

Understanding Tinubuonomics

**2024-2026 Draft
MTEF Infographics**

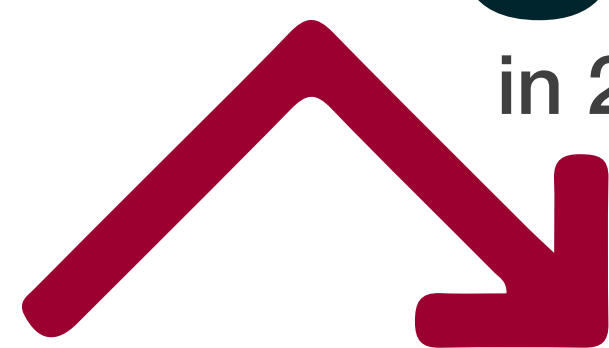
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A graphics analysis of three-year fiscal plan - Medium Term Expenditure (2024-2026)



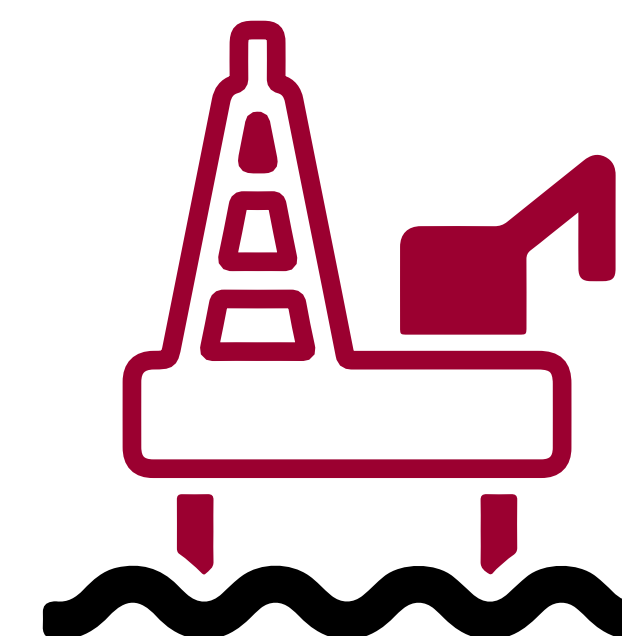
Global growth is projected to fall from

3.5%
in 2022 to **3.0%**
in 2024



Growth in Sub Saharan Africa is expected to slow down to

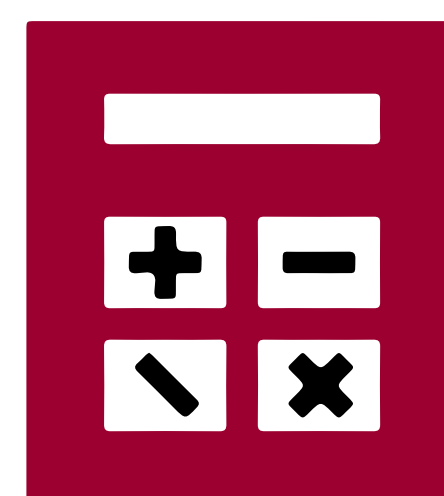
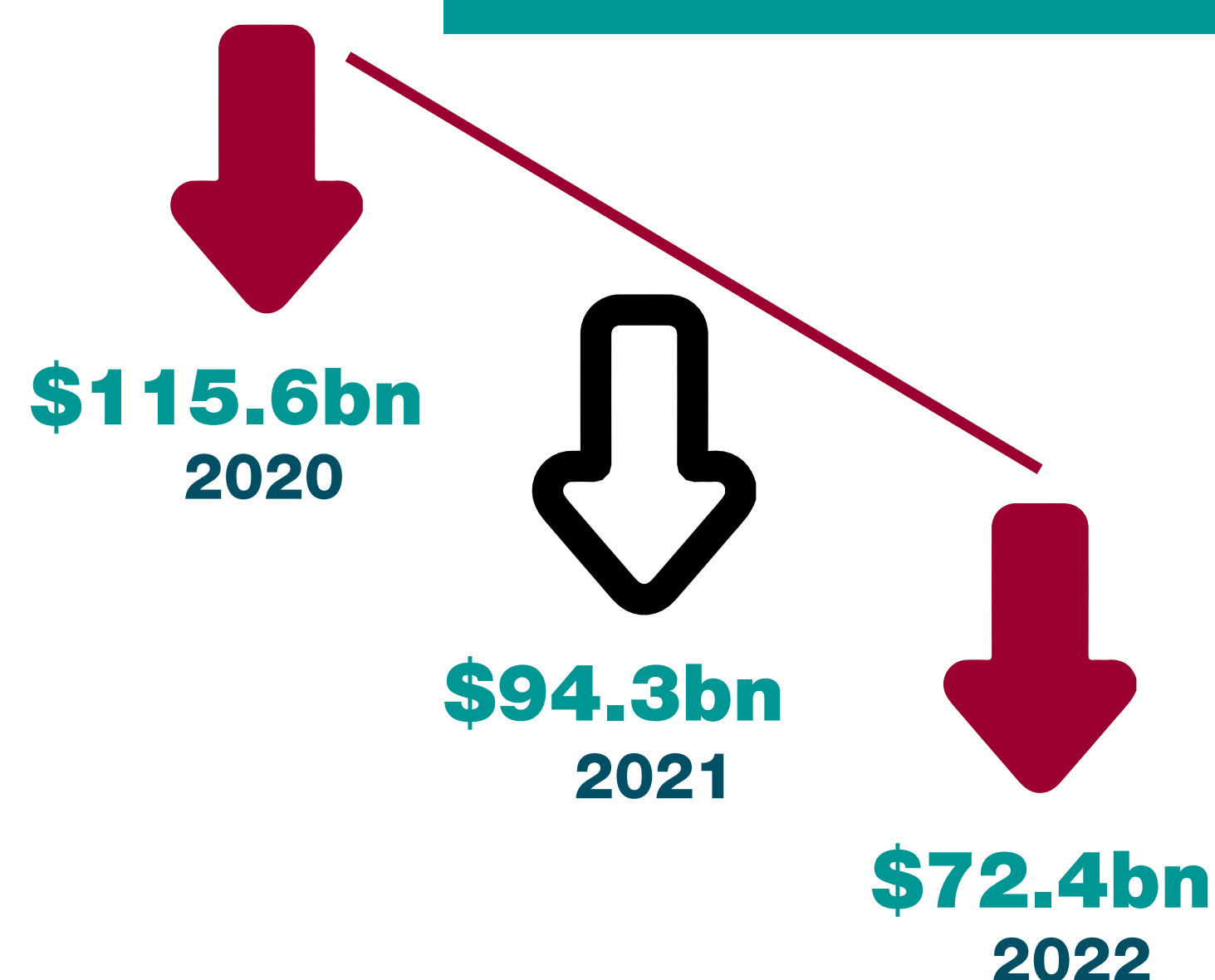
3.2%
in 2023



Q3 2023

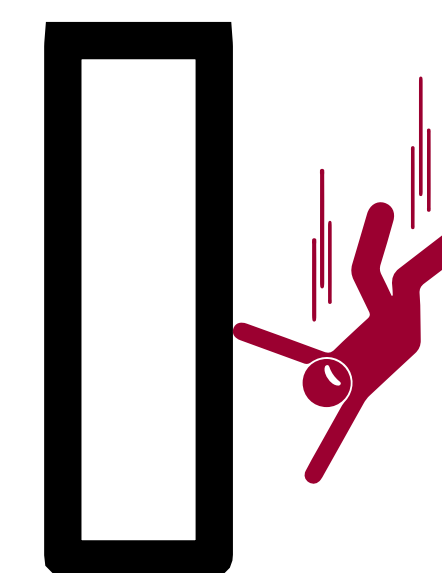
Oil Sector declined by **13.43%**
while non-oil sector grew by **3.58%**

Nigeria's Foreign exchange inflow



Nigeria's tax to GDP ratio was recently revised to

10.86%
from the **5-6%**
estimates



Nigeria's capital importation fell from annual level of

\$16.812bn
in 2018 to a paltry **\$5.32bn**
in 2022

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From recent peak at
2.09mbpd
in 2018, oil production declined to
1.7 mbpd
in 2020 and
1.28 mbpd
in 2022



NNPC deducted
N4.105tn
for PMS subsidy in 2022;
N1.923tn
between January
and May 2023.

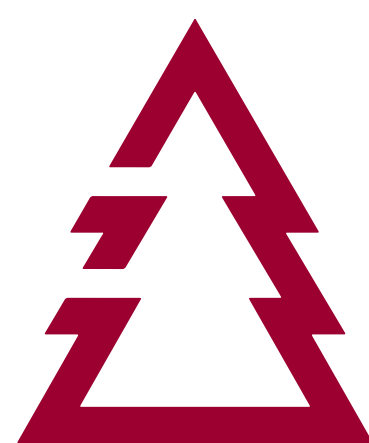


Over 
N2tn
spent by the government
on subsidizing the power
value chain

The Gross Operating
Profits of firms for which
CIT forecast is

9.3tn

for 2024



Consumption expenditure
on which VAT is charged
is expected to hit

N35tn

in 2026, after adjustments



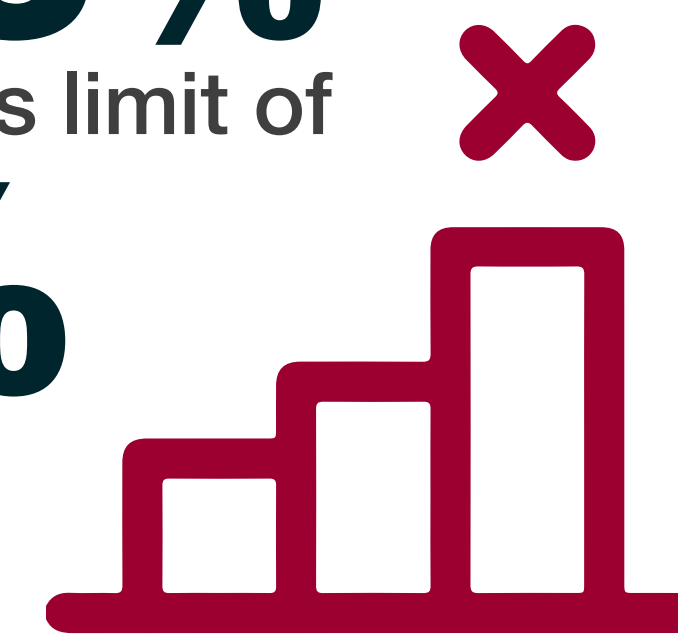
At
N87tn

public debt, Debt-
to-GDP rose to

41.15%

above country's limit of

40%



Sovereign Guarantees to
private sector entities
known as Contingent
Liabilities expected to hit

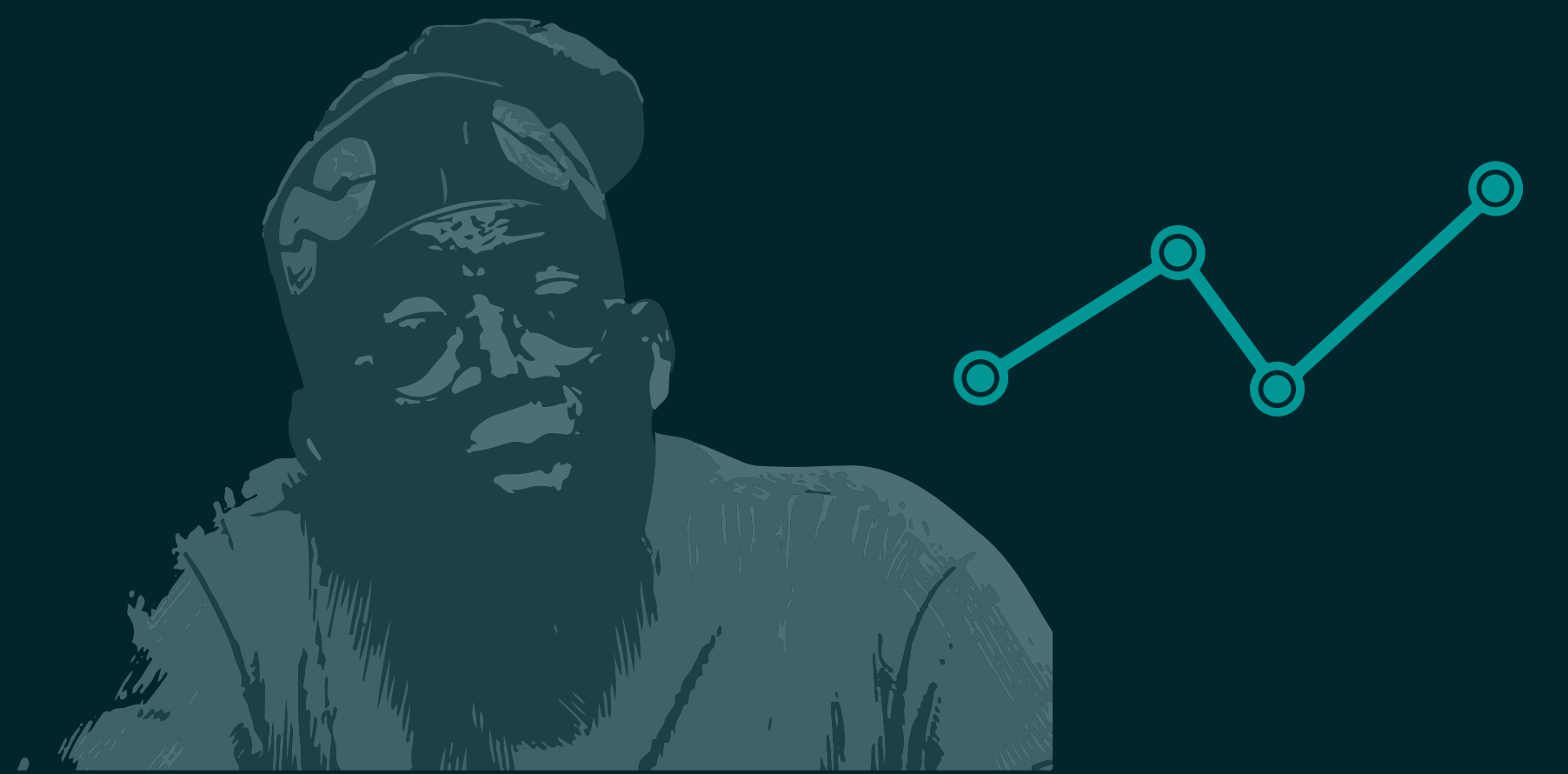
N7tn

by 2025

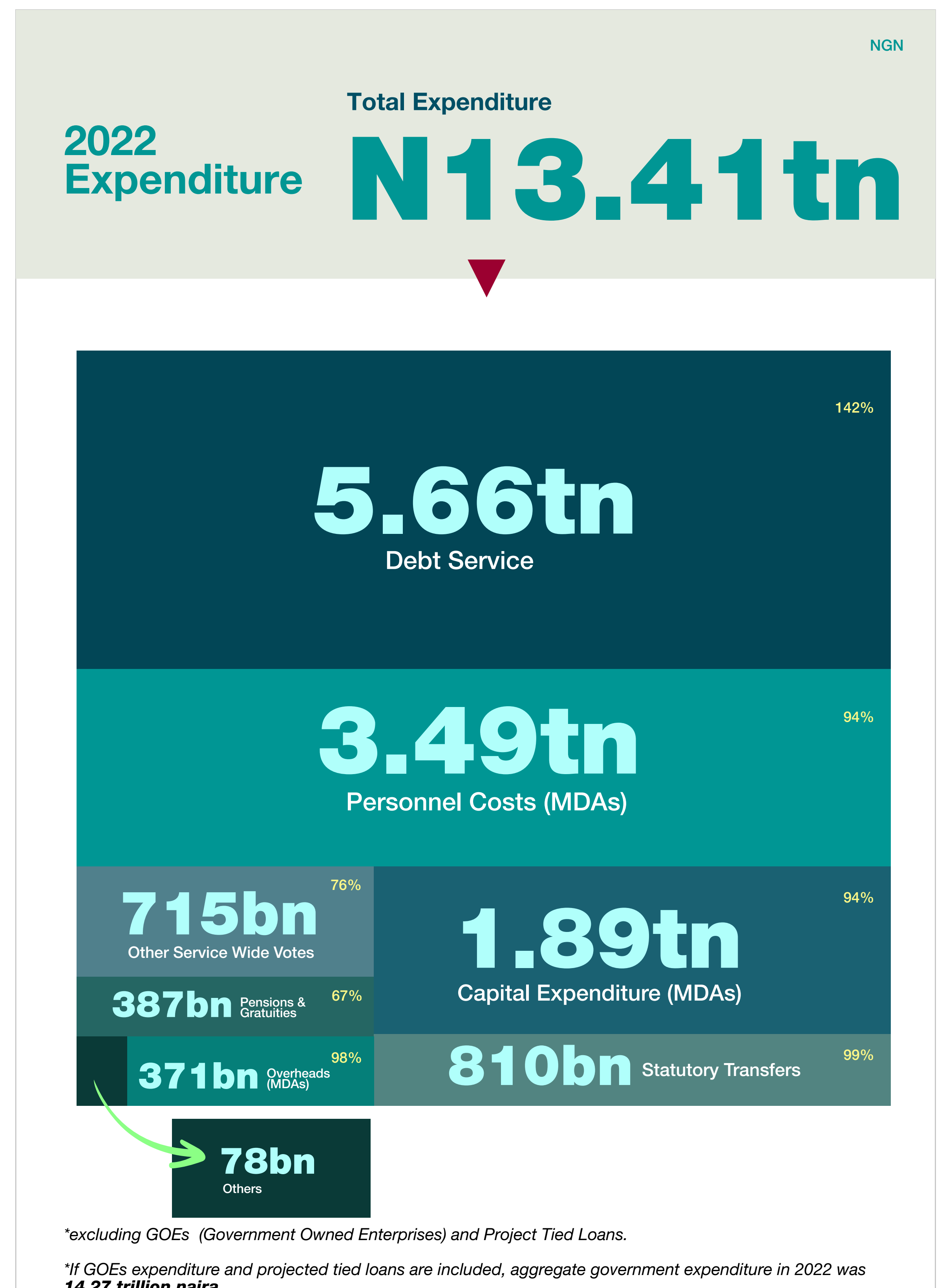
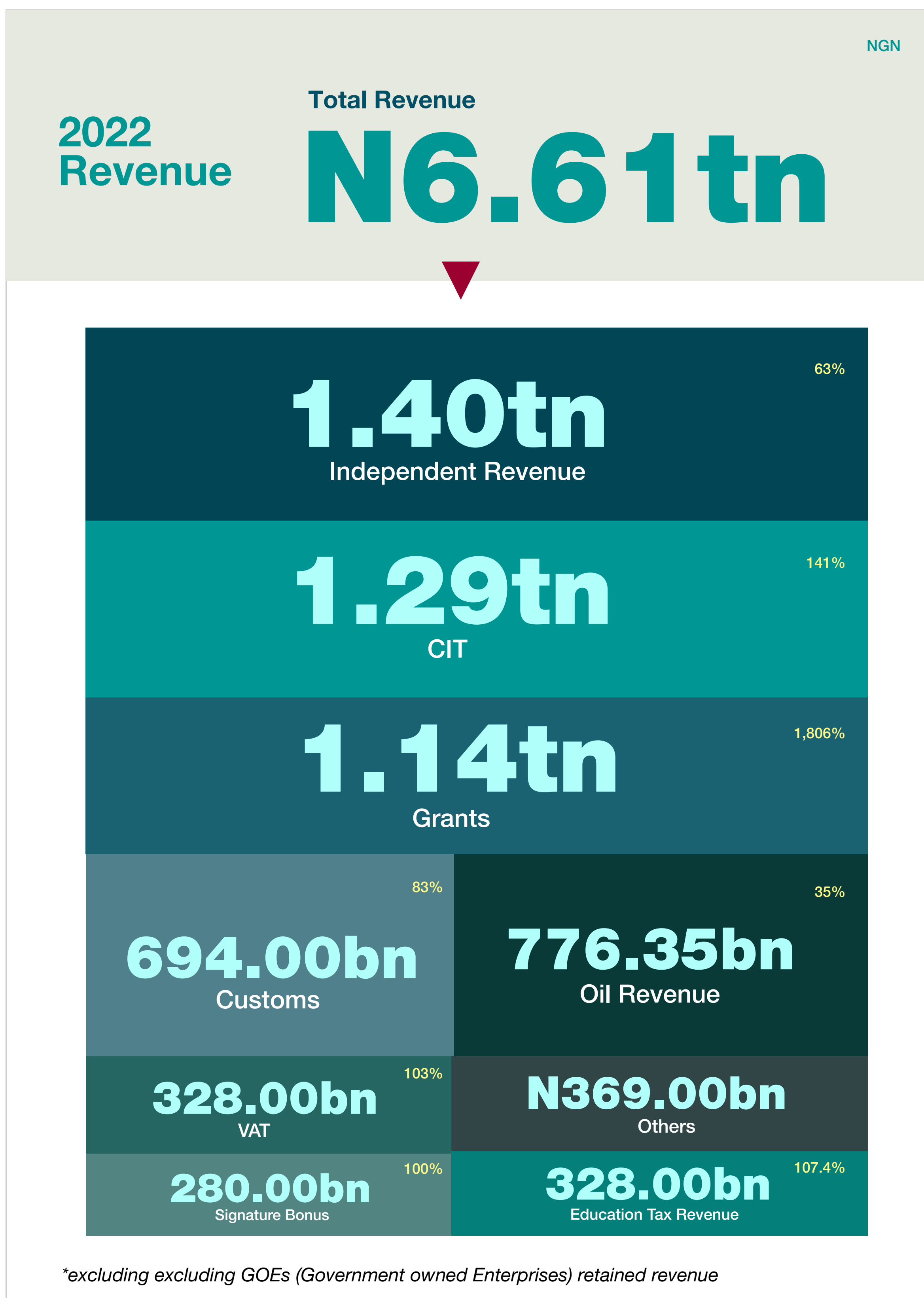


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2022 BUDGET PERFORMANCE



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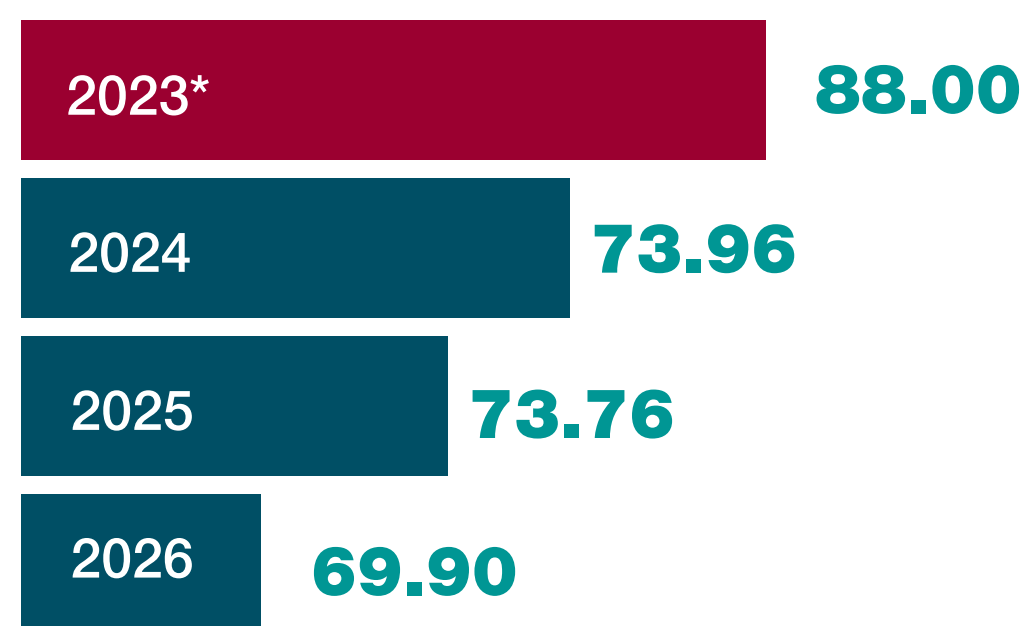


● Actual
● Projected

THE FUNDAMENTALS

Oil Price Benchmark is less than current oil price

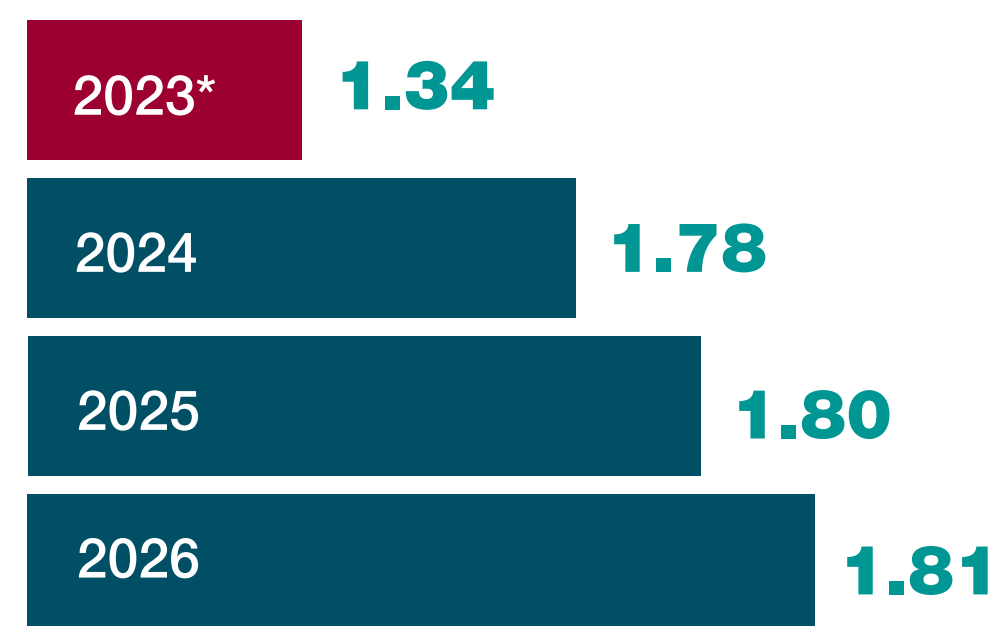
Oil Price Benchmark (US\$/b)



*Brent crude oil price as at October 22, 2023

Projected oil production is above current low levels

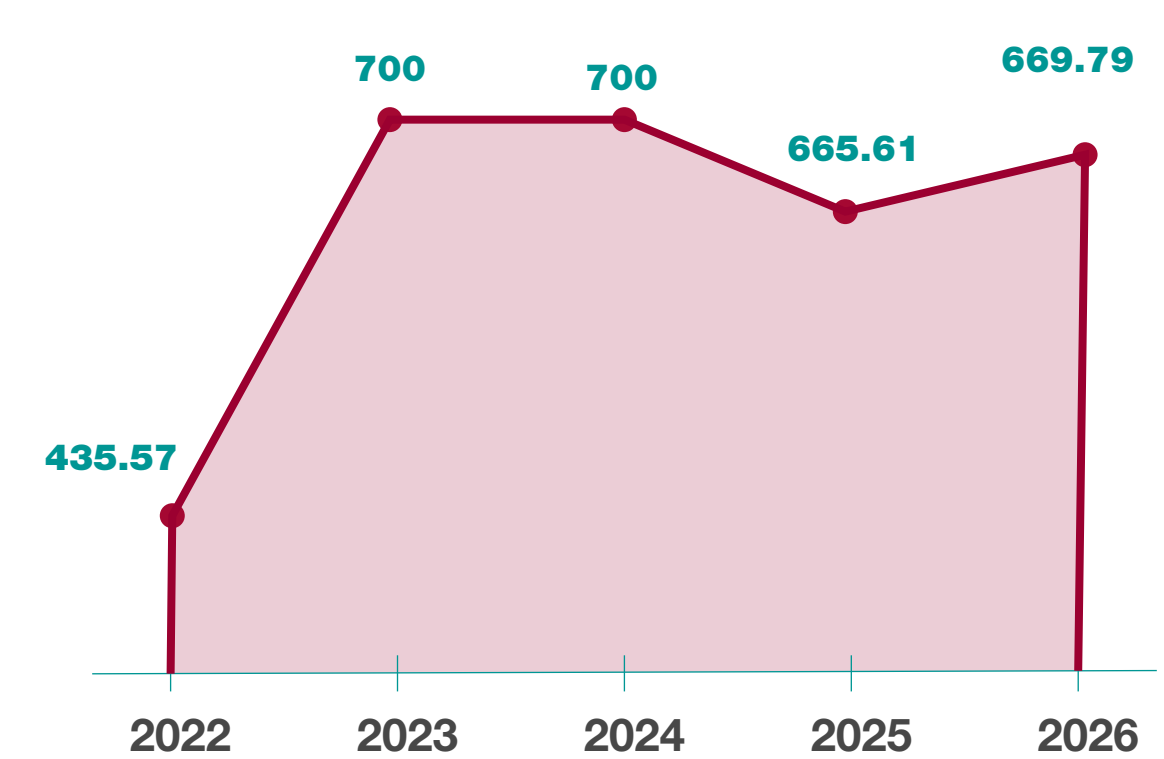
Oil Production (mbpd)



*Oil production as at September 2023

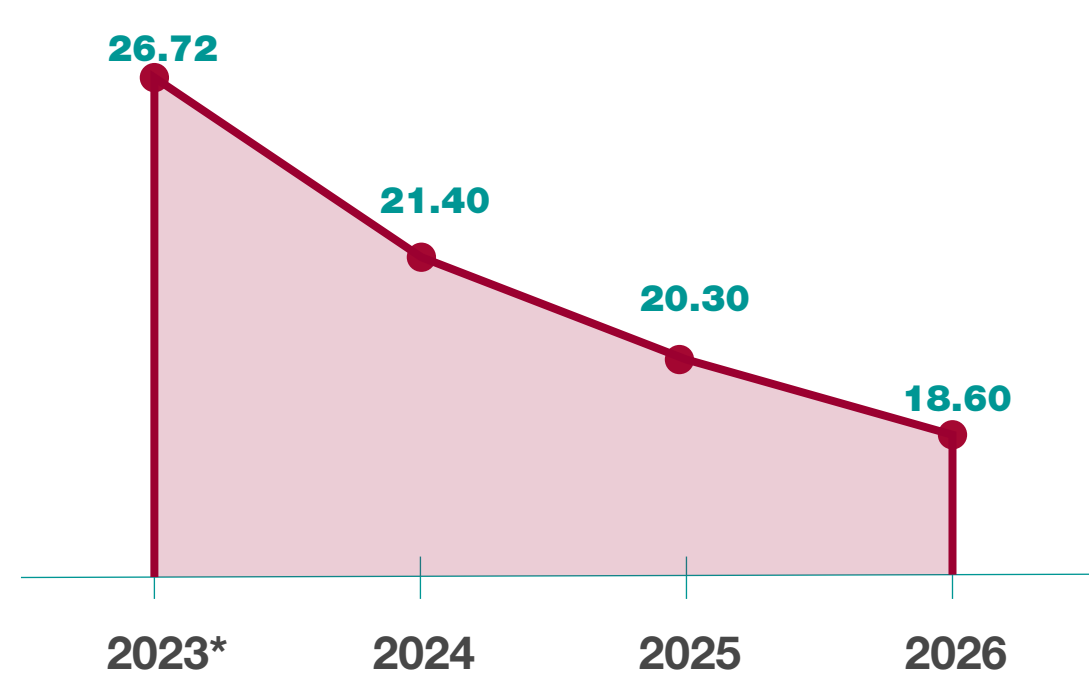
Currency appreciation projected in medium term

Exchange Rate (N/\$)



Inflation is projected to slow down

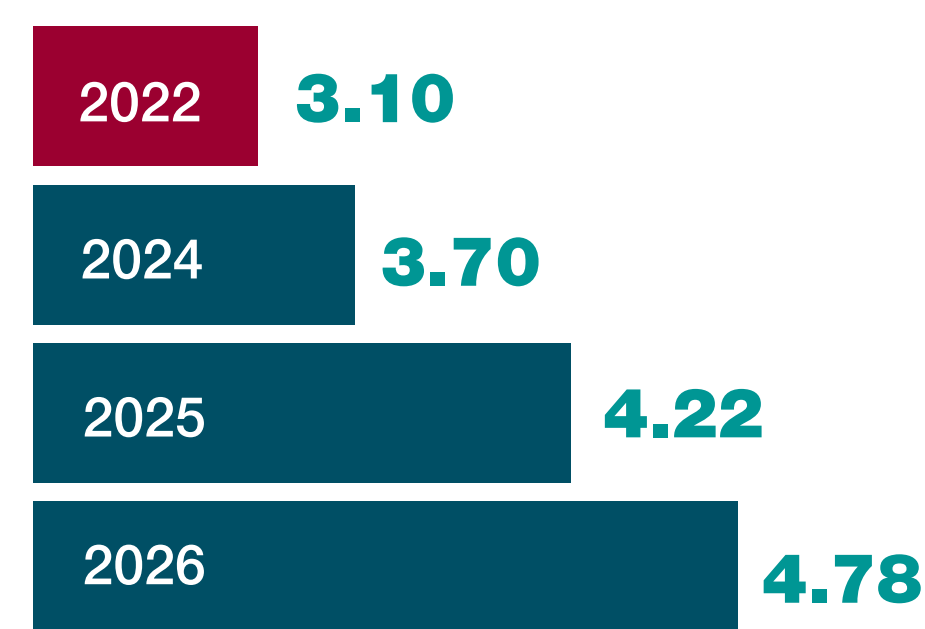
Inflation (%)



*September 2023

GDP is expected to marginally rise

GDP Growth Rate (%)



How does Tinubu promise

10%

annual growth rate in the manifesto & project

4.78%

in MTEF document?



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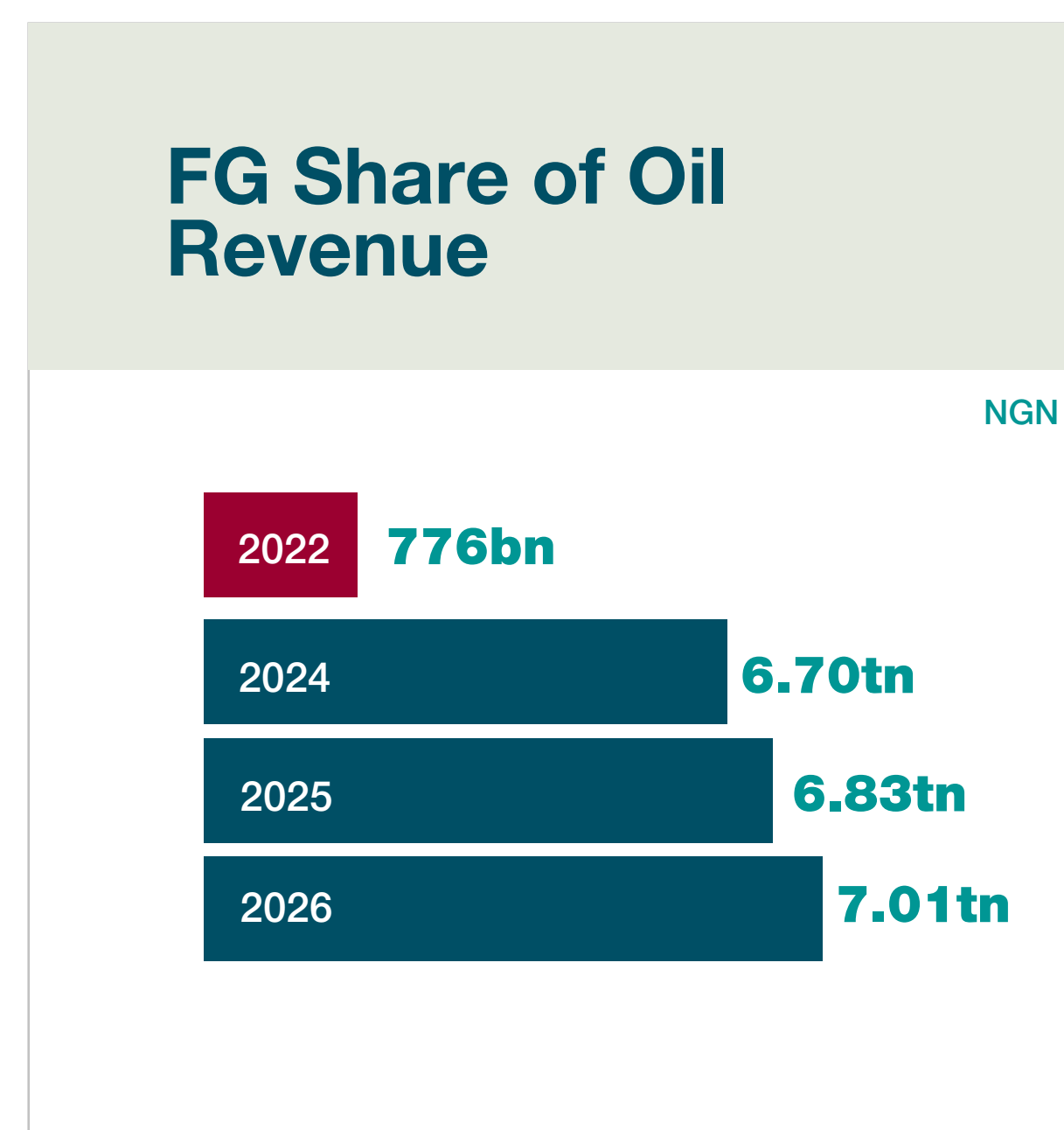
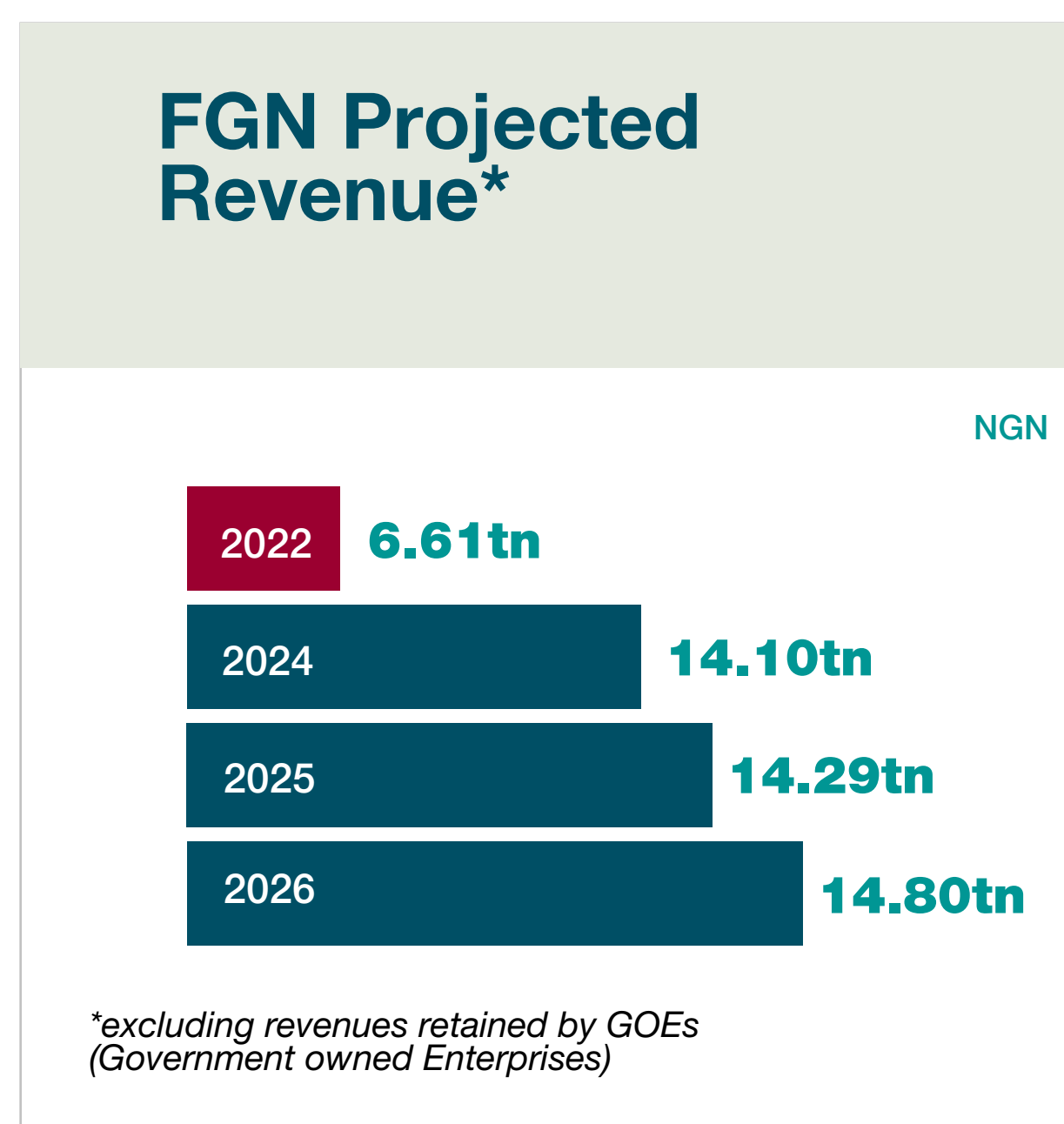
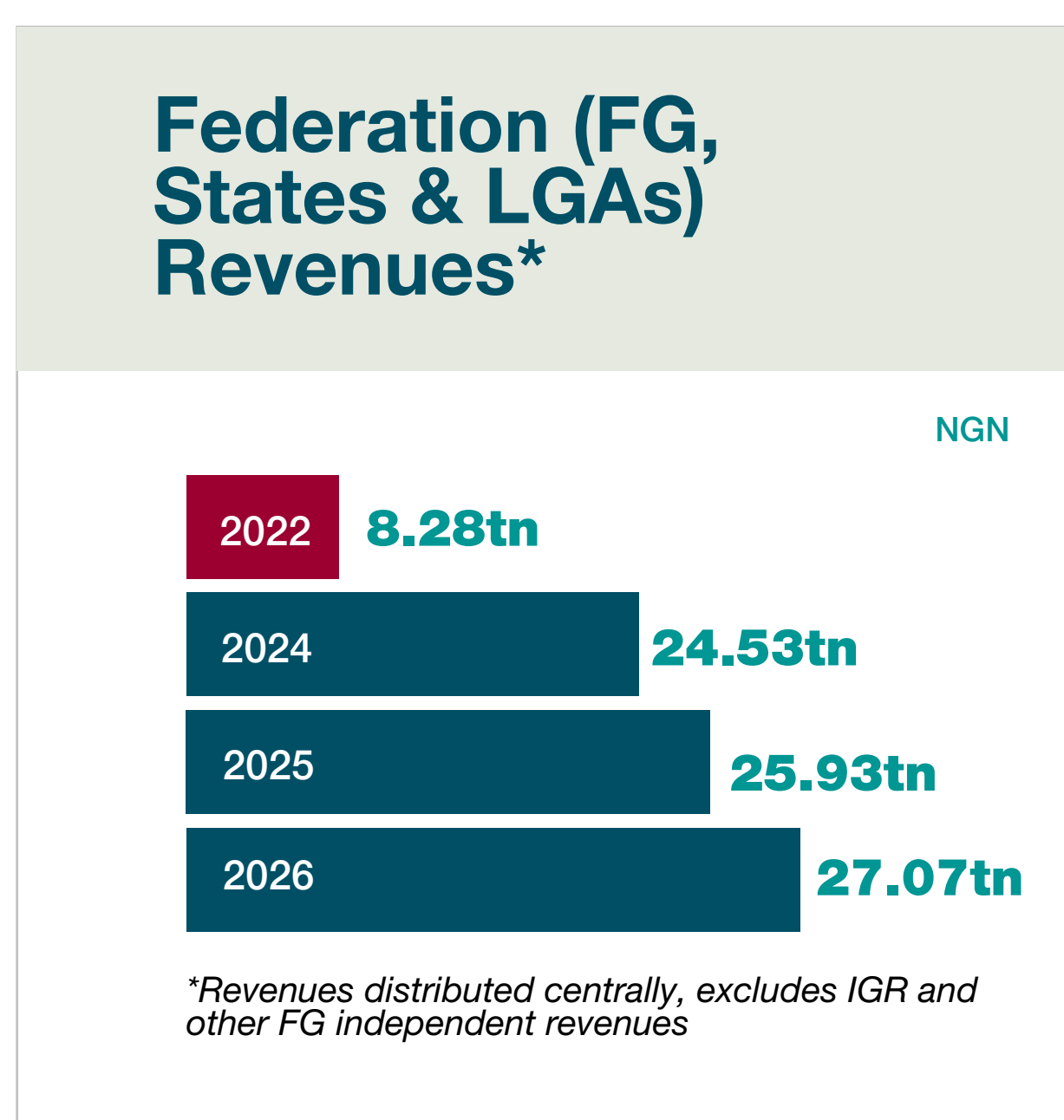
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● Actual
● Projected

REVENUES

Huge Revenue targets compared to recent actual FY figures. Where will the money come from?



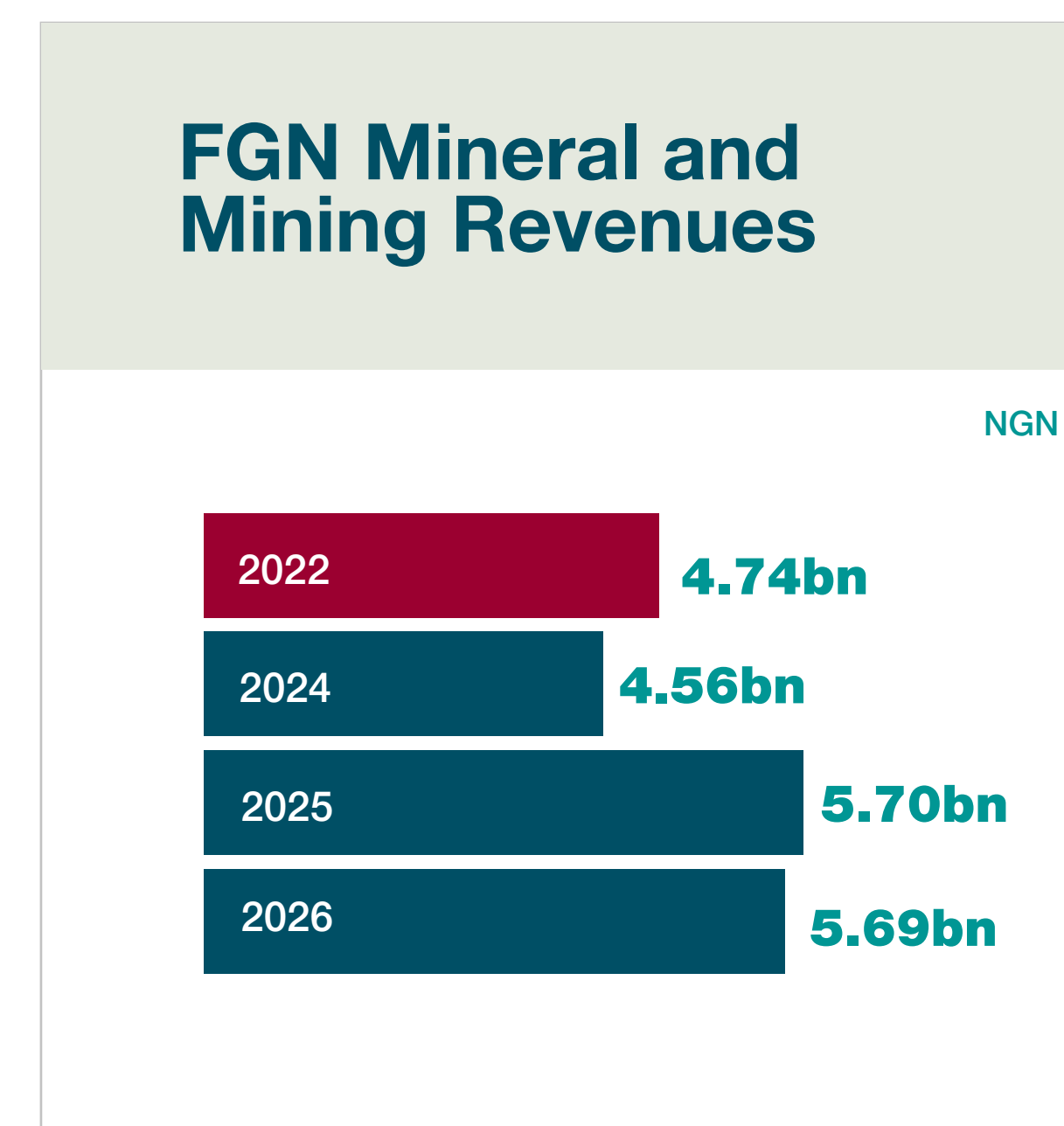
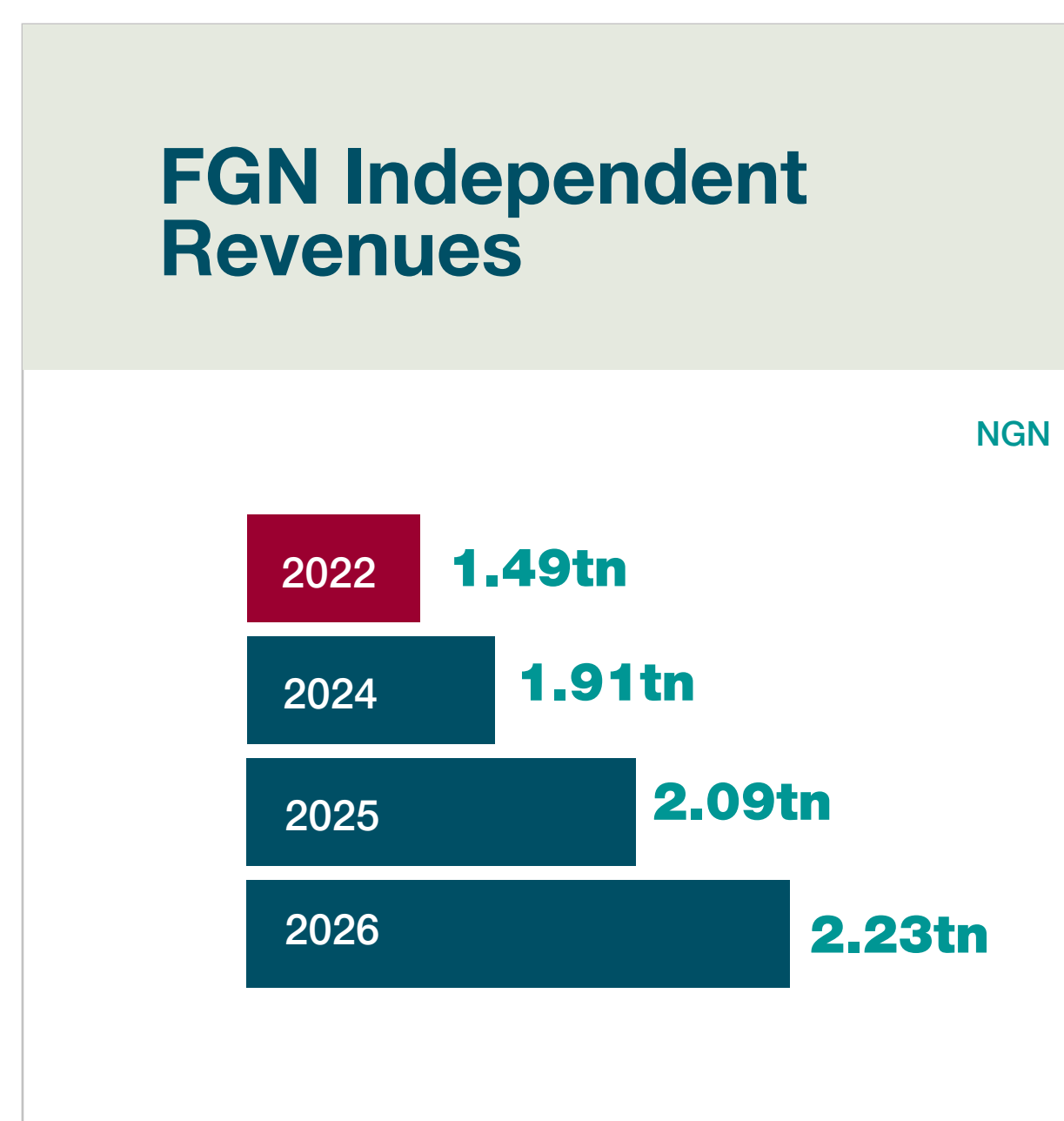
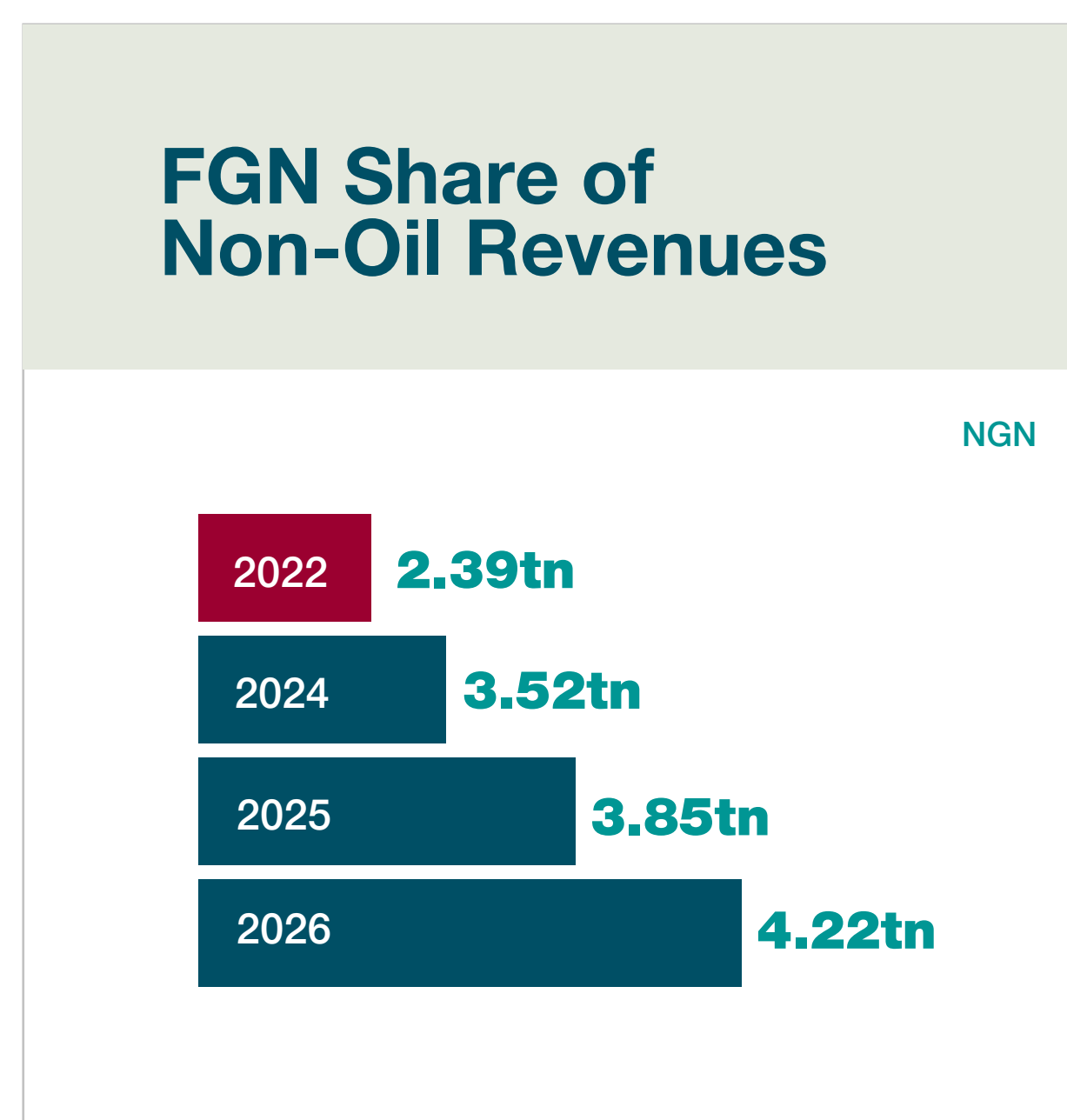
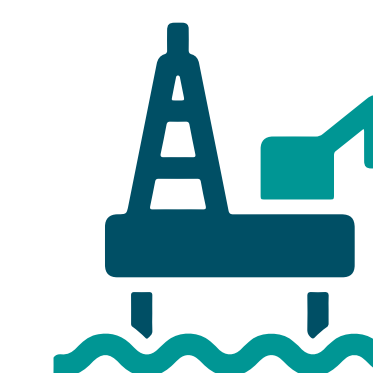
FGN declared more revenues from Grants and Donor Funding

N1.145tn

than Oil revenues

N776bn

in 2022, despite high oil prices



* If revenues retained by GOEs are included, aggregate FGN revenue is projected to be 16.96 trillion naira, 17.3 trillion naira and 17.98 trillion naira in 2024, 2025 and 2026 respectively.

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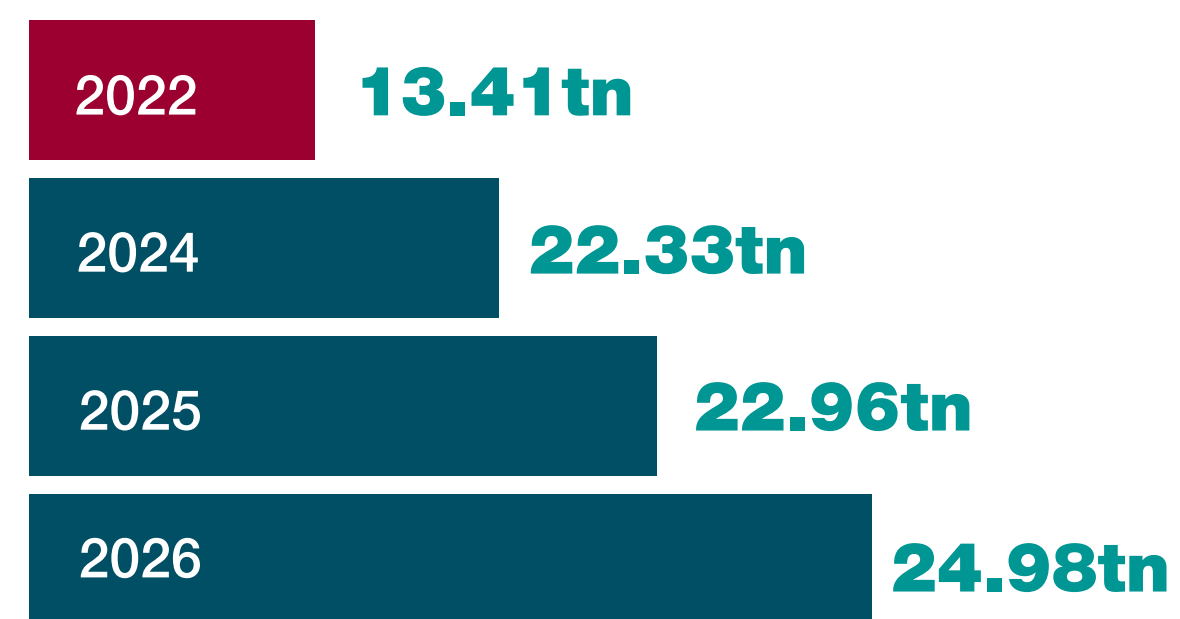


EXPENDITURE

FGN continues to make big plans despite harsh realities of weak revenues and expanding debt

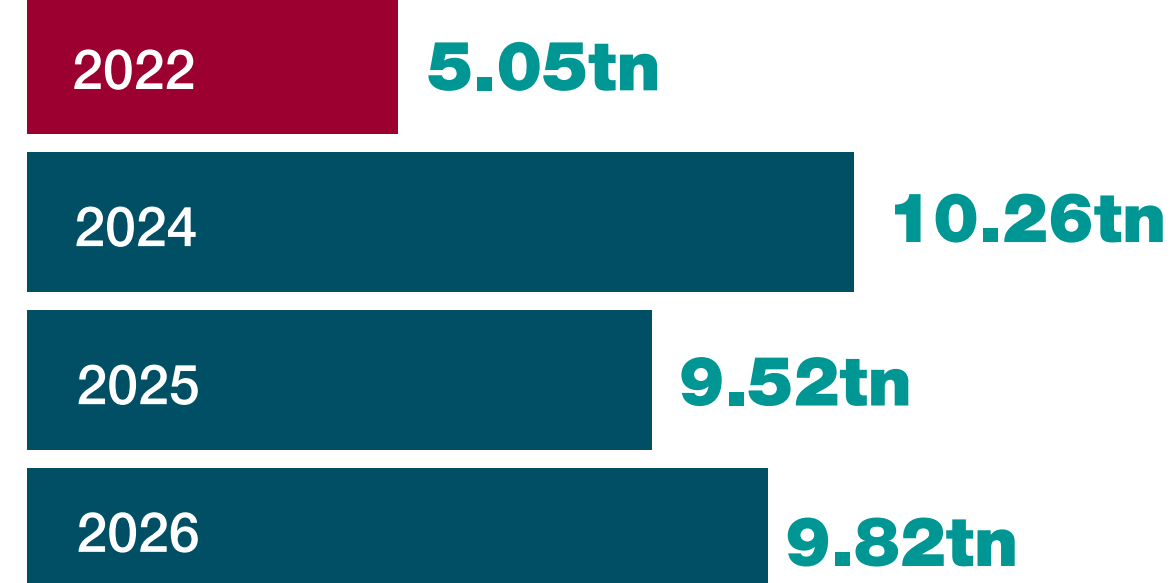
● Actual
● Projected

FGN Expenditure*



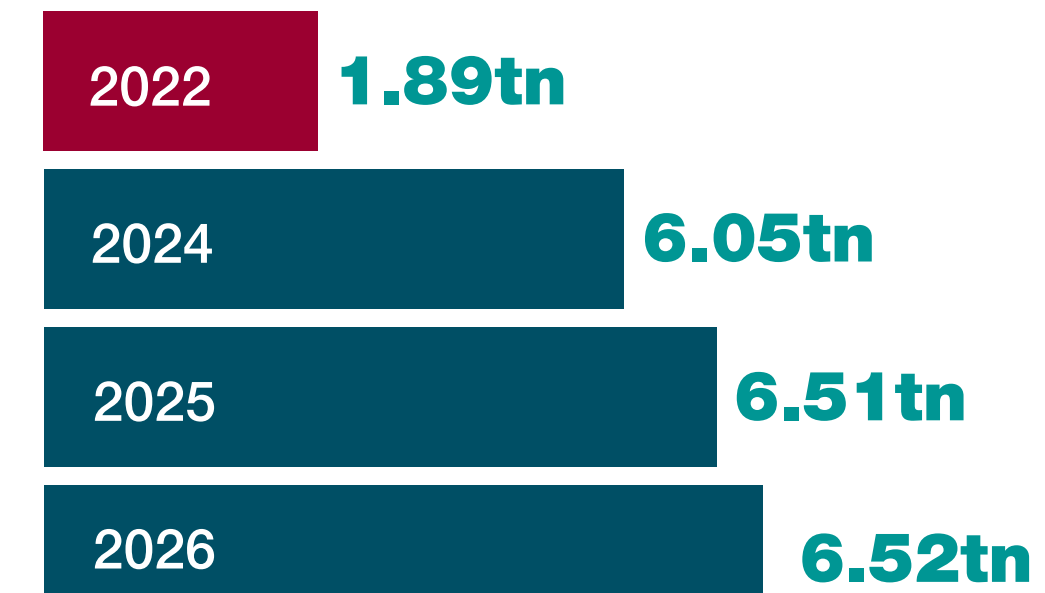
*excluding expenditure by GOEs (Government owned Enterprises) and project tied loans

FGN Recurrent Non-Debt*



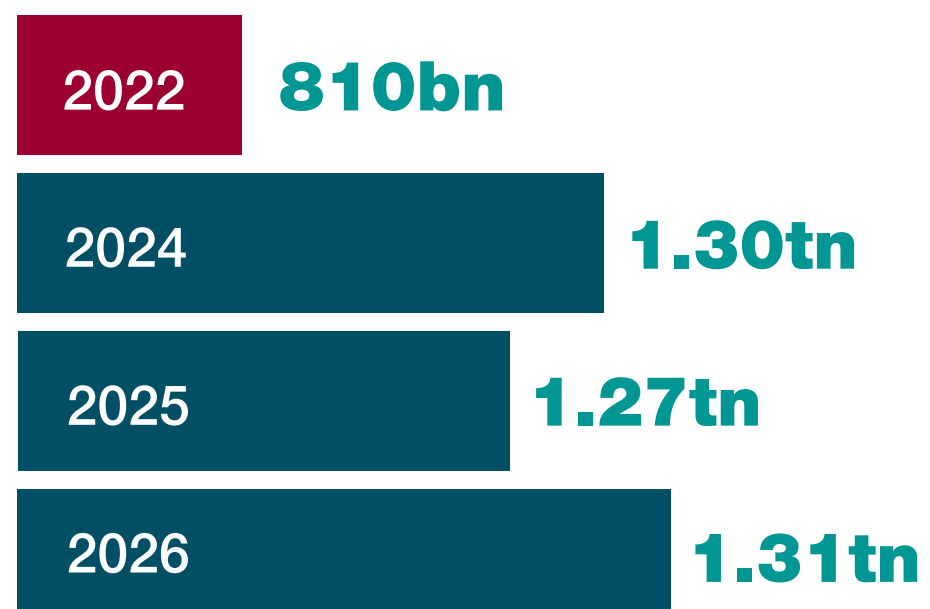
*excluding Government owned Enterprises

FGN Capital Expenditure*



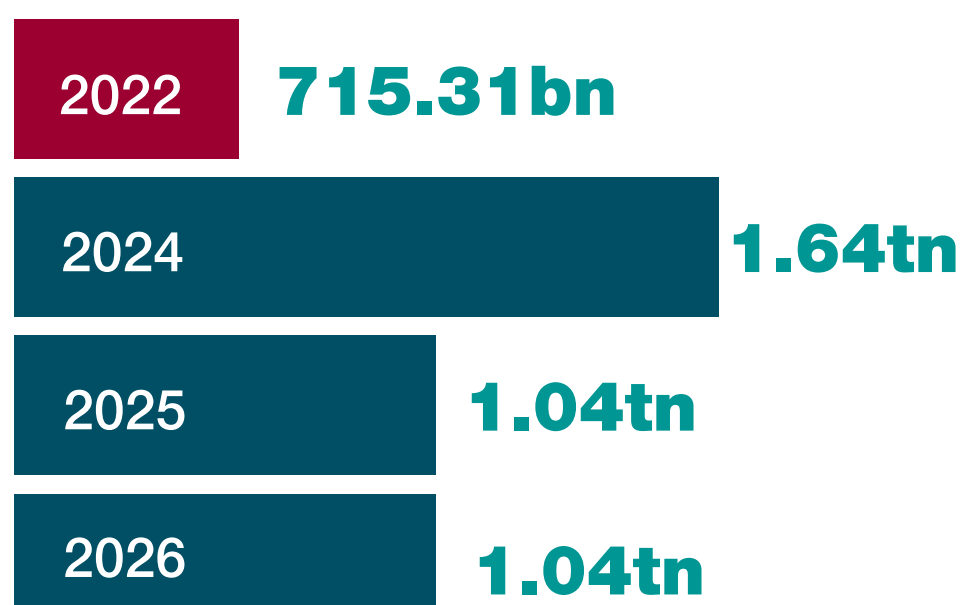
*excluding Government owned Enterprises

FGN Statutory Transfers



A dark hole without accountability - continues to widen over the years

Service Wide Votes



FGN spent

N1.91tn*

on capital expenditure in 2022 while

N11.28tn

was used for recurrent expenditure.



A total of **2.43 trillion Naira** was released for capital expenditure. However, only **1.90 trillion Naira** was utilized as at December 31, 2022.

Source: Budget Implementation Report

* If expenditure by GOEs and project tied loans are included, aggregate FGN expenditure is projected to be 26.01 trillion naira, 27.52 trillion naira and 29.46 trillion naira in 2024, 2025 and 2026 respectively.

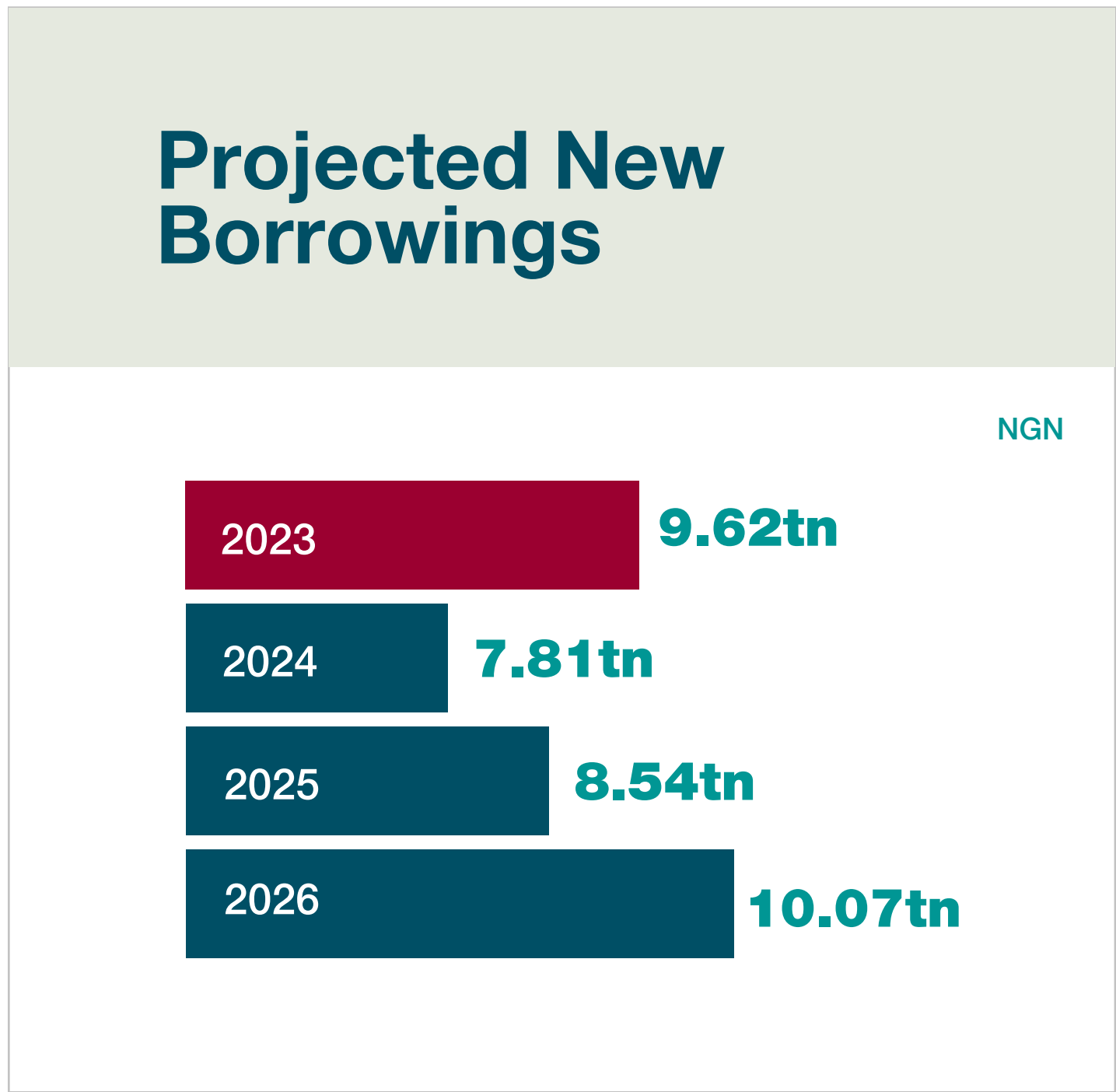
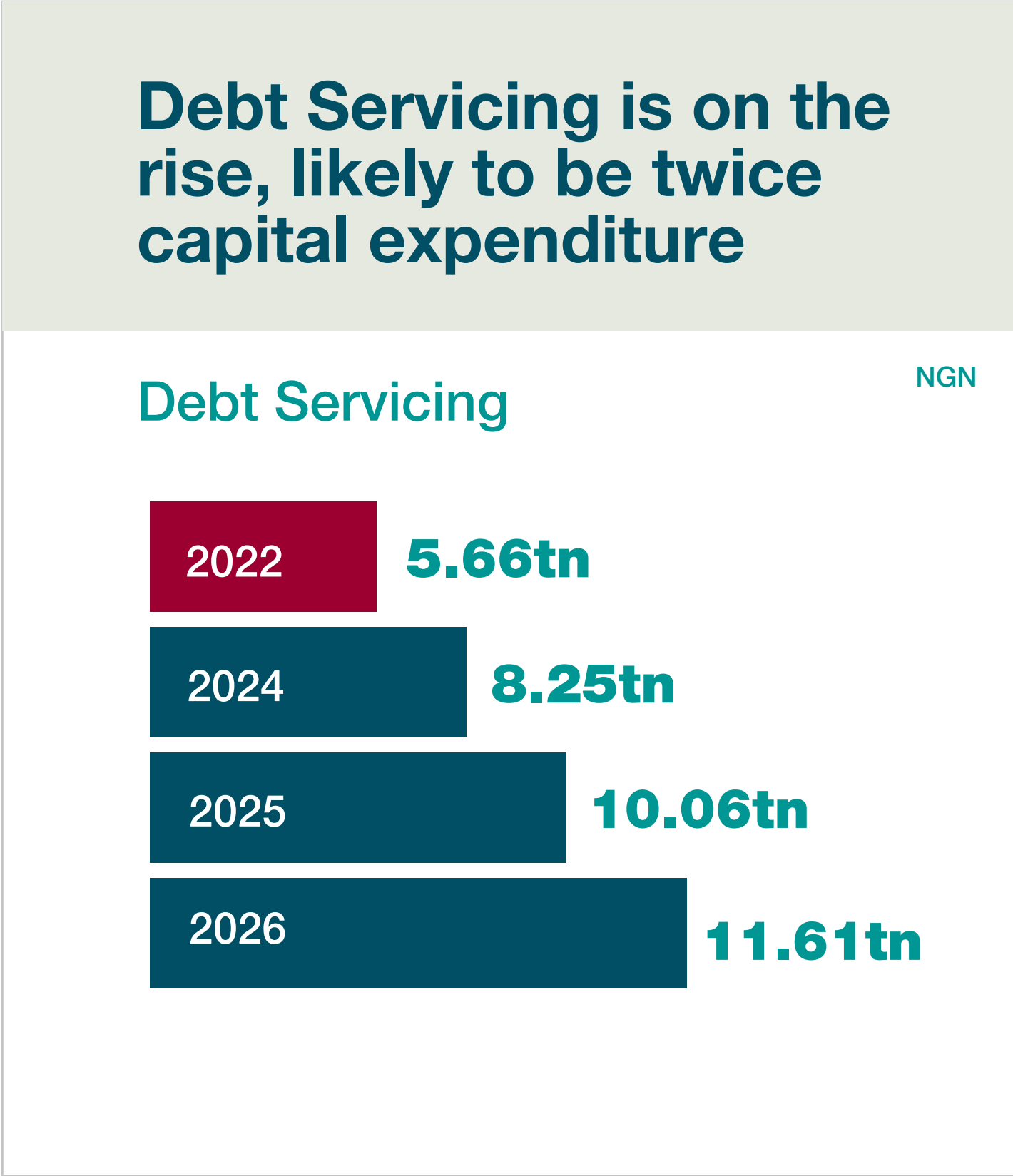
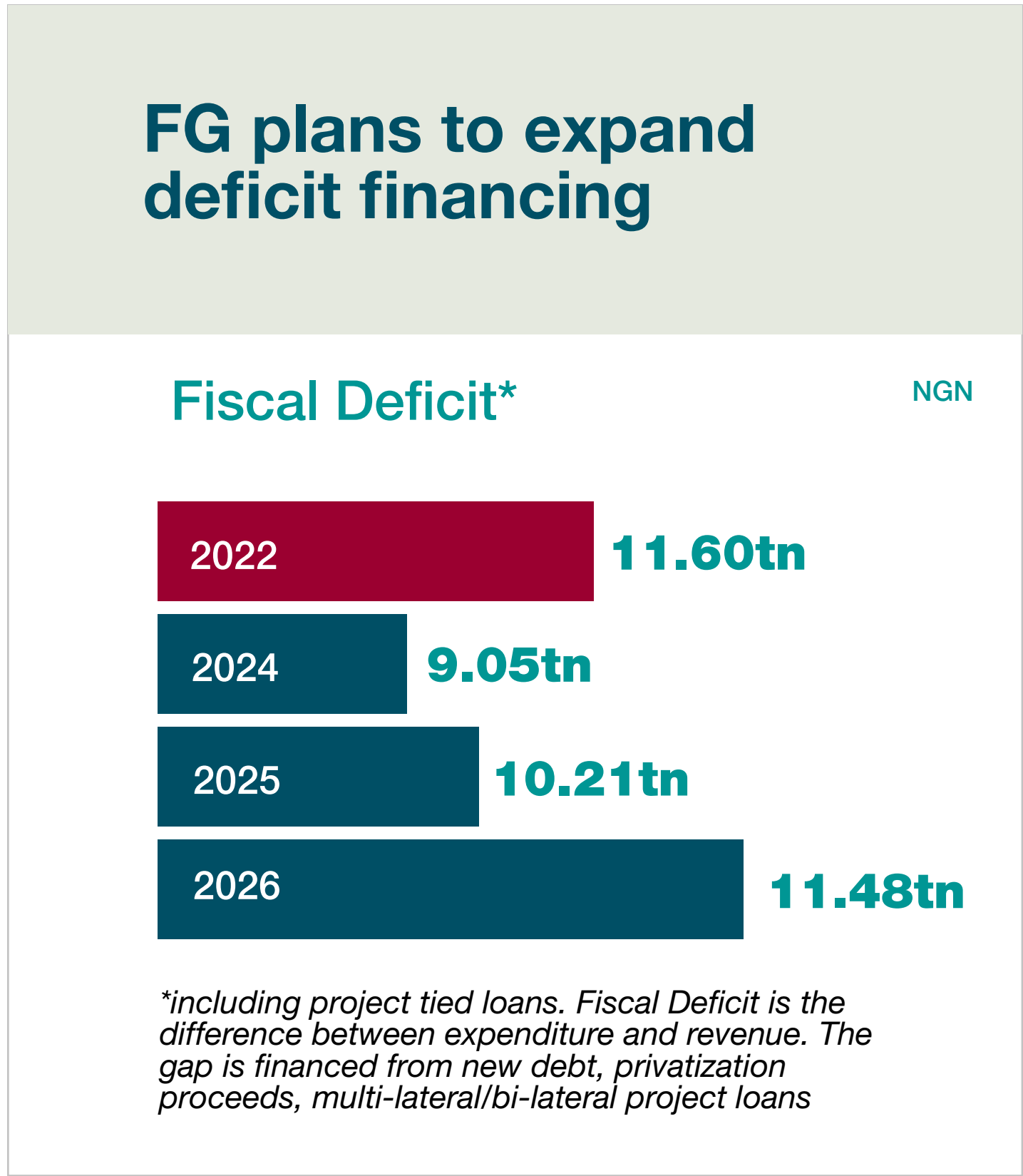
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● Actual
● Projected

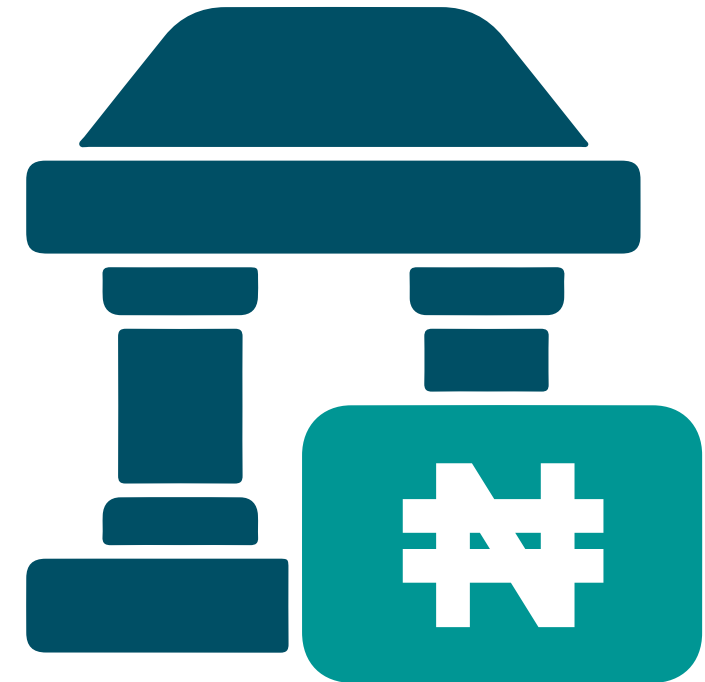
DEBT SERVICING AND FISCAL DEFICIT



FG projects borrowing of

N26.4tn

over the next three years



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TAX EXPENDITURE

Tax Expenditure are forgone taxes in terms of waivers, concessions and benefits to companies or individuals.

