditions enabled many states to expand public expenditure at a pace not seen in previous years. Adamawa, Benue, Bayelsa, Anambra, and Osun also recorded expenditure growth rates exceeding 50%, placing them among the country's fastest-growing states.

In absolute terms, Lagos remained Nigeria's largest spender, with total expenditure increasing from N1.270 trillion in 2022 to N2.838 trillion in 2025. Delta followed, with expenditure rising from N672.12 billion to N1.147 trillion, while Bayelsa also surpassed the N1 trillion mark, recording total expenditure of N1.061 trillion in 2025. Although Lagos ranked twenty-ninth among reporting states in terms of expenditure growth, its expenditure remained significantly higher than that of every other state, reflecting the scale of economic activity, infrastructure requirements, and public service obligations associated with Nigeria's commercial capital.

Similarly, Enugu, Ogun, Kano, Jigawa, Edo, Bauchi, and Niger each recorded expenditure exceeding N500 billion in 2025 by illustrating the expanding fiscal capacity of several state governments during the review period.
At the lower end of the ranking, Delta recorded the slowest expenditure growth among reporting states, with a CAGR of 19.49%, followed by Cross River with 26.03%, Kaduna with 26.09%, Ondo with 27.02%, Zamfara with 30.34%, Lagos with 30.73%, Taraba with 31.91%, and Kwara with 33.89%. Although these states also recorded substantial increases in expenditure between 2022 and 2025, their growth rates were considerably lower than those of many of their peers. This suggests that states responded differently to improved fiscal conditions, reflecting variations in expenditure priorities, existing fiscal commitments, and implementation capacity.

> **The broader question, however, is what these higher levels of spending have delivered for citizens. International institutions, including the World Bank, have consistently emphasised that public expenditure produces better outcomes when supported by strong public financial management systems, transparent procurement processes, and effective accountability mechanisms.**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Personnel Expenditure Growth Across Nigerian States (2022–2025)

03

Personnel costs remain one of the largest recurrent obligations for state governments, covering salaries, wages, pensions, and other employee-related expenses. Between 2022 and 2025, rising inflation, the removal of petrol subsidies, wage awards, and the implementation of the new national minimum wage significantly increased pressure on state payrolls.[16] The adjustment of the national minimum wage from N30,000 to N70,000 in 2024 further reshaped personnel spending priorities across the country. While states' revenue had a CAGR of 47.48%, personnel costs have grown at a weaker pace, meaning either labor had bargained poorly or the state government had not rightly increased wages at a commensurate level. This might causally explain poor transmission of economic reforms at the micro- level.

While states' revenue had a CAGR of 47.48%, personnel costs have grown at a weaker pace, meaning either labor had bargained poorly or the state government had not rightly increased wages at a commensurate level.

16. Vanguard News (2026) FG to review N70,000 minimum wage – Gbajabiamila. Available at: https://www.vanguardngr.com/2026/06/fg-to-review-n70000-minimum-wage-gbajabiamila/ (Accessed: 20 July 2026).

Table 6: Aggregate Personnel Expenditure Growth (2022–2025)

Amount in NGN

2022	Indicator *(Overall Nominal Growth)*	CAGR (2022–2025)	2025
Personnel Share of Total Expenditure *(2022)* **24.99%**	**-8.83%**		Personnel Share of Total Expenditure *(2025)* **16.16%**
6.22tn	**Total Actual Expenditure** *(187.53%)*	*42.20%*	**17.88tn**
1.55tn	**Total Personnel Expenditure** *(85.90%)*	*22.96%*	**2.89tn**

Source: State Q4 Budget Implementation Reports, 2022 and 2025

NB: *Excluding Akwa Ibom & Rivers State due to incomplete documents.*

Our findings show that the aggregate personnel expenditure increased from N1.55 trillion in 2022 N2.89 trillion in 2025, representing an overall nominal growth of 85.90% and a compound annual growth rate (CAGR) of 22.96% over the review period. However, personnel expenditure declined as a share of total state expenditure from 24.99% in 2022 to 16.16% in 2025. This indicates that states increased spending on salaries and wages; overall expenditure expanded at a much faster pace. Improved statutory allocations also provided additional fiscal space to accommodate these commitments without a corresponding increase in the share of expenditure devoted to personnel.

While increased spending on personnel can strengthen public service delivery by supporting teachers, healthcare workers, agricultural extension officers, and other public servants, it also supports household incomes and consumer spending, particularly in states where the public sector remains a major source of formal employment. In many states with relatively limited industrial activity and private sector employment, wage payments help stimulate local economic activity through increased demand for goods and services. Although personnel expenditure increased during the review period, its declining share of total state expenditure suggests that many states exercised restraint in expanding their wage bills despite stronger revenue growth. Achieving an appropriate balance between personnel expenditure and other government priorities remains important if improvements in state finances are to translate into tangible benefits for citizens over time.

3.1 Personnel Cost on Slow Run

The pace of personnel expenditure growth differed considerably across the reporting states. Abia recorded the highest compound annual growth rate (CAGR) at 42.50%, followed by Osun with 33.67%, Ekiti with 33.51%, Plateau with 32.08%, and Yobe with 30.36%.

At the lower end of the ranking, Imo recorded the slowest growth in personnel expenditure, with a CAGR of 10.40%, followed by Enugu with 11.57%, Kebbi with 12.67%, Anambra with 14.55%, and Sokoto with 14.84%. Although all reporting states increased personnel expenditure between 2022 and 2025, the pace of growth varied considerably, reflecting differences in workforce expansion, salary adjustments, fiscal capacity, and the implementation of wage-related policies.

The increase in personnel expenditure reflects the broader economic realities facing both governments and workers during the review period.[17] Rising inflation, the removal of petrol subsidies, and the sharp increase in the cost of living prompted many state governments to introduce wage awards and implement salary adjustments to cushion the impact on public sector workers.[18] The implementation of the new national minimum wage further increased recurrent expenditure commitments across the federation. At the same time, the variation in growth rates across states suggests that governments responded differently to these pressures depending on their fiscal capacity and expenditure priorities, and even with improved[19] FAAC inflows providing additional fiscal space, personnel expenditure generally grew more slowly than aggregate state revenues, indicating that many states exercised restraint in expanding their wage bills while managing competing expenditure demands.

The states with the fastest personnel expenditure growth were not necessarily those with the largest wage bills. Lagos remained the largest spender on personnel throughout the review period, with expenditure increasing from N168.25 billion in 2022 to N333.67 billion in 2025. Delta followed, with personnel expenditure rising from N116.14 billion to N197.81 billion, while Oyo increased personnel spending from N92.58 billion to N170.04 billion over the same period. Other states with relatively large personnel expenditures included Ogun, which stood at N151.27 billion; Kano, at N116.51 billion; and Edo, at N99.27 billion in 2025.

These states recorded the highest personnel expenditure in absolute terms by reflecting the size of their public workforces, the scale of government operations, and their relatively stronger fiscal capacity. However, their lower CAGR rankings compared with several smaller states demonstrate that high personnel expenditure does not necessarily translate into the fastest growth in wage-related spending.

Looking at the lower end of the ranking, our analysis shows that Imo recorded the slowest growth in personnel expenditure, with a CAGR of 10.40%, followed by Enugu at 11.57%, Kebbi at 12.67%, Anambra at 14.55%, and Sokoto at 14.84%. Although these states also increased personnel expenditure during the review period, the relatively modest pace of growth suggests a more restrained expansion in wage-related spending. This may reflect differences in workforce size, fiscal capacity, the timing of salary adjustments, or broader expenditure priorities across states.
Our overall findings show that personnel expenditure increased across all reporting states between 2022 and 2025, although the pace of growth varied considerably. **While improved statutory allocations provided states with additional fiscal space to accommodate rising wage obligations, personnel expenditure grew considerably more slowly than total state expenditure over the review period.** As a result, personnel expenditure accounted for a smaller share of total spending by declining from 24.99% in 2022 to 16.16% in 2025. This indicates that personnel expenditure did not expand as rapidly as overall state expenditure by allowing a larger share of additional fiscal resources to be allocated to other expenditure priorities. Going forward, sustaining this balance will require continued improvements in domestic revenue mobilisation and prudent expenditure management to ensure that rising personnel costs do not crowd out investments in infrastructure and other development priorities while continuing to support household incomes, public service delivery, and broader economic activity.

17. Federal Ministry of Labour and Employment. (2024). New National Minimum Wage Takes Effect 1st April 2024 – Onyejeocha. Available at: Federal Ministry of Labour and Employment – New National Minimum Wage Takes Effect (Accessed: 25 July 2026).
18. National Salaries, Incomes and Wages Commission. (2024). Federal Government Inaugurates Committee on Consequential Salaries Adjustments. Available at: https://nsiwc.gov.ng/office-of-the-head-of-the-civil-service-of-the-federation-press-release-federal-government-inaugurates-committee-on-consequential-salaries-adjustments/ (Accessed: 25 July 2026). Federal
19. National Bureau of Statistics. (2025). Federation Account Allocation Committee (FAAC) Disbursement Reports (January–December 2024). Available at: NBS FAAC Disbursement Reports Collection (Accessed: 25 July 2026).

Table 7: Actual Personnel Expenditure and Growth Across States (2022–2025)

Amount in ₦ billion

Rank	State	2022 Personnel Expenditure	2025 Personnel Expenditure	Nominal Increase	CAGR
1	Abia	21.52	62.26	40.75	42.50%
2	Osun	36.62	87.46	50.84	33.67%
3	Ekiti	26.87	63.95	37.08	33.51%
4	Plateau	22.62	52.11	29.5	32.08%
5	Yobe	34.46	76.34	41.88	30.36%
6	Benue	33.86	73.94	40.08	29.74%
7	Edo	45.58	99.27	53.69	29.63%
8	Ebonyi	13.5	29.31	15.81	29.50%
9	Niger	37.1	78.25	41.14	28.24%
10	Bayelsa	48.78	98.75	49.97	26.50%
11	Cross River	31.83	63.91	32.08	26.16%
12	Adamawa	32.84	65.73	32.89	26.02%
13	Lagos	168.25	333.67	165.42	25.64%
14	Ogun	77.86	151.27	73.41	24.78%
15	Gombe	28.55	53.95	25.4	23.64%
16	Nasarawa	37.34	70.55	33.21	23.63%
17	Taraba	29.63	55.6	25.97	23.34%
18	Kogi	47.88	89.2	41.33	23.05%
19	Bauchi	35.86	66.31	30.45	22.74%
20	Oyo	92.58	170.04	77.46	22.46%
21	Jigawa	52.37	92.66	40.3	20.95%
22	Ondo	56.55	99.58	43.03	20.76%
23	Delta	116.14	197.81	81.68	19.43%
24	Kwara	38.5	65.22	26.73	19.21%
25	Zamfara	25.86	43.39	17.53	18.83%
26	Kaduna	46.77	77.63	30.86	18.40%
27	Kano	73.16	116.51	43.34	16.78%
28	Borno	32.3	50.54	18.24	16.09%
29	Katsina	41.66	63.74	22.08	15.23%
30	Sokoto	38.72	58.65	19.93	14.84%
31	Anambra	26.58	39.95	13.37	14.55%
32	Kebbi	31.34	44.82	13.48	12.67%
33	Enugu	40.61	56.4	15.78	11.57%
34	Imo	30.19	40.63	10.44	10.40%

Source: State Q4 Budget Implementation Reports (2022–2025)

***NB:** Excluding Akwa Ibom & River State due to their incomplete documents.*


04

Overhead Cost Expenditure

Overhead expenditure remains another major component of recurrent spending for state governments by covering the day-to-day operational costs of government institutions, including administrative expenses, office operations, utilities, maintenance, transportation, training, and other goods and services. Between 2022 and 2025,[20] rising inflation,[21] exchange rate adjustments, the removal of petrol subsidies, and higher prices of goods and services significantly increased the cost of government operations across the country.

Table 8: Aggregate Overhead Expenditure Growth (2022–2025)

Amount in NGN

	2022	Indicator	CAGR (2022–2025)	2025
Overhead Share of Total Expenditure	30.80%	-7.62% (Overall Nominal Growth)		23.18%
Total Actual Expenditure *(187.53%)*	6.22tn		42.20%	17.88tn
Total Overhead Expenditure *(116.44%)*	1.92tn		29.35%	4.15tn

Source: State Q4 Budget Implementation Reports, 2022 and 2025

NB: *Excluding Akwa Ibom & Rivers State due to incomplete documents.*

Our findings show that aggregate overhead expenditure increased from N1.92 trillion in 2022 to N4.15 trillion in 2025 and this represents an overall nominal growth of 116.44% and a compound annual growth rate (CAGR) of 29.35% over the review period. The increase reflects the rising cost of government operations during a period characterised by persistent inflation, exchange rate adjustments, the removal of petrol subsidies, and higher prices of goods and services, and another contributing factor was the improvement in statutory allocations, which provided many states with additional fiscal space to accommodate these higher

20. National Bureau of Statistics. (2025). Consumer Price Index (CPI) Report. Available at: National Bureau of Statistics – Consumer Price Index Reports (Accessed: 25 July 2026).
21. World Bank. (2023). Nigeria Development Update: Turning the Corner – From Reforms and Renewed Hope to Results. Available at: World Bank – Nigeria Development Update: Turning the Corner – From Reforms and Renewed Hope to Results (Accessed: 25 July 2026).

operating costs while ensuring the continued functioning of government institutions and the delivery of public services.

Despite this substantial increase in absolute terms, overhead expenditure grew more slowly than total state expenditure, and consequently, its share of aggregate state expenditure declined from 30.80% in 2022 to 23.18% in 2025, representing a reduction of -7.62 percentage points. This indicates that states devoted additional resources to the day-to-day running of government yet operational expenditure did not expand at the same pace as overall public spending. The findings therefore suggest that the increase in fiscal resources available to states was not absorbed primarily by routine operating costs but left greater fiscal space for other expenditure priorities.

Giving adequate, efficient management of overhead expenditure nevertheless remains important for maintaining fiscal sustainability and improving the efficiency of public spending, and adequate operational funding is essential for ministries, departments, and agencies to function effectively and deliver public services. However, sustained increases in operating costs can reduce the fiscal space available for development priorities if not managed prudently. Looking ahead, maintaining an appropriate balance between operational expenditure and other spending priorities will be important to ensure that government institutions remain adequately funded while preserving resources for investments that support long-term economic and social development.

There were notable differences in the growth of overhead expenditure across the reporting states. The Plateau State recorded the highest compound annual growth rate (CAGR) at 74.16%, followed by Kaduna with 57.85%, Kogi with 57.15%, Osun with 55.47%, and Borno with 54.34%. These states recorded the most rapid growth in overhead expenditure during the review period by reflecting substantial increases in the resources allocated to the day-to-day operations of government.

In contrast, Zamfara recorded the lowest CAGR at -14.46%, indicating a decline in overhead expenditure between 2022 and 2025. Delta also recorded a negative CAGR of -1.69%, while Bayelsa recorded 7.96%, Abia 11.94%, and Ebonyi 17.49% by representing the slowest positive growth in overhead expenditure. These differences illustrate that the operating costs generally increased across most reporting states, and the rate of growth varied considerably by reflecting differences in fiscal capacity, expenditure priorities, cost structures, and state-level approaches to managing the day-to-day costs of government.

Our findings show that Lagos remained the largest spender on overhead costs in this segment, with expenditure increasing from N330.43 billion in 2022 to N730.87 billion in 2025. Delta followed despite recording a decline in overhead expenditure, with spending falling slightly from N225.06 billion to N213.86 billion. Ogun ranked third, with overhead expenditure increasing from N63.64 billion to N197.82 billion, while Kogi increased overhead spending from N50.23 billion to N194.93 billion. Bauchi also recorded relatively high overhead expenditure, increasing from N59.35 billion to N162.10 billion over the same period.

These findings illustrate that high overhead expenditure in absolute terms did not necessarily correspond to rapid growth in operating costs. The result shows that some states maintained large operating budgets throughout the review period, while others recorded much faster rates of expansion from comparatively lower expenditure levels.
The findings suggest that while states increased overhead expenditure to sustain government operations amid a challenging macroeconomic environment, the growth in operating costs remained below the pace of overall expenditure growth, and consequently, overhead expenditure accounted for a smaller share of total state expenditure by 2025 than it did in 2022. Maintaining this balance will remain important to ensure that government institutions are adequately funded while preserving fiscal space for investments that support long-term development.

Table 9: Overhead Expenditure Growth Across States (2022–2025)

Amount in ₦ billion

Rank	State	2022 Overhead	2025 Overhead	Nominal Increase	CAGR
1	Plateau	26.93	142.27	115.34	74.16%
2	Kaduna	32.87	129.29	96.42	57.85%
3	Kogi	50.23	194.93	144.70	57.15%
4	Osun	34.91	131.20	96.28	55.47%
5	Borno	28.27	103.94	75.67	54.34%
6	Cross River	26.92	94.10	67.18	51.76%
7	Kano	36.51	124.36	87.85	50.46%
8	Oyo	32.50	104.39	71.89	47.54%
9	Ogun	63.64	197.82	134.18	45.94%
10	Ekiti	51.72	153.07	101.35	43.58%
11	Enugu	27.92	76.51	48.58	39.93%
12	Bauchi	59.35	162.10	102.75	39.78%
13	Niger	31.45	85.14	53.68	39.36%
14	Benue	45.63	123.17	77.54	39.24%
15	Nasarawa	27.86	72.33	44.48	37.45%
16	Adamawa	31.85	80.77	48.92	36.37%
17	Anambra	13.40	30.54	17.13	31.59%
18	Lagos	330.43	730.87	400.44	30.29%
19	Edo	58.57	122.16	63.59	27.77%
20	Katsina	38.96	76.11	37.15	25.01%
21	Jigawa	28.61	55.78	27.17	24.92%
22	Kwara	54.53	101.76	47.22	23.11%
23	Sokoto	45.32	83.86	38.54	22.77%
24	Kebbi	23.11	42.09	18.98	22.13%
25	Yobe	65.99	118.29	52.30	21.47%
26	Ondo	48.92	87.66	38.74	21.46%
27	Imo	39.54	69.65	30.11	20.77%
28	Taraba	36.68	62.78	26.09	19.61%
29	Gombe	37.85	64.46	26.61	19.42%
30	Ebonyi	58.57	95.00	36.43	17.49%
31	Abia	18.02	25.28	7.25	11.94%
32	Bayelsa	118.96	149.68	30.72	7.96%
33	Delta	225.06	213.86	-11.20	-1.69%
34	Zamfara	64.17	40.16	-24.00	-14.46%

Source: State Budget Implementation Report - 2022-2025

NB: *Excluding Akwa Ibom and Rivers Report, as their document was incomplete.*

05

Capital Spending
Takes Centre Stage

Table 10: Aggregate capital expenditure

Amount in NGN

2022	Indicator	CAGR (2022–2025)	2025
Capital Expenditure as a Share of Total Expenditure **44.93%**	**Indicator** *(Overall Nominal Growth)* **15.72%**		Capital Expenditure as a Share of Total Expenditure **60.65%**
6.22tn	**Total Actual Expenditure** *(187.53%)*	42.20%	17.88tn
2.79tn	**Total Actual Capital** *(288.16%)*	57.16%	10.85tn

Source: State Q4 Budget Implementation Reports (2022–2025)

5.1 States Deepen Investment in Capital Projects

The aggregate capital expenditure increased from N2.794 trillion in 2022 to N10.845 trillion in 2025 by representing a 288.16% nominal increase and a 57.16% CAGR. This growth substantially outpaced the increase in aggregate actual expenditure, which rose by 187.53% over the same period with a 42.20% CAGR. The faster pace of capital spending indicates that states devoted a larger proportion of their expanding budgets to investment expenditure than to overall spending.

This shift is further reflected in the composition of expenditure. **Capital expenditure accounted for 44.93% of total expenditure in 2022 but increased to 60.65% by 2025, representing an improvement of 15.72 percentage points.** In practical terms, while states allocated approximately 45 kobo of every N1 spent to capital projects in 2022, this increased to 61 kobo per N1 by 2025. The figures suggest a notable shift in expenditure priorities towards long-term investment.

5.2 State-Level Capital Expenditure Performance

The strongest growth in capital expenditure was recorded by Abia, which expanded capital spending from N6.98 billion in 2022 to N322.02 billion in 2025

by representing a 258.65% CAGR. Plateau followed with a 150.25% CAGR increasing capital expenditure from N6.05 billion to N94.87 billion, while Enugu recorded a 146.76% CAGR, with capital expenditure rising from N34.12 billion to N512.61 billion and Other states that recorded exceptional strong growth includes Niger with 139.16% CAGR, where it capital expenditure increased from N25.65 billion to N350.92 billion, Kano with 139.03% CAGR which expanded capital expenditure from N25.13 billion to N343.13 billion, and Adamawa with 101.93% CAGR, where capital spending rose from N21.92 billion to N180.50 billion. Nasarawa with 97.65% CAGR and Jigawa with 96.83% CAGR also more than quadrupled their capital expenditure during the review period, while Benue stood at 94.79% CAGR and Zamfara at 90.12% CAGR recorded similarly strong expansion.

Looking at the second group of states that recorded robust, though comparatively moderate increases in capital expenditure. States like Bayelsa stood at 86.57% CAGR followed by Borno with 86.32%, Kebbi with 78.47%, Yobe with 78.28%, Sokoto with 71.15%, Anambra with 69.35%, Ekiti with 68.27%, Oyo with 67.02%, Osun with 66.73%, Katsina with 65.10%, Kogi with 62.20%, Imo with 61.07%, Taraba with 59.88% and Bauchi with 58.57%. All these states consistently recorded substantial increases in capital spending, although at a slower pace than the leading performers.

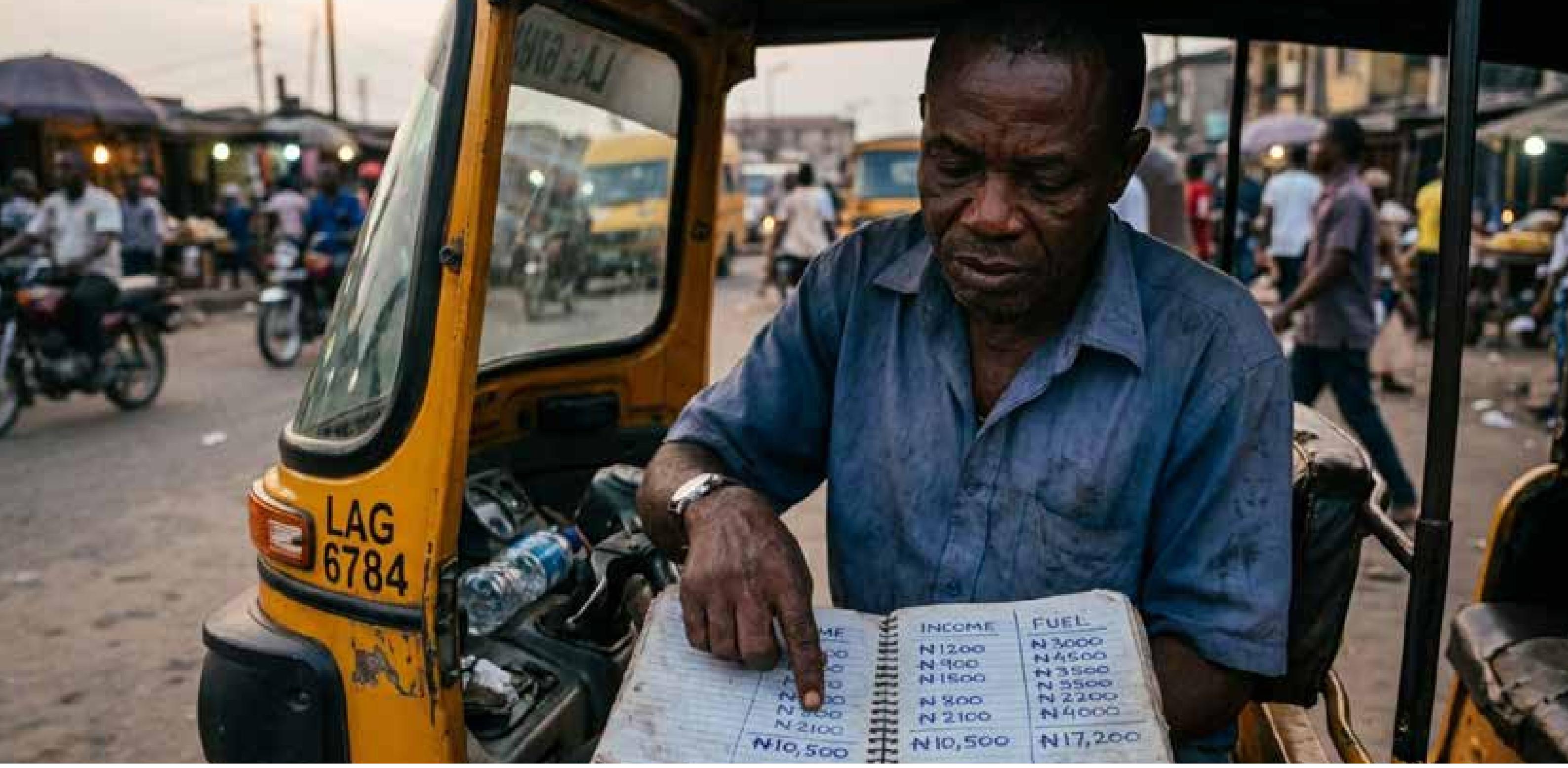
By contrast, several states experienced relatively modest growth in capital expenditure over the period. **Cross River recorded the slowest increase, with a 16.74% CAGR, as capital expenditure increased from N98.25 billion to N156.28 billion.** Other relatively slower-growing states included Kaduna with 23.18% CAGR, Delta with 30.47%, Lagos with 31.98%, Ebonyi with 34.83%, Ogun with 36.51%, Ondo with 38.89%, Edo with 53.98%, Gombe with 54.26% and Kwara with 54.37%. While these states still increased capital expenditure in nominal terms, the pace of expansion was comparatively lower than that observed in the highest-performing states.

Overall, the state-level evidence indicates that the expansion in aggregate capital expenditure was broad-based rather than driven by only a few states. However, the significant variation in growth rates suggests differing fiscal priorities, investment strategies, and implementation approaches across states during the review period. Importantly, while the expenditure data demonstrate a substantial increase in resources allocated to capital projects, they do not, on their own, establish whether projects were completed, delivered value for money, or resulted in measurable improvements in infrastructure or public service delivery. These outcomes require project-level implementation and performance information beyond the scope of this analysis.

5.2 States Deepen Investment in Capital Projects

The fastest expansion in capital expenditure was recorded by Abia, which posted a CAGR of 258.65%, with capital spending rising from N6.98 billion in 2022 to N322.02 billion in 2025—an absolute increase of N315.04 billion. Plateau ranked second with a CAGR of 150.25% by increasing capital expenditure from N6.05 billion to N94.87 billion, while Enugu followed closely with a CAGR of 146.76%, recording one of the largest absolute increases of N478.50 billion, as capital expenditure rose from N34.12 billion to N512.61 billion. Other states that recorded exceptionally strong growth included Niger with 139.16%, Kano with 139.03%, Adamawa with 101.93%, Nasarawa with 97.65%, Jigawa with 96.83%, Benue with 94.79% and Zamfara with 90.12%.

A second group of states also recorded robust, though comparatively moderate, expansion in capital spending. Bayelsa increased capital expenditure from N125.14



billion to N812.71 billion, representing a CAGR of 86.57%, while Borno recorded 86.32%, rising from N48.68 billion to N314.91 billion. Kebbi with 78.47%, Yobe with 78.28%, Sokoto with 71.15%, Anambra with 69.35%, Ekiti with 68.27%, Oyo with 67.02%, Osun with 66.73%, Katsina with 65.10%, Kogi with 62.20% and Imo with 61.07% also recorded sustained increases, indicating continued expansion in capital investment across a broad cross-section of states.

By contrast, several states recorded comparatively slower growth in capital expenditure despite significant nominal increases. These includes Taraba with 59.88%, Bauchi with 58.57%, Kwara with 54.37%, Gombe with 54.26%, Edo with 53.98%, Ondo with 38.89%, Ogun with 36.51%, Ebonyi with 34.83%, Lagos with 31.98%, Delta with 30.47%, Kaduna with 23.18% and Cross River, which recorded the slowest growth among reporting states with a CAGR of 16.74%, increasing capital expenditure from N98.25 billion in 2022 to N156.28 billion in 2025.

The findings also reveal that the states recording the highest growth rates were not necessarily those with the largest capital budgets in absolute terms. **While Abia recorded the fastest rate of growth, Lagos remained the largest capital spender in 2025 with N1.77 trillion, followed by Bayelsa with N812.71 billion, Delta with N734.98 billion, Enugu with N512.61 billion and Jigawa with N420.97 billion.** This distinction suggests that some states expanded capital expenditure rapidly from relatively low bases, whereas others continued to sustain substantially larger investment programmes despite recording more moderate growth rates.

Overall, the findings indicate a broad-based increase in capital investment across the reporting states during the review period, reinforcing the aggregate trend that capital expenditure expanded at a faster pace than total expenditure. This suggests that states placed greater emphasis on financing capital projects between 2022 and 2025. However, the increase in capital spending should be interpreted as evidence of stronger financial commitment to capital investment rather than confirmation of project completion, infrastructure quality, value for money, or improvements in public service delivery. These aspects require assessment through project implementation and performance information, including disclosures available on states' e-procurement platforms and other project monitoring mechanisms.


GOAL SETTING
Goal
How to Set an
Achieve All You

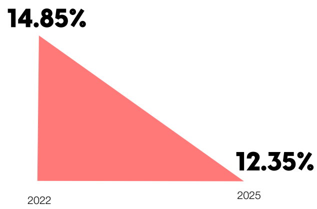
Education Expenditure Across Nigerian States (2022–2025)

06

According to UNESCO, education should be viewed not as a public cost but as a long-term investment that generates significant economic and social returns, making the adequacy and efficiency of education financing central to sustainable development.[22] Against this backdrop, the expansion in state revenues between 2022 and 2025 presented an opportunity for subnational governments to strengthen investment in education. **The question, however, is not only whether states spent more, but whether education maintained its place among competing development priorities.**

Analysis of the actual Q1–Q4 budget implementation reports shows that aggregate education expenditure across the reporting states increased from N923.66 billion in 2022 to N2.21 trillion in 2025. This represents a nominal increase of approximately N1.28 trillion, an overall nominal growth of 139.05% and a compound annual growth rate (CAGR) of 33.71% over the three years. The increase reflects the additional resources devoted to the education sector by state governments during a period of improved fiscal capacity and expanding public expenditure. However, despite the increase in nominal spending, education's share of total state expenditure declined from 14.85% in 2022 to 12.35% in 2025, suggesting that overall government expenditure grew at a faster pace than allocations to the education sector.

However, despite this substantial increase in absolute expenditure, education accounted for a smaller share of total state expenditure, declining from 14.85% in 2022 to 12.35% in 2025, representing a reduction of 2.50 percentage points. This suggests that although states devoted more resources to education in nominal terms, expenditure in other sectors expanded at a faster pace, resulting in a relatively smaller share of total spending being allocated to education during the three years.



However, despite this substantial increase in absolute expenditure, education accounted for a smaller share of total state expenditure, declining from 14.85% in 2022 to 12.35% in 2025, representing a reduction of 2.50 percentage points.

22. United Nations Educational, Scientific and Cultural Organization (UNESCO) (2025) Education Financing. Available at: https://www.unesco.org/sdg4education2030/en/education-financing (Accessed: 20 July 2026).

Table 11: Aggregate Education Expenditure (2022–2025)

Amount in NGN

2022	Indicator	CAGR (2022–2025)	2025
Education as Share of Total Expenditure **14.85%**	**-2.50%** *(Overall Nominal Growth)*		Education as Share of Total Expenditure **12.35%**
6.21tn	**Total Actual Expenditure** *(187.53%)*	*42.20%*	**17.88tn**
923.66bn	**Aggregate Education Expenditure** *(139.05%)*	*33.71%*	**2.21tn**

Source: State Q4 Budget Implementation Reports (2022–2025)

This finding is noteworthy in the context of the UNESCO Incheon Declaration (Education 2030 Framework for Action),[23] which encourages governments to allocate between 15% and 20% of total public expenditure, or 4% to 6% of GDP, to education while ensuring that increased investment translates into equitable access to quality education and improved learning outcomes. Although aggregate education expenditure increased substantially during the review period, its declining share of total state expenditure suggests that education did not keep pace with the broader expansion in public spending.

6.1 How Was Education Money Distributed?

While the increase in education expenditure indicates that states devoted more resources to the sector between 2022 and 2025, the aggregate figures alone do not show how these additional resources were allocated across the education system. Examining the composition of education expenditure provides deeper insight into government priorities by showing whether increased investment was directed towards basic education, State Universal Basic Education Boards (SUBEBs), post-basic education, tertiary institutions, or other education services.

23. United Nations Educational, Scientific and Cultural Organization (UNESCO). (2016). Education 2030: Incheon Declaration and Framework for Action for the Implementation of Sustainable Development Goal 4. Available at: UNESCO – Education 2030: Incheon Declaration and Framework for Action (Accessed: 27 July 2026).

Table 12: Composition of Education Expenditure

Amount in NGN

	2022	2025
Total Education Expenditure	741.57bn	2.14tn
Basic Education	476.78bn *(64.29%)*	1.27tn *(59.44%)*
State Universal Basic Education Board (SUBEB)	44.70bn *(6.03%)*	240.84bn *(11.25%)*
Post-Basic Education	83.54bn *(11.27%)*	169.82bn *(7.93%)*
Tertiary Education	111.95bn *(15.10%)*	405.44bn *(18.93%)*
Others	24.60bn *(3.32%)*	52.53bn *(2.45%)*

2022 (Share) / *2025 (Share)*

Source: State Q4 Budget Implementation Reports (2022–2025)

One of the most notable changes occurred in funding channelled through the State Universal Basic Education Boards (SUBEBs). The actual expenditure increased more than fivefold, from N44.70 billion in 2022 to N240.84 billion in 2025, while its share of total education expenditure almost doubled from 6.03% to 11.25%. The increase coincided with improved fiscal liquidity across states following higher FAAC allocations, which likely enabled more states to provide the counterpart funding required to access Universal Basic Education Commission (UBEC) matching grants.[24]

UBEC's recent reports[25] show increased lodgement of counterpart funds and disbursement of intervention funds to several states during the review period, suggesting that improved fiscal capacity contributed to the sharp increase in SUBEB expenditure.

Investment in tertiary education also increased significantly during the review period. The actual expenditure rose from N111.95 billion in 2022 to N405.44 billion in 2025, while its share of total education expenditure increased from 15.10% to 18.93%. This reflects increased allocations to state-owned universities, polytechnics, and colleges of education. The increase may be associated with rising personnel costs, infrastructure development, expanding enrollment, and growing operational requirements across state-owned tertiary institutions.

By contrast, post-basic education recorded nominal growth but a decline in its share of

24. Universal Basic Education Commission (UBEC). Universal Basic Education Commission (Official Website) Available at: https://ubec.gov.ng/ (accessed July 23, 2026).
25. Universal Basic Education Commission (UBEC). (2025). Annual Report 2024. Available at: https://ubec.gov.ng/wp-content/uploads/2025/12/ANNUAL-REPORT-2024.pdf (Accessed: July 23 2026).

overall education expenditure. Actual expenditure increased from N83.54 billion in 2022 to N169.82 billion in 2025; however, its share of total education spending fell from 11.27% to 7.93%. This indicates that expenditure on post-basic education expanded at a slower pace than allocations to SUBEBs and tertiary education during the review period.

Overall, the composition of education expenditure changed considerably between 2022 and 2025. While expenditure increased across all major education subsectors, a larger share of resources was channelled through SUBEBs and tertiary education. The sharp increase in SUBEB expenditure likely reflects both improved state liquidity, which enabled more states to access UBEC counterpart funding, and increased investment in basic education implementation. At the same time, higher allocations to tertiary institutions point to expanding financial commitments to state-owned universities, polytechnics, and colleges of education. Taken together, these changes indicate that the growth in education expenditure was accompanied by important shifts in the composition of spending, rather than simply an increase in the overall size of education budgets.

6.2 Uniform Education Spending Not Universal

The national aggregate masks considerable variation across individual states. While nearly all reporting states increased education expenditure between 2022 and 2025, the pace of growth differed substantially, reflecting differences in fiscal capacity, policy priorities and budget implementation. Table 8 shows considerable variation in the pace of education expenditure growth across the reporting states. **States like Abia recorded the highest compound annual growth rate (CAGR) of 145.63%, with actual education expenditure increasing from N4.54 billion in 2022 to N67.25 billion in 2025.** Enugu followed with a CAGR of 93.99%, while Anambra recorded 75.50%, Plateau stood at 61.14%, and Niger at 58.92%, completing the five fastest-growing states. Other states also recorded strong growth in education expenditure, including Borno with 58.44%, Ebonyi with 56.46%, Taraba with 54.49%, Adamawa with 49.66%, and Zamfara with 45.33%. These findings indicate that rapid growth in education spending was not confined to a few states but occurred across different geopolitical zones and fiscal contexts.

At the lower end of the ranking, Kaduna recorded the slowest growth in education expenditure, with a CAGR of 3.57%, followed by Cross River with 9.27%, then Lagos with 11.71%, and Delta with 17.78%, and Kwara with 21.61%. Although nearly all reporting states increased education expenditure between 2022 and 2025, the pace of growth varied considerably, reflecting differences in fiscal capacity, expenditure priorities, and budget implementation.

While most reporting states increased education expenditure between 2022 and 2025, the pace of growth varied considerably, reflecting differences in fiscal capacity, expenditure priorities, and budget implementation.

Lagos remained the largest education spender throughout the review period by increasing its actual education expenditure from N129.93 billion in 2022 to N181.13 billion in 2025, although its CAGR of 11.71% ranked among the lowest, Lagos maintained the country's largest education budget because it entered the review period with a substantially higher expenditure base.

Jigawa ranked second, with education expenditure increasing from N53.87 billion to N161.99 billion, while Enugu ranked third by increasing expenditure from N21.43 billion to N156.49 billion. Delta followed with expenditure rising from N81.46 billion to N133.10 billion, while Kano increased education spending from N42.86 billion to N99.69 billion. Bayelsa, Oyo, Ogun, Ekiti, and Kaduna also featured among the states with the largest education budgets during the review period. At the lower end of the distribution, Bauchi recorded the lowest actual education expenditure in 2025 at N17.36 billion, followed by Cross River with N19.37 billion, Imo with N25.81 billion, Zamfara with N26.73 billion, and Gombe with N32.20 billion. Although most of these states increased education expenditure compared with 2022 and their overall spending remained substantially below that of the leading states.

Taken together, the growth and expenditure rankings highlight an important distinction. States with the fastest growth rates were not always those with the largest education budgets. While states such as Abia, Enugu, and Plateau rapidly expanded education expenditure from relatively low expenditure bases, Lagos, Jigawa, and Delta continued to account for the largest education investments because of their stronger fiscal capacity and consistently higher levels of spending. Considering both indicators therefore provides a more complete picture of education financing across Nigerian states.

Table 13: Education Expenditure Growth Across States Ranked by CAGR (2022–2025)

Amount in ₦ billion

Rank	State	Education Actual Expenditure '22	Education Actual Expenditure '25	Nominal Increase	CAGR
1	Abia	4.54	67.25	62.71	145.63%
2	Enugu	21.43	156.49	135.05	93.99%
3	Anambra	6.04	32.66	26.62	75.50%
4	Plateau	8.72	36.50	27.77	61.14%
5	Niger	12.45	49.97	37.52	58.92%
6	Borno	14.53	57.78	43.25	58.44%
7	Ebonyi	15.13	57.96	42.83	56.46%
8	Taraba	13.26	48.89	35.63	54.49%
9	Adamawa	14.300	47.93	33.63	49.66%
10	Zamfara	8.71	26.73	18.02	45.33%
11	Ekiti	22.77	68.99	46.23	44.71%
12	Benue	14.47	43.69	29.23	44.55%
13	Jigawa	53.87	161.99	108.12	44.34%
14	Bayelsa	29.45	87.21	57.77	43.61%
15	Bauchi	17.43	50.28	32.85	42.35%
16	Yobe	16.78	43.40	26.62	37.27%
17	Katsina	23.92	59.93	36.01	35.82%
18	Sokoto	20.66	49.95	29.29	34.21%
19	Kano	42.86	99.69	56.83	32.50%
20	Kogi	21.04	48.09	27.04	31.71%
21	Imo	11.67	25.81	14.14	30.29%
22	Osun	19.34	42.11	22.77	29.62%
23	Gombe	14.80	32.20	17.40	29.58%
24	Oyo	43.92	91.28	47.36	27.61%
25	Nasarawa	23.55	48.31	24.77	27.07%
26	Ogun	40.52	83.12	42.59	27.06%
27	Kebbi	18.16	36.76	18.59	26.49%
28	Edo	18.57	37.16	18.59	26.01%
29	Ondo	28.69	55.41	26.73	24.54%
30	Kwara	29.64	53.3	23.66	21.61%
31	Delta	81.46	133.1	51.64	17.78%
32	Lagos	129.93	181.13	51.20	11.71%
33	Cross River	14.85	19.37	4.52	9.27%
34	Kaduna	66.22	73.57	7.35	3.57%

Source: State Q4 Budget Implementation Reports (2022–2022)


AMBULAN

Health Expenditure Across Nigerian States

07

Our analysis shows that between 2022 and 2025, Nigerian states experienced a significant improvement in their fiscal position, driven largely by increased Federation Account allocations following major fiscal reforms. This created additional fiscal space for state governments to expand spending across key sectors, including health. The key question, however, is whether this improved fiscal capacity translated into greater investment in healthcare and whether health maintained its share of overall public expenditure during the review period.

Our analysis of actual Q1–Q4 budget implementation reports shows that aggregate health expenditure increased from N485.08 billion in 2022 to N1.188 trillion in 2025. This represents an overall nominal growth of 144.95% and a compound annual growth rate (CAGR) of 34.80% over the review period, indicating a substantial increase in state investment in the health sector.[26]

Our analysis of actual Q1–Q4 budget implementation reports shows that aggregate health expenditure increased from N485.08 billion in 2022 to N1.188 trillion in 2025. This represents an overall nominal growth of 144.95% and a compound annual growth rate (CAGR) of 34.80% over the review period, indicating a substantial increase in state investment in the health sector.

26. Organization of African Unity (OAU). (2001). Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases. Available at: African Union – Abuja Declaration on HIV/AIDS, Tuberculosis, and Other Related Infectious Diseases (Accessed: 29 July 2026).

Table 14: Summary of Health Expenditure Trends (2022–2025)

Amount in NGN

Indicator	2022	CAGR (2022–2025)	2025
Education as Share of Total Expenditure	*(2022)* 7.80%	**Indicator** *(Overall Nominal Growth)* -1.16%	*(2025)* 6.65%
Total Actual Expenditure *(187.53%)*	6.22tn	*42.20%*	17.88tn
Aggregate Health Expenditure *(144.95%)*	485.08bn	*34.80%*	1.19tn

Source: State Q4 Budget Implementation Reports (2022–2025)

Although aggregate health expenditure increased substantially during the review period, its share of total actual state expenditure declined from 7.80% in 2022 to 6.65% in 2025, representing a decrease of 1.16 percentage points. This indicates that while states allocated considerably more resources to the health sector in nominal terms, overall state expenditure expanded at a faster pace over the same period, and consequently, health accounted for a smaller proportion of total public expenditure in 2025 than it did in 2022. This finding is noteworthy in the context of the Abuja Declaration, under which African Union member states committed to allocating at least 15% of annual public expenditure to the health sector. Although health expenditure increased significantly in nominal terms during the review period, the aggregate allocation remained well below this benchmark in both 2022 and 2025, suggesting that health did not receive a proportionate share of the additional fiscal resources available to states.[27]

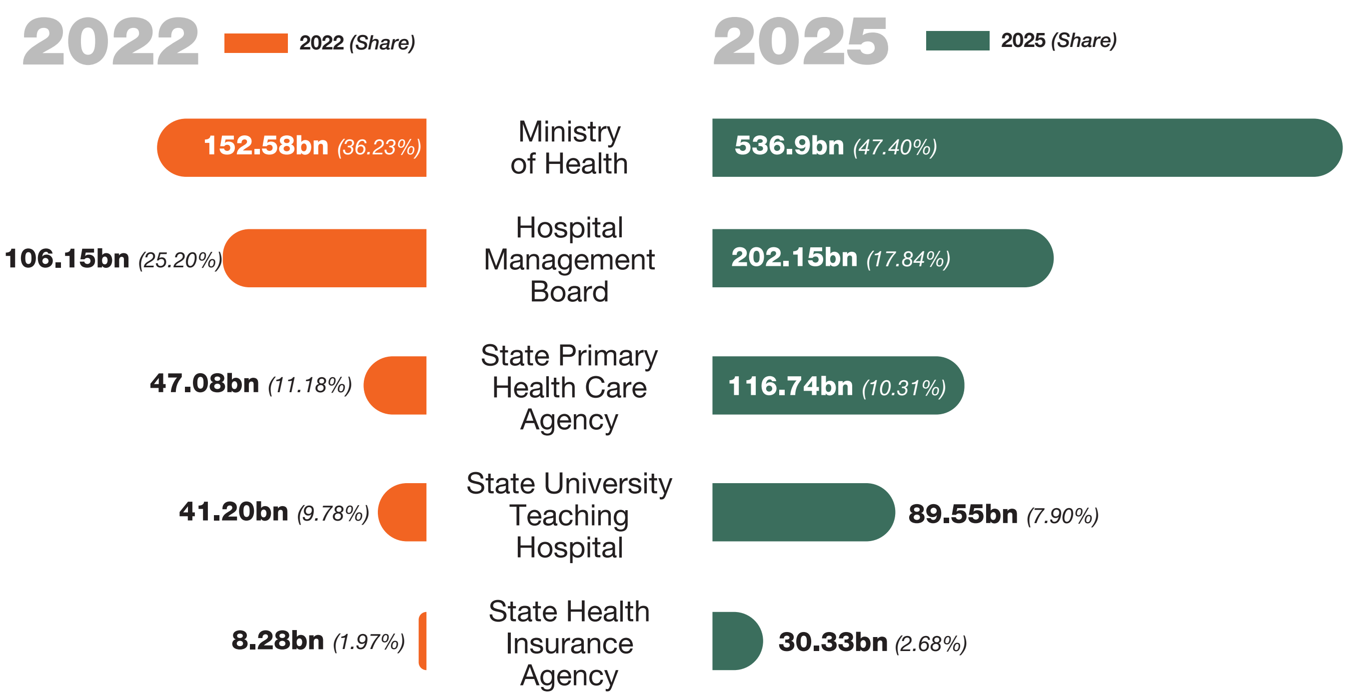
7.1 Key Findings: Where did the money go?

An examination of the institutional composition of health expenditure provides further insight into how states allocated additional resources within the health sector. While aggregate health expenditure increased substantially between 2022 and 2025; the distribution of spending across key health institutions reveals where the additional funding was directed. Our findings provide a clearer picture of government priorities within the health sector than aggregate expenditure figures alone.

27. Organization of African Unity (OAU). (2001). Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases. Available at: African Union – Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases (Accessed: 29 July 2026).

Table 15: Distribution of Actual Health Expenditure by Institution

Amount in NGN



Source: State Q4 Budget Implementation Reports (2022–2025)

Note: *The institutional analysis includes only health institutions that could be consistently identified and classified across the reporting states from the available Q4 Budget Implementation Reports. Consequently, the institutional shares do not sum to 100 per cent because a portion of health expenditure could not be reliably attributed to a specific institution.*

The institutional analysis of health expenditure provides additional insight into how states allocated resources across the major health institutions between 2022 and 2025. While aggregate health expenditure increased substantially during the review period, examining expenditure by institution provides a clearer indication of how a significant proportion of health spending was distributed and the priorities that shaped resource allocation within the sector.

The Ministry of Health remained the principal channel through which health expenditure was managed across the reporting states. It appeared that the actual expenditure through the ministries increased from N152.58 billion in 2022 to N536.99 billion in 2025, and this represents more than a threefold increase. Consequently, the ministry's share of the classified health expenditure increased from 36.23% in 2022 to 47.40% in 2025 by indicating that a growing proportion of identifiable health spending was implemented directly through state ministries of health.

Other major health institutions also recorded substantial increases in actual expenditure, although most experienced a decline in their proportional share of the classified health expenditure. Expenditure through hospital management boards increased from N106.15 billion in 2022 to N202.15 billion in 2025. However, their share declined from 25.20% to

17.84%, suggesting that expenditure through the ministries of health expanded more rapidly during the review period.

Similarly, expenditure on state university teaching hospitals increased from N41.20 billion in 2022 to N89.55 billion in 2025. Despite this increase in nominal terms, their share of the classified health expenditure declined from 9.78% to 7.90%. State Primary Health Care Agencies also recorded higher expenditure, increasing from N47.08 billion to N116.74 billion, although their share declined marginally from 11.18% to 10.31%.

One of the more notable developments during the review period was the expansion in expenditure through state health insurance agencies. Its actual expenditure increased from N8.28 billion in 2022 to N30.33 billion in 2025, while the institution's share increased from 1.97% to 2.68%. Although health insurance agencies continued to account for a relatively small proportion of the classified health expenditure, the increase suggests growing state-level investment in health insurance schemes aimed at expanding financial protection and reducing out-of-pocket healthcare spending.

Overall, the institutional analysis indicates that a growing proportion of identifiable health expenditure was channelled through the ministries of health, while hospital management boards, teaching hospitals, state primary health care agencies, and state health insurance agencies also recorded increases in funding, albeit with varying changes in their relative shares. This pattern suggests that states increasingly relied on their ministries of health as the principal channel for coordinating and implementing health expenditure during the review period. However, the expenditure data alone do not indicate whether these shifts translated into improved healthcare access, service delivery, or health outcomes, which would require complementary performance and outcome indicators.

7. 2 Key Findings on States' Health Expenditure

In this segment, our analysis reveals considerable variation in the growth of actual health expenditure across the reporting states. It was observed that most states recorded substantial increases in health expenditure between 2022 and 2025, and the pace of growth differed, reflecting differences in fiscal capacity, expenditure priorities, and the extent to which states expanded investment in the health sector.

Table 16: Actual Health Expenditure Growth Across Nigerian States (2022–2025)

Amount in ₦ billion

Rank	State	2022 Health	2025 Health	Nominal Increase	CAGR
1	Abia	3.65	28.43	24.79	98.25%
2	Anambra	4.41	22.4	17.99	71.85%
3	Bayelsa	10	48.46	38.46	69.25%
4	Borno	10.16	40.42	30.26	58.45%
5	Kwara	9.58	35.04	25.46	54.10%
6	Kano	17.79	63.06	45.27	52.48%
7	Niger	10.11	35.85	25.74	52.48%
8	Katsina	23.52	82.81	59.29	52.13%
9	Bauchi	15.32	53.49	38.17	51.72%
10	Imo	6.05	20.48	14.44	50.18%
11	Zamfara	4.79	16.16	11.36	49.93%
12	Edo	11.02	36.73	25.71	49.37%
13	Benue	11.11	36.82	25.71	49.08%
14	Ondo	13.01	38.84	25.82	43.98%
15	Plateau	5.07	14.87	9.81	43.19%
16	Ebonyi	5.57	15.66	10.09	41.13%
17	Ekiti	6.99	19.52	12.53	40.83%
18	Kogi	11.16	30.99	19.83	40.56%
19	Ogun	12.93	35.65	22.72	40.22%
20	Taraba	5.53	15.23	9.7	40.16%
21	Yobe	10.98	27.78	16.81	36.28%
22	Nasarawa	9.35	23.14	13.79	35.26%
23	Kebbi	7.31	17.91	10.61	34.84%
24	Adamawa	5.05	11.8	6.75	32.69%
25	Osun	10.12	22.67	12.55	30.86%
26	Oyo	11.8	24.17	12.37	26.99%
27	Lagos	93.1	180.99	87.89	24.80%
28	Delta	34.85	63.38	28.53	22.06%
29	Jigawa	22.83	40.54	17.71	21.10%
30	Enugu	10.4	17.33	6.94	18.57%
31	Gombe	12.87	13.8	0.93	2.36%
32	Kaduna	31.31	32.2	0.88	0.93%
33	Cross River	4.4	4.06	-0.35	-2.70%
34	Sokoto	22.95	17.51	-5.45	-8.63%

Source: State Budget Implementation Report - 2022 & 2025

Among all the 34 states analysed. Abia recorded the highest compound annual growth rate (CAGR) of 98.25%, followed by Anambra with 71.85%, Bayelsa with 69.25%, Borno with 58.45%, and Kwara with 54.10%. These states recorded the fastest expansion in actual health expenditure during the review period, reflecting substantial increases in the financial resources allocated to the health sector.

The rapid growth in actual health expenditure was not limited to the five highest-ranking states alone, and as such, Kano and Niger each recorded a CAGR of 52.48%, followed by Katsina with 52.13%, Bauchi with 51.72%, and Imo with 50.18%. In addition, Zamfara, Edo, Benue, Ondo, Plateau, Ebonyi, Ekiti, Kogi, Ogun, and Taraba all recorded CAGR values above 40%, indicating that strong growth in health expenditure was observed across a broad range of reporting states rather than being concentrated in only a few.

Looking at the other end of the states assessed, we observed that Sokoto recorded the lowest CAGR at -8.63%, indicating a decline in actual health expenditure between 2022 and 2025. Cross River also recorded a negative CAGR of -2.70%, while Kaduna recorded 0.93%, then Gombe with 2.36%, and Enugu with 18.57%, representing the slowest positive growth in actual health expenditure. These findings indicate that most reporting states increased health expenditure during the review period, and the pace of growth varied considerably across states.

In a nutshell, our findings show that the improvement in state revenues did not translate into uniform increases in health expenditure across the reporting states. While the improved fiscal environment created additional resources for investment in healthcare, the extent to which states translated these resources into higher health expenditure differed significantly, reflecting variations in fiscal capacity, expenditure priorities, and budget implementation.

Our findings show that Lagos State remained the largest health spender throughout the review period. Its actual health expenditure increased from N93.10 billion in 2022 to N180.99 billion in 2025, representing a nominal increase of N87.89 billion. Lagos recorded a CAGR of 24.80%, showing it remained and maintained the country's largest health budget because of its substantially higher expenditure base and stronger fiscal capacity.

Another one is Katsina; it ranked second, with actual health expenditure increasing to N82.81 billion in 2025, followed by Delta with N63.38 billion, Kano with N63.06 billion, and Bauchi with N53.49 billion. The following states, like Bayelsa, Jigawa, Borno, Ondo, and Benue, also completed the list of the ten largest health spenders, each committing substantial financial resources to the sector during the three years.

At the lower end of the distribution, Cross River recorded the lowest actual health expenditure in 2025 at N4.06 billion, followed by Adamawa at N11.80 billion, Gombe at N13.80 billion, Plateau at N14.87 billion, and Taraba at N15.23 billion. It was noted that, while several of these states increased health expenditure over the three years, the overall level of spending remained comparatively low.

The analysis also reinforces an important finding from the previous section: the states with the largest health budgets were not necessarily those that recorded the fastest expenditure growth. While states such as Abia and Anambra expanded health expenditure rapidly from relatively low spending bases, Lagos, Katsina, Delta, and Kano remained among the largest health investors because they consistently committed greater financial resources to the sector. Considering both expenditure growth and the absolute level of spending therefore provides a more comprehensive assessment of state commitment to health financing.

Infrastructure Spending: Building the Foundations for Economic Growth and Development

08

Infrastructure expenditure is widely recognised as a key driver of economic growth, productivity, and improved public service delivery. Investments in roads, transport networks, housing, land administration, water resources, and other physical infrastructure expand economic opportunities, improve connectivity, facilitate trade, and enhance access to essential services. Consequently, examining how states allocate and spend public resources on infrastructure provides important insights into their long-term development priorities and commitment to economic transformation.[28]

It is worth noting that expenditure implemented through oil-producing area development commissions, such as the Delta State Oil Producing Areas Development Commission (DESOPADEC), was not captured in this analysis. In some oil-producing states, these expenditures are reported under broader institutions, such as the Governor's Office, making them difficult to identify and consistently extract from the Budget Implementation Reports.

Our analysis shows that between 2022 and 2025, Nigerian states experienced a significant improvement in their fiscal position, driven largely by increased Federation Account allocations following major fiscal reforms. This created additional fiscal space for state governments to expand investment in key sectors, including infrastructure. The critical question, however, is whether this improved fiscal capacity translated into greater infrastructure investment and whether infrastructure accounted for a larger share of total state expenditure during the review period. The analysis that follows examines changes in actual infrastructure expenditure, its share of total state expenditure, and the extent to which states prioritised infrastructure between 2022 and 2025.

28. DESOPADEC Figures was not included in the report

Table 17: Summary of Aggregate Infrastructure Expenditure (2022–2025)

Amount in NGN

2022	Indicator *(Overall Nominal Growth)*	CAGR *(2022–2025)*	2025
Infrastructure as Share of Total Expenditure *(2022)* **24.36%**	*(10.13%)*		Infrastructure as Share of Total Expenditure *(2025)* **34.49%**
6.22tn	**Total Actual Expenditure** *(187.53%)*	42.20%	17.88tn
1.52tn	**Aggregate Infrastructure Expenditure** *(307.08%)*	59.67%	6.17tn

Source: State Q4 Budget Implementation Reports (2022–2025)

As shown in the table above, **the aggregate infrastructure expenditure by Nigerian states increased significantly from N1.489 trillion in 2022 to N6.166 trillion in 2025 by representing an overall nominal growth of 314.00% and a compound annual growth rate (CAGR) of 60.57%.** This growth outpaced the increase in aggregate state expenditure by indicating that infrastructure became a higher fiscal priority during the review period.

Our analysis shows that the expansion in infrastructure spending was supported by improved fiscal capacity following higher[29] Federation Account allocations, stronger internally generated revenue in many states, and broader fiscal reforms implemented after 2023. As a result, states committed more resources to roads, transport, public buildings, housing, water infrastructure, and other capital projects aimed at improving economic productivity and public service delivery.

Infrastructure's share of total actual expenditure increased from 23.95% in 2022 to 34.49% in 2025, an increase of 10.53 percentage points, demonstrating that a greater proportion of public resources was directed towards long-term development projects. However, performance varied considerably across states, with some significantly accelerating infrastructure investment while others recorded comparatively modest growth despite improved fiscal conditions.

Infrastructure's share of total actual expenditure increased from 23.95% in 2022 to 34.49% in 2025, an increase of 10.53 percentage points, demonstrating that a greater proportion of public resources was directed towards long-term development projects.

29. National Bureau of Statistics (NBS) & Office of the Accountant General of the Federation (OAGF). (2025). Federation Account Allocation Committee (FAAC) Disbursement Reports. Available at: https://nigerianstat.gov.ng/elibrary/read/1241696 (Accessed: 30 July 2026).

Table 18: Aggregate Infrastructure Spending Across States

Amount in ₦Billion

Rank	State	2022 Infrastructure	2025 Infrastructure	Nominal Increase	CAGR
1	Abia	2.17	235.79	233.62	377.10%
2	Nasarawa	7.78	103.94	96.16	137.27%
3	Niger	16.97	224.97	208	136.67%
4	Zamfara	9.16	103.02	93.86	124.06%
5	Sokoto	10.82	104.05	93.23	112.66%
6	Kano	24.05	229.21	205.17	112.03%
7	Plateau	3.04	28.44	25.4	110.71%
8	Enugu	26.12	219.26	193.14	103.23%
9	Osun	14.86	111.48	96.62	95.77%
10	Adamawa	17.09	126.05	108.95	94.64%
11	Bayelsa	85.84	569.32	483.48	87.88%
12	Jigawa	29.21	190.23	161.02	86.75%
13	Kwara	14.75	92.58	77.83	84.44%
14	Ekiti	12.15	74.61	62.46	83.12%
15	Yobe	20.41	107.08	86.68	73.78%
16	Gombe	26.29	136.28	109.99	73.06%
17	Anambra	45.68	231.47	185.8	71.76%
18	Katsina	29.81	147.7	117.89	70.48%
19	Edo	48.78	236.25	187.47	69.19%
20	Kogi	13.23	60.48	47.24	65.95%
21	Cross River	16.5	75.25	58.75	65.84%
22	Bauchi	44.66	195.18	150.52	63.50%
23	Imo	75.05	327.02	251.97	63.33%
24	Benue	16.52	70.4	53.88	62.13%
25	Borno	28.96	123.23	94.26	62.04%
26	Kebbi	11.18	46.08	34.89	60.31%
27	Oyo	62.1	234.14	172.04	55.64%
28	Kaduna	46.2	165.37	119.18	52.97%
29	Lagos	378.53	999.21	620.67	38.20%
30	Taraba	12.05	30.67	18.62	36.53%
31	Ondo	31.58	79.41	47.83	35.99%
32	Ogun	92.5	220.42	127.92	33.57%
33	Ebonyi	47.33	96.13	48.79	26.64%
34	Delta	168.07	171.53	3.46	0.68%

8.1 Key Findings: Which States Prioritised Infrastructure the Most?

Our analysis reveals that the expansion in infrastructure expenditure between 2022 and 2025 was far from uniform across the reporting states. Looking at the data, findings show that virtually all states benefited from the improved fiscal environment during the three years; the pace at which infrastructure expenditure expanded differed considerably, reflecting variations in fiscal priorities, implementation capacity, and the emphasis placed on capital investment.

Among the reporting states, Abia recorded the strongest growth in infrastructure expenditure with actual spending increasing from N2.17 billion in 2022 to N235.79 billion in 2025 by representing a nominal increase of N233.62 billion and the highest compound annual growth rate (CAGR) of 377.10%. Also, Nasarawa and Niger followed with CAGR values of 137.27% and 136.67%, respectively, while Zamfara stood at 124.06% and Sokoto at 112.66%, completing the top five. These states recorded the most rapid expansion in infrastructure investment during the review period, reflecting a strong commitment to scaling up capital spending despite differences in their initial expenditure levels.

Beyond the top five, strong growth in infrastructure expenditure was also recorded by several other states. States like Kano stood at 112.03%, followed by Plateau at 110.71%, Enugu at 103.23%, Adamawa at 94.64%, Osun at 95.77%, Bayelsa at 87.88%, Jigawa at 86.75%, Kwara at 84.44%, and Ekiti at 83.12% recorded CAGR values above 80% and also, Yobe, Gombe, Anambra, Katsina, Edo, Kogi, Cross River, Bauchi, Imo, Benue, Borno, Kebbi, Oyo, and Kaduna also recorded substantial growth, indicating that increased investment in infrastructure was widespread across many reporting states.

At the other end of the distribution, infrastructure expenditure expanded at a comparatively slower pace in several states despite the broader improvement in fiscal conditions. Lagos recorded a CAGR of 38.20%, followed by Taraba with 36.53%, Ondo with 35.99%, Ogun with 33.57%, and Ebonyi with 26.64%. On the same train, Delta recorded the slowest growth in infrastructure expenditure during the review period, with spending increasing only marginally from N168.07 billion in 2022 to N171.53 billion in 2025, representing a nominal increase of N3.46 billion and a CAGR of 0.68%.

One of our notable findings is that the fastest-growing states were not necessarily the largest investors in infrastructure. In several cases, exceptionally high growth rates reflected substantial increases from relatively low expenditure bases, while states with larger and more established infrastructure budgets—such as Lagos, Bayelsa, Delta, and Ogun—recorded comparatively slower growth despite maintaining high levels of infrastructure spending. This underscores the importance of considering both the rate of expenditure growth and the absolute level of investment when assessing states' commitment to infrastructure development.

8.2 State-Committed Resources to Infrastructure

While the previous section assessed the pace of growth in infrastructure expenditure, this section focuses on the absolute level of infrastructure spending across the reporting states. Examining actual expenditure complements the growth analysis by identifying the states that committed the largest financial resources to infrastructure during the review period.

Table 19: Top Ten States by Actual Infrastructure Expenditure (2022–2025)

Amount in ₦billion

Rank	State	2022 Infrastructure	2025 Infrastructure	Nominal Increase	Overall Nominal Growth (%)	CAGR (%)
1	Lagos	378.53	999.21	620.67	164.0	38.2
2	Bayelsa	85.84	569.32	483.48	563.2	87.88
3	Imo	75.05	327.02	251.97	335.7	63.33
4	Edo	48.78	236.25	187.47	384.3	69.19
5	Abia	2.17	235.79	233.62	10,761.70	377.1
6	Oyo	62.1	234.14	172.04	277	55.64
7	Anambra	45.68	231.47	185.80	406.7	71.76
8	Kano	24.05	229.21	205.17	853.1	112.03
9	Niger	16.97	224.97	208.0	1,225.60	136.67
10	Ogun	92.50	220.42	127.92	138.3	33.57

The findings show that Lagos State remained the country's largest infrastructure investor throughout the review period. Its actual infrastructure expenditure increased from N378.53 billion in 2022 to N999.21 billion in 2025, representing a nominal increase of N620.67 billion. The state recorded a CAGR of 38.20%, ranking 29th among the reporting states, and it continued to maintain the largest infrastructure budget because of its considerably larger expenditure base and stronger fiscal capacity.

Bayelsa ranked second, with actual infrastructure expenditure increasing from N85.84 billion to N569.32 billion, while Imo followed with expenditure rising from N75.05 billion to N327.02 billion, as well as Edo and Abia, which completed the top five with infrastructure expenditure reaching N236.25 billion and N235.79 billion respectively by 2025. In the analysis trend, other states that also recorded comparatively high levels of infrastructure expenditure included Oyo, Anambra, Kano, Niger, and Ogun, each committing more than N220 billion to infrastructure during the three years.

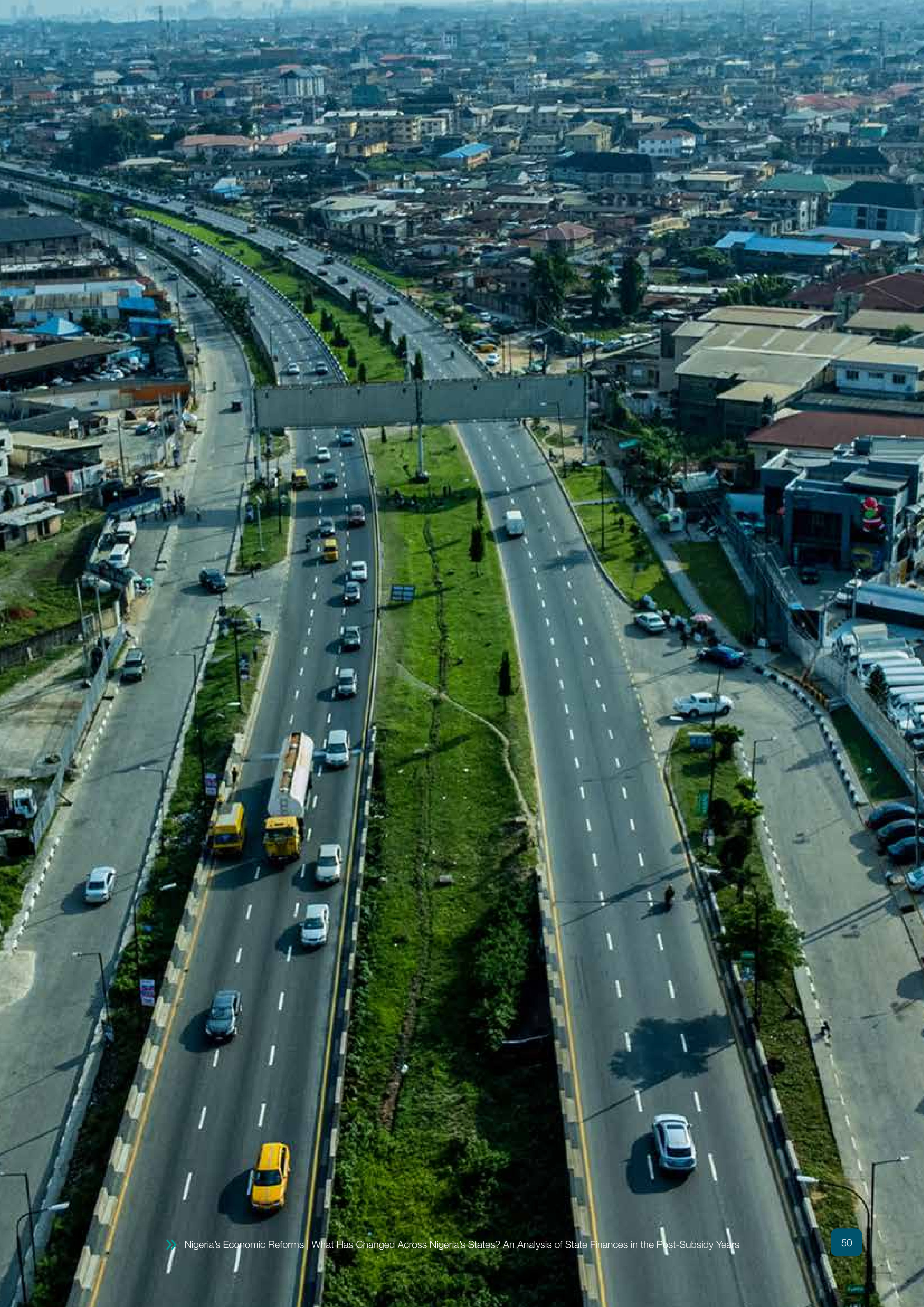
Looking at the other end of the distribution trend, Plateau recorded the lowest actual infrastructure expenditure in 2025 at N28.44 billion, followed by Taraba, which stood at N30.67 billion, then Kebbi at N46.08 billion, Kogi at N60.48 billion, and Benue at N70.40 billion. Looking at 2025 expenditure alone shows that several of these states recorded strong growth over the review period, yet their overall infrastructure budgets remained substantially smaller than those of the leading states.

Comparing the expenditure rankings with the CAGR analysis reveals an important distinction between the scale of expenditure and the pace of expenditure growth. States that expanded infrastructure expenditure

most rapidly were not always those committing the largest financial resources to the sector. **For example, Nasarawa and Zamfara ranked among the fastest-growing states but did not appear among the ten largest infrastructure spenders. Similarly, Plateau recorded one of the highest growth rates during the review period but remained among the states with the smallest infrastructure budgets because expenditure expanded from a relatively low base.**

Conversely, **Lagos remained the country's largest infrastructure investor despite recording one of the more moderate growth rates during the review period. Likewise, Bayelsa, Imo, Edo, and Oyo** continued to rank among the largest infrastructure spenders because they consistently allocated substantial financial resources to infrastructure, even though several other states expanded expenditure at a faster annual rate.

These findings demonstrate that growth in expenditure and the absolute size of expenditure measure different dimensions of government commitment to infrastructure development. Rapid expenditure growth often reflects deliberate efforts by states to scale up investment from comparatively modest spending levels, whereas high absolute expenditure reflects the magnitude of financial resources consistently devoted to infrastructure. Considering both indicators together therefore provides a more comprehensive assessment of state commitment to infrastructure development than relying on either measure in isolation.



09

Infrastructure Spending by Functional Area

After examining the overall level of infrastructure expenditure across states, we then tweak the analysis a bit in order to understand the composition of this spending. This section examines how infrastructure resources were allocated across key functional areas, including works and infrastructure, transport, housing, power, water resources, land administration, and rural development, and provides further insight into states' investment priorities between 2022 and 2025. Given differences in institutional structures across states, related ministries were harmonised into comparable functional categories for analytical consistency.

₦4.49 trillion

Our analysis shows that expenditure on works accounted for the largest share of infrastructure investment throughout the review period. Spending through Ministries of Works increased from N997.73 billion in 2022 to N4.49 trillion in 2025, with its share of total infrastructure expenditure rising significantly from 51.1 percent to 68.7%.

Table 20: Aggregate Expenditure Across the Major Infrastructure Functions Between 2022 and 2025.

Administrative Category	2022 (₦bn)	2025 (₦bn)	Share (2022)	Share (2025)
[30]Ministry of Works	997.73	4,494.62	51.07%	68.72%
Ministry of Transport	661.78	634.9	33.88%	9.71%
Ministry of Housing	87.62	501.52	4.49%	7.67%
Ministry of Water Resources	144.45	189.64	7.39%	2.90%
Ministry of Power	10.88	273.2	0.56%	4.18%
Ministry of Rural Development	11.06	206.22	0.57%	3.15%
[31]Ministry of Land Administration	35.11	202.54	1.80%	3.10%
Ministry of Urban Development	2.99	38.18	0.15%	0.58%
Ministry of Public Utilities & Water Resources	1.92	0	0.10%	0.00%
Total	**1,953.54**	**6,540.82**	**100.00%**	**100.00%**

Infrastructure expenditure across the reporting states remained heavily concentrated in road construction and related public works between 2022 and 2025. Although ministries responsible for infrastructure are organised differently across states, with some combining Works and Transport, others reporting Works and Infrastructure, and a few integrating Housing or Land Administration under broader infrastructure portfolios, the expenditure has been grouped into comparable functional categories to provide a consistent picture of infrastructure priorities across the states. This harmonisation ensures that differences in administrative structures do not distort the analysis of expenditure patterns.

Infrastructure expenditure across the reporting states remained heavily concentrated in road construction and related public works between 2022 and 2025. Although ministries responsible for infrastructure are organised differently across states, with some combining Works and Transport, others reporting Works and Infrastructure, and a few integrating Housing or Land Administration under broader infrastructure portfolios, the expenditure has been grouped into comparable functional categories to provide a consistent picture of infrastructure priorities across the states. This harmonisation ensures that differences in administrative structures do not distort the analysis of expenditure patterns.

30. Institutional classifications were harmonised across states to improve comparability. Ministries performing similar infrastructure functions under different names (e.g., Works and Transport, Works and Infrastructure, Public Works, and Roads and Bridges) were grouped under their closest functional category.
31. Oyo State reported expenditure for Lands, Housing and Urban Development as a combined ministry in 2022. The expenditure was retained under the Housing category to preserve consistency. Institutional

Our analysis shows that expenditure on works accounted for the largest share of infrastructure investment throughout the review period. Spending through Ministries of Works increased from N997.73 billion in 2022 to N4.49 trillion in 2025, with its share of total infrastructure expenditure rising significantly from 51.1 percent to 68.7%. This indicates that road construction, rehabilitation, bridges, and other public works continued to dominate infrastructure spending across the states by reflecting the central role of transport connectivity in supporting economic activity, reducing logistics costs, and improving access to markets and public services.

Another one on the list is expenditure reported under Transport, which amounted to N661.78 billion in 2022, representing 33.9% of total infrastructure expenditure. By 2025, transport expenditure stood at N634.90 billion, accounting for 9.7% of total infrastructure spending. The decline in its relative share does not necessarily imply reduced investment in transport infrastructure. Rather, it largely reflects differences in institutional reporting, as several states consolidated transport functions under Ministries of Works and Infrastructure or Works and Transport, resulting in a larger proportion of transport-related capital projects being recorded under the Works category. **Investment in housing also increased considerably over the three years. Its expenditure rose from N87.62 billion in 2022 to N501.52 billion in 2025 by increasing its contribution from 4.5% to 7.7% of total infrastructure expenditure.** This growth suggests that several state governments expanded investments in public housing schemes, urban renewal programmes, and residential infrastructure as part of broader efforts to address housing deficits and improve living conditions.

Similarly, expenditure on Power recorded one of the fastest increases among the infrastructure sectors. Spending increased from N10.88 billion in 2022 to N273.20 billion in 2025, raising its share from 0.6 percent to 4.2%. This reflects growing state interest in electricity infrastructure, independent power projects, rural electrification, and alternative energy investments aimed at improving energy access and supporting industrial development. Also, spending on Land Administration increased from N35.11 billion in 2022 to N202.54 billion in 2025, representing an increase in its share of infrastructure expenditure from 1.8 percent to 3.1 percent. This suggests increasing investments in land administration systems, cadastral mapping, physical planning, and urban development, all of which play important roles in facilitating property registration, urban expansion, and infrastructure planning. For Rural Development, its expenditure also expanded substantially during the review period, rising from N11.06 billion in 2022 to N206.22 billion in 2025. Consequently, its share increased from 0.6 percent to 3.2 percent of total infrastructure expenditure. The increase reflects greater attention to rural road networks, community infrastructure, agricultural access roads, and other projects designed to improve economic opportunities and service delivery in rural communities.

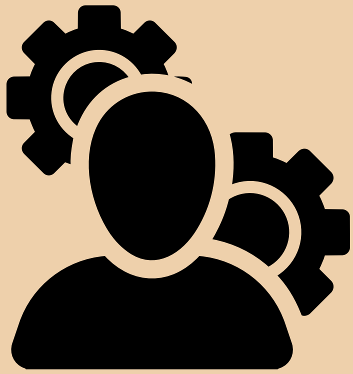
In contrast, Water Resources expenditure increased only modestly in absolute terms, rising from N144.45 billion in 2022 to N189.64 billion in 2025. As a result, its share of total infrastructure expenditure declined from 7.4% to 2.9%. While investment in water infrastructure continued, it expanded at a much slower pace than expenditure on roads, housing, and power, indicating that water projects received relatively lower priority within the broader infrastructure portfolio during the review period.
Overall, the composition of infrastructure expenditure indicates that the significant increase in infrastructure financing between 2022 and 2025 was driven primarily by investments in public works and road infrastructure, while complementary sectors such as housing, power, land administration, and rural development also recorded steady growth. Despite differences in ministerial structures across states, infrastructure spending remained broadly focused on expanding physical infrastructure to support economic growth, improve connectivity, and enhance public service delivery.

Administrative Expenditure Across Nigerian States (2022–2025)

10

Administrative sector expenditure analysis answers the question: "How much are we paying to be governed?" **In this classification, Administrative expenditure supports the running of government institutions, including the Government House, the Office of the Head of Civil Service, the House of Assembly, and other agencies responsible for coordinating and regulating public administration.** While administrative expenditure increased substantially during the review period, its share of total state expenditure declined from 13.59% in 2022 to 12.10% in 2025. This suggests that although states allocated significantly more resources to administrative functions in nominal terms, spending on other sectors expanded at a faster pace.

We examine how the expansion in state revenues between 2022 and 2025 influenced administrative expenditure to assess whether fiscal gains translated into higher administrative costs or whether expenditure priorities shifted towards service delivery.



Analysis of the actual Q1–Q4 budget implementation reports shows that aggregate administrative expenditure increased from N845.28 billion in 2022 to N2.16 trillion in 2025. This represents an increase of approximately N1.32 trillion, an overall nominal growth of 153.34%, and a compound annual growth rate (CAGR) of 36.78% over the review period.

Table 21: Aggregate Administrative Expenditure (2022–2025)

Amount in NGN

Indicator	2022	CAGR (2022–2025)	2025
Administrative Expenditure as Share of Total Expenditure	13.59%		12.10%
Indicator *(Overall Nominal Growth)*		-1.50%	
Total Actual Expenditure *(187.53%)*	6.22tn	42.20%	17.88tn
Administrative Expenditure *(153.34%)*	845.28bn	36.78%	2.16tn

Source: State Q4 Budget Implementation Reports (2022–2025)

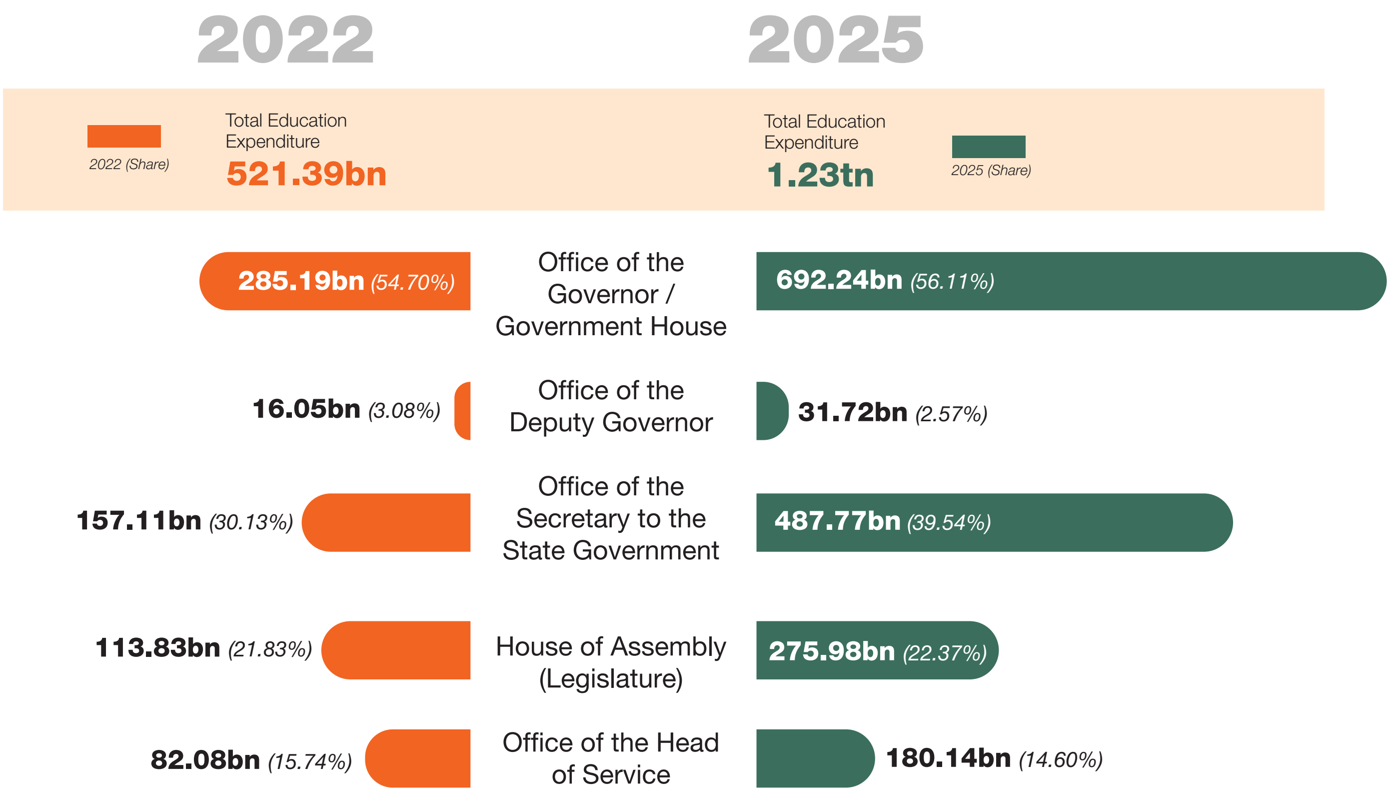
Although this growth was substantial, it lagged behind the growth in aggregate state expenditure, which increased by 187.53% over the same period. Consequently, the proportion of total expenditure devoted to administration declined by 1.50 percentage points, indicating that states on average allocated a relatively smaller share of their budgets to administrative functions despite spending considerably more in absolute terms.

10.1 How Was Administration Sector Expenditure Distributed?

States allocated more resources towards administrative expenditure between 2022 and 2025, but the question still remains: **where was that additional funding directed?** We explore the composition of this spending in several key agencies: the governor's office, the deputy governor's office, the secretary to the state government, the House of Assembly, and the head of civil service.

Table 22: Composition of Administrative Expenditure

Amount in NGN



Source: State Budget Implementation Report—2022–2025

The composition of administrative expenditure shows that the Office of the Governor/Government House remained the largest recipient of funding throughout the review period. Its spending increased from N285.19 billion in 2022 to N692.24 billion in 2025 (excluding Akwa Ibom and Rivers due to incomplete data), accounting for 54.70% of total administrative expenditure in 2022 and 56.33% of total expenditure in 2025. Its proportional share increased slightly, keeping it the highest share of administrative expenditure and suggesting that states maintained a strong focus on supporting efforts from the office of the governor.

In contrast, the share of administrative expenditure allocated to the Office of the Deputy Governor shrunk from an already moderate 3.08% of the total administrative expenditure to 2.58%, in spite of the increase in expenditure from N16.05 billion in 2022 to N31.72 billion in 2025. This suggests that states slightly deprioritised support to the deputy governor's office while expanding investments across other parts of the administrative engine.

The most notable changes occurred in the Office of the Secretary to the State Government, where spending increased in size both nominally and as a share of the total administrative expenditure for the year. The expenditures in this office grew from N157.11 billion in 2022 to N487.77 billion in 2025, with its share of administrative spending increasing almost 10 percentage points from 30.13% to 39.69%. This shift suggests that many states strengthened funding for the implementation arm of state governance by allowing for greater coordination between ministries, departments and agencies and emphasising that government programmes are aligned with the vision of the governor.

Another important area is the House of Assembly. Spending on the House of Assembly remained fairly steady as a share of total administrative expenditure, increasing slightly from 21.83% in 2022 to 22.37% in 2025, despite the fact that actual expenditure more than doubled from N113.83 billion to N275.98 billion. This suggests that states continued to maintain their commitment to the legislature by providing resources to support lawmaking, representation, and oversight of the executive.

Finally, we examine expenditure on the Office of the Head of Service, the institution responsible for managing the civil service and coordinating the administrative machinery that directs human, material, and financial resources towards the implementation of government policies across the state. Our findings show that between 2022 and 2025, expenditure on this office increased from N82.08 billion to N180.14 billion, which was similar to the House of Assembly; the share of total administrative expenditure allocated to the Office of the Head of Service remained relatively stable, although it declined slightly from 15.74% in 2022 to 14.60% in 2025.

Collectively, the story being told points to one thing: while administrative spending has grown in tandem with expenditure in other sectors, most of its subsectors broadly maintained their share of total administrative spending throughout the review period. This indicates that states allocated considerably more resources to administrative institutions in nominal terms and the structure of administrative spending changed very little between 2022 and 2025. Rather than signalling a major shift in spending priorities within government administration, the increase appears to reflect the broader expansion in state expenditure during the period. However, certain allocations especially to the Office of the Secretary to State Government needs to be unpacked.

10.2 State-Level Trends in Administrative Expenditure Growth (2022–2025)

As can reasonably be expected, there was considerable variation in state administrative expenditure between 2022 and 2025. It was discovered that most states recorded increases in administrative spending during the period; the scale of growth differed significantly across states, with some recording substantial increases and others reducing their administrative expenditure.

The biggest growth in administrative expenditure was recorded in Plateau State, where spending increased from N8.20 billion in 2022 to N84.61 billion in 2025 by representing a nominal increase of N76.41 billion and a CAGR of 117.69% over the three-year period. Osun and Borno also recorded significant increases, with compound annual growth rates of 94.46% and 92.30%, respectively. Other states with notable growth rates include Kano, Benue, Yobe, Oyo, and Enugu, all of which recorded CAGRs above 55%, indicating substantial increases in administrative expenditure compared to their 2022 levels.

However, this pace of growth was not universal across all states. The median CAGR among the 34 states reviewed was approximately 41%, meaning that half of the states recorded growth rates below this level while the other half recorded higher growth rates. As shown in the table below, states such as Plateau, Osun, and Borno recorded growth rates significantly above the median, reflecting a faster expansion in administrative expenditure compared to the typical state during the period.

At the lower end of the ranking, five states recorded declines in administrative expenditure between 2022 and 2025. These were Abia at -12.03%, followed by Cross River with -8.55%, also Imo at -5.69%, then Zamfara at -2.45%, and Kaduna at -0.84%. The variation across states indicates that changes in administrative expenditure were not driven by a uniform national pattern but reflected differences in state-level fiscal decisions, expenditure structures, and budget implementation patterns.

Table 23: State Ranking by Nominal CAGR of Actual Administrative Expenditure (2022–2025)

Amount in ₦Billion

Rank	State	2022 Actual Administrative Expenditure	2025 Actual Administrative Expenditure	Nominal Increase	CAGR (2022–2025)
1	Plateau	8.20	84.61	76.41	117.69%
2	Osun	6.84	50.28	43.44	94.46%
3	Borno	19.65	139.75	120.10	92.30%
4	Kano	16.01	88.36	72.34	76.70%
5	Benue	15.58	79.60	64.02	72.22%
6	Yobe	16.72	64.35	47.64	56.73%
7	Oyo	23.25	87.90	64.65	55.78%
8	Enugu	17.79	66.74	48.95	55.38%
9	Jigawa	9.14	33.35	24.21	53.94%
10	Edo	33.9	123.92	89.93	53.91%
11	Adamawa	12.24	41.59	29.34	50.32%
12	Kogi	37.49	124.40	86.90	49.15%
13	Ekiti	19.04	62.95	43.91	48.96%
14	Kebbi	20.99	68.93	47.94	48.63%
15	Bayelsa	29.61	89.73	60.12	44.71%
16	Niger	16.25	47.28	31.04	42.77%
17	Nasarawa	20.68	58.00	37.32	41.03%
18	Ogun	42.15	118.04	75.89	40.95%
19	Sokoto	14.98	40.82	25.84	39.67%
20	Ebonyi	21.97	56.62	34.65	37.11%
21	Taraba	16.61	42.02	25.41	36.26%
22	Gombe	16.58	41.00	24.42	35.23%
23	Ondo	8.39	20.08	11.69	33.78%
24	Kwara	16.67	38.87	22.20	32.61%
25	Lagos	61.47	129.74	68.27	28.28%
26	Anambra	12.78	26.61	13.83	27.70%
27	Katsina	14.78	26.02	11.24	20.75%
28	Bauchi	31.64	53.21	21.57	18.92%
29	Delta	84.13	111.43	27.31	9.82%
30	Kaduna	16.57	16.15	-0.41	-0.84%
31	Zamfara	27.18	25.22	-1.95	-2.45%
32	Imo	34.76	29.16	-5.60	-5.69%
33	Cross River	88.42	67.62	-20.80	-8.55%
34	Abia	12.75	8.68	-4.07	-12.03%

Source: State Budget Implementation Report - 2022 -2025

While the CAGR ranking highlights the pace of growth in administrative expenditure, it does not necessarily reflect the scale of administrative spending. **In absolute terms, Borno recorded the highest administrative spending in 2025 at N139.75 billion followed by Lagos, which stood at N129.74 billion. Kogi with N124.40 billion, Edo with N123.92 billion, and Ogun with N118.04 billion. Delta, Bayelsa, Kano, Oyo, and Plateau also ranked among the largest administrative spenders during the period.**

A comparison of growth rates and expenditure levels reveals three distinct patterns in states' administrative spending. The first group consists of states such as Borno, Kano, Oyo, and Plateau, which combined rapid expenditure growth with high levels of administrative spending by 2025. This suggests that these states not only expanded their administrative budgets significantly but also sustained relatively large administrative structures over the review period.

The second group includes states such as Osun, Benue, Yobe, and Enugu, which recorded some of the fastest growth rates but did not rank among the largest administrative spenders. In these cases, the high growth rates were largely driven by relatively low expenditure bases in 2022, meaning that substantial percentage increases translated into more moderate expenditure levels in absolute terms.

The third group comprises states such as Lagos and Delta, which remained among the highest administrative spenders despite recording relatively modest growth rates. This reflects the influence of a large expenditure base, where even moderate increases resulted in substantial administrative spending. It also suggests that these states had already established relatively high levels of administrative expenditure before the review period.

At the lower end of the ranking, Kaduna, Zamfara, Imo, Cross River, and Abia recorded flat or negative growth in administrative expenditure. This may indicate efforts to contain administrative costs or a shift in expenditure priorities towards other sectors, although further analysis would be required to determine the underlying drivers.

Overall, the findings suggest that changes in administrative expenditure were shaped by both the rate of expenditure growth and the initial level of administrative spending. Assessing these two measures together provides a more balanced understanding of how states managed the cost of governance between 2022 and 2025. States with the highest growth were not always the biggest spenders, while some of the largest administrative budgets reflected the continuation of historically high spending levels rather than rapid recent expansion.

11

States' Fiscal Position and Borrowing (2022–2025)

Table 24: Aggregate States' Fiscal Position and Borrowing (2022–2025)

Amount in NGN

Indicator	2022	2025	Nominal Change(₦)	CAGR
Total Actual Expenditure	6. 218tn	17.880tn	11. 661tn	42.20%
Available Resources (Opening Balance + FAAC + IGR)	5. 425tn	18.090tn	12. 665tn	49.40%
Fiscal Position Before Borrowing	-793.56bn	209.87bn	1.003tn	-164.19%
Aggregate Borrowing	1. 239tn	2. 051tn	812.65bn	18.31%

Source: State Budget Implementation Report—2022–2025

The table above presents the aggregate fiscal position of the reporting states before borrowing between 2022 and 2025. **Aggregate available resources, which comprise opening balances, Federation Account Allocation Committee (FAAC) allocations, and internally generated revenue (IGR), increased from N5.43 trillion in 2022 to N18.09 trillion in 2025 ad this represents a nominal increase of N12.67 trillion and a compound annual growth rate (CAGR) of 49.40% over the review period.** The substantial expansion in available resources reflects the significant improvement in state revenues during the period, driven largely by increased statutory allocations following fiscal reforms, improved revenue mobilisation efforts, and broader macroeconomic developments that expanded distributable revenues.

During the same period, it was noticed that the aggregate actual expenditure increased from N6.22 trillion in 2022 to N17.88 trillion in 2025, representing a nominal increase of N11.66 trillion and a CAGR of 42.20%. Although expenditure grew considerably, and the pace of growth was lower than that of available resources. This suggests that the increase in revenue broadly kept pace with the expansion in government spending, providing states with greater fiscal flexibility than was evident at the beginning of the review period. The growth in expenditure was likely influenced by rising personnel costs following the implementation of the new national minimum wage, higher inflationary pressures that increased the cost of delivering public services, and expanded investments in infrastructure and other development priorities.

Despite this improvement in the pre-borrowing fiscal position, the aggregate borrowing increased from N1.24 trillion in 2022 to N2.05 trillion in 2025 by representing a nominal increase of N812.65 billion and a CAGR of 18.31%. This suggests that borrowing remained an important component of state financing strategies even as overall fiscal conditions improved. Rather than serving solely as a mechanism for addressing financing shortfalls, borrowing increasingly appears to have complemented internally generated resources and statutory transfers in financing capital projects, supporting long-term infrastructure investments, refinancing existing obligations, and managing liquidity requirements. **This finding indicates that improved fiscal capacity did not necessarily reduce reliance on debt but may instead have enhanced states' ability to access and utilise borrowing for broader development objectives.**

While the aggregate figures provide an overview of the fiscal position of the reporting states, borrowing behaviour varied considerably across individual states. Differences in revenue performance, expenditure priorities, debt management strategies, and investment requirements resulted in significant variation in both borrowing levels and fiscal positions before borrowing, and consequently, the aggregate analysis conceals important state-level differences that are critical for understanding the underlying drivers of borrowing.

While the aggregate figures provide a broad overview of states' fiscal positions, the reliance on borrowing varied considerably across states. We moved further to a state-level assessment, to provide deeper insight into the extent to which borrowing was used to finance expenditure and the fiscal conditions that necessitated such borrowing.

The state-level analysis reveals that fiscal positions before borrowing differed markedly across the federation**. Our findings show that in 2025, 10 of the 36 states (excluding Akwa Ibom and Rivers State, where comparable data were unavailable) recorded fiscal surpluses before borrowing, while 25 states recorded fiscal deficits.** This represents a notable deterioration from 2022, when 15 states recorded fiscal surpluses and 19 states recorded deficits. The findings indicate that although available resources expanded substantially over the review period, expenditure growth outpaced resource growth in many states, resulting in a larger number of states entering deficit positions before accessing debt financing.

The largest fiscal surpluses in 2025 were recorded by Delta State with N1.05 trillion, followed by Ondo State with N187.71 billion and Bayelsa State with N125.09 billion. Other states that maintained positive fiscal positions included Sokoto with N72.20 billion, Plateau with N59.94 billion, Taraba with N54.30 billion, Anambra with N41.33 billion, Enugu with N36.27 billion, Kano with N12.82 billion, Osun with N12.44 billion, Cross River with N10.29 billion and Kwara with N2.16 billion. These states generated sufficient available resources to finance their expenditure before considering additional borrowing.

Conversely, the largest fiscal deficits before borrowing were recorded by Oyo State with N196.98 billion, followed by Lagos State with N183.93 billion, Borno State with N138.77 billion, Bauchi State with N123.74 billion, Yobe State with N112.70 billion and Niger State with N105.18 billion. Other states such as Ogun which stood at N86.70 billion, then Jigawa at N83.81 billion and Katsina at N81.22 billion also recorded sizeable financing gaps before borrowing, indicating that available resources alone were insufficient to finance planned expenditure.

Comparing states' fiscal positions before borrowing with their actual borrowing levels shows that borrowing decisions were not determined solely by the existence of fiscal deficits. Although many states with sizeable financing gaps relied on debt to support expenditure, the amount borrowed often fell short of their estimated deficits, and this suggests that financing needs were also met through other sources, including accumulated reserves, financing adjustments and other cash management measures. **For instance, Oyo State recorded the largest fiscal deficit before borrowing in 2025 at N196.98 billion and subsequently borrowed N219.97 billion, making it the second-largest borrower during the year. Similarly, Borno State recorded a fiscal deficit of N138.77 billion and borrowed N118.51 billion, while Bauchi State posted a deficit of N123.74 billion and borrowed N111.19 billion.** Niger State also recorded a financing gap of N105.18 billion and accessed N95.79 billion in borrowing. These states illustrate the conventional relationship in which debt was used to bridge substantial financing gaps arising from expenditure exceeding available resources.

However, the analysis also shows that fiscal deficits did not always translate into proportionately higher borrowing. Lagos State, despite recording the second-largest fiscal deficit before borrowing at N183.93 billion, remained the largest borrower with N363.24 billion, almost twice the size of its estimated financing gap. This suggests that borrowing extended beyond addressing immediate budget shortfalls and was likely used to finance large-scale capital investments, refinance existing obligations or support long-term infrastructure programmes. Conversely, several states with sizeable deficits borrowed relatively modest amounts. Ogun State, for example, recorded a fiscal deficit of N86.70 billion but borrowed only N21.21 billion, while Kaduna State recorded a deficit of N15.69 billion yet borrowed N82.53 billion, indicating that borrowing decisions reflected broader fiscal and investment strategies rather than simply balancing annual budgets.

Equally notable were states that maintained positive fiscal positions before borrowing but still accessed debt financing. **Delta State, which recorded the largest fiscal surplus of N1.05 trillion, borrowed only N6.99 billion, while Ondo State generated a surplus of N187.71 billion but still borrowed N47.99 billion.** Plateau State also recorded a fiscal surplus of N59.94 billion and borrowed N43.25 billion, whereas Sokoto State posted a surplus of N72.20 billion alongside borrowing of N54.54 billion. These examples suggest that borrowing was not exclusively a response to fiscal stress but also formed part of broader financing and investment strategies, particularly where states sought to preserve liquidity or finance capital projects without immediately exhausting internally available resources.

On the other hand, some states demonstrated little or no reliance on borrowing despite having sufficient fiscal capacity. Bayelsa State, which recorded a fiscal surplus of N125.09 billion, reported no borrowing in 2025, while Cross River State also maintained a fiscal surplus of N10.29 billion without accessing debt. These cases indicate that stronger revenue positions can reduce the need for debt financing where expenditure commitments are adequately supported by available resources.
Overall, the state-level assessment demonstrates that borrowing patterns were shaped by more than the size of fiscal deficits. While states with significant financing gaps generally relied more heavily on borrowing, debt was also employed by fiscally stronger states to support investment programmes, manage cash flow and implement broader financing strategies. This suggests that borrowing decisions during the review period reflected differences in fiscal capacity, development priorities, debt management practices and long-term budgetary planning, rather than simply the need to finance expenditure shortfalls.

12

Final Notes

01

It is worth noting that Abia State recorded remarkable progress over the last three years, scoring highly in revenue, expenditure, capital expenditure, health expenditure, education expenditure, and personnel costs. The state also maintained relatively low overhead and administrative costs, reflecting prudent spending priorities.

02

Enugu recorded the fastest growth in internally generated revenue (IGR) during the review period. Actual IGR increased from N25.12 billion in 2022 to N406.77 billion in 2025, an increase of N381.66 billion and a CAGR of 153.01%. Niger (76.33% CAGR), Abia (65.79%), Ekiti (58.36%), and Bayelsa (52.99%) completed the top five fastest-growing states. While Enugu has focused on asset acquisition and pricing, it must manage the cyclical nature of such receipts and avoid expanding debt aggressively based on one-off revenues.

03

Despite the significant increase in state revenues, several states continued to rely heavily on borrowing to finance expenditure. In 2025, Lagos recorded the highest borrowing at N363.24 billion, followed by Oyo (N219.97 billion), Borno (N118.51 billion), Bauchi (N111.19 billion), and Taraba (N98.81 billion).

04

The improved fiscal environment did not produce similar outcomes across all states. While Delta (N1.054 trillion), Ondo (N187.71 billion), Bayelsa (N125.09 billion), and Sokoto (N72.20 billion) recorded sizeable fiscal surpluses before borrowing, Oyo (-N196.98 billion), Lagos (-N183.93 billion), Borno (-N138.77 billion), Bauchi (-N123.74 billion), and Yobe (-N112.70 billion) continued to record substantial financing gaps, reflecting differences in expenditure commitments and fiscal management.

05

Ebonyi was one of only three states to record negative IGR growth during the review period. Actual IGR declined from N23.89 billion in 2022 to N23.25 billion in 2025, representing a CAGR of -0.91%. The state also recorded one of the five slowest growth rates in capital expenditure, with capital spending increasing from N73.44 billion to N179.99 billion (34.83% CAGR).

06

Sokoto was also one of only three states to record negative IGR growth during the review period. Actual IGR declined from N23.60 billion in 2022 to N20.58 billion in 2025, representing a CAGR of -4.46%. The state also ranked among the five slowest-growing states in personnel expenditure.

07

Delta, Kwara, Zamfara, Kaduna, Kano, Borno, Katsina, Sokoto, Anambra, Kebbi, Enugu, and Imo recorded the slowest growth in personnel costs, which may indicate workforce rationalisation or limited salary increases across cadres.

08

Bayelsa and Delta recorded slower growth in overhead expenditure despite historically high overhead costs, which is a positive trend. It is also commendable that Jigawa recorded strong spending on education and health, alongside Katsina State.

09

Cross River recorded the slowest growth in capital expenditure among the reporting states. Actual capital expenditure increased from N98.25 billion in 2022 to N156.28 billion in 2025, representing a CAGR of 16.74%. The state also ranked among the weakest performers in infrastructure, health, and education expenditure during the review period. Notably, it reported only N4 billion in direct health expenditure, while more than N47 billion was spent through the Office of the Chief of Staff.

13

Conclusion

The review period from 2022 to 2025 was characterised by a significant expansion in the fiscal capacity of Nigerian states, and it was largely driven by increased **statutory allocations, improved federal transfers, and higher internally generated revenue. Aggregate state revenue increased from N4.99 trillion in 2022 to N15.53 trillion, while actual expenditure rose from N6.22 trillion to N17.88 trillion over the same period.** The increase in available resources enabled states to substantially expand capital investment, with aggregate capital expenditure increasing from N2.79 trillion to N10.85 trillion, reflecting a stronger emphasis on development-oriented spending.

The findings also show that **some state governments utilised this favourable fiscal environment more effectively than others. States such as Abia, Enugu, Niger, Plateau, Kano, and Bayelsa consistently recorded strong performance across several fiscal indicators, including internally generated revenue growth, capital expenditure, and overall expenditure expansion.** Their performance reflects deliberate efforts to strengthen fiscal management and increase investment in development priorities. **These states provide useful examples of how improved fiscal resources can be translated into stronger development outcomes through effective planning and execution.**

Conversely, **Ebonyi, Kaduna, Sokoto, Cross River, and Kebbi recorded comparatively weaker performance across key fiscal indicators, including internally generated revenue growth, capital expenditure, and personnel expenditure. These findings suggest the need for renewed efforts to strengthen domestic revenue mobilisation, improve expenditure efficiency, and accelerate investments in priority sectors to maximise the benefits of the improved fiscal environment.**

Overall, the analysis demonstrates that increased revenues alone do not guarantee improved fiscal sustainability or development outcomes. The states that achieved the strongest results were generally those that combined improved revenue mobilisation with prudent expenditure management and sustained investment in productive sectors. Going forward, all state governments should prioritise strengthening internally generated revenue, improving expenditure efficiency, ensuring timely implementation of capital projects, and adopting sustainable financing strategies that translate fiscal resources into measurable improvements in the welfare of citizens.

14

Recommendations

The analysis shows that the significant increase in state revenues between 2022 and 2025 created new fiscal opportunities for investment in development. It was seen that many states expanded spending on priority sectors; the pace and composition of expenditure varied considerably, and to ensure that improved fiscal capacity translates into better outcomes for citizens, the following actions are recommended:

01

Prioritise Investments that Improve Human Development

As revenues increase, states should allocate a greater share of public expenditure to sectors that directly improve quality of life, particularly education, healthcare, agriculture, and critical infrastructure. This can be achieved by strengthening budget prioritisation, directing additional fiscal resources towards these sectors, and ensuring that increases in developmental spending keep pace with growth in administrative expenditure.

02

Improve the Efficiency of Public Spending

Increasing expenditure alone is not enough. States should improve the efficiency of public spending by adopting more rigorous project appraisal and selection processes, strengthening competitive and transparent procurement practices, enhancing contract monitoring and supervision, and regularly tracking project implementation against agreed milestones and performance targets. These measures would help ensure that public funds translate into measurable improvements in public service delivery while achieving better value for money across sectors.

03

Protect Social Sector Spending During Fiscal Shocks

Education and health should remain priority sectors even when revenues decline or economic conditions become challenging. States can promote more predictable funding for these sectors by protecting budget allocations during budget revisions, prioritising the release of approved funds, and limiting reductions in essential service delivery expenditures during periods of fiscal stress. This will help ensure continuity in service delivery and reduce disruptions that disproportionately affect vulnerable populations.

04

Strengthen Budget Credibility and Implementation

Governments should focus not only on preparing ambitious budgets but also on implementing them effectively. Ministries, Departments and Agencies (MDAs) can improve project execution by strengthening project planning and scheduling, ensuring timely procurement and contract awards, regularly monitoring implementation progress against approved work plans, and promptly addressing implementation bottlenecks. These measures will help reduce delays, improve expenditure monitoring, and ensure that approved funds translate into completed projects and better public service delivery.

05

Improve Transparency and Public Access to Fiscal Information

States like Akwa Ibom and Rivers should publish complete and timely budget implementation reports using a standard reporting format. Improving the accessibility and consistency of fiscal data will strengthen accountability, support evidence-based policymaking, and enable citizens to better monitor how public resources are utilised.

06

Manage the Cost of Governance More Efficiently

While personnel and administrative expenditure are necessary for government operations, they should not crowd out investment in development priorities. States should periodically review recurrent expenditure through regular expenditure reviews and budget performance assessments, identify non-essential or low-impact spending, and redirect the resulting savings towards programmes and projects with greater developmental impact.

07

Institutionalise Performance-Based Budgeting

Budget allocations should increasingly be linked to clearly defined outputs and outcomes. During the annual budget preparation and budget review processes, MDAs should demonstrate progress against agreed performance indicators, implementation milestones, and expenditure reports before receiving significant increases in funding. Linking future budget allocations to evidence of past performance would strengthen accountability and improve the effectiveness of public expenditure.

08

Strengthen Medium-Term Development Planning

Annual budgets should be prepared using approved Medium-Term Expenditure Frameworks (MTEFs), sector strategies, and State Development Plans as the basis for setting expenditure priorities. During budget preparation, proposed programmes and projects should be assessed against these medium-term plans before they are included in the annual budget. This approach will improve policy continuity and help ensure that public expenditure remains aligned with long-term development objectives rather than short-term spending pressures.

09

Promote Peer Learning and Knowledge Sharing Across States

States that have demonstrated strong performance in budget planning, implementation and sectoral investment should share their experiences with other subnational governments. Platforms such as the Nigeria Governors' Forum and other intergovernmental forums can facilitate the exchange of practical lessons and encourage the adoption of good fiscal management practices.

10

Strengthen Citizen Participation and Independent Oversight

Citizens, civil society organisations, the media and oversight institutions all have important roles in ensuring that public resources are spent effectively. State governments should create more opportunities for public engagement throughout the budget cycle and respond constructively to independent budget monitoring. Stronger public oversight will improve accountability and help ensure that increased revenues translate into better development outcomes.

11

Recognise and Sustain Good Fiscal Performance

States that consistently demonstrated strong performance across key fiscal indicators including Abia, Enugu, Niger, Plateau, Kano, and Bayelsa, should sustain the reforms and fiscal management practices that contributed to these outcomes. Their experiences in strengthening internally generated revenue, expanding capital investment, and improving budget implementation provide practical lessons for other states, and recognising and documenting these good practices will encourage continuous improvement and support evidence-based learning across subnational governments.

12

Accelerate Fiscal Reforms in Lower-Performing States

States that recorded comparatively weaker performance across key fiscal indicators, including Ebonyi, Kaduna, Sokoto, Cross River, and Kebbi, should prioritise reforms aimed at strengthening internally generated revenue, improving capital investment, and enhancing expenditure efficiency and a particular attention should be given to expanding the tax base, improving revenue administration, strengthening project implementation, and ensuring that increased public expenditure translates into measurable improvements in service delivery and citizens' welfare.

Ultimately, higher revenues do not automatically translate into development. The findings from this report show that states that combined stronger revenue mobilisation with prudent expenditure management and sustained investment in development priorities recorded better fiscal outcomes than others. Sustaining these gains will require continued commitment to transparency, accountability, efficient public spending, and evidence-based budgeting to ensure that increased fiscal resources translate into measurable improvements in citizens' welfare.

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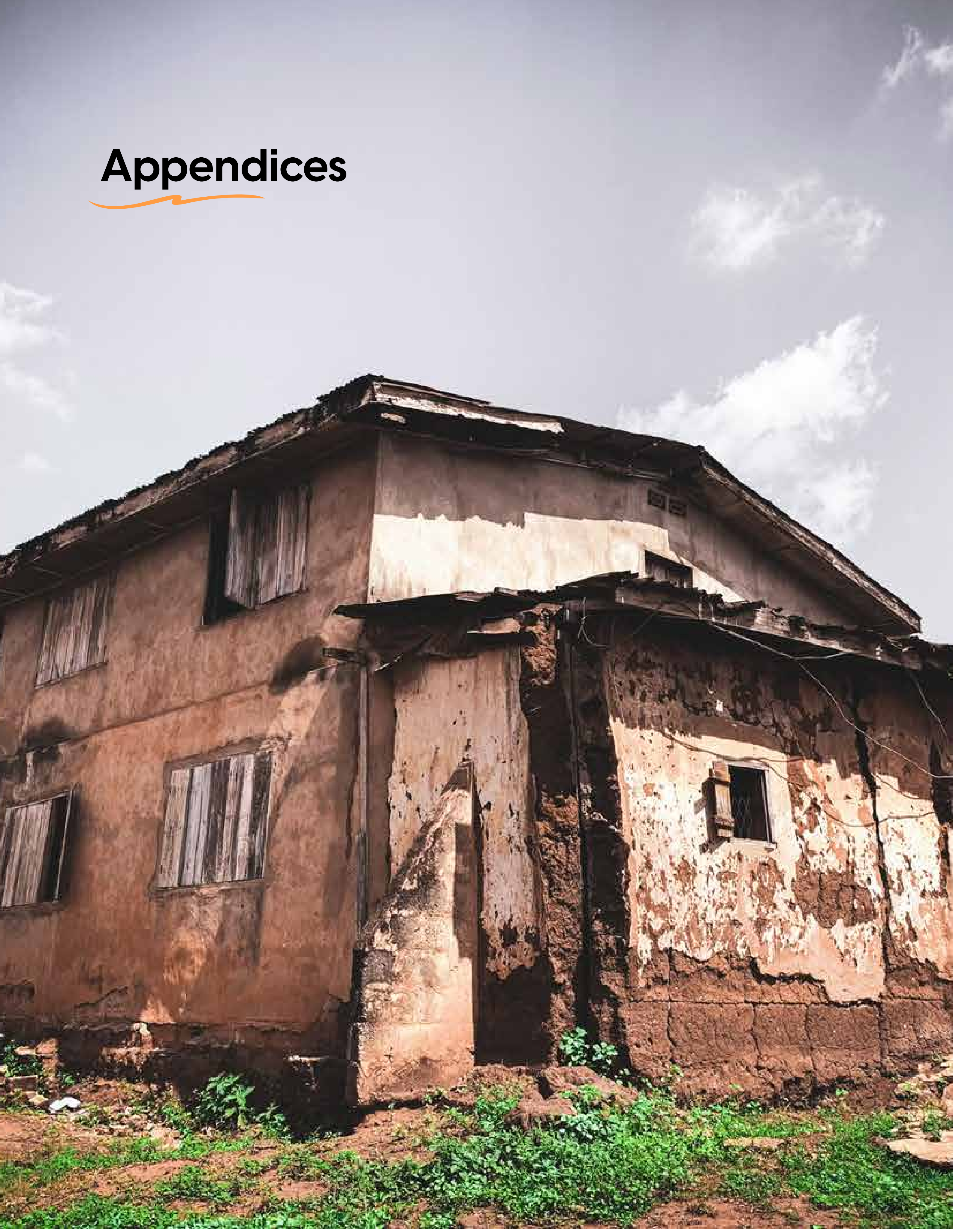
Appendices



APPENDIX A

Table 1: Aggregate Revenue Growth Across States

Rank	State	Aggregate Revenue (2022 FAAC + IGR)(N)	Aggregate Revenue (2025 FAAC + IGR)(N)	CAGR
1	Enugu	102,680,075,047.13	665,851,423,215.48	86.48%
2	Abia	83,585,619,324.36	382,697,706,842.86	66.05%
3	Niger	85,799,226,345.36	354,512,477,643.50	60.47%
4	Taraba	67,820,090,289.10	249,308,907,396.94	54.33%
5	Bauchi	99,245,623,513.85	361,530,310,859.02	53.87%
6	Edo	141,953,165,533.80	511,233,678,023.85	53.28%
7	Imo	106,074,682,490.51	379,116,188,718.45	52.89%
8	Katsina	102,429,435,211.86	362,084,392,746.19	52.33%
9	Anambra	110,693,963,566.79	390,257,802,903.33	52.20%
10	Osun	86,454,890,214.91	304,010,574,622.38	52.07%
11	Kogi	89,111,403,372.52	306,616,629,375.63	50.97%
12	Plateau	84,159,659,153.49	288,999,959,570.10	50.87%
13	Oyo	136,407,166,607.72	467,888,464,144.43	50.81%
14	Cross River	93,287,361,185.96	319,582,267,665.56	50.75%
15	Ekiti	80,642,182,611.34	275,552,600,136.53	50.62%
16	Gombe	79,183,979,297.65	264,936,481,039.05	49.57%
17	Borno	98,572,480,007.42	325,824,234,014.44	48.96%
18	Bayelsa	299,069,716,400.23	976,900,221,178.71	48.37%
19	Yobe	82,730,345,099.78	262,154,259,134.55	46.88%
20	Kano	163,469,128,354.01	486,814,539,867.12	43.87%
21	Sokoto	105,008,326,350.81	310,319,574,626.65	43.50%
22	Lagos	889,448,457,192.93	2,627,940,771,523.87	43.49%
23	Jigawa	132,153,853,768.44	388,543,961,271.12	43.26%
24	Kwara	105,699,483,990.41	307,683,444,900.26	42.78%
25	Adamawa	84,009,510,806.32	235,473,284,014.45	41.00%
26	Delta	540,844,394,471.07	1,449,415,132,934.56	38.90%
27	Benue	117,584,147,300.18	310,679,241,726.57	38.25%
28	Ondo	132,077,183,374.51	345,607,569,041.56	37.80%
29	Ebonyi	94,514,643,816.12	234,990,432,189.66	35.47%
30	Kaduna	150,279,329,431.98	357,936,941,807.46	33.55%
31	Ogun	186,757,136,161.27	436,475,880,937.23	32.71%
32	Zamfara	87,715,055,599.11	204,904,312,245.78	32.69%
33	Kebbi	82,037,452,249.86	191,235,900,493.44	32.59%
34	Nassarawa	90,050,718,717.94	188,586,526,411.46	27.94%

APPENDIX B

Table 2: Aggregate IGR Growth Across States

Rank	State	2022 Actual IGR(N)	2025 Actual IGR(N)	Nominal Increase(N)	CAGR
1	Enugu	25,116,014,604.16	406,774,321,758.87	381,658,307,154.71	153.01%
2	Niger	12,106,729,379.18	66,371,354,137.94	54,264,624,758.76	76.33%
3	Abia	14,671,268,157.84	66,859,046,135.25	52,187,777,977.41	65.79%
4	Ekiti	13,031,941,339.78	51,751,795,152.60	38,719,853,812.82	58.36%
5	Bayelsa	14,564,751,435.87	52,150,447,040.50	37,585,695,604.63	52.99%
6	Katsina	13,857,840,264.46	46,598,645,772.90	32,740,805,508.44	49.82%
7	Cross River	18,128,400,621.97	57,447,132,349.22	39,318,731,727.25	46.88%
8	Lagos	656,347,351,703.39	1,845,204,097,744.67	1,188,856,746,041.28	41.14%
9	Kano	37,442,935,788.83	102,258,691,496.49	64,815,755,707.66	39.78%
10	Delta	75,627,056,963.67	206,436,979,956.61	130,809,922,992.94	39.76%
11	Oyo	39,243,881,413.85	102,523,417,328.16	63,279,535,914.31	37.73%
12	Edo	38,000,497,915.99	98,449,229,914.01	60,448,731,998.02	37.34%
13	Gombe	14,307,846,944.06	36,363,595,127.03	22,055,748,182.97	36.47%
14	Bauchi	18,209,207,441.01	45,836,384,776.00	27,627,177,334.99	36.03%
15	Osun	24,445,504,013.90	58,797,073,369.67	34,351,569,355.77	33.98%
16	Kwara	35,468,482,201.50	85,208,357,151.26	49,739,874,949.76	33.93%
17	Adamawa	10,145,248,073.28	24,137,446,114.77	13,992,198,041.49	33.50%
18	Taraba	8,747,584,254.46	17,892,192,708.94	9,144,608,454.48	26.94%
19	Kogi	17,884,458,694.68	36,502,312,790.91	18,617,854,096.23	26.85%
20	Ogun	119,242,693,669.52	237,645,777,194.71	118,403,083,525.19	25.84%
21	Plateau	15,696,762,542.02	31,106,335,361.34	15,409,572,819.32	25.61%
22	Imo	19,378,562,379.10	36,738,883,954.43	17,360,321,575.33	23.77%
23	Nassarawa	20,893,777,253.77	39,432,281,619.27	18,538,504,365.50	23.58%
24	Borno	19,198,880,899.70	35,780,595,322.64	16,581,714,422.94	23.06%
25	Kebbi	10,542,326,321.67	18,409,584,707.01	7,867,258,385.34	20.42%
26	Ondo	26,847,940,991.17	45,634,976,315.24	18,787,035,324.07	19.34%
27	Benue	17,351,144,510.98	29,380,474,081.45	12,029,329,570.47	19.19%
28	Anambra	32,583,102,743.43	54,236,986,550.96	21,653,883,807.53	18.51%
29	Zamfara	19,055,366,243.87	30,069,202,805.94	11,013,836,562.07	16.42%
30	Yobe	9,940,554,641.74	15,422,171,056.36	5,481,616,414.62	15.77%
31	Kaduna	59,981,906,610.03	86,717,276,542.02	26,735,369,931.99	13.07%
32	Ebonyi	23,892,936,818.71	23,249,780,033.38	-643,156,785.33	-0.91%
33	Sokoto	23,604,452,637.26	20,582,223,629.36	-3,022,229,007.90	-4.46%
34	Jigawa	59,399,588,177.11	35,268,264,799.74	-24,131,323,377.37	-15.95%

Table 3: Nominal Growth in Aggregate State Expenditure Across States (2022–2025)

Rank	State	2022 Total Exp. (Q1–Q4)(N)	2025 Total Exp. (Q1–Q4)(N)	Nominal Increase(N)	CAGR
1	Abia	46,522,162,514.14	409,560,291,020.29	363,038,128,506.15	106.48%
2	Enugu	102,651,501,901.00	645,515,379,785.94	542,863,877,884.94	84.58%
3	Niger	94,210,901,220.56	514,300,256,946.85	420,089,355,726.29	76.08%
4	Plateau	55,605,313,683.96	289,258,379,354.71	233,653,065,670.75	73.27%
5	Kano	134,802,111,194.11	583,992,097,441.13	449,189,986,247.02	63.02%
6	Borno	109,254,269,890.15	469,379,979,676.24	360,125,709,786.09	62.57%
7	Jigawa	136,182,845,184.41	569,408,108,527.50	433,225,263,343.09	61.10%
8	Adamawa	86,610,322,768.33	326,994,084,748.39	240,383,761,980.06	55.71%
9	Benue	107,246,324,752.79	402,261,388,318.55	295,015,063,565.76	55.37%
10	Bayelsa	292,880,427,090.22	1,061,135,522,107.80	768,255,095,017.58	53.59%
11	Anambra	98,512,632,136.30	354,782,323,417.33	256,269,691,281.03	53.28%
12	Osun	100,255,211,364.17	351,780,076,601.85	251,524,865,237.68	51.96%
13	Nassarawa	85,054,370,332.19	296,250,123,343.44	211,195,753,011.25	51.58%
14	Sokoto	96,834,566,934.32	322,709,845,324.62	225,875,278,390.30	49.37%
15	Ekiti	106,489,310,172.88	349,966,326,765.51	243,477,016,592.63	48.68%
16	Kogi	132,340,331,633.65	430,214,679,583.07	297,874,347,949.42	48.14%
17	Oyo	209,718,139,075.23	668,757,923,876.26	459,039,784,801.03	47.19%
18	Bauchi	171,423,216,727.07	532,306,920,224.79	360,883,703,497.72	45.89%
19	Katsina	156,742,337,561.40	482,413,031,836.92	325,670,694,275.52	45.46%
20	Imo	161,624,362,419.00	494,308,467,660.32	332,684,105,241.32	45.15%
21	Ebonyi	102,571,246,473.62	304,301,910,965.43	201,730,664,491.81	43.69%
22	Yobe	133,381,926,700.94	381,229,593,117.90	247,847,666,416.96	41.92%
23	Edo	195,928,094,044.33	556,527,329,054.50	360,599,235,010.17	41.62%
24	Kebbi	89,698,460,290.37	239,765,385,608.25	150,066,925,317.88	38.78%
25	Gombe	124,889,991,584.23	333,117,411,684.99	208,227,420,100.76	38.68%
26	Ogun	244,180,121,409.71	610,282,775,682.33	366,102,654,272.62	35.71%
27	Kwara	137,072,258,370.54	329,016,702,481.99	191,944,444,111.45	33.89%
28	Taraba	85,194,752,872.18	195,549,811,153.77	110,355,058,281.59	31.91%
29	Lagos	1,270,222,893,271.03	2,838,195,164,337.21	1,567,972,271,066.18	30.73%
30	Zamfara	114,890,544,310.83	254,418,641,795.22	139,528,097,484.39	30.34%
31	Ondo	151,329,166,648.16	310,093,374,587.96	158,764,207,939.80	27.02%
32	Kaduna	254,859,185,761.01	510,913,092,133.37	256,053,906,372.36	26.09%
33	Cross River	156,994,419,981.42	314,290,198,600.71	157,295,778,619.29	26.03%
34	Delta	672,118,687,646.79	1,146,648,302,802.44	474,529,615,155.65	19.49%

APPENDIX D

Table 4: Actual Personnel Expenditure and Growth Across States (2022–2025)

Rank	State	2022 Personnel Actual (Q1–Q4)(N)	2025 Personnel Actual (Q1–Q4)(N)	Nominal Increase(N)	CAGR
1	Abia	21,517,157,463.66	62,264,925,853.84	40,747,768,390.18	42.50%
2	Osun	36,620,491,645.98	87,464,689,193.00	50,844,197,547.02	33.67%
3	Ekiti	26,871,874,035.72	63,949,157,191.02	37,077,283,155.30	33.51%
4	Plateau	22,617,574,581.35	52,114,386,217.85	29,496,811,636.50	32.08%
5	Yobe	34,460,019,598.21	76,335,198,759.00	41,875,179,160.79	30.36%
6	Benue	33,860,771,403.18	73,940,543,498.50	40,079,772,095.32	29.74%
7	Edo	45,575,221,203.60	99,269,747,005.50	53,694,525,801.90	29.63%
8	Ebonyi	13,495,985,123.40	29,306,671,388.44	15,810,686,265.04	29.50%
9	Niger	37,104,587,801.06	78,247,598,121.48	41,143,010,320.42	28.24%
10	Bayelsa	48,777,483,432.31	98,750,984,014.30	49,973,500,581.99	26.50%
11	Cross River	31,826,304,852.54	63,907,371,924.41	32,081,067,071.87	26.16%
12	Adamawa	32,840,938,434.57	65,727,087,265.89	32,886,148,831.32	26.02%
13	Lagos	168,250,650,324.00	333,667,689,382.00	165,417,039,058.00	25.64%
14	Ogun	77,859,268,723.74	151,267,504,843.44	73,408,236,119.70	24.78%
15	Gombe	28,548,750,271.07	53,952,979,168.14	25,404,228,897.07	23.64%
16	Nassarawa	37,337,288,120.06	70,546,381,515.99	33,209,093,395.93	23.63%
17	Taraba	29,627,741,372.76	55,597,122,547.35	25,969,381,174.59	23.34%
18	Kogi	47,879,075,900.66	89,204,285,042.83	41,325,209,142.17	23.05%
19	Bauchi	35,858,266,654.65	66,308,814,220.83	30,450,547,566.18	22.74%
20	Oyo	92,579,594,086.56	170,035,130,726.01	77,455,536,639.45	22.46%
21	Jigawa	52,366,087,494.16	92,662,240,697.39	40,296,153,203.23	20.95%
22	Ondo	56,550,298,314.55	99,578,995,869.77	43,028,697,555.22	20.76%
23	Delta	116,135,014,717.50	197,813,457,098.85	81,678,442,381.35	19.43%
24	Kwara	38,496,460,078.41	65,222,126,884.11	26,725,666,805.70	19.21%
25	Zamfara	25,860,320,937.51	43,388,794,727.25	17,528,473,789.74	18.83%
26	Kaduna	46,769,835,163.86	77,630,956,950.64	30,861,121,786.78	18.40%
27	Kano	73,163,541,396.58	116,507,282,440.47	43,343,741,043.89	16.78%
28	Borno	32,298,099,978.70	50,536,213,693.68	18,238,113,714.98	16.09%
29	Katsina	41,662,189,829.19	63,741,535,819.52	22,079,345,990.33	15.23%
30	Sokoto	38,723,804,918.31	58,650,588,471.32	19,926,783,553.01	14.84%
31	Anambra	26,579,381,662.24	39,953,470,109.83	13,374,088,447.59	14.55%
32	Kebbi	31,340,107,924.23	44,824,841,833.86	13,484,733,909.63	12.67%
33	Enugu	40,611,247,464.61	56,395,173,615.58	15,783,926,150.97	11.57%
34	Imo	30,187,948,559.26	40,625,578,760.40	10,437,630,201.14	10.40%

APPENDIX E

Table 5: Actual Overhead Expenditure and Growth Across States (2022–2025)

Rank	State	2022 Overhead Expenditure (Q1–Q4)(N)	2025 Overhead Expenditure (Q1–Q4)(N)	Nominal Increase(N)	CAGR
1	Plateau	26,934,310,760.01	142,274,649,699.47	115,340,338,939.46	74.16%
2	Kaduna	32,874,902,303.43	129,293,349,093.04	96,418,446,789.61	57.85%
3	Kogi	50,227,734,429.47	194,932,127,435.29	144,704,393,005.82	57.15%
4	Osun	34,914,146,886.17	131,198,489,711.25	96,284,342,825.08	55.47%
5	Borno	28,271,550,161.58	103,937,966,651.23	75,666,416,489.65	54.34%
6	Cross River	26,922,686,710.94	94,098,237,238.73	67,175,550,527.79	51.76%
7	Kano	36,512,949,162.95	124,358,838,864.99	87,845,889,702.04	50.46%
8	Oyo	32,502,751,879.70	104,393,528,408.44	71,890,776,528.74	47.54%
9	Ogun	63,643,270,643.49	197,819,123,302.15	134,175,852,658.66	45.94%
10	Ekiti	51,715,001,080.68	153,065,705,292.45	101,350,704,211.77	43.58%
11	Enugu	27,923,947,983.92	76,505,295,199.88	48,581,347,215.96	39.93%
12	Bauchi	59,350,844,846.08	162,101,603,877.02	102,750,759,030.94	39.78%
13	Niger	31,454,611,386.28	85,135,655,314.77	53,681,043,928.49	39.36%
14	Benue	45,628,996,260.98	123,165,286,758.33	77,536,290,497.35	39.24%
15	Nasarawa	27,855,099,759.31	72,334,646,507.69	44,479,546,748.38	37.45%
16	Adamawa	31,849,237,730.16	80,769,232,616.95	48,919,994,886.79	36.37%
17	Anambra	13,403,006,801.69	30,537,736,520.13	17,134,729,718.44	31.59%
18	Lagos	330,431,000,087.64	730,868,503,676.23	400,437,503,588.59	30.29%
19	Edo	58,572,798,298.25	122,160,906,534.24	63,588,108,235.99	27.77%
20	Katsina	38,962,232,676.85	76,109,339,269.76	37,147,106,592.91	25.01%
21	Jigawa	28,613,155,618.54	55,778,613,078.48	27,165,457,459.94	24.92%
22	Kwara	54,531,655,905.63	101,755,855,571.93	47,224,199,666.30	23.11%
23	Sokoto	45,315,689,043.03	83,859,108,252.00	38,543,419,208.97	22.77%
24	Kebbi	23,109,606,553.37	42,094,125,775.09	18,984,519,221.72	22.13%
25	Yobe	65,992,267,999.43	118,287,809,913.90	52,295,541,914.47	21.47%
26	Ondo	48,922,796,765.64	87,659,538,129.03	38,736,741,363.39	21.46%
27	Imo	39,541,182,082.49	69,653,018,726.37	30,111,836,643.88	20.77%
28	Taraba	36,682,145,408.85	62,775,841,714.23	26,093,696,305.38	19.61%
29	Gombe	37,848,894,264.94	64,458,474,729.52	26,609,580,464.58	19.42%
30	Ebonyi	58,572,798,298.25	95,001,978,366.75	36,429,180,068.50	17.49%
31	Abia	18,024,822,662.02	25,279,770,577.19	7,254,947,915.17	11.94%
32	Bayelsa	118,961,843,695.16	149,677,117,900.30	30,715,274,205.14	7.96%
33	Delta	225,055,828,987.28	213,856,596,215.29	-11,199,232,771.99	-1.69%
34	Zamfara	64,165,564,564.62	40,163,450,138.63	-24,002,114,425.99	-14.46%

APPENDIX F

Table 6: Actual Capital Expenditure and Growth Across States (2022–2025)

Rank	State	2022 Capital Expenditure(N)	2025 Capital Expenditure(N)	Nominal Increase(N)	CAGR
1	Abia	6,980,182,388.46	322,015,594,589.26	315,035,412,200.80	258.65%
2	Plateau	6,053,428,342.60	94,869,343,437.39	88,815,915,094.79	150.25%
3	Enugu	34,116,306,452.47	512,614,910,970.48	478,498,604,518.01	146.76%
4	Niger	25,651,702,033.22	350,917,003,510.60	325,265,301,477.38	139.16%
5	Kano	25,125,620,634.58	343,125,976,135.67	318,000,355,501.09	139.03%
6	Adamawa	21,920,146,603.60	180,497,764,865.55	158,577,618,261.95	101.93%
7	Nassarawa	19,861,982,452.82	153,369,095,319.76	133,507,112,866.94	97.65%
8	Jigawa	55,203,602,071.71	420,967,254,751.63	365,763,652,679.92	96.83%
9	Benue	27,756,557,088.63	205,155,558,061.72	177,399,000,973.09	94.79%
10	Zamfara	24,864,658,808.70	170,866,396,929.34	146,001,738,120.64	90.12%
11	Bayelsa	125,141,099,962.75	812,707,420,193.20	687,566,320,230.45	86.57%
12	Borno	48,684,619,749.87	314,905,799,331.33	266,221,179,581.46	86.32%
13	Kebbi	26,887,744,695.20	152,846,417,999.30	125,958,673,304.10	78.47%
14	Yobe	32,929,639,103.30	186,606,584,445.00	153,676,945,341.70	78.28%
15	Sokoto	35,946,499,503.24	180,200,148,601.30	144,253,649,098.06	71.15%
16	Anambra	58,530,243,672.37	284,291,116,787.37	225,760,873,115.00	69.35%
17	Ekiti	27,902,435,056.48	132,951,464,282.04	105,049,029,225.56	68.27%
18	Oyo	84,635,793,108.97	394,329,264,741.81	309,693,471,632.84	67.02%
19	Osun	28,720,572,832.02	133,116,897,697.60	104,396,324,865.58	66.73%
20	Katsina	76,117,915,055.36	342,562,156,747.64	266,444,241,692.28	65.10%
21	Kogi	34,233,521,303.52	146,078,267,104.95	111,844,745,801.43	62.20%
22	Imo	91,895,231,777.25	384,029,870,173.55	292,134,638,396.30	61.07%
23	Taraba	18,884,866,090.57	77,176,846,892.19	58,291,980,801.62	59.88%
24	Bauchi	76,214,105,226.34	303,896,502,126.94	227,682,396,900.60	58.57%
25	Kwara	44,044,142,386.50	162,038,720,025.95	117,994,577,639.45	54.37%
26	Gombe	58,492,347,048.22	214,705,957,787.33	156,213,610,739.11	54.26%
27	Edo	91,780,074,542.48	335,096,675,514.76	243,316,600,972.28	53.98%
28	Ondo	45,856,071,567.97	122,854,840,589.16	76,998,769,021.19	38.89%
29	Ogun	102,677,582,042.48	261,196,147,536.74	158,518,565,494.26	36.51%
30	Ebonyi	73,436,591,117.15	179,993,261,210.24	106,556,670,093.09	34.83%
31	Lagos	771,541,242,859.39	1,773,658,971,278.98	1,002,117,728,419.59	31.98%
32	Delta	330,927,843,942.01	734,978,249,488.30	404,050,405,546.29	30.47%
33	Kaduna	162,634,877,877.40	303,988,786,089.69	141,353,908,212.29	23.18%

APPENDIX G:

Unit = Naira (N)

Table 7: Education Expenditure Growth Across States Ranked by CAGR (2022–2025)

Rank	State	Education Actual Expenditure 2022 t(Q1–Q4)	Health Actual Expenditure 2025 (Q1–Q4)	Nominal Increase	CAGR
1	Abia	4,537,623,198.85	67,250,297,500.00	62,712,674,301.15	145.63%
2	Nasarawa	21,434,697,002.62	156,487,367,603.64	135,052,670,601.02	93.99%
3	Niger	6,041,473,098.44	32,659,208,111.29	26,617,735,012.85	75.50%
4	Zamfara	8,722,266,405.26	36,497,251,887.42	27,774,985,482.16	61.14%
5	Sokoto	12,449,116,963.37	49,966,121,416.16	37,517,004,452.79	58.92%
6	Kano	14,527,199,826.26	57,780,116,768.99	43,252,916,942.73	58.44%
7	Plateau	15,133,595,383.87	57,963,736,157.01	42,830,140,773.14	56.46%
8	Enugu	13,257,496,363.12	48,887,390,392.72	35,629,894,029.60	54.49%
9	Osun	14,300,919,671.38	47,933,559,228.65	33,632,639,557.27	49.66%
10	Adamawa	8,707,292,499.49	26,729,476,591.18	18,022,184,091.69	45.33%
11	Bayelsa	22,767,568,669.39	68,992,993,397.59	46,225,424,728.20	44.71%
12	Jigawa	14,466,217,098.84	43,691,906,945.92	29,225,689,847.08	44.55%
13	Kwara	53,868,234,926.34	161,990,292,506.38	108,122,057,580.04	44.34%
14	Ekiti	29,446,168,745.20	87,213,180,026.48	57,767,011,281.28	43.61%
15	Yobe	17,433,400,004.53	50,283,253,748.10	32,849,853,743.57	42.35%
16	Gombe	16,777,066,756.65	43,399,958,100.00	26,622,891,343.35	37.27%
17	Anambra	23,922,506,425.10	59,934,172,582.00	36,011,666,156.90	35.82%
18	Katsina	20,662,803,206.42	49,954,196,531.50	29,291,393,325.08	34.21%
19	Edo	42,857,501,070.06	99,686,776,424.19	56,829,275,354.13	32.50%
20	Kogi	21,043,835,944.68	48,085,542,727.48	27,041,706,782.80	31.71%
21	Cross River	11,667,296,971.36	25,807,344,777.28	14,140,047,805.92	30.29%
22	Bauchi	19,337,697,315.54	42,110,512,625.03	22,772,815,309.49	29.62%
23	Imo	14,799,281,467.07	32,198,320,084.79	17,399,038,617.72	29.58%
24	Benue	43,921,438,344.05	91,277,619,195.13	47,356,180,851.08	27.61%
25	Borno	23,545,521,681.64	48,313,510,702.97	24,767,989,021.33	27.07%
26	Kebbi	40,523,365,200.81	83,117,545,881.50	42,594,180,680.69	27.06%
27	Oyo	18,164,435,199.68	36,759,416,982.47	18,594,981,782.79	26.49%
28	Kaduna	18,570,543,086.97	37,156,536,684.73	18,585,993,597.76	26.01%
29	Lagos	28,687,479,275.98	55,414,556,500.41	26,727,077,224.43	24.54%
30	Taraba	29,635,049,213.65	53,299,115,071.29	23,664,065,857.64	21.61%
31	Ondo	81,455,875,226.86	133,096,742,162.43	51,640,866,935.57	17.78%
32	Ogun	129,929,501,371.71	181,128,564,565.01	51,199,063,193.30	11.71%
33	Ebonyi	14,846,491,381.26	19,368,539,270.75	4,522,047,889.49	9.27%
34	Delta	66,223,004,308.91	73,568,663,594.24	7,345,659,285.33	3.57%

APPENDIX H:

Unit = Naira (N)

Table 8: Actual Health Expenditure Growth Across Nigerian States (2022–2025)

Rank	State	2022 Actual Administrative Expenditure	2025 Actual Administrative Expenditure	Nominal Increase	CAGR
1	Abia	3,649,302,369.28	28,434,782,906.75	24,785,480,537.47	98.25%
2	Anambra	4,413,917,351.52	22,399,645,011.21	17,985,727,659.69	71.85%
3	Bayelsa	9,995,679,918.92	48,458,076,583.66	38,462,396,664.74	69.25%
4	Borno	10,159,553,725.76	40,415,601,346.08	30,256,047,620.32	58.45%
5	Kwara	9,576,267,863.25	35,040,008,680.99	25,463,740,817.74	54.10%
6	Kano	17,786,441,595.15	63,060,220,047.96	45,273,778,452.81	52.48%
7	Niger	10,112,327,012.86	35,850,891,875.00	25,738,564,862.14	52.48%
8	Katsina	23,520,635,948.30	82,812,942,500.09	59,292,306,551.79	52.13%
9	Bauchi	15,315,868,758.60	53,490,189,465.88	38,174,320,707.28	51.72%
10	Imo	6,047,325,337.14	20,483,490,709.87	14,436,165,372.73	50.18%
11	Zamfara	4,794,195,633.90	16,157,035,220.84	11,362,839,586.94	49.93%
12	Edo	11,022,193,746.32	36,734,097,503.03	25,711,903,756.71	49.37%
13	Benue	11,111,994,972.54	36,820,556,841.03	25,708,561,868.49	49.08%
14	Ondo	13,012,616,736.19	38,837,510,651.56	25,824,893,915.37	43.98%
15	Plateau	5,066,339,952.34	14,873,929,290.86	9,807,589,338.52	43.19%
16	Ebonyi	5,569,108,215.61	15,656,050,640.32	10,086,942,424.71	41.13%
17	Ekiti	6,988,071,051.50	19,518,406,668.84	12,530,335,617.34	40.83%
18	Kogi	11,156,657,706.43	30,985,547,877.05	19,828,890,170.62	40.56%
19	Ogun	12,930,485,230.91	35,649,746,214.09	22,719,260,983.18	40.22%
20	Taraba	5,531,381,892.43	15,229,237,242.73	9,697,855,350.30	40.16%
21	Yobe	10,977,894,832.01	27,784,607,814.00	16,806,712,981.99	36.28%
22	Nasarawa	9,348,416,194.85	23,135,981,317.11	13,787,565,122.26	35.26%
23	Kebbi	7,305,364,874.16	17,911,288,591.46	10,605,923,717.30	34.84%
24	Adamawa	5,051,765,468.40	11,801,911,989.66	6,750,146,521.26	32.69%
25	Osun	10,118,107,371.96	22,672,286,721.52	12,554,179,349.56	30.86%
26	Oyo	11,800,182,573.02	24,165,507,819.77	12,365,325,246.75	26.99%
27	Lagos	93,103,933,674.95	180,991,569,919.92	87,887,636,244.97	24.80%
28	Delta	34,848,940,069.16	63,377,065,604.50	28,528,125,535.34	22.06%
29	Jigawa	22,825,643,167.61	40,539,578,923.93	17,713,935,756.32	21.10%
30	Enugu	10,398,133,829.16	17,333,971,842.21	6,935,838,013.05	18.57%
31	Gombe	12,868,142,581.30	13,799,704,876.05	931,562,294.75	2.36%
32	Kaduna	31,313,160,981.37	32,195,777,927.64	882,616,946.27	0.93%
33	Cross River	4,404,740,454.90	4,058,026,516.19	-346,713,938.71	-2.70%
34	Sokoto	22,953,124,302.74	17,506,884,680.90	-5,446,239,621.84	-8.63%

APPENDIX I: **INFRASTRUCTURE SECTOR**

Unit = Naira (N)

Table 9: Aggregate Infrastructure Spending Across States

Rank	State	2022 Actual Total Infrastructure Expenditure	2025 Actual Total Infrastructure Expenditure	Nominal Increase	CAGR
1	Abia	2,171,174,101.58	235,791,610,780.60	233,620,436,679.02	377.10%
2	Nasarawa	7,781,387,485.62	103,944,357,318.56	96,162,969,832.94	137.27%
3	Niger	16,970,944,648.43	224,971,920,198.65	208,000,975,550.22	136.67%
4	Zamfara	9,158,642,819.63	103,023,573,928.93	93,864,931,109.30	124.06%
5	Sokoto	10,818,419,592.44	104,049,072,344.00	93,230,652,751.56	112.66%
6	Kano	24,047,713,779.78	229,213,959,797.58	205,166,246,017.80	112.03%
7	Plateau	3,039,848,814.82	28,436,942,887.92	25,397,094,073.10	110.71%
8	Enugu	26,121,231,069.01	219,257,646,304.42	193,136,415,235.41	103.23%
9	Osun	14,857,773,190.56	111,482,740,596.67	96,624,967,406.11	95.77%
10	Adamawa	17,092,395,433.79	126,045,576,030.13	108,953,180,596.34	94.64%
11	Bayelsa	85,841,495,559.77	569,323,187,224.31	483,481,691,664.54	87.88%
12	Jigawa	29,209,015,433.94	190,227,055,880.71	161,018,040,446.77	86.75%
13	Kwara	14,754,441,767.13	92,580,802,677.26	77,826,360,910.13	84.44%
14	Ekiti	12,150,721,682.93	74,607,799,099.54	62,457,077,416.61	83.12%
15	Yobe	20,405,197,683.11	107,081,590,722.00	86,676,393,038.89	73.78%
16	Gombe	26,291,572,091.22	136,283,711,318.64	109,992,139,227.42	73.06%
17	Anambra	45,679,016,570.24	231,474,065,268.00	185,795,048,697.76	71.76%
18	Katsina	29,808,920,099.69	147,697,191,884.42	117,888,271,784.73	70.48%
19	Edo	48,780,073,886.14	236,251,215,231.82	187,471,141,345.68	69.19%
20	Kogi	13,233,580,852.77	60,477,144,853.36	47,243,564,000.59	65.95%
21	Cross River	16,499,360,936.32	75,250,707,985.32	58,751,347,049.00	65.84%
22	Bauchi	44,658,393,051.39	195,182,653,145.62	150,524,260,094.23	63.50%
23	Imo	75,051,580,496.08	327,019,909,354.67	251,968,328,858.59	63.33%
24	Benue	16,519,167,559.74	70,397,135,958.09	53,877,968,398.35	62.13%
25	Borno	28,964,140,149.84	123,226,524,948.22	94,262,384,798.38	62.04%
26	Kebbi	11,184,359,758.40	46,078,035,897.70	34,893,676,139.30	60.31%
27	Oyo	62,098,055,646.18	234,139,602,072.41	172,041,546,426.23	55.64%
28	Kaduna	46,197,674,969.98	165,374,036,974.73	119,176,362,004.75	52.97%
29	Lagos	378,534,637,201.83	999,208,526,369.58	620,673,889,167.75	38.20%
30	Taraba	12,048,888,119.82	30,665,864,190.67	18,616,976,070.85	36.53%
31	Ondo	31,578,337,831.54	79,412,876,937.01	47,834,539,105.47	35.99%
32	Ogun	92,500,243,444.33	220,418,362,691.97	127,918,119,247.64	33.57%
33	Ebonyi	47,331,219,647.82	96,126,037,243.91	48,794,817,596.09	26.64%
34	Delta	168,067,291,933.39	171,525,508,434.75	3,458,216,501.36	0.68%

Unit = Naira (N)

Table 10: State Ranking by Nominal CAGR of Actual Administrative Expenditure (2022–2025)

Rank	State	2022 Actual Administrative Expenditure	2025 Actual Administrative Expenditure	Nominal Increase	CAGR
1	Plateau	8,202,082,289.74	84,609,691,190.77	76,407,608,901.03	117.69%
2	Osun	6,837,226,918.87	50,277,583,216.19	43,440,356,297.32	94.46%
3	Borno	19,653,432,234.92	139,748,523,201.86	120,095,090,966.94	92.30%
4	Kano	16,014,371,425.34	88,357,248,396.48	72,342,876,971.14	76.70%
5	Benue	15,584,150,493.16	79,601,458,278.09	64,017,307,784.93	72.22%
6	Yobe	16,715,130,343.85	64,353,627,645.00	47,638,497,301.15	56.73%
7	Oyo	23,252,129,608.58	87,902,770,558.82	64,650,640,950.24	55.78%
8	Enugu	17,789,722,828.74	66,740,970,814.85	48,951,247,986.11	55.38%
9	Jigawa	9,142,140,380.31	33,351,584,358.83	24,209,443,978.52	53.94%
10	Edo	33,986,308,848.61	123,919,843,500.04	89,933,534,651.43	53.91%
11	Adamawa	12,244,376,484.55	41,588,790,269.04	29,344,413,784.49	50.32%
12	Kogi	37,492,755,868.71	124,395,026,451.94	86,902,270,583.23	49.15%
13	Ekiti	19,044,315,356.32	62,951,010,082.26	43,906,694,725.94	48.96%
14	Kebbi	20,993,798,765.16	68,934,810,070.88	47,941,011,305.72	48.63%
15	Bayelsa	29,610,051,139.03	89,727,894,743.38	60,117,843,604.35	44.71%
16	Niger	16,246,722,019.02	47,281,854,831.46	31,035,132,812.44	42.77%
17	Nasarawa	20,675,743,545.04	57,995,152,820.97	37,319,409,275.93	41.03%
18	Ogun	42,151,901,929.69	118,040,129,786.36	75,888,227,856.67	40.95%
19	Sokoto	14,980,057,469.06	40,817,870,080.10	25,837,812,611.04	39.67%
20	Ebonyi	21,968,025,567.65	56,622,570,617.11	34,654,545,049.46	37.11%
21	Taraba	16,609,679,491.37	42,021,655,712.37	25,411,976,221.00	36.26%
22	Gombe	16,579,621,717.46	40,998,288,316.88	24,418,666,599.42	35.23%
23	Ondo	8,388,250,437.37	20,081,890,941.29	11,693,640,503.92	33.78%
24	Kwara	16,668,098,308.39	38,865,858,947.64	22,197,760,639.25	32.61%
25	Lagos	61,465,971,609.00	129,740,104,369.23	68,274,132,760.23	28.28%
26	Anambra	12,780,581,104.03	26,611,877,867.32	13,831,296,763.29	27.70%
27	Katsina	14,777,974,689.70	26,017,912,700.21	11,239,938,010.51	20.75%
28	Bauchi	31,635,124,888.78	53,205,376,819.91	21,570,251,931.13	18.92%
29	Delta	84,125,393,896.02	111,434,829,135.46	27,309,435,239.44	9.82%
30	Kaduna	16,566,366,065.77	16,152,805,750.73	-413,560,315.04	-0.84%
31	Zamfara	27,175,989,741.44	25,223,849,576.79	-1,952,140,164.65	-2.45%
32	Imo	34,758,732,184.49	29,158,686,941.69	-5,600,045,242.80	-5.69%
33	Cross River	88,418,926,129.67	67,617,135,313.38	-20,801,790,816.29	-8.55%
34	Abia	12,747,797,961.80	8,679,784,346.62	-4,068,013,615.18	-12.03%

Table 11: States' Fiscal Position and Borrowing (2022–2025)

Unit = Naira (N)

State	Available Resources 2025	Actual Total Exp. - 2025	Fiscal Position Before Borrowing	2025 borrowing	Available Resources	Actual Total Exp. - 2022	Fiscal Position Before Borrowing *(bn)*	Borrowing (2022)
Abia	399,459,756,190.83	409,560,291,020.29	-10,100,534,829.46	12,550,099,534.48	90,072,211,769.88	46,522,162,514.14	43,550,049,255.74	4,942,686,000.00
Adamawa	293,735,630,575.61	326,994,084,748.39	-33,258,454,172.78	14,244,693,363.30	90,499,483,950.60	86,610,322,768.33	3,889,161,182.27	18,638,246,349.68
Akwa Ibom			0.00					-
Anambra	396,107,905,274.49	354,782,323,417.33	41,325,581,857.16	192,704,910.72	114,467,366,016.50	98,512,632,136.30	15,954,733,880.20	16,335,902,285.70
Bauchi	408,562,553,003.21	532,306,920,224.79	-123,744,367,221.58	111,187,411,801.41	104,627,482,195.93	171,423,216,727.07	-66,795,734,531.14	44,007,180,457.14
Bayelsa	1,186,230,097,346.38	1,061,135,522,107.80	125,094,575,238.58	-	300,972,067,233.23	292,880,427,090.22	8,091,640,143.01	-
Benue	395,860,119,136.92	402,261,388,318.55	-6,401,269,181.63	17,787,181,674.08	143,777,344,474.34	107,246,324,752.79	36,531,019,721.55	26,200,756,777.12
Borno	330,607,595,557.81	469,379,979,676.24	-138,772,384,118.43	118,506,268,703.94	98,572,480,007.42	109,254,269,890.15	-10,681,789,882.73	15,268,761,716.21
Cross River	324,582,267,665.56	314,290,198,600.71	10,292,069,064.85	-	94,717,117,611.66	156,994,419,981.42	-62,277,302,369.76	11,100,000,000.00
Delta	2,201,136,736,158.90	1,146,648,302,802.44	1,054,488,433,356.46	6,987,648,495.25	557,452,939,068.98	672,118,687,646.79	-114,665,748,577.81	135,757,069,498.13
Ebonyi	271,580,231,101.20	304,301,910,965.43	-32,721,679,864.23	58,773,516,559.60	96,671,299,227.33	102,571,246,473.62	-5,899,947,246.29	36,231,455,112.01
Edo	549,626,627,307.55	556,527,329,054.50	-6,900,701,746.95	10,635,475,776.88	165,195,413,460.25	195,928,094,044.33	-30,732,680,584.08	2,540,816,164.32
Ekiti	345,556,136,967.59	349,966,326,765.51	-4,410,189,797.92	55,250,289,674.16	88,993,450,403.34	106,489,310,172.88	-17,495,859,769.54	12,150,224,069.00
Enugu	681,786,701,716.98	645,515,379,785.94	36,271,321,931.04	80,752,000,000.00	115,328,988,353.13	102,651,501,901.00	12,677,486,452.13	19,385,902,227.66
Gombe	280,384,229,463.52	333,117,411,684.99	-52,733,182,221.47	54,541,516,309.26	94,631,727,722.12	124,889,991,584.23	-30,258,263,862.11	54,541,516,309.26
Imo	464,897,152,628.86	494,308,467,660.32	-29,411,315,031.46	63,083,655,600.15	106,074,682,490.51	161,624,362,419.00	-55,549,679,928.49	43,000,000,000.00
Jigawa	485,599,520,276.62	569,408,108,527.50	-83,808,588,250.88	67,910,973,536.95	137,711,542,943.44	136,182,845,184.41	1,528,697,759.03	12,913,380,402.98
Kaduna	495,220,747,808.12	510,913,092,133.37	-15,692,344,325.25	82,526,193,823.30	178,215,205,070.94	254,859,185,761.01	-76,643,980,690.07	66,284,231,014.86
Kano	596,814,539,867.12	583,992,097,441.13	12,822,442,425.99	11,547,629,900.12	194,970,749,354.01	134,802,111,194.11	60,168,638,159.90	10,261,429,408.45
Katsina	401,193,980,679.72	482,413,031,836.92	-81,219,051,157.20	89,821,168,333.39	123,306,225,646.76	156,742,337,561.40	-33,436,111,914.64	36,030,902,809.88
Kebbi	204,350,429,045.62	239,765,385,608.25	-35,414,956,562.63	47,450,000,000.00	93,354,011,035.91	89,698,460,290.37	3,655,550,745.54	16,919,148,580.24
Kogi	375,518,827,016.08	430,214,679,583.07	-54,695,852,566.99	12,814,254,284.74	110,646,372,601.52	132,340,331,633.65	-21,693,959,032.13	13,632,893,226.68
Kwara	331,171,802,456.76	329,016,702,481.99	2,155,099,974.77	41,267,468,773.11	138,842,632,541.41	137,072,258,370.54	1,770,374,170.87	18,079,880,298.70
Lagos	2,654,260,400,084.99	2,838,195,164,337.21	-183,934,764,252.22	363,244,527,538.00	937,148,457,192.93	1,270,222,893,271.03	-333,074,436,078.10	328,878,000,000.00
Nasarawa	242,615,622,864.20	296,250,123,343.44	-53,634,500,479.24	41,299,343,052.72	92,560,245,029.02	85,054,370,332.19	7,505,874,696.83	900,000,000.00
Niger	409,115,820,175.03	514,300,256,946.85	-105,184,436,771.82	95,787,611,687.43	90,846,038,752.29	94,210,901,220.56	-3,364,862,468.27	22,339,686,528.83
Ogun	523,583,496,363.98	610,282,775,682.33	-86,699,279,318.35	21,213,070,298.43	221,754,807,908.75	244,180,121,409.71	-22,425,313,500.96	77,136,605,714.65
Ondo	497,802,798,469.87	310,093,374,587.96	187,709,423,881.91	47,991,631,116.65	149,757,747,922.89	151,329,166,648.16	-1,571,418,725.27	12,557,003,791.42
Osun	364,216,182,093.98	351,780,076,601.85	12,436,105,492.13	4,923,978,890.90	100,370,664,661.00	100,255,211,364.17	115,453,296.83	955,687,212.83
Oyo	471,777,448,329.20	668,757,923,876.26	-196,980,475,547.06	219,968,862,179.44	139,585,427,105.72	209,718,139,075.23	-70,132,711,969.51	73,383,361,160.66
Plateau	349,199,243,606.57	289,258,379,354.71	59,940,864,251.86	43,247,401,008.89	84,159,659,153.49	55,605,313,683.96	28,554,345,469.53	5,908,091,595.50
Rivers		-		-				
Sokoto	394,905,091,257.13	322,709,845,324.62	72,195,245,932.51	54,537,020,574.90	120,228,886,237.34	96,834,566,934.32	23,394,319,303.02	18,381,657,183.13
Taraba	249,849,032,411.61	195,549,811,153.77	54,299,221,257.84	98,811,485,022.11	59,385,066,034.64	85,194,752,872.18	-25,809,686,837.54	23,354,763,032.71
Yobe	268,532,923,329.55	381,229,593,117.90	-112,696,669,788.35	63,482,441,121.32	82,167,313,247.04	133,381,926,700.94	-51,214,613,453.90	38,834,449,230.72
Zamfara	243,672,831,782.00	254,418,641,795.22	-10,745,810,013.22	39,102,540,726.32	69,927,682,955.42	114,890,544,310.83	-44,962,861,355.41	21,936,479,185.70

APPENDIX L:

Methodological Notes

Briefly explain:

- **Data Source:** State Budget Implementation Reports (Actual Q1–Q4 Expenditure), 2022 and 2025.
- Coverage: 34 states of the federation.
- Missing data: States without published or complete budget implementation reports are indicated as N/A. (Akwa Ibom & Rivers)
- **Compound Annual Growth Rate (CAGR) was calculated using the formula:**

CAGR = [(Ending Value ÷ Beginning Value)^(1/n)] - 1

Where:

- **Ending Value** = Actual expenditure (or revenue) in 2025
- **Beginning Value** = Actual expenditure (or revenue) in 2022
- **n** = Number of years between the two observations (3 years)

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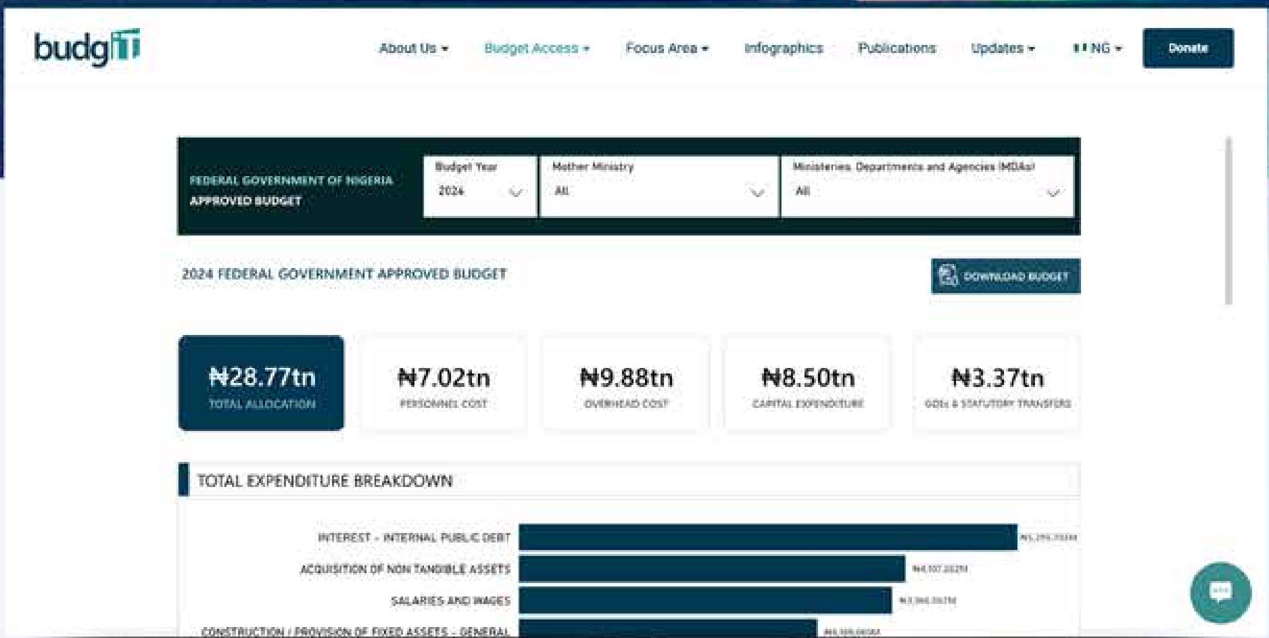

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