REVIEWING NIGERIA'S DEBT STATUS

Photo Credit: Seyi Akinbola

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REVIEWING NIGERIA'S DEBT STATUS

1.0 Background

N24.34tn

At N24.34 trillion as at December 2018, the Nigerian government debt to GDP ratio is estimated to be in the region of 24.1 per cent.

Nigeria's total public debt, at national and sub-national levels, when compared with the size of the economy, seems within the manageable threshold. At N24.34 trillion[1] as at December 2018, the Nigerian government debt to GDP ratio is estimated to be in the region of 24.1 per cent.

Some analysts blame the rise in public debt on widening fiscal deficit at the national and sub-national levels. Some pin the growth in debts to the expansionary fiscal policies adopted by the government in recent times to re-inflate the economy by investing more in infrastructure. Others connect the growth to dwindling revenue at all levels of government and the increasing demand for social services.

Some classical monetarists argue that inflow of hot money (around 30% of portfolio funds are invested in government bonds), and the public perception that a stable and appreciating Naira connotes a healthy economy encouraged the government to keep borrowing rather than adjusting its fiscal framework and taking haircuts where needed.

N6.05tn

The budget implementation report from the Budget Office suggests that total spending in 2017 was in the region of N6.05 trillion on the back of a revenue of N2.71 trillion

At the national level, the Federal Government's economic plans for the fiscal year 2017 call for a total expenditure of N9.12 trillion, while revenue projections lie way below, at N7.166 trillion; the maths adds up to a deficit of N1.954 trillion.

The budget implementation report from the Budget Office suggests that total spending in 2017 was in the region of N6.05 trillion on the back of a revenue of N2.71 trillion, meaning the deficit, at N3.34 trillion, was 41.77 per cent higher than the budget projections. With Nigeria's debt profile

[1] https://www.dmo.gov.ng/debt-profile/total-public-debt/2529-nigeria-s-public-debt-stock-as-at-june-30-2018/file

N22.5%

The World Bank prescribes debt service to revenue ratio of not more than 22.5%; Nigeria's debt service to revenue ratio is at over 60%, which means for every N100 earned, it spends N60 in servicing debt.

N12.75%

International evidence shows that a minimum tax-to-GDP ratio of 12.75 per cent is associated with a significant acceleration in growth and development of state capacity.

rising, and 2018 revenue projection grossly overstated, It is thus important to investigate and understand what is driving the growth in public debt. Nigeria's public debt in terms of GDP is very low when compared to peer developing countries such as South Africa and Egypt. However, Nigeria's revenue is also at shameful levels and debt servicing is currently higher than 60%.

Nigeria cannot keep accumulating debt without a frantic conversation on raising revenues to GDP which stands at less than 8%. The International Monetary Fund's (IMF) globally accepted debt levels for frontier economies is 50.0% of GDP, Nigeria's level (24%) is very low. The World Bank prescribes debt service to revenue ratio of not more than 22.5%; Nigeria's debt service to revenue ratio is at over 60%, which means for every N100 earned, it spends N60 in servicing debt.

Nigeria's revenue when compared to GDP is also incredibly weak.

IMF in its recent report[2] notes that "At 3-4 percent of GDP, Nigeria's non-oil revenue mobilization has been one of the lowest worldwide, reflecting weaknesses in revenue administration systems and systemic noncompliance.
International evidence shows that a minimum tax-to-GDP ratio of 12.75 per cent is associated with a significant acceleration in growth and development of state capacity. It would allow increased expenditure for economic development and reduce budget exposure to oil revenue volatility."

Debt, Selected Country Indicators

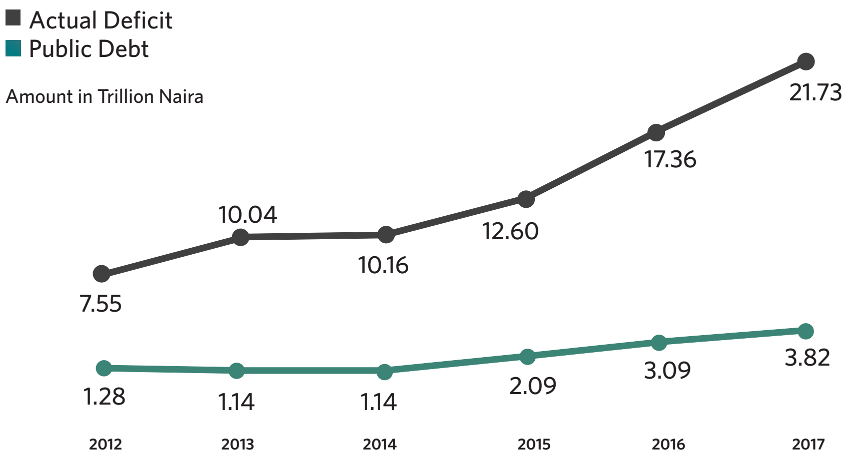
COUNTRIES	DEBT TO GDP (%)	DEBT SERVICING TO REVENUE (%)	REVENUE TO GDP (%)
Nigeria	24.1	61.4	7.8
South Africa	52.6	13.7	29.1
Egypt	103.3	54.5	20.9
Ghana	71.8	44.2	21.6
Kenya	55.6	34.8	19.8

Source: World Bank, IMF, BudgIT Research

[2]https://www.imf.org/en/Publications/CR/Issues/2019/04/01/Nigeria-2019-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-46726

FG deficit (difference between expenditure and revenue earned in a fiscal year) is well linked to the recent rise in Nigeria's debt.

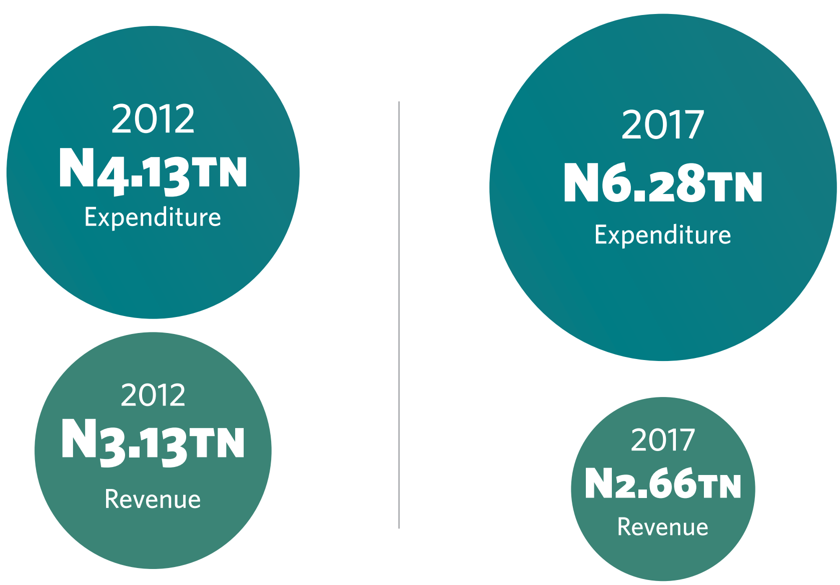
As Nigeria's deficit rise due to poor performance of revenues and expanding expenditure, Nigeria's debt is also on the rise.



Source: Budget Office, BudgIT Research

Expenditure size is growing faster than the government's revenues, widening the fiscal deficit with dire implication on the public debt level.

Federal Govenment



Source: Budget Office, BudgIT Research

PUBLIC DEBT: A SHORT HISTORY

£9.89m

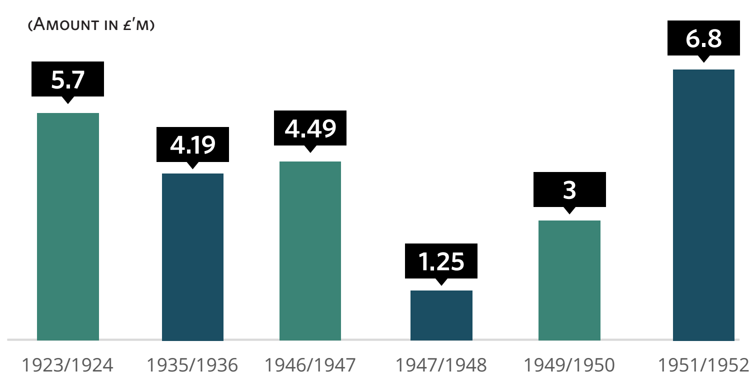
The first documented loan taken by Nigeria's behalf by the British government came around 1923-1924; a figure within the region of £5.7 million with an interest rate of 2.5 per cent per annum, payable over 20 years.

Nigeria's gradual and continuous growth in its debt stock over the years can be traced to as far back as the early 1920s. Nigeria's government, then still under colonial rule, began building its debt stock portfolio as a result of her need to execute major capital expansion projects, and thus the need to finance/fund these projects arose.

The first documented loan taken by Nigeria's behalf by the British government came around 1923-1924; a figure within the region of £5.7 million with an interest rate of 2.5 per cent per annum, payable over 20 years.By the end of 1936, Nigeria had taken a further loan of £4.89 million, taking the country's total public debt stock to about £9.89 million.

Between 1946 up until 1948, Nigeria took a further £5.74 million, and by the end of 1952, Nigeria's total debt burden had risen up to £21.24 million.

HISTORY: NIGERIA'S TOTAL PUBLIC DEBT 1923-1955



Source: Report of the Accountant-General of the Federation with Financial Statements for the Year Ended, 1955

$31m

Although after independence Nigeria decided to focus on raising public funds internally, she further took another loan, this time from the Paris Club of Creditors; an amount in the region of $31 million

By the end of colonial rule, Nigeria's total debt stock was around £17 million. Although after independence Nigeria decided to focus on raising public funds internally, she further took another loan, this time from the Paris Club of Creditors; an amount in the region of $31 million with an interest rate of 3.5 per cent per annum and repayment period of 20 years.

Between the post-colonial period of 1960 till the late 1980s, Nigeria substantially grew both its domestic and foreign debt portfolio and with the increasing difficulty in debt finance servicing and balance payment, Nigeria had fallen into a huge debt burden/trap by the 1980s.

As the country's debt financing problem worsened, experts associated it with sharp fall in oil prices in the global market as well as the huge unpaid interests due on the principal. By the early 1980s, her total external debt alone had climbed to a staggering $14.8 billion, with about $6.3 billion belonging to the Paris Club of Creditors alone.

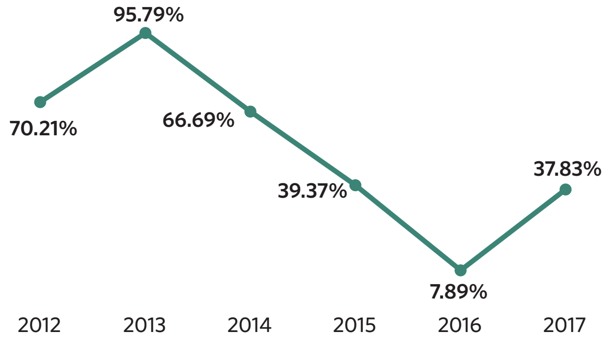
Nigeria saw a sharp rise in its external debt between 1986 and 1993. Economists believe that the problems Nigeria faces today with debt servicing began around 1985, a period that saw the total external debt of Nigeria to all its creditors amount to about $19 billion.

By the end of 2004, the Nigerian government's total outstanding external debt had grown to almost $36 billion.

Expanding government expenditure, popularly stated at investing more in infrastructure, not the main driver of public debt

For the federal government, fiscal deficit was generally larger than the capital expenditure of government; this means that the government borrowed to fund recurrent expenditure items. Capital expenditure as a percentage of total fiscal deficit fell from the 2013 peak of 95.79 per cent to 7.89 per cent in the fiscal year 2016. In fiscal year 2017, capital spending accounted for 37.83 per cent of the total fiscal deficit.

Capital Expenditure as a percentage of fiscal deficit



Source: Budget Office, BudgIT Research

$28.5bn

At the beginning of 2001, Nigeria's external debt stock stood at $28.5 billion.

$9bn

As at the end of 2005, Nigeria's total revenue around this period was around $9 billion, and with this, its debt portfolio, of about $36bn

$32bn

A glimmer of hope came at the end of 2005 in the form of the agreement with the Paris Club of Creditors and also with London to buy back about $30 billion of her $32 billion external debts via a one-time cash payment of $12 billion.

As at the end of 2005, Nigeria's total revenue around this period was around $9 billion, and with this, its debt portfolio, of about $36bn, was seen as unsustainable.

A glimmer of hope came at the end of 2005 in the form of the agreement with the Paris Club of Creditors and also with London to buy back about $30 billion of her $32 billion external debts via a one-time cash payment of $12 billion.

To understand the times, President Obasanjo in his 2001 budget speech stated that:

"Although the debt service obligation for 2000 was taken to be about 3.6 billion US dollars, this understated the gravity of the debt burden that would have been carried over to 2001 but for the rescheduling arrangement reached towards the end of 2000.

This was because arrears of debt service payment at the beginning of 2000 were actually about 19.5 billion US dollars.

Even after the rescheduling, the debt service due by Nigeria to the Paris Club of Creditors for 2001, was about three billion US dollars, but following negotiations, this was pegged at one billion US dollars. At the beginning of 2001, Nigeria's external debt stock stood at 28.5 billion Dollars."

This historic agreement negotiated and brokered by the then President Olusegun Obasanjo saw Nigeria's name removed from the list of the most poorly rated countries in the world.

Regardless of this agreement, domestic debt which was as at that period, put around the region of N1.52 trillion, did not see any substantial reduction, and by 2011, the domestic debt had taken over as the major debt stock burden of the country reaching an astonishing height of about N4.8 trillion.

Many issues have been associated with Nigeria's continuous rise in its domestic and external debt stock. Some have argued that Nigeria's debt problem is attributed to its unbridled reliance on external debts for its project financing.

Also, an increase in public sector workforce which resulted in higher public sector salary and wage bill and benefits, put a heavy toll on the government to meet its personnel expenses obligations. Bad investments on the part of the government due to unrealistic and unsubstantiated economic policies can also be associated with the rising public debt stock.

The public debt burden of Nigeria can be broadly broken down into two major sources; the internal or domestic debt source and the external or foreign debt source. The Debt Management Office (DMO) was created through the Debt Management Office (establishment) Act, 2003 for the coordination and management of the country's debt stock, both internal and external.

Breakdown: Nigeria's Total Public Debt Stock, December 31, 2018
Amount in millions

Debt Category	Amount Outstanding in USD	Amount Outstanding in NGN
A. Total External Debt	25,274.36	7,759,229.99
(FGN Only)	21,043.65	6,460,399.86
(States and FCT)	4,230.72	1,298,830.13
B. Total Domestic Debt	54,162.35	16,627,841.75
FGN Only	41,610.44	12,774,405.70
States and FCT	12,551.91	3,853,436.05
C. Total Public Debt(A+B)	79,436.72	24,387,071.74

Source: Debt Management Office

Photo Credit: Seyi Akinbola

TOTAL DOMESTIC DEBT

$28.5bn

Growth in domestic debt at 17.92 per cent, 18.27 per cent and 23.64 percent was more aggressive in the fiscal year 2012, 2015 and 2016 respectively.

Total domestic debt, at national and sub-national levels, grew from 2011 level of N6.91 trillion to N16.15 trillion in the fiscal year 2017. Domestic debt profile had grown at an annual average rate of 15.34 per cent between 2012 and 2017. Growth in domestic debt at 17.92 per cent, 18.27 per cent and 23.64 per cent was more aggressive in the fiscal year 2012, 2015 and 2016 respectively.

Domestic Debt Profile

YEARS	FEDERAL GOVERNMENT AMOUNT IN BILLION NAIRA	STATE GOVERNMENT AMOUNT IN BILLION NAIRA	LOCAL GOVERNMENT AMOUNT IN BILLION NAIRA	TOTAL DOMESTIC DEBT AMOUNT IN BILLION NAIRA	% CHANGE IN TOTAL DOMESTIC DEBT
2011	5,622.8	1,233.3	52.5	6,908.6	-
2012	6,537.5	1,551.7	57.4	8,146.6	17.92%
2013	7,119.0	1,537.5	8.3	8,664.7	6.36%
2014	7,904.0	1,655.2	39.7	9,598.9	10.78%
2015	8,837.0	2,503.3	12.0	11,352.3	18.27%
2016	11,058.2	2,958.5	19.1	14,035.8	23.64%
2017	12,578.8	3,348.8	220.2	16,147.8	15.05%
2018	12,774.4	3,853.4	N/A	16,627.8	2.97%

Source: CBN Statistical Bulletin 2017, BudgIT Research

$28.5bn

In the fiscal year 2011, the Federal Government's domestic debt accounted for approximately 81.39 per cent of public domestic debt obligation

Composition Analysis of Public Domestic Debt

In the fiscal year 2011, the Federal Government's domestic debt accounted for approximately 81.39 per cent of public domestic debt obligation while state's domestic debt and local government domestic debt came to 17.85 per cent and 0.76 per cent of the public domestic debt. Over the last seven years, the composition seems to have changed slightly.

Composition analysis of Public Domestic Debt

YEARS	FEDERAL GOVERNMENT AS A % OF TOTAL DOMESTIC DEBT	STATE GOVERNMENT AS A PERCENTAGE OF TOTAL DOMESTIC DEBT	LOCAL GOVERNMENT AS A PERCENTAGE OF TOTAL DOMESTIC DEBT
2011	81.39%	17.85%	0.76%
2012	80.25%	19.05%	0.70%
2013	82.16%	17.74%	0.10%
2014	82.34%	17.24%	0.41%
2015	77.84%	22.05%	0.11%
2016	78.79%	21.08%	0.14%
2017	77.90%	20.74%	1.36%

Source: Central Bank of Nigeria, BudgIT Research

While the federal government domestic debt continues to dominate, at 77.90 per cent of the total domestic debt, FG's percentage contribution to the weight of domestic debts seems to have been weaned despite FG growing its domestic debt at an average of 14.48 per cent. State's domestic debt grew faster than the federal government's, averaging 19.2 per cent between 2011 and 2017.

That is reflective on the general increase in states' proportion of domestic debt in Nigeria--jumping from 17.85 per cent in 2011 to 20.74 per cent in the fiscal year 2017. Local government domestic debts, as a percentage of public domestic debt, stood at 1.36 per cent in the latter part of 2017 fiscal year, growing from 2011 level of 0.76 per cent.


Photo Credit: Viox Visual

TOTAL EXTERNAL DEBT

—

73.47%

External debt stock had grown at an annual average rate of 23.84 per cent between 2012 and 2017, faster than domestic debt stock.

—

73.47%

As at the end of the fiscal year 2017, about 78.41 per cent of Nigeria's total external debt was under the federal government account.

Total external debt, at national and sub-national levels, grew from 2011 level of $5.67 billion to $18.91 billion in the fiscal year 2017. External debt stands at $22.08 billion as at the end of June 2018. External debt stock had grown at an annual average rate of 23.84 per cent between 2012 and 2017, faster than domestic debt stock. Growth in external debt at 35.16 per cent an 65.82 per cent was more aggressive in the fiscal year 2013 and 2017 respectively.

Amount in million Dollars

YEAR	Federal Government	State Government	Total External Debt	Growth in External Debts
2011	3,538.08	2,128.50	5,666.58	
2012	4,181.76	2,345.31	6,527.07	15.19%
2013	6,045.10	2,776.80	8,821.90	35.16%
2014	6,482.27	3,229.18	9,711.45	10.08%
2015	7,383.56	3,334.87	10,718.43	10.37%
2016	7,871.47	3,534.81	11,406.28	6.42%
2017	14,830.03	4,083.41	18,913.44	65.82%

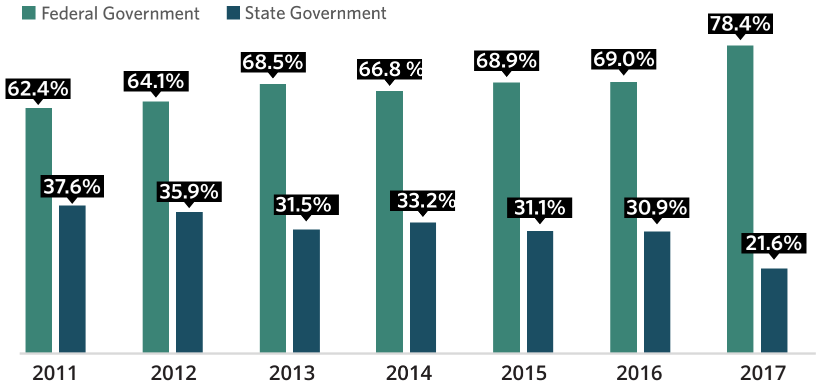
Source: Debt Management Office

Composition Analysis of Public External Debt

In the fiscal year 2011, the federal government's external debt accounted for approximately 62.44 per cent of public external debt obligation. Over the last seven years, the composition seems to have changed slightly as the federal government tapped into the external debt market faster.

As at the end of the fiscal year 2017, about 78.41 per cent of Nigeria's total external debt was under the federal government account.

Percentage of Total External Debt



$1.9bn

In terms of geopolitical zones, China's multilateral debt stood at $1.9 billion or 8.66 percent of Nigeria's external debts.

A yearly trend from 2007 shows that the external debt burden on Nigeria has been on a gradual and continuous rise, even after liquidation of almost 80 per cent of the nation's external debt in 2006 via the Paris Club agreement. According to the Debt Management Office, multilateral loans, bilateral Loans and commercial debts account for 49.28 per cent, 10.87 per cent and 39.85 per cent of Nigeria's public debt. In terms of geopolitical zones, China's multilateral debt stood at $1.9 billion or 8.66 percent of Nigeria's external debts.

External Debt by Lenders (as of June 2018.)

CATEGORY	AMOUNT IN MILLION DOLLARS	PERCENTAGE
World bank	8,473.10	
African Development Bank	2,410.60	
Multilateral	**10,883.70**	**49.28%**
China (Exim Bank of China)	1,913.07	
France (AFD	274.98	
Japan (JICA)	74.69	
India (Exim Bank of India)	4.76	
Germany (KFW)	132.24	
Bilateral	**2,399.74**	**10.87%**
Eurobonds	8,500.00	
Diaspora Bond	300	
Commercial	**8,800.00**	**39.85%**
TOTAL	22,083.44	100%

Source: DMO, BudgIT Research

REVIEWING FEDERAL GOVERNMENT DEBT

$10.7bn

Recent external debt accumulation has seen FG external debt risen from $10.7bn in 2015 to $21bn in 2018, a 135% growth.

As at December 31 2012, under the President Goodluck Jonathan administration, Nigeria's total debt stock had increased to N7.55 trillion, an increment of about N1.03 trillion from the 2011 figure of N6.52 trillion. By the end of the administration in 2015, total debt had leapfrogged to N10.95 trillion. However, recent external debt accumulation has seen FG external debt risen from $10.7bn in 2015 to $21bn in 2018, a 135% growth. Domestic debt has also moved from N8.83tn, as at December 2015, to N12.77tn in December 2018, a whooping 44% growth in three years.

Domestic and External Debt 2011-2018 FGN Only

Year	Domestic NGN (millions)	External (USD milions)
2012	6,537,536,305	6,527.07
2013	7,118,978,853	8,821.90
2014	7,904,025.47	9,711.45
2015	8,836,995.86	10,718.43
2016	11,058,204.30	11,406.28
2017	12,589,486.13	18,913.44
2018	12,774,405.70	25,274.36

Source: Debt Management Office

73.47%

In terms of structure, 73.47 per cent of FG's domestic debt in the fiscal year 2018 is locked in FGN bond, mostly long-term securities.

5.1 A Note on the Structure of Federal Government Domestic Debt

The federal government's domestic debt burden climbed to about N12.51 trillion naira as at the end of June 2018. The domestic debt of the federal government composed of FG bonds (N8.93 trillion), Nigerian treasury bills (N2.95 trillion), Nigerian treasury bonds (N150.99 billion), FGN saving bonds (N8.52 billion), FGN Sukuk (100 billion) and FGN green bond (10.69 billion). In terms of structure, 73.47 per cent of FG's domestic debt in the fiscal year 2018 is locked in FGN bond, mostly long-term securities.

Breakdown: Federal Government Domestic Debt Stock, December 2018
Amount in Naira

INSTRUMENTS	JUNE , 2010	DEC , 2014	DEC , 2016	JUNE , 2018	DEC , 2018
FGN Bonds	60.97%	60.63%	68.41%	73.47%	73.07%
Nigerian Treasury Bills	23.93%	35.62%	29.64%	24.31%	21.42%
Nigerian Treasury Bonds	10.41%	3.75%	1.95%	1.24%	1.18%
FGN Savings Bond	0	0	0	0.07%	0.08%
FGN Sukuk	0	0	0	0.82%	1.57%
Promissory Note	1.67%	0	0	0	2.59%
Development Stock	0.01%	0	0	0	0
FGN Green Bond		0	0	0.09%	0.08%

Source: Debt Management Office

Photo Credit: Seyi Akinbola

STATES' DEBT PROFILE

$9.2tn

In 2018, the 36 states in Nigeria collectively planned to spend about N9.2 trillion when juxtaposed with the revenue of the states in 2017 which was N3.58 trillion.

Collectively, the IGR of Nigerian states between 2011 and 2017 was N5.14 trillion while states spent approximately N14.39 trillion on Recurrent Expenditure within the period under review. States took some haircuts as the intensity of the fiscal strain gathered momentum in 2016.

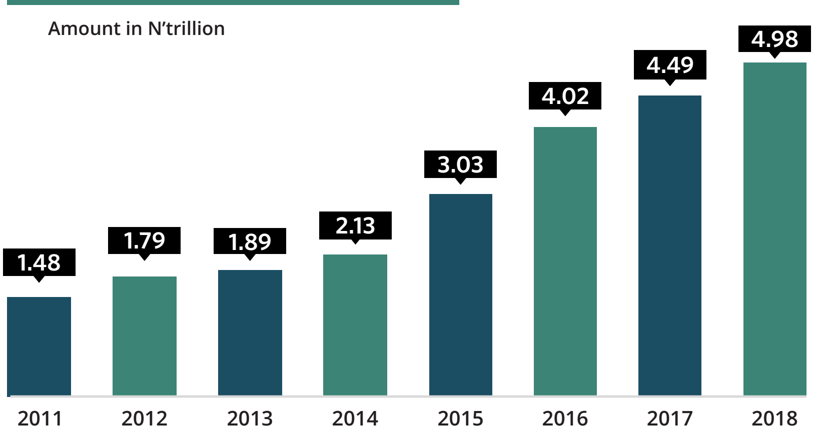
Recurrent expenditure was reduced from 2011 level of N2.055 trillion to N1.93 trillion in 2017. However, it was important to assess the level of state public debt, an important indicator for evaluating the sustainability of a state's fiscal policy. Rising debt level without expense on self-liquidating assets could strain future revenues.

The difference between the state governments' actual spending and their revenues rose from the 2008 level of N86.77 billion to N967.36 billion in 2016. However, in 2017, the total revenue of the 36 states and the FCT increased from N2.47 trillion to N3.58 trillion, the highest level since 2014. That among other factors contributed to the sharp drop in the fiscal deficit of states which was N76.48 billion in the fiscal year 2017.

In 2018, the 36 states in Nigeria collectively planned to spend about N9.2 trillion when juxtaposed with the revenue of the states in 2017 which was N3.58 trillion, clearly, if the budget of the states is fully implemented, the deficit will push debts of states beyond the manageable threshold.

The effect of the staggering deficit is telling on the debt numbers. Total debts of state rose from 2011 level of N1.49 trillion to N4.98 trillion in 2018. The debt level has drawn the attention of many commentators.

Total Outstanding Debt of States



6.1 Fiscal Challenges at State Level

56%

Latest figures from the Central Bank of Nigeria shows that oil revenue accounted for about 56 per cent of government revenue in 2017

77.5%

Crude oil prices averaged $111.63, $108.56, and $98.97 per barrel in 2012, 2013 and 2014, as against budget benchmark projections of $72, $79 and $77.5 per barrel respectively.

Since the 1970s, government at national and sub-national levels, revenues have depended on the oil sector. Latest figures from the Central Bank of Nigeria shows that oil revenue accounted for about 56 per cent of government revenue in 2017, down from 2013 level of 67 per cent. At the state level, oil revenue which dominated the federation revenue pool is highly important.

States' Internally Generated Revenue (IGR) is only a fraction of revenue, meaning state governments are heavily reliant on the federation revenue to effectively perform their constitutional functions.

Planners at the federal and sub-national levels routinely agree to a benchmarking regime, where an estimated price is assumed for crude oil throughout the fiscal year, and all budgets are planned with this benchmark. Any additional revenue derived from the oil and gas sector outside the estimated figure for the year is saved into the so-called Excess Crude Account, a buffer account designed to augment revenue shortfalls in lean times. The Excess Crude Account also acts as a tool for flattening out the associated effects of oil price volatility.

When oil prices are lower, rather than adjust spending, expand tax collection figures, work to boost IGR and prepare more realistic revenue projections and/or expenditure targets, states and the Federal Government choose to instead draw down on savings accumulated in the Excess Crude Account.

Major disruptions in the price or production numbers for crude therefore significantly impede the government's ability to perform its statutory functions. Crude oil prices averaged $111.63, $108.56, and $98.97 per barrel in 2012, 2013 and 2014, as against budget benchmark projections of $72, $79 and $77.5 per barrel respectively.

The consequence of this is that the volatile nature of crude oil as well as the structural, economic and security challenges associated with this commodity make planning difficult, leaving developmental goals ending up less of a priority.

Historically, Nigeria's economic cycle, government revenue and its trade in crude oil are undeniably correlated. The country's non-oil revenue component--which current government policies are directed at improving--are equally linked, one way or another, to crude oil.

For instance, 30% of VAT is tied to oil-producing entities, while importers

15%

In 2017, IGR accounted for only 32 per cent of state governments' total revenue. In 2012, 2013 and 2014, states IGR as a percentage of total government revenue was only 15 per cent, 17 per cent and 22 per cent respectively.

N801.29bn

The total revenue of states fell from the 2013 level of N3.91 trillion to N3.67 trillion in 2014 while IGR topped the N801.29 billion mark.

also depend heavily on foreign exchange from crude oil; this feeds into non-oil revenue derived at Nigeria's ports and is classified as customs and tariffs.

Businesses also need foreign exchange coming from the oil and gas sector to remain functional and profitable, particularly for the purchase of raw materials, or spare parts for machinery.

In 2017, IGR accounted for only 32 per cent of state governments' total revenue. In 2012, 2013 and 2014, states IGR as a percentage of total government revenue was only 15 per cent, 17 per cent and 22 per cent respectively. It is also not alright to view IGR as a ballpark as Lagos state's IGR accounts for about 34% of the total IGR collections by Nigerian states.

The improvement in IGR's contribution to the revenue mix at the state level in 2014 was partly due to the fall in oil price and oil revenue which triggered a lot of fiscal adjustments and IGR improvement. The total revenue of states fell from the 2013 level of N3.91 trillion to N3.67 trillion in 2014 while IGR topped the N801.29 billion mark.

IGR fell in 2015 and 2016 which could be connected to the rapid deterioration of the Nigerian economy, reduction in Nigerians' earning power, unemployment, among others. That could have been responsible for the lower uptake in personal income tax, direct assessment, road tax and related revenue.

In our estimation, 24 out of 36 states in Nigeria cannot meet their recurrent costs from their IGR.[3]

Internally Generated Revenue (IGR) States Total Revenue

YEAR	IGR Amount in Billion Naira	Total State Revenue Amount in Billion Naira	IGR as a Percentage of Total Revenue
2011	509.3	3,410.10	14.94%
2012	548.12	3,572.52	15.34%
2013	657.02	3,905.38	16.82%
2014	801.29	3,672.03	21.82%
2015	755.75	2,859.02	26.43%
2016	738.02	2,471.81	29.86%
2017	1,133.62	3,578.48	31.68%

Source: CBN Statistical Bulletin 2017, BudgIT Research

By the end of 2014, crude prices came under intense pressure, as a spike in demand trailed off, and overproduction created a glut in the market.

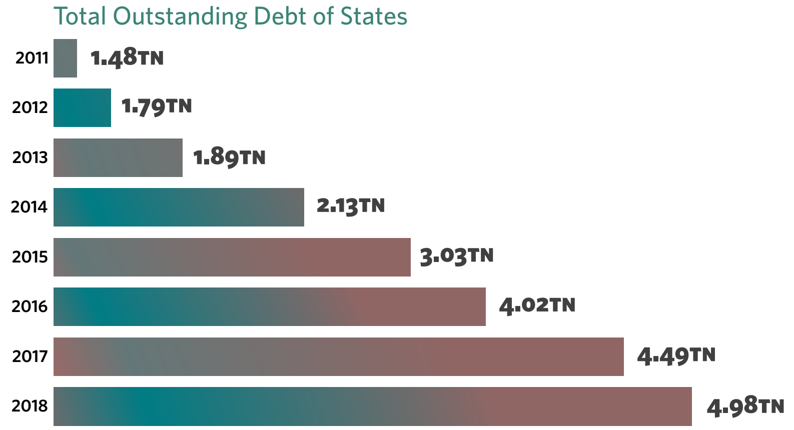
The consequences of these changes in the market structure for crude negatively impacted states' ability to meet their development goals, especially in the area of infrastructure development.

Recurrent expenditure and the bureaucratic structure of states also expanded putting more pressure on states to borrow.

[3]http://yourbudgit.com/wp-content/uploads/2017/10/State-of-states-2017-report.pdf

States are more dependent on Federal Revenues as debt rises

Collectively, the IGR of Nigerian states between 2011 and 2017 was N5.14 trillion while states spent approximately N14.39 trillion on Recurrent Expenditure within the period under review. Rising debt level without expense on self-liquidating assets could strain future revenues.



Source: DMO and CBN

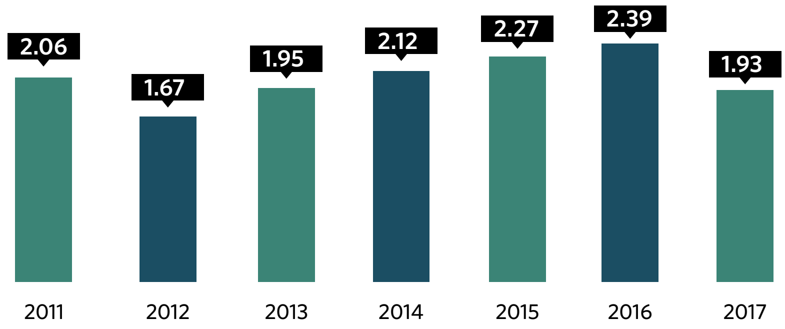
States need to be careful of External Debts

33%

Lagos is responsible for 33% of the external debt accumulated by states. With the recent exchange rate fluctuations, it is important for states to be cautious when they take on new external debts. Former Lagos Governor lamented that

“Remember also, these facilities that we call loans were taken at an exchange rate that was lower than N150. But again, this government that has not taken any of these facilities would pay back....That has immense pressure on the internally generated revenue.”

Recurrent Expenditure of States
Amount in Billion Naira



N2.4tn

Recurrent Expenditure-which was cut by state governments from 2011 levels of N2.06 trillion to N1.66 trillion in 2012–witnessed an upward trajectory, hitting a high of N2.4 trillion by 2016 despite lower revenues.

N125%

Debt to revenue ratio which was 43.6 per cent in the fiscal year 2011 rose 162.8 per cent in 2016 before sliding down to 125.7 per cent in 2017.

Nevertheless, Recurrent Expenditure--which was cut by state governments from 2011 levels of N2.06 trillion to N1.66 trillion in 2012--witnessed an upward trajectory, hitting a high of N2.4 trillion by 2016 despite lower revenues.

As most states simultaneously failed to grow IGR and expand the tax net, many began running without functional budgets, and essentially at the behest of the governors, as the details of their expenditure plans were not made public.

That, alongside the demands of society, to see the dividends of democracy drove states to start borrowing massively. We are working to change this and recent efforts of BudgIT and development partners will expand the availability of subnational data.

6.2 Structural Changes in State Government's Debt

Debt to revenue ratio which was 43.6 per cent in the fiscal year 2011 rose 162.8 per cent in 2016 before sliding down to 125.7 per cent in 2017. Debt to revenue ratio jumped significantly from 57.9 per cent in 2014 to 105.9 per cent in 2015, signifying the acceleration in states' debt profiles. As the states' dire finances made headlines worldwide in 2015, it also came to light when at least two-thirds of Nigeria's 36 governors demanded a federal government relief package, due to their inability to pay salaries and/or pension benefits of civil servants spanning months, and in some cases, over a year as debt level entered uncharted territory.

States are also shying from external debt--grown from $3bn in 2013 to $4.2bn in 2018--as the recent devaluation has shown that they would be holding the end of the short stick as their revenues are paid in national currency.

Lagos is responsible for 33% of the external debt accumulated by states. With the recent exchange rate fluctuations, it is important for states to be

N2.4tn

Recurrent Expenditure- which was cut by state governments from 2011 levels of N2.06 trillion to N1.66 trillion in 2012– witnessed an upward trajectory, hitting a high of N2.4 trillion by 2016 despite lower revenues.

cautious when they take on new external debts as Nigeria's currency rating is closely linked to swings in oil prices and production.
According to Lagos State Governor, Akinwunmi Ambode, there is a relationship between fluctuating exchange rates, debt, and ability to easily pay back:

*Remember also, these facilities that we call loans were taken at an exchange rate that was lower than N150. But again, this government that has not taken any of these facilities would pay back and has been paying back in the last four years on the new exchange rate which is like N360 because government is a continuu*m.

That has immense pressure on the internally generated revenue. And when you have this pressure on the IGR that you are using to service these facilities without complaining, it means that you have been financially prudent to be able to use the remaining resources to do what you have outside there in terms of infrastructure development.

Total Outstanding Debt of States

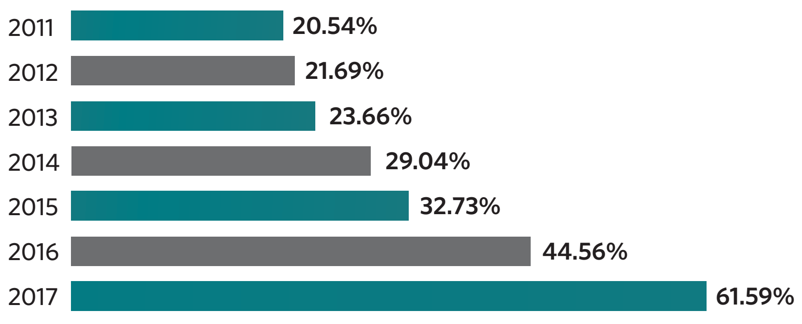
YEAR	TOTAL REVENUE AMOUNT IN BILLION NAIRA	TOTAL DEBTS AMOUNT IN BILLION NAIRA	DEBT TO REVENUE RATIO
2011	3,410	1,487	43.6%
2012	3,573	1,794	50.2%
2013	3,905	1,896	48.6%
2014	3,672	2,128	57.9%
2015	2,859	3,027	105.9%
2016	2,472	4,024	162.8%
2017	3,578	4,498	125.7%

Source: CBN Statistical Bulletin, Debt Management Office, BudgIT Research

FG: Cost of servicing debts is rising beyond sustainable levels

The cost of servicing the Federal Government's debt, relative to its revenues, may well be entering uncharted territory. The Federal Government now seems to need to take in more debts to meet its recurrent expenditure obligations, as personnel costs and debt servicing commitments are projected to overtake revenue uptake. Out of every 100 Naira that Nigerian earned in 2017, 61 Naira was spent on servicing debts.

Federal Government: Debt Servicing to Total Revenue



Source: DMO, BudgIT Research

BREAKDOWN: SUB-NATIONAL EXTERNAL DEBT STOCK, JUNE 2018

STATE	TOTAL
Abia	100,217,589.59
Adamawa	57,860,541.54
Akwa Ibom	48,385,866.53
Anambra	107,438,517.03
Bauchi	134,907,612.92
Bayelsa	57,256,211.04
Benue	34,750,363.40
Borno	22,292,486.47
Cross River	193,796,061.81
Delta	63,825,838.81
Ebonyi	67,901,721.07
Edo	279,029,896.21
Ekiti	97,994,770.66
Enugu	127,952,029.92
Gombe	38,500,292.18
Imo	61,277,993.68
Jigawa	32,800,038.17
Kaduna	232,965,533.73
Kano	65,047,427.46
Katsina	64,757,964.40
Kebbi	46,759,780.42
Kogi	32,371,905.62
Kwara	49,871,457.19
Lagos	1,451,639,937.86
Nassarawa	61,495,066.44
Niger	55,747,995.99
Ogun	105,388,666.18
Ondo	81,417,458.58
Osun	101,567,066.28
Oyo	106,334,516.11
Plateau	29,696,386.15
Rivers	79,520,400.99
Sokoto	40,225,935.91
Taraba	22,113,312.20
Yobe	28,496,975.62
Zamfara	34,244,939.78
FCT	32,833,430.20
Total State & FCT	**4,248,683,988.14**

Source: Debt Management Office

DOMESTIC DEBT (2018)

AS AT DECEMBER 31, 2018

State	(NGN'bn)
LAGOS*	530,243,773,934
DELTA	228,805,996,160
RIVERS*	225,592,469,150
AKWA IBOM*	198,663,229,326
CROSS-RIVER	167,955,848,722
OSUN	148,101,237,665
BAYELSA	130,043,473,801
EKITI	118,011,414,814
KANO*	117,082,317,491
PLATEAU	100,366,504,577
IMO	98,782,494,271
OGUN	98,716,941,494
BENUE	97,347,605,190
BAUCHI	92,367,170,607
OYO	91,515,756,366
ADAMAWA	89,659,119,455
EDO	86,820,254,213
NASARAWA*	85,363,486,610
KOGI	84,922,376,450
KADUNA*	84,637,112,776
BORNO*	68,381,705,609
KEBBI	67,442,333,187
ABIA	67,017,185,657
GOMBE	63,337,930,143
TARABA*	61,508,573,011
ZAMFARA	59,900,241,662
KWARA	59,135,900,169
EBONYI	55,597,352,310
ENUGU	55,032,067,849
ONDO*	49,123,506,028
NIGER	41,831,488,692
SOKOTO	38,604,705,529
JIGAWA	35,163,169,800
ANAMBRA	33,490,668,537
KATSINA **	30,852,661,159
YOBE	27,772,599,253

Note:
Domestic Debt Stock for Twenty-six (26) States, (Abia, Adamawa, Anambra, Bauchi, Bayelsa, Benue, Cross River, Delta, Ebonyi, Edo, Ekiti, Enugu, Gombe, Imo, Jigawa, Kebbi, Kogi, Kwara, Niger, Ogun, Osun, Oyo, Plateau, Sokoto, Yobe and Zamfara) as at December 31, 2018

* Domestic Debt Stock Figures for Nine (9) States, Akwa Ibom, Borno, Kaduna, Kano, Lagos, Nasarawa, Ondo, Rivers, Taraba. (Year not stated by DMO)

** Domestic Debt Stock Figures for Katsina State was as at December 31, 2017

Source: DMO

KEY POINTS ON PUBLIC DEBT

N3.8tn

The difference between the government's actual spending and revenues rose from 2012 level of N1.29 trillion to N3.8 trillion in fiscal year 2017.

N2.66tn

Revenues which rose from 2011 level of N2.57 trillion to N3.13 trillion in the fiscal year 2012 has since fallen to N2.66 trillion in fiscal year 2017 despite rising to a periodic peak of N3.5 trillion in the fiscal year 2013.

1. Annual FG Budget Deficit is causally linked to growth in public debt

The difference between the government's actual spending and revenues rose from 2012 level of N1.29 trillion to N3.8 trillion in fiscal year 2017.

While the combined revenue of the government at national and sub-national levels lagged, falling from 2011 level of N11.28 trillion to N8.15 trillion, spending had increased significantly from 2011 level of N8.43 trillion to N11.56 trillion in 2017.

The resulting deficit had fueled a significant rise in the government's public debt. Aggressive growth in the fiscal deficit of government[4] in the fiscal year 2015, 2016 and 2017 led to acceleration in debt accumulation.

2. Expenditure size is growing faster than the government's revenues, widening the fiscal deficit with dire implication on the public debt level

Revenues which rose from 2011 level of N2.57 trillion to N3.13 trillion in the fiscal year 2012 has since fallen to N2.66 trillion in fiscal year 2017 despite rising to a periodic peak of N3.5 trillion in the fiscal year 2013.

However, public expenditure is on the rise, partly driven by bolder investments in capital expenditure and also the relative freeze in recurrent expenditure, despite weak revenue numbers.

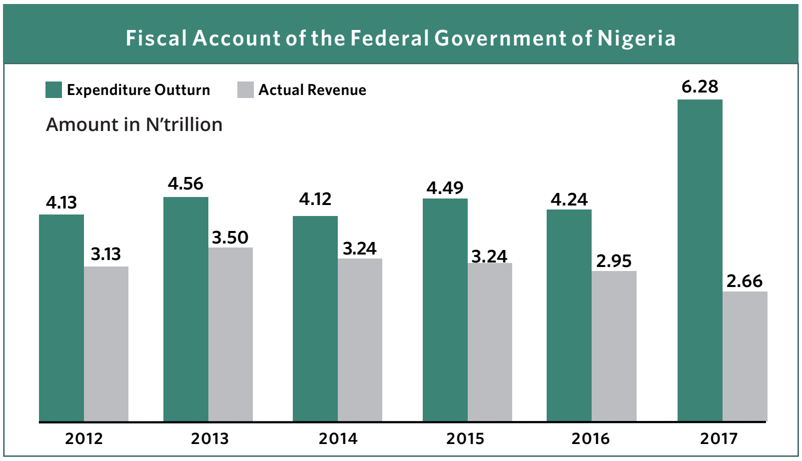
Federal Government Deficit and Public Debt Changes

Year	Actual Deficit (Amount in Billion Naira)	Annual Changes	Public Debt (Amount in Billion Naira)
2012	-1,288.31	-	7,554.26
2013	-1,141.57	-11.39%	10,044.19
2014	-1,143.46	0.17%	10,162.34
2015	-2,093.05	83.05%	12,603.71
2016	-3,085.67	47.42%	17,360.01
2017	-3,815.98	23.67%	21,725.77
2018*	N/A	N/A	22,379.67

Source: Budget Office of the Federation, DMO, CBN, BudgIT Research

The resulting deficit had fueled a significant rise in the government's public debt. Aggressive growth in the fiscal deficit of government in the fiscal year 2015, 2016 and 2017 led to acceleration in debt accumulation.

[4]For the purpose of this analysis, the focus was on the federal and state governments



Source: Budget office of the federation, BudgIT Research

N1.313tn

From 2015 projections of N953.62 billion, the figure in 2016 was N1.313 trillion, which comes to 44.5 percent of actual revenue.

3. Expansionary fiscal policies of government aimed at investing more in infrastructure, not the main driver public debt

For the federal government, fiscal deficit was generally larger than the capital expenditure of government; this means that the government borrowed to fund recurrent expenditure items.

Capital expenditure as a percentage of total fiscal deficit fell from the 2013 peak of 95.79 per cent to 7.89 per cent in the fiscal year 2016.

Federal Government

Year	Actual Deficit (Amount in Billion Naira)	Changes in Fiscal Deficit (%)	Capital Expenditure Outturn (Amount in Billion Naira)	Capital Expenditure as a percentage of fis cal deficit	Changes in Capital Expenditure
2012	-1,060.34	-161.10%	744.42	70.21%	-18.96%
2013	-1,000.15	-5.68%	958	95.79%	28.69%
2014	-881.11	-11.90%	587.61	66.69%	-38.66%
2015	-1,527.12	73.32%	601.27	39.37%	2.32%
2016	-2,194.44	43.70%	173.09	7.89%	-71.21%
2017	-3,805.94	73.44%	1439.97	37.83%	731.92%

N2.014tn

Going by the figures associated with realistic revenue assumption for 2018 and the projected debt servicing cost of N2.014 trillion.

In fiscal year 2017, capital spending accounted for 37.83 per cent of the total fiscal deficit.

4. FG: Cost of servicing debts is rising beyond sustainable levels

The cost of servicing the Federal Government's debt, relative to its revenues, may well be entering uncharted territory. From 2015

N2.01tn

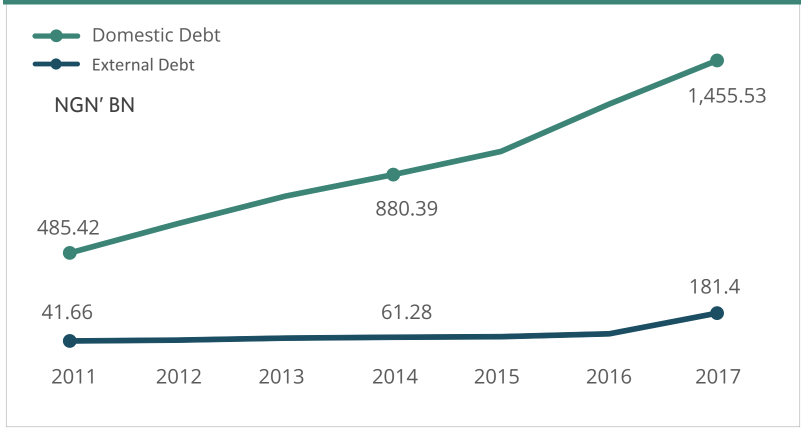
Going by the figures associated with realistic revenue assumption for 2018 and the projected debt servicing cost of N2.014 trillion

projections of N953.62 billion, the figure in 2016 was N1.313 trillion,[5] which comes to 44.5 percent of actual revenue. Budget figures for 2017 comes in as N1.7 trillion. Going by the figures associated with realistic revenue assumption for 2018 and the projected debt servicing cost of N2.014 trillion, it is fair to assume that approximately 58 percent of actual revenue may go into servicing debts alone.

Nigeria could end up ensconced in a debt trap should debt servicing levels continue to rise to unsustainable levels.

The Federal Government now seems to need to take in more debts to meet its recurrent expenditure obligations, as personnel costs and debt servicing commitments are projected to overtake revenue uptake.

Federal Government Debt Servicing (2011-2017)



Federal Government: Debt Servicing to Total Revenue, NGN Billions

Year	Total Revenue (Inflow)	Debt Servicing	Ratio
2011	2,566.67	527.07	20.54%
2012	3,131.09	679.28	21.69%
2013	3,500.47	828.10	23.66%
2014	3,242.30	941.67	29.04%
2015	3,240.24	1,060.39	32.73%
2016	2,947.44	1,313.46	44.56%
2017	2,657.67	1,636.93	61.59%
2018	N/A	2,013.84*	N/A
2019	N/A	2,144. 01*	N/A

Source: Budget office, BudgIT Research

58%

It is fair to assume that approximately 58 percent of actual revenue may go into servicing debts alone.

We believe the government's budget needs to be aligned with a concrete plan that shows how debts will be used, how existing debts will be serviced, while the associated benefits of taking in more debt should be deliberated, legislated and disseminated for the wider public.

Oil revenue can no longer service federal government's debts (see table below).

[5]Federal Government of Nigeria's Appropriation Act 2017. (p7)

The associated costs of servicing the Federal Government's public debts continue to outpace government revenue in terms of growth.

Federal Government: Debt Servicing to Oil Revenue, NGN Billions

Year	Total Revenue (Inflow)	Debt Servicing	Ratio
2011	1,694.35	527.07	31.11%
2012	1,764.69	679.28	38.49%
2013	1,996.24	828.10	41.48%
2014	1,980.36	941.67	47.55%
2015	1,218.22	1,060.39	87.04%
2016	697.80	1,313.46	188.23%
2017	1,125.05	1,636.93	145.50%

Source: Budget office, BudgIT Research
*Very little information is available on debt servicing cost at state and local government level.

5. FG's external debt is rising

Recent offerings in the Eurobond market are increasing Nigeria's external debt.

After the glorious exit of Nigeria from Paris and London Club of Creditors, FG's external debt has risen from $4.1bn in 2012 to $17.8bn in 2018, showing that as bond payments are due for settlements, Nigeria's external debt servicing and repayments will soar in the years ahead.

N4.1bn

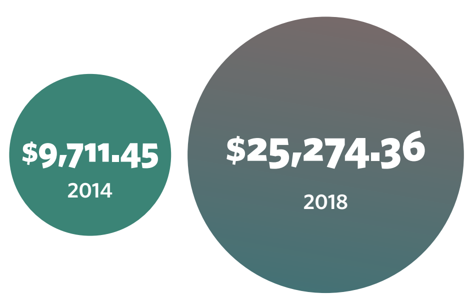
After the glorious exit of Nigeria from Paris and London Club of Creditors, FG's external debt has risen from $4.1bn in 2012 to $17.8bn in 2018,

There is a plan to define the dynamics of Nigeria's debt portfolio with 60-40 mix in favour of domestic debt. Domestic debt growth is largely affecting domestic exchange rates with risk-free rates as high as 17% in recent times, pushing commercial lending rates to 24-26%.

This has created a huge subsidy programme, acclaimed to be connected to Nigeria's monetary stability to Nigeria's banks, institutional lenders and citizens with the rising domestic debt servicing, Nigeria's domestic debt servicing has grown from N485bn in 2011 to N1.45tn in 2017.

External debt is rising

Recent offerings in the Eurobond market are increasing Nigeria's external debt. After the glorious exit of Nigeria from Paris and London Club of Creditors, FG's external debt has risen from $6.5bn in 2012 to $17.8bn in 2018, showing that as bond payments are due for settlements , Nigeria's external debt servicing and repayments will soar in the years ahead.



Source: DMO

CONCLUSION AND RECOMMENDATIONS

N2.2bn

Fg's share of oil revenue could not service outstanding debt, and as debt servicing cost tops the N2.2 trillion mark and revenue below N3 trillion.

From the foregoing, the unequivocal, recurring theme is that Nigeria's public debt, and specifically the outstanding liabilities of government-owned enterprises, the associated cost of servicing those debts remain mainly opaque, uncoordinated, and brazen.

While the government has acknowledged the presence of hidden debts in its books, it has, in recent times, moved the revenue and expenditure component of government owned enterprise into the budget while leaving out the debt portion.

When the known component of Nigeria's public debt is compared with the size of the Nigerian economy, Nigeria's debt burden seems within the manageable threshold. However, the numbers exclude unmet contractual obligations, debts of government-owned enterprises and other contingent liabilities. Clearly, Nigeria's debt to GDP ratio does not tell the whole story.

It is thus important that government come out clear on its other obligations which are putting pressure on revenue. A holistic audit of all government's outstanding liabilities will give a clearer understanding of Nigeria's current state of indebtedness.

The information used today for analysis neglect some critical numbers meaning the Debt Management Office is under-reporting the size of Nigeria's public debt.

N2.2tn

FG's share of oil revenue could not service outstanding debt, and as debt servicing cost tops the N2.2 trillion

Also, the associated cost of servicing outstanding debts suggests Nigeria may be walking into a debt trap. FG's share of oil revenue could not service outstanding debt, and as debt servicing cost tops the N2.2 trillion mark and revenue below N3 trillion, it is important that the government works more on its revenue and rein in on debts accumulation.

At the state level, states will need to focus on shoring up investments, finding new growth poles and also boosting IGR collection and simultaneously slowing down on borrowing.

It is also important to rein in recurrent expenditure and re-work the budgeting system. If this is done, states can increase their budget performance as well as pay backlogs of civil servants' salaries, whilst grappling with a ghost worker problem.

Stakeholders, including citizens, investors, civil society organisations and development partners are now talking more about the usefulness of key budget information as a planning instrument.

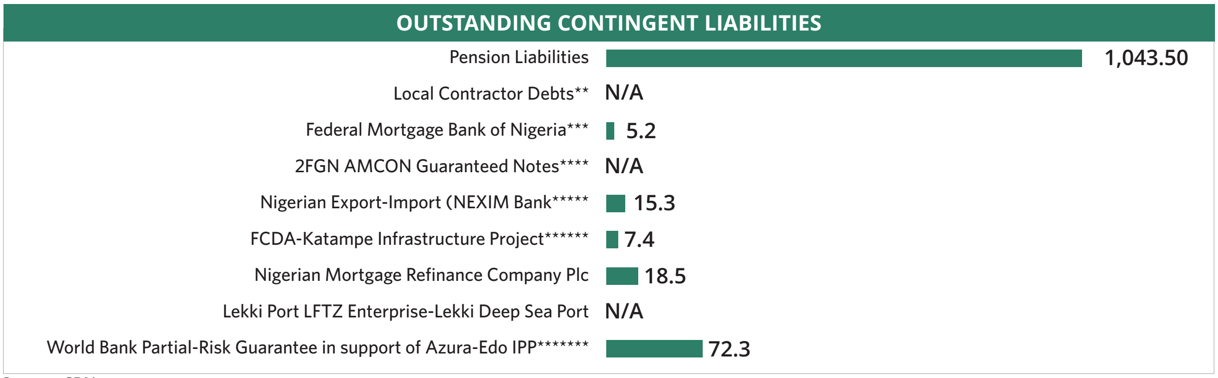
Governments at national and sub-national levels need to look beyond the rhetoric of just formulating a budget and commit to a reduction in their operating costs, including significantly slashing unreasonable overheads while freeing up more spending for social and economic infrastructure.

Government at the national and sub-national levels will also need to link future borrowing to sustainable projects, which can pay back the capital cost of its current loans and improve the overall income profile of the country. Economic planners will need to lift Nigeria from a perpetual cycle of borrowing, work to improve tax collection efficiencies and realign budgeting with nationwide plans.

Significant investment is needed to improve the overall economic performance, which invariably could create jobs that feed into the government's revenue mix. Opportunities in aquaculture, agriculture, manufacturing, trade, logistics and tourism abound across Nigeria, but it seems Nigeria lack the rigour and foresight to explore them.

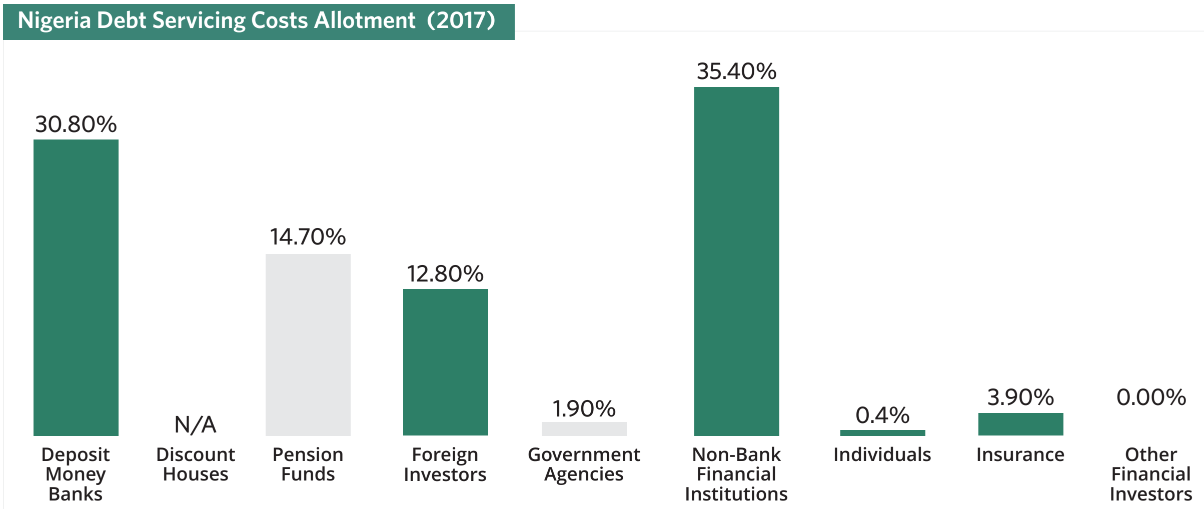
APPENDIX

Contingent Liabilities (June 2018 Numbers) As at 30 June 2018 NGN Billion



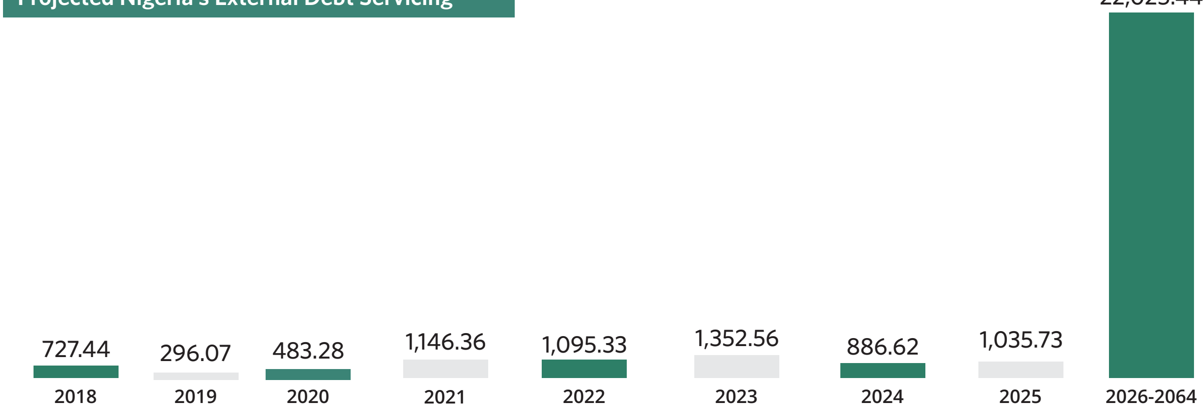
Source: CBN

Nigeria Debt Servicing Costs Allotment (2017)



Source: Debt Management Office

Projected Nigeria's External Debt Servicing



Source: Debt Management Office

Total Outstanding Debt of States

NGN' BN

States	2011	2012	2013	2014	2015	2016	2017
ABIA	29,507,136,620	14,269,539,331	37,189,716,291	31,241,709,626	41,718,433,961	68,431,425,917	91,779,266,626.80
ADAMAWA	30,596,079,011	29,002,324,273	20,851,399,274	34,908,729,894	56,879,869,674	55,760,129,168	98,619,759,340.48
AKWA IBOM	51,244,649,146	118,515,273,933	134,903,094,424	92,413,432,246	157,976,262,704	227,316,526,670	202,775,385,548.46
ANAMBRA	10,301,896,354	18,469,210,042	7,863,529,136	11,048,351,460	15,567,240,494	18,911,880,596	28,969,632,224.82
BAUCHI	28,460,849,349	29,286,531,236	28,086,094,936	43,848,848,099	74,488,479,184	71,934,943,035	107,710,573,742.78
BAYELSA	167,199,788,292	226,772,923,054	74,085,808,960	97,985,863,812	110,792,826,966	172,071,672,773	144,122,841,088.97
BENUE	20,870,042,622	28,838,896,205	29,889,328,193	23,757,889,388	46,987,514,877	53,647,217,581	85,827,962,541.37
BORNO	3,750,904,522	26,632,721,449	26,429,587,143	26,477,601,182	26,913,810,752	52,907,188,325	60,972,952,251.30
CROSS-RIVER	107,898,723,195	108,517,664,840	135,519,871,761	131,136,540,735	142,432,940,867	266,656,412,496	177,158,925,414.40
DELTA	93,300,246,568	86,649,519,962	105,237,624,032	216,339,062,277	328,258,984,906	321,576,686,310	246,239,949,897.99
EBONYI	46,809,287,375	35,386,587,778	20,146,419,986	15,173,465,038	43,474,344,819	35,319,885,024	54,053,018,706.28
EDO	45,824,281,399	68,946,741,063	55,256,477,501	62,334,004,447	79,470,198,004	117,590,481,948	139,743,045,444.27
EKITI	29,153,259,555	45,233,211,859	28,317,201,964	38,867,778,734	63,412,374,813	67,184,980,698	141,438,608,953.68
ENUGU	18,046,813,397	25,170,850,732	20,543,442,202	35,100,525,220	51,721,203,191	55,643,967,421	100,577,293,749.16
GOMBE	11,695,122,678	35,196,127,839	33,361,580,948	36,748,484,526	61,310,949,934	70,110,065,474	53,961,998,426.94
IMO	33,437,308,756	24,813,823,509	21,043,196,624	38,529,370,841	83,415,829,875	59,572,567,465	100,063,856,462.82
JIGAWA	6,016,310,309	7,337,176,438	7,331,090,317	8,034,221,998	28,919,526,080	15,365,312,316	43,545,282,199.15
KADUNA	63,837,640,657	56,524,160,653	48,329,696,675	59,108,837,545	94,507,635,530	107,438,534,220	156,917,797,183.77
KANO	15,400,294,013	15,513,156,108	42,401,015,116	42,245,793,187	76,373,544,688	84,646,808,303	112,666,568,467.84
KATSINA	13,883,056,846	12,578,695,644	12,031,624,521	14,870,768,839	25,730,116,557	26,902,393,361	51,933,712,433.83
KEBBI	14,995,050,273	10,180,902,445	8,328,868,151	25,195,933,085	72,725,731,168	33,524,801,236	63,398,303,341.46
KOGI	39,592,611,176	20,261,409,269	12,527,905,846	16,781,697,805	48,669,837,286	29,309,603,651	112,491,157,539.05
KWARA	32,269,622,791	36,887,139,033	29,734,901,401	31,689,312,990	42,034,947,152	61,424,214,391	55,825,097,026.24
LAGOS	235,973,015,607	325,849,497,875	428,534,392,664	479,761,989,048	456,843,159,647	908,296,381,712	813,038,116,912.70
NASARAWA	11,246,606,395	12,868,499,605	36,450,176,569	43,564,429,519	51,026,368,656	80,014,606,088	90,647,997,237.25
NIGER	21,463,510,073	22,450,741,343	29,797,100,578	31,553,560,082	30,336,485,120	61,350,660,660	57,461,841,253.18
OGUN	45,226,244,266	61,658,854,773	77,016,252,526	89,948,531,909	96,307,468,763	166,964,784,435	139,490,533,407.73
ONDO	56,347,095,944	44,612,100,385	39,200,596,012	28,803,338,323	36,924,434,881	68,003,934,335	73,965,520,460.96
OSUN	15,269,627,543	48,396,937,966	51,265,456,680	51,223,139,759	159,870,244,721	102,488,596,439	167,873,909,059.25
OYO	17,260,977,876	23,696,531,020	31,901,162,212	26,006,789,586	60,606,888,602	57,907,951,798	157,808,422,135.94
PLATEAU	24,166,807,936	27,541,236,649	56,033,710,512	84,016,024,742	102,217,089,453	140,049,735,255	131,573,804,035.95
RIVERS	89,378,113,970	87,179,446,859	136,360,382,068	99,852,002,534	144,223,822,466	236,212,384,601	211,637,173,396.36
SOKOTO	11,295,972,747	9,484,025,085	12,777,064,582	15,769,844,128	19,933,752,471	28,546,908,710	38,654,308,481.53
TARABA	21,227,356,833	20,295,782,076	17,641,765,437	18,518,078,041	32,170,932,016	36,159,843,478	68,999,532,879.92
YOBE	7,062,219,508	8,873,197,984	6,392,737,219	7,291,887,096	9,876,082,487	13,684,624,316	35,536,982,604.83
ZAMFARA	17,163,374,388	19,869,087,829	33,369,529,811	17,505,512,316	53,169,923,205	50,875,042,126	80,608,486,924.48

Source: Debt Management Office