Climate Financing in Nigeria’s Public Budgeting
About BudgIT

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

**Country Director:** Gabriel Okeowo  
**Research Team:** Adejoke Akinbode, Oluwatosin Iseniyi, Deborah Ununu  
**Creative Development:** Michael Pabiekun  
**Editor:** Esther Okoloeze

Contact: info@budgit.org +234-803-727-6668, +234-908-333-1633  
Address: 55, Moleye Street, Sabo, Yaba, Lagos, Nigeria.

©2023 Disclaimer

This document has been produced by BudgIT Foundation to provide information on budgets and public data issues. BudgIT hereby certifies that all the views expressed in this document accurately reflect analytical views we believe are reliable and fact-based. Whilst reasonable care has been taken in preparing this report, no responsibility or liability is accepted for errors or any views expressed herein by BudgIT for actions taken due to information provided in it.
Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary</td>
<td>01</td>
</tr>
<tr>
<td>1. Introduction</td>
<td>03</td>
</tr>
<tr>
<td>2. Expenditure Framework</td>
<td>05</td>
</tr>
<tr>
<td>3. Distribution of Funds among Key Agencies within the Ministry of Environment</td>
<td>07</td>
</tr>
<tr>
<td>4. Three-Year Analysis of the Ministry’s Budgetary Trends</td>
<td>10</td>
</tr>
<tr>
<td>5. Assessment of Climate Change-related Capital Projects</td>
<td>11</td>
</tr>
<tr>
<td>5.1 Capital Projects on Climate Change in 2023</td>
<td>12</td>
</tr>
<tr>
<td>5.1.1 Classification of Capital Projects on Climate Change for 2023</td>
<td>12</td>
</tr>
<tr>
<td>6. Analysing Climate Financing in the Ministry of Power</td>
<td>16</td>
</tr>
<tr>
<td>6.1 National Rural Electrification Agency (NREA)</td>
<td>17</td>
</tr>
<tr>
<td>7. Fostering Collaborative Partnerships for Climate Resilience</td>
<td>18</td>
</tr>
<tr>
<td>8. Conclusion and Recommendations</td>
<td>20</td>
</tr>
<tr>
<td>8.1 Conclusion</td>
<td>20</td>
</tr>
<tr>
<td>8.2 Recommendations</td>
<td>22</td>
</tr>
</tbody>
</table>
## List of Tables

<table>
<thead>
<tr>
<th>Table Number</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2023 Federal Ministry of Environment Budget Breakdown</td>
<td>05</td>
</tr>
<tr>
<td>2</td>
<td>Allocation to the Top Agencies in the Ministry of Environment</td>
<td>08</td>
</tr>
<tr>
<td>3</td>
<td>3-Year Analysis of the Federal Ministry of Environment’s Budget</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>Classification of Capital Projects on Climate Change for 2023</td>
<td>12</td>
</tr>
<tr>
<td>5</td>
<td>Allocation to the Agencies in the Ministry of Power</td>
<td>16</td>
</tr>
</tbody>
</table>
Executive Summary

Nigeria’s Federal Ministry of Environment has allocated N86.44 billion in its 2023 budget in response to the escalating environmental challenges and the urgent need for sustainable development. This significant increase from previous years indicates a purposeful commitment to address critical environmental concerns.

Still, while the allocation demonstrates a commendable increase in funding, there are concerns regarding the resource distribution, particularly the concentration of 61% of the budget at the headquarters. This disproportion raises valid concerns about equitable distribution among the Ministry’s agencies. Disparities in comparison to other Ministries further highlight potential limitations in the effectiveness of specialized agencies, hindering their ability to address targeted environmental issues.

A decentralized allocation strategy is essential to avoid hampering the ability of specialized agencies within the Ministry to implement meaningful strategies. This is particularly crucial in critical areas like biodiversity conservation and climate change adaptation, where centralized approaches risk overlooking opportunities.

The potential consequence of a centralized allocation is a limitation in research strength and a roadblock to achieving measurable outcomes. To address this challenge, it is imperative to advocate for a more balanced funds distribution, which would empower the Ministry of Environment to tackle diverse environmental challenges effectively.

The current allocation of N251.61 billion for capital projects by the Ministry of Power is a significant step toward achieving a more balanced distribution. This allocation, with a notable emphasis on renewable energy projects, underscores the Ministry’s commitment to building a sustainable future. By allocating a substantial portion of funds to renewable energy initiatives, the Ministry recognizes the importance of prioritizing clean and sustainable energy sources. The allocation’s focus on solar projects and rural electrification further highlights Nigeria’s dedication to expanding access to clean energy. By prioritizing solar projects, the country is investing in environmentally friendly energy sources and signals a commitment to reducing reliance on traditional, non-renewable resources. The emphasis on rural electrification underscores the government’s effort to address energy disparities, promoting inclusive economic development across different regions.

Nigeria has an opportunity to prioritize renewable energy sources, align policies, and raise public awareness to emulate exemplary global strategies. The analysis underscores the urgency for Nigeria to address resource allocation challenges within the Federal Ministry of Environment and Ministry of Power. Enhancing distribution, empowering specialized agencies, and aligning budgetary allocations with climate change goals is imperative, and Nigeria’s commitment to renewable energy initiatives reflects a promising step toward a sustainable future. Nigeria can position itself as a global leader in climate resilience and sustainable development by adopting innovative strategies, fostering inclusive policies, and demonstrating unwavering political will.
Nigeria’s Federal Ministry of Environment has allocated N86.44 billion in its 2023 budget in response to the escalating environmental challenges and the urgent need for sustainable development. This significant increase from previous years indicates a purposeful commitment to address critical environmental concerns.

Still, while the allocation demonstrates a commendable increase in funding, there are concerns regarding the resource distribution, particularly the concentration of 61% of the budget at the headquarters. This disproportion raises valid concerns about equitable distribution among the Ministry’s agencies. Disparities in comparison to other Ministries further highlight potential limitations in the effectiveness of specialized agencies, hindering their ability to address targeted environmental issues.

A decentralized allocation strategy is essential to avoid hampering the ability of specialized agencies within the Ministry to implement meaningful strategies. This is particularly crucial in critical areas like biodiversity conservation and climate change adaptation, where centralized approaches risk overlooking opportunities.

The potential consequence of a centralized allocation is a limitation in research strength and a roadblock to achieving measurable outcomes. To address this challenge, it is imperative to advocate for a more balanced funds distribution, which would empower the Ministry of Environment to tackle diverse environmental challenges effectively.

The current allocation of N251.61 billion for capital projects by the Ministry of Power is a significant step toward achieving a more balanced distribution. This allocation, with a notable emphasis on renewable energy projects, underscores the Ministry’s commitment to building a sustainable future. By allocating a substantial portion of funds to renewable energy initiatives, the Ministry recognizes the importance of prioritizing clean and sustainable energy sources.

The allocation’s focus on solar projects and rural electrification further highlights Nigeria’s dedication to expanding access to clean energy. By prioritizing solar projects, the country is investing in environmentally friendly energy sources and signals a commitment to reducing reliance on traditional, non-renewable resources. The emphasis on rural electrification underscores the government’s effort to address energy disparities, promoting inclusive economic development across different regions.

Nigeria has an opportunity to prioritize renewable energy sources, align policies, and raise public awareness to emulate exemplary global strategies. The analysis underscores the urgency for Nigeria to address resource allocation challenges within the Federal Ministry of Environment and Ministry of Power.

Enhancing distribution, empowering specialized agencies, and aligning budgetary allocations with climate change goals is imperative, and Nigeria’s commitment to renewable energy initiatives reflects a promising step toward a sustainable future. Nigeria can position itself as a global leader in climate resilience and sustainable development by adopting innovative strategies, fostering inclusive policies, and demonstrating unwavering political will.
1. Introduction

In an era defined by the urgent need to address environmental challenges and promote sustainable development, funds allocation within government budgets becomes of utmost significance.

The Nigerian Federal Ministry of Environment has demonstrated the need to address these challenges by allocating an impressive N86.44 billion in its 2023 budget, marking a significant increase from the N56.45 billion allocated in 2022 and N46.17 billion in 2021.

A detailed analysis of this allocation reveals a purposeful distribution of resources across diverse categories, underscoring the Ministry’s commitment to achieving a harmonious and sustainable environment.

Yet, within this strategic allocation lies a nuanced challenge—the centralization of resources at the headquarters. Allocating 60% of the total budget to the headquarters raises valid concerns about the equitable distribution of funds among the different agencies within the Ministry.

When compared with the allocation to some other Ministries’ headquarters, such as the Ministries of Education, Agriculture and Health, one will see that the allocation is not centralized, with their headquarters receiving N101.45 billion (9.43%), N144.51 billion (33.84%), and N329.36 billion (30.62%) respectively. This disparity could inadvertently overshadow the vital contributions of other agencies within the Ministry of Environment, potentially hindering their effectiveness in tackling targeted environmental issues.

This allocation approach may impede the specialized agencies’ ability to develop and implement strategies. Such fund concentration might result in missed opportunities for targeted impact on critical areas like biodiversity conservation, pollution mitigation, and climate change adaptation. Inadequate funding can limit research, hinder project implementation, and limit the achievement of measurable outcomes.

Recognizing this concern, a more balanced funds distribution could enhance the Ministry’s capacity to address diverse environmental challenges and encourage a synergistic approach to sustainable development goals.

While acknowledging the significance of a well-resourced headquarters, it is important to ensure that specialized agencies like the National Oil Spill Detection and Response Agency (NOSDRA) and the National Environmental Standards and Regulations Enforcement Agency (NESREA) are adequately funded to fulfill their mandates effectively.

Also, analyzing the Ministry of Power’s 2023 budget, the Ministry allocated N251.61 billion for capital projects. Among these projects, N105 billion was earmarked for renewable energy projects, constituting 40.6% of the total allocation for capital projects. This allocation reflects the Ministry’s dedication to steer a path toward a sustainable, cleaner, and more ecologically conscious future. It also shows a profound implication for energy security because embracing domestically sourced renewable energy paves a path toward energy independence, reducing susceptibility to global energy price fluctuations and geopolitical tensions.

In line with international best practices, it is noteworthy that the Ministry is prioritizing solar projects. The Nigerian Renewable Energy Agency has allocated a substantial 38.46% of its budget toward electrifying rural areas, underlining a commitment to expand access to clean energy, improve the quality of life in underserved communities, and facilitate economic development.

Several countries, like Germany, have showcased exemplary strategies in addressing climate change. The German “Energiewende” illustrates renewable energy transition potentials and efficiency measures. In Nigeria’s case, there is an opportunity to prioritize renewable energy sources and promote public awareness through policy reforms and innovative campaigns.

This analysis sets out to identify the critical need for Nigeria to urgently address the lack of awareness among citizens while also realigning budget allocations with its energy transition and climate change goals. Nigeria can position itself as a leader in global climate efforts by adopting innovation, fostering inclusivity, and demonstrating strong political will. This commitment safeguards the environment and sets the stage for economic growth and social development.
In an era defined by the urgent need to address environmental challenges and promote sustainable development, funds allocation within government budgets becomes of utmost significance.

The Nigerian Federal Ministry of Environment has demonstrated the need to address these challenges by allocating an impressive N86.44 billion in its 2023 budget, marking a significant increase from the N56.45 billion allocated in 2022 and N46.17 billion in 2021.

A detailed analysis of this allocation reveals a purposeful distribution of resources across diverse categories, underscoring the Ministry's commitment to achieving a harmonious and sustainable environment.

Yet, within this strategic allocation lies a nuanced challenge—the centralization of resources at the headquarters. Allocating 60% of the total budget to the headquarters raises valid concerns about the equitable distribution of funds among the different agencies within the Ministry. When compared with the allocation to some other Ministries' headquarters, such as the Ministries of Education, Agriculture and Health, one will see that the allocation is not centralized, with their headquarters receiving N101.45 billion (9.43%), N144.51 billion (33.84%), and N329.36 billion (30.62%) respectively. This disparity could inadvertently overshadow the vital contributions of other agencies within the Ministry of Environment, potentially hindering their effectiveness in tackling targeted environmental issues.

This allocation approach may impede the specialized agencies' ability to develop and implement strategies. Such fund concentration might result in missed opportunities for targeted impact on critical areas like biodiversity conservation, pollution mitigation, and climate change adaptation. Inadequate funding can limit research, hinder project implementation, and limit the achievement of measurable outcomes.

Recognizing this concern, a more balanced funds distribution could enhance the Ministry's capacity to address diverse environmental challenges and encourage a synergistic approach to sustainable development goals.

While acknowledging the significance of a well-resourced headquarters, it is important to ensure that specialized agencies like the National Oil Spill Detection and Response Agency (NOSDRA) and the National Environmental Standards and Regulations Enforcement Agency (NESREA) are adequately funded to fulfill their mandates effectively.

Also, analyzing the Ministry of Power’s 2023 budget, the Ministry allocated N251.61 billion for capital projects. Among these projects, N105 billion was earmarked for renewable energy projects, constituting 40.6% of the total allocation for capital projects.

This allocation reflects the Ministry's dedication to steer a path toward a sustainable, cleaner, and more ecologically conscious future. It also shows a profound implication for energy security because embracing domestically sourced renewable energy paves a path toward energy independence, reducing susceptibility to global energy price fluctuations and geopolitical tensions.

In line with international best practices, it is noteworthy that the Ministry is prioritizing solar projects. The Nigerian Renewable Energy Agency has allocated a substantial 38.46% of its budget toward electrifying rural areas, underlining a commitment to expand access to clean energy, improve the quality of life in underserved communities, and facilitate economic development.

Several countries, like Germany, have showcased exemplary strategies in addressing climate change. The German “Energiewende” illustrates renewable energy transition potentials and efficiency measures. In Nigeria’s case, there is an opportunity to prioritize renewable energy sources and promote public awareness through policy reforms and innovative campaigns.

This analysis sets out to identify the critical need for Nigeria to urgently address the lack of awareness among citizens while also realigning budget allocations with its energy transition and climate change goals. Nigeria can position itself as a leader in global climate efforts by adopting innovation, fostering inclusivity, and demonstrating strong political will. This commitment safeguards the environment and sets the stage for economic growth and social development.

1. https://www.brookings.edu/articles/germany-is-becoming-ground-zero-for-the-challenges-of-deep-decarbonization/
2. Expenditure Framework

The 2023 budget allocation to the Federal Ministry of Environment amounted to N86.44 billion. An analysis of this allocation reveals a deliberate distribution of funds across various categories to effectively address environmental challenges and advance the principles of sustainable development. The strategic distribution of funds across personnel, overhead, recurrent, and capital expenditures distinctly underscores the Ministry’s commitment to fostering a balanced and sustainable environment. As the Ministry endeavors to fulfill its responsibilities, these allocations play a pivotal role in shaping the nation’s future of environmental preservation and management.

Taking a critical look at the breakdown of the total allocation made to the Ministry, capital expenditure received the highest allocation of N60 billion (69.44%), while recurrent, personnel, and overhead expenditures got N26.42 billion (30.56%), N23.7 billion (27.42%) and N2.72 billion (3.15%) respectively.

<table>
<thead>
<tr>
<th>MDA</th>
<th>Personnel (N)</th>
<th>Overhead (N)</th>
<th>Recurrent (N)</th>
<th>Capital (N)</th>
<th>Total Allocation (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Ministry of Environment</td>
<td>23,697,979,364</td>
<td>2,719,108,202</td>
<td>26,417,087,566</td>
<td>60,023,210,084</td>
<td>86,440,297,650</td>
</tr>
<tr>
<td>% of Total Allocation</td>
<td>27.42%</td>
<td>3.15%</td>
<td>30.56%</td>
<td>69.44%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
3. Distribution of Funds among Key Agencies within the Ministry of Environment

The table below shows the allocation distributions by top Federal Ministry of Environment agencies. The Federal Ministry of Environment headquarters received the highest allocation of N52bn, 61% of the total allocation to the Ministry, while the remaining 21 agencies under it shared 39% of the total allocation.
Table 2: Allocation to the Top Agencies in the Ministry of Environment

<table>
<thead>
<tr>
<th>RANKING</th>
<th>MDA</th>
<th>PERSONNEL (N)</th>
<th>OVERHEAD (N)</th>
<th>CAPITAL (N)</th>
<th>TOTAL ALLOCATION (N)</th>
<th>% Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Federal Ministry of Environment Headquarters</td>
<td>2,567,288,413</td>
<td>616,271,326</td>
<td>49,790,051,724</td>
<td>52,973,611,463</td>
<td>61.26%</td>
</tr>
<tr>
<td>2</td>
<td>National Environmental Standards and Regulations Enforcement Agency</td>
<td>4,703,051,626</td>
<td>190,509,210</td>
<td>133,643,016</td>
<td>5,027,203,852</td>
<td>5.81%</td>
</tr>
<tr>
<td>3</td>
<td>National Agency for Great Green Wall Hqtrs</td>
<td>526,223,760</td>
<td>78,958,594</td>
<td>4,095,660,562</td>
<td>4,700,842,916</td>
<td>5.44%</td>
</tr>
<tr>
<td>4</td>
<td>Forestry Research Institute of Ibadan</td>
<td>3,598,667,918</td>
<td>267,214,890</td>
<td>749,450,377</td>
<td>4,615,333,185</td>
<td>5.34%</td>
</tr>
<tr>
<td>5</td>
<td>National Oil Spill Detection And Response Agency</td>
<td>3,069,329,918</td>
<td>191,397,110</td>
<td>123,211,321</td>
<td>3,383,938,349</td>
<td>3.91%</td>
</tr>
<tr>
<td>6</td>
<td>Federal College of Forestry Ibadan</td>
<td>1,100,780,593</td>
<td>74,562,384</td>
<td>1,368,438,749</td>
<td>2,543,781,726</td>
<td>2.94%</td>
</tr>
<tr>
<td>7</td>
<td>Environmental Health Registration Council of Nigeria</td>
<td>1,333,486,881</td>
<td>170,842,531</td>
<td>510,203,896</td>
<td>2,014,533,308</td>
<td>2.33%</td>
</tr>
<tr>
<td>8</td>
<td>National Biosafety Management Agency (NBMA) Hqtrs</td>
<td>705,699,415</td>
<td>63,333,408</td>
<td>1,216,005,923</td>
<td>1,985,038,746</td>
<td>2.30%</td>
</tr>
<tr>
<td>9</td>
<td>National Park Headquarters</td>
<td>268,278,727</td>
<td>192,799,940</td>
<td>694,058,379</td>
<td>1,155,137,046</td>
<td>1.34%</td>
</tr>
<tr>
<td>10</td>
<td>Federal College of Forestry Jos</td>
<td>723,627,578</td>
<td>74,562,384</td>
<td>128,157,953</td>
<td>926,347,915</td>
<td>1.07%</td>
</tr>
</tbody>
</table>
Taking a closer look at the allocation proportions, with more concentration on the headquarters, leaves room for concern in the approach and raises valid concerns regarding the distribution of resources across the Ministry’s entities. Allocating a substantial majority of the budget to a single entity might inadvertently overshadow the pivotal contributions of the remaining agencies within the Ministry.

With these agencies being allotted only 40% of the total budget to share amongst themselves, it is possible that some agencies or vital programs may be inadequately funded, hindering their effectiveness in addressing select environmental issues.

Recognizing that these agencies, each equipped with specific expertise, are well-positioned to tackle distinct environmental issues and that the disproportionate allocation could hinder an agency’s ability to develop and execute focused strategies. Such an allocation strategy could lead to missed opportunities for select impact in areas like biodiversity conservation, pollution mitigation, and climate change adaptation.

Also, a limited budget allocation can limit their capacity to conduct research, execute projects, and deliver measurable outcomes.
4. Three-Year Analysis of the Ministry’s Budgetary Trends

The table below illustrates a 3-year allocation to the Federal Ministry of Environment along with its distribution. A critical allocation analysis evidently shows a significant trajectory over the past three years. This clearly reflects the government’s commitment to environmental sustainability and protection.

<table>
<thead>
<tr>
<th>Year</th>
<th>Personnel (N)</th>
<th>Overhead (N)</th>
<th>Recurrent (N)</th>
<th>Capital (N)</th>
<th>Total Allocation (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>19,429,061,560</td>
<td>2,190,753,588</td>
<td>21,619,815,148</td>
<td>20,828,035,046</td>
<td>46,174,525,638</td>
</tr>
<tr>
<td>2022</td>
<td>20,459,390,030</td>
<td>2,337,257,812</td>
<td>22,796,647,842</td>
<td>33,661,162,998</td>
<td>56,457,810,840</td>
</tr>
<tr>
<td>2023</td>
<td>23,697,979,364</td>
<td>2,719,108,202</td>
<td>26,417,087,566</td>
<td>60,023,210,084</td>
<td>86,440,297,650</td>
</tr>
</tbody>
</table>

The analysis also shows a 53.14% increase in the 2023 budget allocation compared to 2022, which also had a 22.25% increase in budget allocation to the Ministry in the previous year. This consistent increase in budget allocations to the Ministry over the last three years reflects the government’s proactive approach toward enhancing the Ministry’s capacity to tackle urgent environmental challenges.
5. Assessment of Climate Change-related Capital Projects

The Federal Ministry of Environment is pivotal in safeguarding Nigeria’s ecological integrity and mitigating climate change-related issues. However, the total capital expenditure for the 2023 fiscal year raises concerns about the Ministry’s dedication to addressing the challenges associated with climate change.

In 2018, Nigeria encountered a critical situation precipitated by flooding, which resulted in the displacement of approximately 1.9 million people\(^2\). This tragic event served as a stark reminder of the devastating impacts of climate change on vulnerable populations. Looking ahead, the United Nations Convention to Combat Desertification (UNCCD) has issued a sobering prediction that by 2025, a staggering 1.8 billion people worldwide will be grappling with absolute water scarcity, with the majority of the world’s populace (constituting two-thirds) living under water stress condition\(^3\).

These alarming statistics emphasize the immediate requirement for a comprehensive reassessment of our resource allocation strategies within the overarching capital expenditure framework. The deficiency in allocating adequate financial resources to address the urgent concern of climate change, exemplified by the events in 2018, can have profound and far-reaching consequences. Therefore, we must prioritize environmentally conscious initiatives to alleviate and adapt to the ever-increasing threats of climate change.

Moreover, the events of 2018, in conjunction with the imminent global water crisis as forecasted by the UNCCD, should serve as a clarion call for governments and institutions to take preemptive measures. These measures should encompass disaster response and comprehensive climate action strategies that promote resilience, sustainable development, and protection of vulnerable communities worldwide. Failure to do so could exacerbate countless individuals' suffering and threaten our shared planet’s stability.

Based on the stated analysis, we see that the capital projects recounted

---

5.1 Capital Projects on Climate Change in 2023

Considering the severity of the impacts of climate change and the escalating efforts undertaken by other countries, there is a compelling argument for the Ministry to contemplate further increasing its financial commitments in climate change-related initiatives. This strategic move can position Nigeria as a frontrunner in sustainable development, setting an inspiring example for other countries while safeguarding its environment and paving the way for a more resilient future.

5.1.1 Classification of Capital Projects on Climate Change for 2023

Analyzing the data in the table below, a thorough examination of capital projects and their corresponding resource allocation illuminates the nation's acute awareness of the urgent imperative to confront climate change head-on.

As the table showcases, allocating funds to finance climate projects underscores Nigeria's dedication to securing the financial resources required to propel critical climate-related initiatives. This funding is the lifeline that facilitates and sustains a wide spectrum of climate-centric projects and programs.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Categories of Projects</th>
<th>Number of Projects</th>
<th>Amount (NGN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Climate Financing</td>
<td>1</td>
<td>30,000,000</td>
</tr>
<tr>
<td>2</td>
<td>Climate Change Adaptation</td>
<td>111</td>
<td>46,280,377,664</td>
</tr>
<tr>
<td>3</td>
<td>Climate Change Education</td>
<td>50</td>
<td>1,914,087,816</td>
</tr>
<tr>
<td>4</td>
<td>Climate Change Mitigation</td>
<td>76</td>
<td>6,542,474,616</td>
</tr>
<tr>
<td>5</td>
<td>Administrative Expenditure</td>
<td>210</td>
<td>6,618,614,988</td>
</tr>
</tbody>
</table>
There is a growing recognition of the urgent need to address climate change and prioritize sustainability across the board. Nigeria stands at a critical juncture in its journey toward environmental sustainability and climate resilience. From all we’ve covered, the Ministry of Environment has shown a concerted effort to address the pressing challenges of climate change and promote sustainability through various capital projects.

1. Climate Financing

The Ministry of Environment’s N30 million allocation to address climate financing raises concerns about prioritizing this critical issue; this allocation alone does not fully convey a resolute commitment to prioritizing climate financing. Rather than solely striving to bolster national access to global climate finance, the Ministry can forge a transformative path by developing a comprehensive climate finance strategy. Such a strategy should provide a roadmap for mobilizing, managing, and allocating funds for climate-related projects and initiatives.

2. Climate Change Adaptation

Climate adaptation in Nigeria is a critical and multifaceted challenge due to the country’s vulnerability to the impacts of climate change. Nigeria is experiencing various climate-related issues, including increased temperatures, changing rainfall patterns, rising sea levels, and more frequent extreme weather events.

These changes pose significant risks to various sectors, including agriculture, water resources, infrastructure, and human health. Nigeria has been taking several measures in the realm of climate adaptation to address these challenges.

Of the N46 billion directed toward climate change adaptation projects, N38 billion was geared toward “Multilateral/Bilateral tied loans for agro-climate resilience projects.” This shows that most of the funds went into initiatives that would enhance the agricultural sector’s capacity to adapt to the challenges of climate change. This demonstrates a proactive approach to climate adaptation and a recognition of agriculture’s vital role in the country’s food security and economic stability. However, funds utilization must be unbundled to understand the true purpose and accountability framework.
However, the country still faces challenges and vulnerabilities from a changing climate. Like many other countries, Nigeria is experiencing the impacts of climate change, including increased temperatures, flooding, erosion, and other climate-related hazards. Almost all the states in Nigeria are currently experiencing erosion, especially gully erosion that occurs due to heavy rainfall. While funds allocation for agro-climate resilience is significant, it should be part of a broader and integrated approach to climate change adaptation—resource allocation across multiple adaptation strategies should be guided by careful assessment and the specific needs of different regions and communities.

3. Climate Change Education

Climate education in Nigeria is crucial to building a more climate-resilient and environmentally conscious society. It is essential for raising awareness, building capacity, and fostering a culture of climate resilience and sustainable environmental practices. It equips individuals and communities with the knowledge and skills to understand, adapt to, and assuage the impacts of climate change while fostering a sense of responsibility for protecting the environment.

An analysis of the projects reflects the Ministry's dedication to empowering communities to understand the impacts of climate change and how to mitigate them. A total of N461.97 million was channeled toward education projects on climate change. An example of such a project is the Empowerment of Youths and Women in Niger Delta on Alternative Livelihood through Environmental Management. This is a project that will cause significant changes in the Niger Delta region, as the region currently grapples with environmental degradation from oil spillage and pollution.

4. Climate Change Mitigation

It is no news that the adverse effects of climate change affect Nigeria severely, and it is imperative to take significant steps to lessen these effects for the nation's sustainable development and citizens' well-being. The allocation of over N6.54 billion to support 76 projects to mitigate the adverse effects of climate change is indeed commendable. However, it is also crucial to channel investments into research and innovation to develop and implement innovative technologies and solutions that can reduce emissions across various sectors.
Also, renewable energy in Nigeria has gained increasing attention and importance in recent years as the country seeks to diversify its energy sources, reduce its reliance on fossil fuels, and address environmental concerns. Renewable energy is significant in addressing the country’s energy needs, mitigating environmental concerns, reducing greenhouse gas emissions, and supporting sustainable development.

However, it is observed that the bulk of the renewable energy projects are solar-powered projects; the Ministry has yet to explore other renewable energy options like hydropower, wind power, biofuel, etc. This shows that adequate attention has not been given to developing cleaner energy sources. Renewable energy development in Nigeria is imperative because it plays a vital role in meeting the nation’s increasing energy needs while simultaneously curbing greenhouse gas emissions and aligning with sustainable development objectives.

In essence, this analysis shows the Ministry’s recognition of the urgency of climate change and its tangible steps toward meaningful action. The allocation of funds for climate mitigation, financing, and adaptation projects represents a pivotal stride toward building a more environmentally robust and sustainable future for the nation.
6. Analysing Climate Financing in the Ministry of Power

The world is gradually shifting away from fossil fuels as it grapples with the effects of climate change, and the need to transition from fossil fuels to renewable energy has become undeniable. Renewable energy sources, like solar, wind, and hydroelectric power, are presented as environmentally responsible alternatives. They are virtually emission-free, offering a lifeline to combat climate change and dramatically reduce the nation's carbon footprint.

Table 5: Allocation to the Agencies in the Ministry of Power

<table>
<thead>
<tr>
<th>RANKING</th>
<th>MDA</th>
<th>PERSONNEL (N)</th>
<th>OVERHEAD (N)</th>
<th>CAPITAL (N)</th>
<th>TOTAL ALLOCATION (N)</th>
<th>% Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Federal Ministry of Power - HQTRS</td>
<td>908,890,365</td>
<td>265,770,369</td>
<td>161,713,573,457</td>
<td>162,888,234,191</td>
<td>63.01%</td>
</tr>
<tr>
<td>2</td>
<td>National Rural Electrification Agency</td>
<td>1,182,347,779</td>
<td>242,542,899</td>
<td>57,221,595,438</td>
<td>58,646,486,116</td>
<td>22.69%</td>
</tr>
<tr>
<td>3</td>
<td>Transmission Company of Nigeria</td>
<td>0</td>
<td>0</td>
<td>28,364,639,559</td>
<td>28,364,639,559</td>
<td>10.97%</td>
</tr>
<tr>
<td>4</td>
<td>Nigerian Electricity Management Services Agency (Nemsa) - HQTRS</td>
<td>2,009,968,823</td>
<td>588,205,562</td>
<td>1,166,785,473</td>
<td>3,764,959,858</td>
<td>1.46%</td>
</tr>
<tr>
<td>5</td>
<td>National Power Training Institute</td>
<td>922,674,544</td>
<td>195,033,892</td>
<td>2,605,526,153</td>
<td>3,723,234,589</td>
<td>1.44%</td>
</tr>
<tr>
<td>6</td>
<td>Nigeria Electricity Liability Management Limited</td>
<td>296,274,614</td>
<td>273,750,466</td>
<td>537,406,908</td>
<td>1,107,431,988</td>
<td>0.43%</td>
</tr>
</tbody>
</table>
From the Ministry of Power’s budget for 2023, N251.61 billion was allocated for 528 capital projects, and further analysis of these capital projects shows that the Ministry allocated N105 billion to renewable energy projects constituting 40.6% of the total capital projects allocation.

6.1 National Rural Electrification Agency (NREA)

Nigeria, like many other nations, is gradually recognizing the significance of renewable energy sources, focusing particularly on solar power. This recognition stems from the understanding that renewable energy offers a sustainable and environmentally friendly solution to address the nation’s burgeoning energy requirements while reducing its dependence on fossil fuels.

The National Rural Electrification Agency (REA) is the Federal Government of Nigeria’s implementing agency tasked with electrifying rural and unserved communities—providing access to reliable electric power supply for rural dwellers, regardless of their geographical location or occupation.

Solar project allocation shows commitment to the agency’s mission to electrify rural areas. However, it is necessary that the agency closely monitors the progress of electrification projects, ensuring they are effectively reaching their intended communities. This includes budget allocation, project implementation, infrastructure development, and community engagement.

The electrification of rural areas not only contributes to reducing energy poverty but also aligns with broader sustainable development goals. Access to electricity enables communities to power schools, healthcare facilities, and small businesses, ultimately improving the overall well-being of rural dwellers. The NREA’s work is about expanding access to electricity and advancing Nigeria’s economic growth and social development.

The National Rural Electrification Agency can contribute significantly to Nigeria’s development by facilitating the use of renewable energy sources such as solar, wind, and hydro for rural electrification projects because these sources produce electricity with minimal greenhouse gas emissions, contributing to reducing carbon emissions. They can also boost agricultural productivity by providing power for irrigation, crop processing, and cold storage facilities.
7. Fostering Collaborative Partnerships for Climate Resilience

It is no news that climate change is greatly affecting the world, and in the quest to adapt and alleviate this effect, several countries have pledged substantial funding for renewable energy projects, reforestation efforts and sustainable infrastructure development. In light of the increasing global emphasis on climate change mitigation and adaptation, there is a need to make substantial investments to alleviate these effects. Some countries and organizations have taken several approaches to overcome the effects of climate change.

The United Nations Framework Convention on Climate Change (UNFCCC)\(^4\) is an international treaty addressing climate change. Its approach involves global collaboration to stabilize greenhouse gases, promote sustainable development, and support nations’ commitments to assuage emissions and adapt to impacts.

The Paris Agreement, a significant outcome, sets temperature goals and encourages parties to submit action plans (Nationally Determined Contributions, NDCs). UNFCCC operates through annual Conference of the Parties (COP) meetings, guided by principles like common responsibility, precaution, and right to development, fostering international cooperation and coordinated climate action.

Germany’s climate change approach used a model that combines legislative measures, policy frameworks, technological innovation, and international collaboration. Through its

---

4. [https://unfccc.int/](https://unfccc.int/)
“Energiewende,” which means “energy transition or turnaround,” commitment to renewable energy, energy efficiency efforts, and diplomatic engagement, Germany showcases how nations can lead the way in climate action.

Its proactive stance not only contributes to mitigating the impacts of global warming but also serves as an inspiration for other nations striving to create a sustainable and resilient future. The country has invested heavily in wind, solar, and biomass energy sources to transition away from fossil fuels. It has also implemented energy efficiency measures and supports international climate finance efforts.

Nigeria is gradually understanding the need to address climate change and its impacts. This has led to fostering national and international collaborative partnerships by engaging in various initiatives like being a signatory to the Paris Agreement that demonstrates its commitment to reducing greenhouse gas emissions and enhancing resilience. Additionally, Nigeria is partnering with international institutions like the World Bank and the Africa Development Bank (AFDB) to reinforce its resilience efforts, promote sustainable livelihoods, and enhance its adaptive capabilities. This partnership is to safeguard vulnerable communities and establish a foundation for a sustainable future.

In navigating this challenge, Nigeria can leverage the power of innovation, collaboration, and adaptive strategies, Nigeria can position itself as a global leader in combating climate change and fostering inclusion, and embracing innovation, Nigeria’s citizens. By working together, we can combatting climate change and demonstrating strong commitment to reducing greenhouse gas emissions and enhancing resilience. Additionally, Nigeria is partnering with international institutions like the World Bank and the Africa Development Bank (AFDB) to reinforce its resilience efforts, promote sustainable livelihoods, and enhance its adaptive capabilities. This partnership is to safeguard vulnerable communities and establish a foundation for a sustainable future.
8. Conclusion and Recommendations

8.1 Conclusion

The challenge of climate change in Nigeria is an urgent and multifaceted issue that demands immediate and collaborative action at all levels. As the effects of climate change continue to intensify, it is clear that Nigeria’s vulnerable ecosystems, communities, and economy are at risk. However, recognizing the interconnectedness of environmental, social, and economic factors allows one to implement holistic strategies that assuage the impacts of climate change while fostering sustainable development.

Nigeria must take proactive steps to alleviate the impacts of climate change, and this requires a multi-pronged approach that encompasses policy reforms, technological innovations, community engagement, and international cooperation. The transition to renewable energy sources, the preservation of forests and ecosystems, the promotion of sustainable agricultural practices, and the strengthening of disaster preparedness are all critical components of this comprehensive strategy.

In navigating this challenge, Nigeria has the opportunity to safeguard its environment and create new avenues for economic growth and social development. By harnessing the power of innovation, collaboration, and adaptive strategies, Nigeria can position itself as a global leader in combatting climate change and sustainable development.

Our choices will shape the trajectory of the environment for generations to come. The time for action is now, and by working together, we can alleviate the impacts of climate change, safeguard our natural resources and social justice, and create a sustainable future for Nigeria’s citizens. By embracing innovation, fostering inclusion, and demonstrating strong political will, we can lay the foundation for a greener and more prosperous future for future generations.

Climate financing within Nigeria’s public budgeting is paramount for many reasons. Like many other countries, Nigeria faces significant environmental challenges due to climate change, and allocating sufficient funds to address these challenges is essential for ensuring sustainable development, safeguarding the well-being of its citizens, and fulfilling its international commitments.

A proper Ministry of Environment’s budget should reflect a commitment to environmental sustainability while maintaining versatility and adaptability in response to evolving conditions. It should prioritize safeguarding natural resources and the welfare of current and future generations. Furthermore, within the framework of climate change considerations, the budget should reflect a relentless commitment to tackling climate-related challenges, promoting sustainability, and ensuring the nation’s preparedness for the impacts of climate change.

In conclusion, effective environmental governance hinges on a transparent and accountable budget. To achieve this, we need to establish explicit line items and reporting procedures, carry out routine audits, and thoroughly assess the effectiveness and efficiency of our environmental initiatives. Additionally, prioritizing public consultations and stakeholder engagement should be central to our decision-making processes. This will help ensure that priorities align with citizens’ and communities’ needs and aspirations. There is also a dire need to establish a robust system for monitoring environmental indicators and evaluating progress. This system should be implemented to gauge the impact of budget allocations.

Climate Financing in Nigeria’s Public Budgeting
Climate change funding within Nigeria’s Federal Ministry of Environment’s budget is paramount for many reasons. Like many other countries, Nigeria faces significant environmental challenges due to climate change, and allocating sufficient funds to address these challenges is essential for ensuring sustainable development, safeguarding the well-being of its citizens, and fulfilling its international commitments.

A proper Ministry of Environment’s budget should reflect a commitment to environmental sustainability while maintaining versatility and adaptability in response to evolving conditions. It should prioritize safeguarding natural resources and the welfare of current and future generations. Furthermore, within the framework of climate change considerations, the budget should reflect a relentless commitment to tackling climate-related challenges, promoting sustainability, and ensuring the nation’s preparedness for the impacts of climate change.

In conclusion, effective environmental governance hinges on a transparent and accountable budget. To achieve this, we need to establish explicit line items and reporting procedures, carry out routine audits, and thoroughly assess the effectiveness and efficiency of our environmental initiatives.

Additionally, prioritizing public consultations and stakeholder engagement should be central to our decision-making processes. This will help ensure that priorities align with citizens' and communities' needs and aspirations. There is also a dire need to establish a robust system for monitoring environmental indicators and evaluating progress. This system should be implemented to gauge the impact of budget allocations.
8.2 Recommendations

1. Climate Financing

We recommend that the government prioritize climate financing by developing a comprehensive strategy that includes increased funding for renewable energy projects, afforestation initiatives, and climate-resilient infrastructure. Leveraging international climate funds and establishing domestic mechanisms for sustainable funding allocation will be essential.

Furthermore, enhancing transparency, accountability, and engagement with the private sector, local communities, and civil society organizations is crucial for effective implementation, ensuring that climate financing efforts contribute to Nigeria’s climate resilience and sustainable development goals.

2. Climate Change Adaptation

Nigeria needs to embrace strategies for coping with changing climatic conditions to minimize its negative impacts. This involves enhancing the resilience of communities, infrastructure, and ecosystems against potential vulnerabilities. Adequate funding can support initiatives such as developing climate-resilient infrastructure, establishing preemptive mechanisms for natural disasters, promoting sustainable agricultural practices, and strengthening early warning systems to assuage the increasing frequency and intensity of climate-related disasters.

Public awareness campaigns and education should also be implemented to empower local communities to adapt to the changing climate and reduce vulnerability, ultimately contributing to a more climate-resilient Nigeria. These efforts can help the country proactively prevent climate change’s adverse effects on livelihoods and the economy.
3. Climate Change Education

By allocating adequate funds for climate change initiatives, we can encourage the advancement of research and exploration of innovative ideas in clean technologies, adaptive strategies, and sustainable practices. This can lead to developing new solutions that address climate-related challenges and position Nigeria as a leader in sustainable development.

A comprehensive curriculum on climate change should be integrated across all levels of the education system, from primary to tertiary institutions, as well as through public awareness campaigns. This should include incorporating climate science, environmental sustainability, and climate mitigation and adaptation strategies into the curriculum. Likewise, it should also focus on fostering partnerships with academic institutions, NGOs, and the private sector to develop and disseminate educational materials and launch public awareness campaigns to inform citizens about the pressing climate challenges and the actions they can take to alleviate them.

By investing in climate change education, Nigeria can empower its citizens with the knowledge and skills to address its pressing environmental challenges while contributing to global efforts to combat climate change.

4. Renewable Energy

It is recommended that the government prioritize and invest in developing renewable energy sources like solar, wind, and hydropower to diversify the energy sector, reduce dependence on fossil fuels, and lessen the environmental and economic challenges associated with them.

This can be achieved by implementing policies and incentives to attract private investments, developing robust grid infrastructure to accommodate renewable energy integration, and promoting research and development in renewable energy technologies. This will reduce greenhouse emissions, stimulate economic growth, create jobs, and enhance energy security, ultimately contributing to Nigeria’s more sustainable and resilient energy future.
5. Climate Change Mitigation

Climate change has far-reaching effects on Nigeria’s environment, economy, and society. Rising temperatures, changing rainfall patterns, increased frequency of extreme weather events, and rising sea levels can lead to potential crop losses, water scarcity, community displacement, and heightened susceptibility to diseases.

A multi-faceted approach can be implemented to lessen the adverse effects of climate change. This includes setting ambitious emissions reduction targets, investing in renewable energy infrastructure, promoting sustainable land use and forestry practices, enhancing climate resilience in vulnerable communities, and fostering international collaborations to access climate finance and technology transfer.

Additionally, public awareness and education campaigns should be launched to engage and empower citizens in climate-resilient practices while ensuring that vulnerable communities are provided with adaptive measures and assistance to address the immediate impacts of climate change. This holistic approach will help Nigeria reduce its carbon footprint and enhance its resilience to the effects of global warming, ultimately fostering a more sustainable and prosperous future for all.

6. Waste Management

Prioritizing waste management reforms is crucial in addressing the country’s waste management challenges. This entails investing in modern waste collection infrastructure, implementing stringent regulations on waste disposal, and promoting public awareness and education on responsible waste handling, recycling, and the hazards of improper waste disposal.

Waste management regulations should be strengthened, and compliance should be enforced. Additionally, fostering partnerships with private sectors and communities can facilitate the development of sustainable waste-to-energy projects and recycling initiatives, significantly reducing the environmental and health hazards associated with improper waste disposal while promoting economic growth and job creation.
7. Erosion

There is a need for comprehensive erosion control measures, including effective land-use planning, sustainable forestry practices, and infrastructure maintenance, to assuage the devastating effects of erosion. This should be backed by sustainable urban planning and land use regulations to prevent soil erosion, investing in resilient infrastructure to protect vulnerable communities from the devastating impacts of erosion, fostering sustainable development, and safeguarding the environment for future generations.

Investing in research and technology to monitor and predict erosion-prone areas can help preemptively address this pressing environmental issue, safeguarding communities and preserving valuable arable land.
Get to know more about the extractive industry, BudgIT's advocacy in the Extractive Sector spotlights issues and recommendations on extractive transparency and fiscal governance in Nigeria, including Beneficial Ownership, NNPC Reforms, Industry Legislation and Revenue Accountability.

#FixOurOil