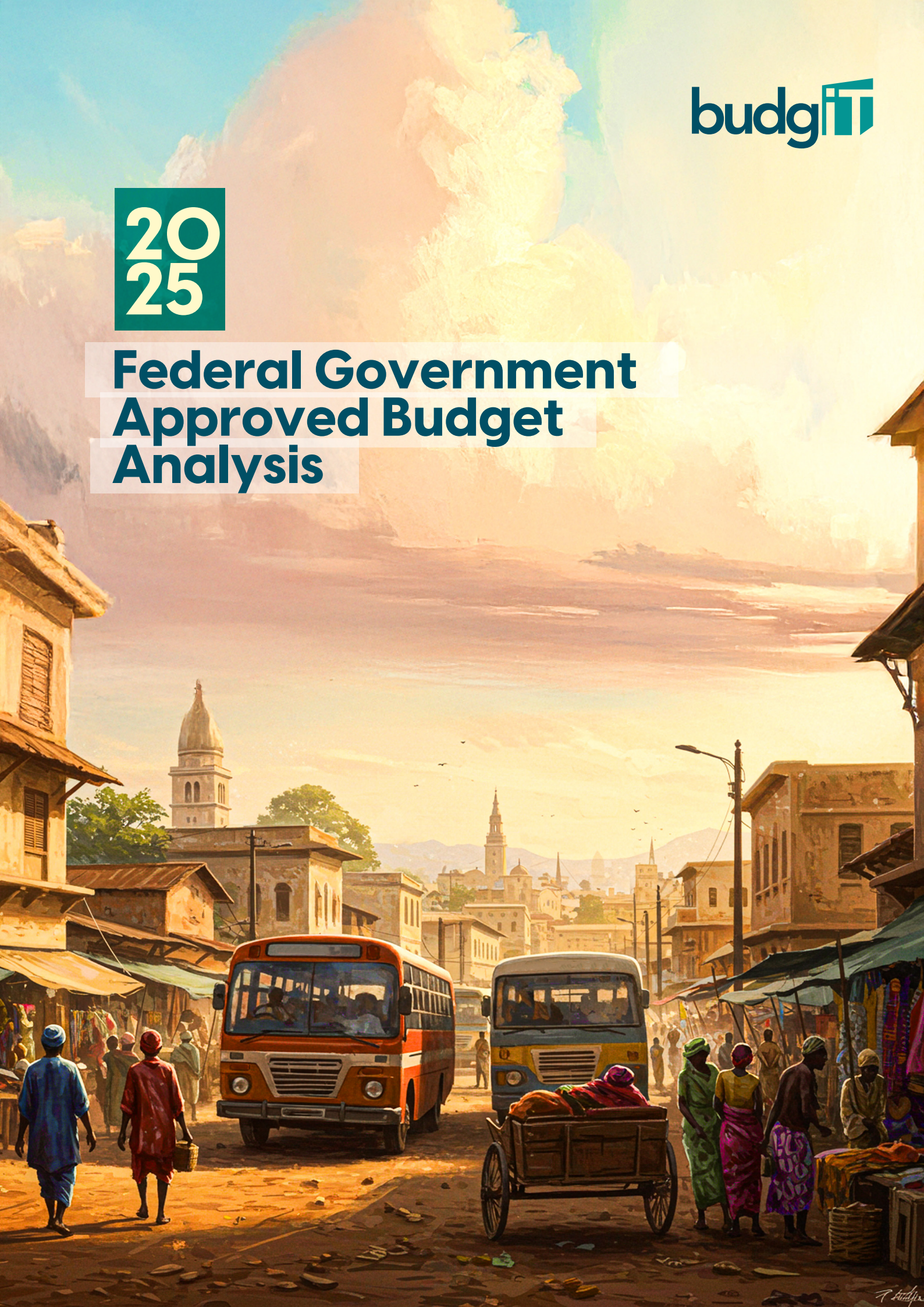


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Federal Government Approved Budget Analysis



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.

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Abbreviation

AFDB: Africa Development Bank Group
AGOA: African Growth and Opportunity Act
ASM: Artisanal and Small-Scale Mining
CAPEX: Capital Expenditure
CBN: Central Bank of Nigeria
COICOP: Classification of Individual Consumption According to Purpose
CPI: Consumer Price Index
CRFFN: Council for the Regulation of Freight Forwarding in Nigeria
DMO: Debt Management Office
DSS: Department of State Services
EASA: European Aviation Safety Agency
EFEMS: Electronic Foreign Exchange Matching System
EIA: Environmental Impact Assessments
FAAC: Federation Account Allocation Committee
FCT: Federal Capital Territory
FERMA: Federal Road Maintenance Agency
FG: Federal Government
FGM: Female Genital Mutilation
FGN: Federal Government of Nigeria
FIRS: Federal Inland Revenue Service
FRA: Fiscal Responsibility Act
GDP: Gross Domestic Product
GOEs: Government Owned Enterprises
GBV: Gender Based Violence
HDMI: Highway Development and Management Initiative
INEC: Independent National Electoral Commission
JRB: Joint Revenue Board
MDAs: Ministries, Departments and Agencies
MITI: Ministry of Industry, Trade, and Investment
MTEF: Medium Term Expenditure Framework
MTNDP: Medium Term National Development Plan
MPR: Monetary Policy Rate
NALDA: National Agricultural Land Development Authority
NAMA: Nigeria Airspace Management Agency
NASENI: National Agency for Science and Engineering Infrastructure
NBS: National Bureau of Statistics
NCAT: Nigerian College of Aviation Technology
NCS: Nigeria Customs Service
NEEDS: National Economic Empowerment and Development Strategy
NEMSA: Nigerian Electricity Management Services Agency

Abbreviation

NERC: Nigerian Electricity Regulatory Commission
NFTs: Non-Fungible Tokens
NIA: National Intelligence Agency
NIHSA: Nigeria Hydrological Services Agency
NIIT: Nigerian Institute of Transport Technology
NiMet: Nigerian Meteorological Agency
NNPC: Nigerian National Petroleum Corporation
NPHCDA: National Primary Health Care Development Agency
NRC: Nigerian Railway Corporation
NRS: Nigerian Revenue Service
NSA: National Security Adviser
NSIB: Nigerian Safety Investigation Bureau
NTB: Nigeria Tax Bills
NUPRC: Nigerian Upstream Petroleum Regulatory Commission
OPEC: Organisation of Petroleum Exporting Countries
PFM: Public Financial Management
PIDACC: Program For Integrated Development And Adaptation to Climate Change
PPI: Presidential Power Initiative
PPP: Public-Private Partnership
PWDs: Persons With Disabilities
RBDA: River Basin Development Authorities
SAF: Sustainable Aviation Fuel
SOE: State-Owned Enterprises
SME: Small and Medium-sized Enterprises
TCN: Transmission Company of Nigeria
TETFund: Tertiary Education Trust Fund
TIC: Tax Identification Card
UBEC: Universal Basic Education Commission
UNESCO: United Nations Educational, Scientific and Cultural Organization
UNICEF: United Nations Children's Fund
VAT: Value Added Tax
WASH: Water, Sanitation and Hygiene

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FG Budget Presentation Timelines

Late

Early



2025 Federal Government Approved Budget Analysis

1. Executive Summary



The 2025 federal government budget-the largest the country has ever seen-is ambitious in many ways. With priority given to security/defense, education, health and infrastructure, the Tinubu administration aims to put its 'money where its mouth is.' But with perennial issues of low budget credibility and relatively high implementation of recurrent expenditure (compared to low implementation of capital expenditure), it remains to be seen if he will succeed as intended. The broader macroeconomic environment has its challenges, ranging from a looming trade war between the US and China and the resultant fall in global oil prices. Regardless, the Nigerian federal government needs to tackle its internal challenges, including weak institutions that impede the effective implementation of the budget, revenue growth, high inflation (even with rebasing), and an increasing fiscal deficit. The federal government must also balance the need to spend more (efficiently and effectively) alongside the need to properly disclose its spending and revenue generation performance.

The 2025 federal government-approved budget is N54.99tn as total expenditure and N36.35tn as revenue^{**}: Capital expenditure is at N23.96tn, Recurrent

(Non-Debt) expenditure is at N13.06tn, Debt service/Sinking Fund of N14.32tn, while the fiscal deficit is N18.64tn. A quick glance at the sector allocations shows the highest share of the total budget going to Security and Defense (12.45%), followed by Infrastructure (9.85%), Education (6.65%), Health (5.20%), Agriculture (4.10%), Social Development and Poverty Reduction Programmes (1.46%). Notably, the Federal Government aims to spend less than 12% of its budget on the health and education sectors combined.

The 2025 budget process was delayed, looking at the timeline from when it was submitted to the National Assembly to when it was finally passed into law. The international best practice, as spelt out in the International Monetary Fund (IMF) Code of Fiscal Transparency,¹ recommends that the budget be submitted to the legislature and made available to the public at least three months before the start of the financial year and is approved and published at least one month before the start of the financial year. Further, in Nigeria's case, the government announced that the capital components of the 2024 budget will run until June 2025. It is safe to say that the capital components of the 2025 FG budget may likely not be effective till July of 2025. However, it is also possible that the capital components may run concurrently with each other, and this will have implications for reporting and finance and project reconciliation.

^{**} It should be noted that the 2025 total budget revenue as announced by the President of the federal republic on the 28th of February, 2025 is different from what is available in public documentation. The 2025 budget proposal and the National Assembly's Supplement to their Order Paper (that followed the budget proposal) has N36.35 trillion. This presents serious opacity regarding the true amount of the federal government's anticipated revenue.

¹The International Monetary Fund. (2019). The Fiscal Transparency Code (p. 11). International Monetary Fund. Available at: <https://www.imf.org/external/np/fad/trans/Code2019.pdf>

2. Introduction

2.1 The 2025 “Restoration Budget: Securing Peace, Rebuilding Prosperity” and its Critical Amendments

The current administration is approaching its second full year. Unusually, it has had several budgets (both amendments and supplements), which reflect, more than anything, the challenging economic times. According to the 2025 Budget Call Circular², the aggregate expenditure of the 2025 budget was estimated at N47.90tn (approximately \$31.93bn)³; inclusive of Government Owned Enterprises expenditure and grants/donor funded projects at N3.44tn approximately. The 2025 Budget Call Circular stated that this total budget amount was 36.6% higher than the 2024 budget's total estimated aggregate expenditure of N35.06tn. While total revenue was estimated at N34.82tn; 34.6% higher than the total estimated revenue of 2024, which was N25.87tn. The federal government aimed to fund 56.29% of the revenue estimate from oil (N19.60tn) and the rest from non-oil sources (N15.22tn). It pegged the amount of debt expenditure at N15.81tn. The estimated budget deficit was projected to be N13.08tn.

The total 2025 budget expenditure was revised shortly after it was announced (due to a clerical error per the Budget Office of the Federation) from N47.9tn to N49.7tn. However,

the President later went ahead, via a letter to the National Assembly, to increase the total estimated expenditure of the 2025 budget by about N4.5tn. This was premised on increases in revenue from the Federal Inland Revenue Service (FIRS), the Nigeria Customs Service (NCS) and other GOEs. The increase brought the total size of the 2025 budget proposal to a whopping N54.2tn. **Not to be outdone, the National Assembly went ahead to expand the final amount of federal expenditure, following their appropriation process, by nearly N800bn to N54.99tn.** This is N19.9tn (about \$13.3bn) larger than the 2024 budget and 16.27% of 2025's (estimated) GDP. Final revenue for the 2025 budget is put at N36.35tn (initially pegged at N34.82tn), which is about N10.48tn higher than the 2024 federal budget revenue (which includes the amendment to the 2024 budget) estimates.

The largest budget Nigeria has seen from the federal government (in naira terms) was the result of an appropriation process that appeared to deviate from established budgetary procedures. Legally, the budget of any fiscal year ought to stem from the Medium Term Expenditure Framework (MTEF) and should not be modified by a mere letter.

² See the Budget Office of the Federation. (November 2025). FGN 2025 Budget Call Circular. Federal Ministry of Budget and Economic Planning (FMBEP) Abuja. Federal Republic of Nigeria. Available at: <https://budgetoffice.gov.ng/index.php/fgn-2025-budget-call-circular/fgn-2025-budget-call-circular/viewdocument/981>

³ This is with an average dollar to naira exchange rate of N1,500 naira to \$1 dollar.

This is because the process of preparing budget estimates ought to be carried out with the highest standards of fiscal and economic pragmatism. The process ought to be done in such a way that would allow for proper input by stakeholders, specifically the National Assembly. This act of the President may be a violation of the provisions of ss.18 and 19 of the Fiscal Responsibility Act (FRA), 2007, that mandate the budget proposal to be preceded by an MTEF, among other documents. Again, the increase of the 2025 total budgeted expenditure appears to run contrary to the intent of s.12 of the FRA. The latter section stipulates that “aggregate expenditure and the aggregate amount appropriated by the National Assembly for each financial year shall not be more than the estimated aggregate revenue plus a deficit, not exceeding 3% of the estimated Gross Domestic Product⁴ or any sustainable percentage as may be determined by the National Assembly for each financial year.” As happened, the National Assembly did not provide evidence or documentation of any form of rigorous macroeconomic or fiscal analysis or rebuttal to the Executive’s request to increase the budget.⁵ For clarity, the amount by which the 2025 budget ought to have been increased, was N51.95tn (using the Budget Office’s 2025 nominal GDP estimate of N338tn). In other words, the Executive should only have exceeded the initial proposed budget of N49.7tn by no more than N2.25tn. The Federal

government has effectively exceeded the recommended amount by over N3.04tn. In addition, some observers wondered why the President brought revenue forward from the 2024 fiscal year into the 2025 fiscal year, as opposed to using the revenue to complete the reporting profile of the 2024 budget.⁶ The argument was that it would reflect better on budget performance, if these revenues were reported for the previous fiscal year.

Be that as it may, the 2025 suffered from numerous delays in terms of its passage and assent. The country is coming from a scenario where budgets were passed by the previous administration in the last month of the fiscal year. **However, even for the current administration, this is its most delayed process of budget passage. The 2025 budget was passed nearly 2 months later than the time in which the 2024 Appropriation Act was passed.**

This scenario underscores the impact of not having an organic budget law, that would stipulate-among other things-the time in which the appropriation process is to be carried out. This is not to say that provisions do not exist from which one can infer a budget calendar but such stipulations are essentially discretionary. Not to serve as a rigid stricture to the process of fiscal planning and administration, but a budget law will provide the much needed order and predictability to the Public Financial Management (PFM) system that Nigeria sorely requires.

⁴ The GDP used for our purposes is the estimate of the Executive, as contained in the 2025 Budget Call Circular. See the Budget Office of the Federation. (November 2025). FGN 2025 Budget Call Circular. Federal Ministry of Budget and Economic Planning (FMBEP) Abuja. Federal Republic of Nigeria. Available at: <https://budgetoffice.gov.ng/index.php/fgn-2025-budget-call-circular/fgn-2025-budget-call-circular/viewdocument/981>

⁵ It should be noted that the National Assembly has its own premier think tank, the National Assembly Budget Research Office, staffed with sector specialists that can provide adequate analyses of the budget and its proposals.

⁶ See Ikechukwu, S. (February 17 2025). Mixed reactions trail Tinubu’s N54.9 trillion 2025 budget. In Daily Post Newspapers. Available at: <https://dailypost.ng/2025/02/17/mixed-reactions-trail-tinubu-n54-9-trillion-2025-budget/>

2.2 The Dimensions of the 2025 Federal Budget: The Problem with the Guiding Assumptions

As is customary, the 2025 budget is premised on critical assumptions. Being a guide and a map towards specific policy goals, the budget assumptions provide the necessary framing to the implementation of the budget. Most of the projections, at the time of press, seem to be holding sway in the Nigerian economy. The naira to dollar exchange rate, pegged at N1,500/\$1 by the President, has generally held between N1,530 and N1,650. This rate is slightly more conservative than the 2025 - 2027 MTEF, which assumed a N1,400 exchange rate.⁷ However, the potentials of the exchange rate to remain stable and possibly reduce even further, will require steady monetary interventions. **The current foreign exchange system followed the (managed) floating of the naira, which was then followed by the Central Bank of Nigeria (CBN) introducing the Electronic Foreign Exchange Matching System (EFEMS) in the Interbank Foreign Exchange Market. Aiming to serve as the platform for conducting all forex transactions in the Nigerian Foreign Exchange Market, the EFEMS has brought a level of transparency and stability to the foreign exchange market.** The forex rate has seen minimal spread (between the official rate and the Bureau de Change rate) since the introduction of the EFEMS.

In addition, the CBN removed limits on exchange rates for interbank transactions and international money transfers and raised interest rates several times since the start of 2024 to fight inflation and draw portfolio investors seeking high returns. Data from the National Bureau of Statistics (NBS) show that in Q2 2024, total capital importation into Nigeria stood at \$2.6bn, higher than \$1.03bn recorded in Q2 2023, showing an increase of 152.81%. When compared to the prior quarter, capital importation fell by 22.85% from \$3.38bn in Q1 2024.⁸ Further data shows the top 3 sectors, in ascending order, that attracted the most foreign capital were the Banking, Trading and Production and Manufacturing sectors.⁹ The relationship between foreign investment inflows and the direction of the rate mean that where investments and trade improve, the exchange rate may respond positively.

The oil production rate is assumed to be 2.06 mbpd in 2025, a highly optimistic projection for a sector that though is the largest contributor to federal revenue receipts, is fraught with challenges. The numerous policy and operational interventions from the government do not seem poised to take production figures for 2025 above 2024 averages. Even though Nigeria has met the Organisation of Petroleum Exporting Countries (OPEC) output quota of 1.5 mbpd, the average production figure of 1.5 mbpd in 2025 is even 0.56 mbpd below the government's own projected daily average for 2025.¹⁰ The 2024 period

⁷ See the Budget Office of the Federation. (November, 2024). 2025-2027 Medium Term Fiscal Framework and Fiscal Strategy Paper (MTFF/FSP). Available at: <https://budgetoffice.gov.ng/index.php/2025-2027-medium-term-expenditure-framework-fiscal-strategy-paper/2025-2027-medium-term-expenditure-framework-fiscal-strategy-paper/download>
⁸ See the National Bureau of Statistics (NBS). (October, 2024). Nigeria Capital Importation Q2 2024. The Presidency. Available at: <https://www.nigerianstat.gov.ng/download/1241568>
⁹ See Udi, A. (October 10 2024). Sectors that attracted the most foreign investment in Nigeria 2024 Q2. In Nairametrics Blog. Available at: <https://nairametrics.com/2024/10/10/sectors-that-attracted-the-most-foreign-investment-in-nigeria-2024-q2/>
¹⁰ See the Budget Office of the Federation. (November, 2024). 2025-2027 Medium Term Fiscal Framework and Fiscal Strategy Paper (MTFF/FSP). Available at: <https://budgetoffice.gov.ng/index.php/2025-2027-medium-term-expenditure-framework-fiscal-strategy-paper/2025-2027-medium-term-expenditure-framework-fiscal-strategy-paper/download>

had a similar ambitious projection of 1.78 mbpd but the government was unable to produce more than 1.3 mbpd on average, in the period. With the recent appointment of a new Group Managing Director at the Nigerian National Petroleum Corporation (NNPC) alongside recent interventions from the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) (i.e., joint ventures and production in new fields),¹¹ the production numbers have some potential to improve.

The rate of inflation has been targeted at 15% for the 2025 fiscal year.¹² In the last two years, inflation had been

steadily increasing, due to a number of factors. Inflation is driven by the following factors: Insecurity in major crop producing areas and violence meted to farmers, poor logistics networks, poor agriculture supply chain development, high cost of inputs, low energy supply with high energy costs, and the introduction of funds to the economy by the federal government (via the notorious 'Ways and Means' borrowing by the previous administration) among others.¹³ The table below shows the Year-on-Year change in the inflation rate, and provides a picture of the extent of inflation for the previous two fiscal years.

Table 1: Headline inflation Rate- 2023 to 2024

Period	2023	2024
January	21.82	29.90
February	21.91	31.70
March	22.04	33.20
April	22.22	33.69
May	22.41	33.95
June	22.79	34.19
July	24.08	33.40
August	25.80	32.15
September	26.72	32.70
October	27.33	33.88
November	28.20	34.60
December	28.92	34.80
Average	24.52	33.18

Source: National Bureau of Statistics

¹¹ See Onsat, J. (January 15 2025), *Nigeria Plans 2.1 MMbpd of Oil Production This Year*. Rigzone Newsblog. Available at: https://www.rigzone.com/news/nigeria_plans_21_mmbpd_of_oil_production_this_year-15-jan-2025-179320-article/

¹² See the President of the Federal Republic of Nigeria. (December 18 2024). *Being a Presentation By His Excellency, President Bola Ahmed Tinubu, GCFR of the 2025 Budget of Restoration: Securing Peace, Rebuilding Prosperity to A Joint Session of the National Assembly On Wednesday 18th December, 2024*. Federal Republic of Nigeria. Available at: <https://efaidnbmnnnibpccajpcglclefindmkaj/c43532bf-161c-4615-82cd-dff8866bea2a>

¹³ See the Nigerian Economic Summit Group (NESG). (May 2024). *Inflationary Pressures in Nigeria: Getting Monetary Policy to Work. Mini Report Series. Special Research Report*. Available at: [https://nesgroup.org/download_resource_documents/Monetary%20Policy%20&%20Inflation%20\(3\)_1716571765.pdf](https://nesgroup.org/download_resource_documents/Monetary%20Policy%20&%20Inflation%20(3)_1716571765.pdf)

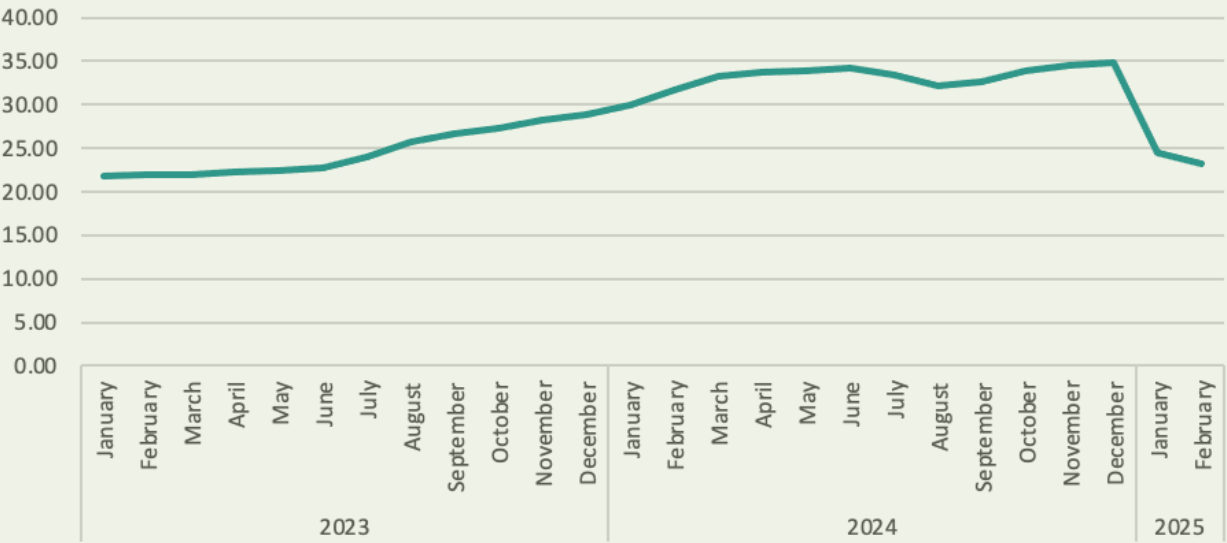


However, the rebasing exercise by the NBS involved moving the base year for calculating the Consumer Price Index (CPI) from 2009 to 2024. This action included the expansion in the number of goods and services in the inflation basket alongside changing the version of the Classification of Individual Consumption According to Purpose (COICOP), from the 1999 version to the 2018 version (which has 13 divisions; more than its predecessor).¹⁴ The implication of this rebasing, which is a routine exercise

by national statistical agencies, was a technical decline in the Headline inflation rate. **The NBS reported that the rate for January was 24.48%, while that of February was even ‘lower’, at 23.18%.**¹⁵ It is critical to note that the rebasing exercise does not imply that inflation has actually reduced (depicted in the figure below), as prices have generally remained the same. However, it does provide a different way of looking at the rate of increase in the prices of goods and services.



Figure 1. Monthly Headline Inflation Rate (2023 - 2025)



Source: National Bureau of Statistics, CPI Report 2024 and 2025

¹⁴ See the National Bureau of Statistics (NBS). (February 2025). Highlights of Consumer Price Index (CPI) Rebasing. The Federal Republic of Nigeria. Available at: <https://microdata.nigerianstat.gov.ng/index.php/catalog/154/download/1156>
¹⁵ See the National Bureau of Statistics (NBS). (March 2025). Consumer Price Index (CPI) February 2025. The Federal Republic of Nigeria. Available at: https://microdata.nigerianstat.gov.ng/index.php/catalog/154/download/1161/CPI_february_2025.pdf

This routine action does bring some implications, however.¹⁶ Some observers have noted that the reduction in the gap between headline and core inflation, from 5.52% to 1.89% shows that inflation measurements are now more harmonised and therefore will provide a clearer picture of the effects of inflationary pressures from other sectors of the Nigerian economy.¹⁷ Also, there is a sharper distinction between higher Urban and lower Rural inflation figures which likely indicate the effect of transport, energy and food costs on Nigerians living in urban areas.¹⁸ In addition, “The reduced weighting of food in the CPI basket signals urbanisation and diversified consumption, not declining food costs”.¹⁹ While the rebasing has certainly brought the contribution of the fintech sector into government evaluation of the economy and has also brought the inflation rate below the Monetary Policy Rate (MPR) of the CBN (which has its own implications for how the CBN aims to manage inflation, going forward) the government must ensure to focus on the drivers of inflation itself. It has been argued that the drivers of inflation are not monetary *per se* but structural.²⁰ This means that the ‘monetary targeting’ approach of the CBN may have to be revised, as the growth in nominal wages has not been met by corresponding productivity, money supply growth has exceeded the growth of credit (the implication is that this growth may not be from commercial or even merchant banks)

and the government’s notorious fiscal deficit is significant.²¹ **The central issue is that the drivers of inflation have not gone with the old rebasing year but remain. The positive and enhancing impact of the budget on the lives of Nigerians to improve their spending power and productivity must be undertaken as key actions by the government.**

Other assumptions that the federal government aims towards, in the 2025 fiscal year, depict significant optimism in the face of serious global macroeconomic shifts. For instance, the Oil Price Benchmark placed at \$78.1²² (different from the Federation’s slightly lower assumption in the 2025 - 2027 of \$75) will have to be revised, if the current average price of a barrel of crude oil remains around \$58.7 or even \$60.²³ The relatively low average price of a barrel of crude oil has been held to be as low as the average oil prices in the year 2020 and is speculated to be due to the impending trade war between the United States and China, among other things.²⁴ The gap between the current average price of crude oil and the oil price benchmark, (at \$19.4) will have significant implications for oil revenue and growth of the oil GDP sector. If the difference between the federal government’s projected price of a barrel of oil and the real market price remains more than \$15 to \$18 dollars, it would mean oil revenue assumptions would have to be revised downward by at least 20%.

¹⁶ One Economist claims that the rebasing exercise and its “lower” inflation rate has the potential to artificially inflate the GDP; thereby making the economy look more productive than it really is. Where the government does not take the necessary measures to address this, “it risks implementing misguided policy priorities, potentially delaying necessary interventions in wage adjustments, subsidies, and support programmes”. See Nnanna, J. (April 9 2025). CPI rebasing and Nigeria’s economic realities: Is it a true reflection for households and MSMEs? Development Bank of Nigeria. In Business Day Newspapers. Available at: <https://businessday.ng/backpage/article/cpi-rebasing-and-nigerias-economic-realities-is-it-a-true-reflection-for-households-and-msmes/>

¹⁷ See ACIOE Associates. (February 21 2025). Nigeria’s CPI Rebase and Monetary Policy Developments, at p. 3. Policy Brief. Available at:

https://aciocoe.com/wp-content/uploads/2025/02/Policy-Briefs_Nigerias-CPI-Rebase-Monetary-Policy-Development.pdf

¹⁸ See ACIOE Associates. Nigeria’s CPI Rebase and Monetary Policy Developments, op.cit.

¹⁹ See Augusto & Co. (February 26 2025). Rebase the Inflation Compass: Measuring Change and Managing Expectations. Newsletter. Available at:

<https://www.agusto.com/publications/rebase-the-inflation-compass-measuring-change-and-managing-expectations/>

²⁰ See the Nigerian Economic Summit Group (NESG). Inflationary Pressures in Nigeria: Getting Monetary Policy to Work, op.cit.

²¹ Ibid.

²² See the Federal Ministry of Budget and Economic Planning (FMBEP). (November 2025). FGN 2025 Budget Call Circular, at p. 5. Federal Republic of Nigeria. Available at: <https://efaidnbmnnnibpcajpcgiclfndmkaj/3109d40a-cb5c-44bb-bf8e-b713279c4ddd>

²³ This average price was calculated from the price of Brent Crude (\$60.36) and West Texas Intermediate (\$57.04) as at April 9 2025. See Slav, I. (April 9 2025). Oil Prices Drop to Lowest Level Since Pandemic as Trade War Accelerates. In Oil Price.Com. Available at: <https://oilprice.com/Energy/Oil-Prices/Oil-Prices-Drop-to-Lowest-Level-Since-Pandemic-as-Trade-War-Accelerates.html>

²⁴ See Slav, I. Oil Prices Drop to Lowest Level Since Pandemic as Trade War Accelerates, op.cit.

2.3 The 2025 Budget: Form, Structure and Comparisons

Budget Allocation Trend

Amount in trillions (N'tn)



At N54.99tn, the 2025 federal budget is the largest budget Nigeria has seen. However, when placed side-by-side with Nigeria's 2023 budget (and corrected for the depreciation of the naira) the 2025 budget is \$2.6bn less than the 2023 federal budget.²⁵ The 2025 budget was initially N49.7tn but experienced additions that bumped it up by N5.29tn. **However, it is when the budget is disaggregated the true picture of the expenditure becomes clearer.** The 2025 budget allocated N13.06tn to Recurrent Non-debt expenditure. This is about N1.79tn or 15.88% higher than the corresponding 2024 budget allocation to recurrent non-debt expenditure.

The allocations to debt service in the 2025 budget-at N14.32tn-is almost twice the size of the 2024 allocations to debt service (the latter which was about N8.27tn). The sinking funds component of the Debt service for 2025 at N377.3bn is about 68.69% higher than the allocation to sinking funds in 2024, which was about N223.66bn.

Aggregate capital expenditure in 2024 was pegged at N13.77tn: consisting of Capital Expenditure (MDAs + Others); GOEs Capital Expenditure; Grants and Donor Funding; and Multilateral/Bilateral Project-tied loans). This increased significantly by 74% in

²⁵ The naira to dollar exchange rate as of June 2023 was about N632 naira and by 2025 (due to inflation and depreciation) had gotten to N1,500.

2025 to N23.96tn. This significant increase in the capital expenditure component is crucial, as the economy requires critical improvement of the allocation to capital spending. **As is, the federal government is spending only 14% of GDP on capital items. Statutory transfers jumped from N1.74tn in 2024 by 109.8% to N3.65tn in 2025.** In total, Recurrent expenditure (recurrent non-debt and debt service combined) is N27.4tn; nearly N4tn larger than capital expenditure at N23.96tn. This is a slight improvement from the 2024 difference between recurrent expenditure (at N19.54tn) and capital expenditure (at N13.77tn), which was N5.77tn. A situation where this gap closes and the federal government spends more on capital expenditure than recurrent expenditure is always welcome.

It should be noted that the budget details of the National Assembly, Independent National Electoral Commission and the National Judicial Council are completely absent from the 2025 approved budget. While some components of Statutory transfers (such as the 'newborn' regional development commissions) have their budget details available, key institutions do not. It smacks of irony for a democratic republic, that constitutional bodies do not have their budget details made public. This is a practice that was not obtainable in the previous fiscal year and does not demonstrate the appropriate transparency required of a nation that is a signatory to the Open Government Partnership principles. This is also because, the Fiscal Responsibility Act clearly provides: "The Federal Government shall ensure

that its fiscal and financial affairs are conducted in a transparent manner and accordingly ensure full and timely disclosure and wide publication of all transactions and decisions involving public revenues and expenditures and their implications for its finances".²⁶

In terms of revenue, the 2025 budget aims for N36.35tn; an upward review of N1.53tn from the N34.82tn mentioned in the 2025 Budget Call Circular²⁷ and the President's initial presentation of the budget to the joint houses of the National Assembly. Yet, this 2025 projection is N10.48tn more than the 2024 revenue projection of N25.87tn (which included the amended budget revenue for the 2024 fiscal year). It is not surprising that the federal government is ambitious about the 2025 budget. For one, the anticipated revenues from Federal Government of Nigeria (FGN) Net Federation Revenues-which was N11.23tn in 2024-is more than double the amount and projected at N27.49tn. **This potential heightened revenue from the federal government's share of FGN revenue is likely due to the removal of subsidy payments and the additional revenue the 3 tiers of government have been receiving, recently. In fact, between the 2022 and 2023 fiscal years, allocations to the 3 tiers of government have increased by 23.5%** (i.e., from N8.21tn to N10.14tn).²⁸ In fact, as of H1 2024, the 3 tiers of government had received N8.3tn (i.e., 81.9% of the entire 2023 Federal Account Allocation).²⁹ The chart below shows the half-year comparison of FAAC disbursements to the federation.

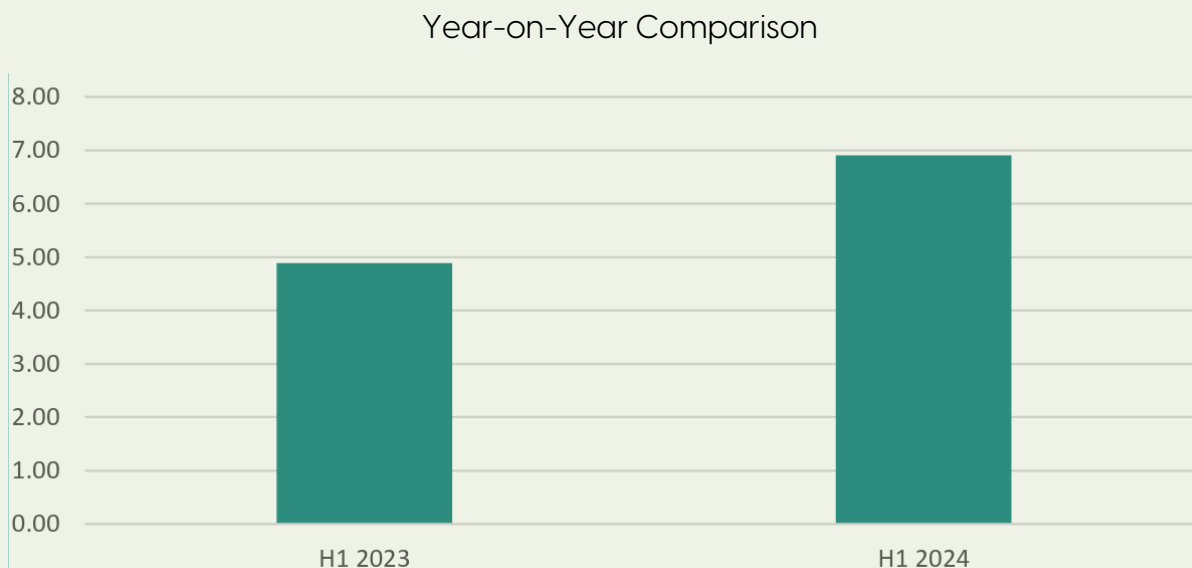
²⁶ See s.48 of the Fiscal Responsibility Act, 2007.

²⁷ See the Budget Office of the Federation. FGN 2025 Budget Call Circular. Federal Ministry of Budget and Economic Planning (FMBEP) Abuja, op.cit.

²⁸ See the Nigeria Extractive Industries Transparency Initiative. (2024). Federation Account Revenues and Allocations, 2023. NEITI Quarterly Review. The Presidency. Available at: <https://neiti.gov.ng/cms/wp-content/uploads/2024/03/FAAC-REVIEW-2023-DISBURSEMENTS-EDITED.pdf>

²⁹ See the Nigeria Extractive Industries Transparency Initiative. (2025). Federation Account Allocation For Q2 and H1 2023. NEITI Quarterly Review. The Presidency. Available at: <https://neiti.gov.ng/cms/wp-content/uploads/2024/09/FAAC-Analysis-Q2-H1-2024.pdf>

Figure: 2 Federal Account Allocation Disbursements to the Federation (H1 2023 and H1 2024)



Source: Nigeria Extractive Industries Transparency Initiative

In addition, with the likely passage of the 4 Tax bills into law and implementation of a more harmonized and efficient tax system, the federal government may see higher revenues. This is because: “Nigeria’s low tax-to-GDP ratio of 7.9%, significantly lags behind the Sub-Saharan African average of 16%”.³⁰ The 2025 budget again projects about N3.47tn in Independent revenues; an increase of 81.6% over its 2024 projection of N1.91tn. Lastly, the federal government in 2024 budgeted N3.65tn for revenue from Government-Owned Enterprises and in 2025 is budgeting N2.87tn; a decrease of 27.1%.

2.4 Comparing Apples and Guavas: A Comparison of the 2024 and 2025 Budget

The 2025 federal budget is different from the 2024 budget in many ways. The domestic macro economic contexts are vastly different and the global economy is also very different. For one, the recent fall in crude oil prices due to the current looming trade war between the US and China, means that 2025 revenue projections will likely have to be muted. The federal government, via the federal Ministry of Finance is, at the moment, considering a critical review of the

³⁰ See Kolawole, S. (April 11 2025). Nigeria’s Fiscal Policy 2025: A Strategic Blueprint for Economic Recovery and Growth. In ProShare Blogpost. Available at: <https://proshare.co/articles/nigerias-fiscal-policy-2025-a-strategic-blueprint-for-economic-recovery-and-growth?menu=Economy&classification=Read&category=Reviews%20%26%20Outlooks>



2025 budget.³¹ **With an oil price projection that is looking less and less realistic in the short to medium term, the federal government would need to improve crude oil production and the non-oil component (however, the U.S government has also slapped a 14% tariff on non-oil imports but this may have a minimal impact due to our export mix).**³² Be that as it may, Nigeria

needs to know what had obtained in the previous fiscal year, to appropriately project for subsequent periods. The 2024 budget performance (according to the latest information available)* hit N14.55tn in revenue; about 75% of the federal government's prorated revenue for Q3 2024 (i.e., N19.40tn). However, this target is just 56% of the full 2024 fiscal year revenue target. On the other hand, the federal government spent about N21.60tn in expenditure as of Q3 2024.** This represents about 82.2% of the federal government's prorated expenditure for Q3 2024 (i.e., N26.29tn). However, this target is just 61% of the full 2024 fiscal year expenditure target. As is 'tradition' in the Nigerian context, expenditure performed better, in comparison to earnings. However, the performance of the actual expenditure component

itself is just above half of the budget. This is concerning for a country with over 133 million persons living below the poverty line.***

It must be noted that the 2024 federal budget lives on in the 2025 fiscal year. This appears to be the new normal of the current administration, as the 2023 capital budget was initially rolled over to June 2024 and then further rolled over to December 2024.³³ Due to the amendments to the 2024 budget (especially the capital expenditure component), the capital budget is again being rolled over into the 2025 fiscal year. In fact, the Budget Office of the Federation stated that: "MDAs are to roll over 2024 capital project provisions to 2025 where it seems unlikely that the 2024 provision will be fully funded".³⁴ As such, the capital component of the 2024 budget will end in June 2025. While there is an urgent need to improve the quality of implementation of the capital expenditure part of the budget, the habit of implementing concurrent capital budgets with minimal or limited public disclosure by the government (of its own implementation) is a practice that ought to be discontinued. In any case, the 2025 budget requires extreme diligence in its execution, as well as proper oversight in its implementation.

*See the President of the Federal Republic of Nigeria. Being a Presentation By His Excellency, President Bola Ahmed Tinubu, GCFR of the 2025 Budget of Restoration: Securing Peace, Rebuilding Prosperity to A Joint Session of the National Assembly On Wednesday 18th December, 2024. Federal Republic of Nigeria, op.cit. "

** Ibid

*** See the National Bureau of Statistics. (2022). Nigeria Multidimensional Poverty Index. Federal Republic of Nigeria

³¹ Ubani, C. (April 8 2025). Nigeria's Finance Minister Hints FG May Consider Reviewing 54.99trn 2025 Budget in Response to U.S. Tariff Hike. In West Africa Weekly. Available at: <https://westafricaweekly.com/nigerias-finance-minister-hints-fg-may-consider-reviewing-%E2%82%A654-99trn-2025-budget-in-response-to-u-s-tariff-hike/>

³² See Ugwu, C. (April 7 2025). FG To Review 2025 Budget Assumptions. In the Independent Newspapers. Available at: <https://independent.ng/fg-to-review-2025-budget-assumptions/>

³³ See Yusuf, M. (March 6 2025). Impact of the 2025 Budget on the Business and Economic Sector. Being a Presentation by Dr. Muda Yusuf, at the Nigeria Economic Society/NISER Seminar on the 2025 Budget. Available at: https://niser.gov.ng/v2/wp-content/uploads/2025/03/NISER_NES-SEMINAR-2025_Impact-of-the-2025-Budget-on-the-Business-and-Economic-Sector.pptx

³⁴ See the Budget Office of the Federation. FGN 2025 Budget Call Circular. Federal Ministry of Budget and Economic Planning (FMBEP) Abuja, op.cit.

3. Macroeconomic Context

3.1 GDP Rebasing, CPI Rebasing, and Foreign Trade in Goods: An Analytical Overview

Nigeria's economic landscape has undergone significant transformations through recent initiatives such as rebasing the Gross Domestic Product (GDP) and of the Consumer Price Index (CPI). These recalibrations aim to provide a more accurate reflection of the nation's economic structure and inflationary trends. Concurrently, shifts in foreign trade dynamics have influenced Nigeria's position in the global market. GDP rebasing involves updating the base year to calculate GDP to reflect current economic activities and structural changes. In 2025, **Nigeria's NBS updated the base year from 2010 to 2019. The emergence of new sectors and significant economic shifts over the past decade necessitated this adjustment. The rebasing exercise revealed notable changes in sectoral contributions to the GDP.** Crop production, trade, and real estate emerged as the most significant contributors, with real estate surpassing crude petroleum and natural gas production, which moved to the fifth position.³⁵ This shift underscores the diversification of Nigeria's economy and the growing significance of non-oil sectors.

3.2 Refining Inflation Measurement

The CPI rebasing aimed to enhance the accuracy of inflation measurement by updating the base year to 2024. This process involved expanding the inflation basket from 740 to 960 items, incorporating new categories such as insurance and financial services. The rebasing led to a reported drop in headline inflation to 24.48% in January 2025, down from 34.80% in December 2024. Considering contemporary consumption patterns, this decline reflects a more precise assessment of price levels but does not mean that inflation has reduced.

3.3 Foreign Trade in Goods: Navigating Global Dynamics

Domestic policies and global economic shifts have influenced Nigeria's foreign trade. The African Growth and Opportunity Act (AGOA), established to enhance trade between the U.S. and Sub-Saharan Africa, faces uncertainties due to potential tariff impositions. Such developments could impact Nigeria's export sectors, particularly textiles and minerals, which have benefited from AGOA's provisions. However, as Nigeria mainly exports raw or primary commodities to the US, the tariffs will likely have a minimal impact on Nigeria's trade with the US.

³⁵ Egboboh, C. (2025, January 5). GDP rebasing: Crop production, trade, real estate now largest contributors to economy. *Business Day*. Retrieved April 22, 2025, from <https://businessday.ng/news/article/gdp-rebasing-crop-production-trade-real-estate-now-largest-contributors-to-economy/>



Additionally, global crude oil exports experienced a 2% decline in 2024, attributed to weak demand growth and realignments in trade routes. For Nigeria, a major oil exporter, these shifts necessitate strategic adjustments to maintain competitiveness in the international market. Nigeria's recent economic

recalibrations and evolving trade dynamics present challenges and opportunities. **By leveraging accurate data from the rebasing exercises and implementing strategic policies, Nigeria can navigate these changes effectively, fostering sustainable economic growth and development.**



4. Tax Reforms: A Critical Appraisal of Much-Needed Reforms

The current administration has embarked on far reaching reforms to transform the structure and form of taxation, revenue management and fiscal policy. The commissioning of the Tax and Fiscal Reforms Committee was carried out by the President in 2024, and Mr. Taiwo Oyedele was appointed as the point man of the commission (the latter was constituted by numerous key and critical stakeholders). The President intends to not only provide an appropriate legal framework for the country's fiscal framework but also simplify the legislation regarding taxes generally.

The government itself acknowledges that the challenges in the tax system range from: "Multiple taxes and revenue collection agencies, complex tax system, low tax morale, high prevalence of tax evasion, high cost of revenue administration, lack of coordination between fiscal and economic policies, and poor accountability in the utilization of tax revenue".³⁶

Reports show that the tax-to-GDP ratio for Nigeria in 2024 was less than 10%; lower than the minimum 15%

benchmark provided by the World Bank for sustainable development.³⁷

The Nigeria Tax Bills (NTB) are essentially 4 separate pieces of legislation that seek to transform the fiscal profile and revenue framework of the entire federation. The bills are as follows: Nigeria Tax Administration Bill (HB. 1756); National Tax Bill (HB. 1759) Nigeria Revenue Service Bill (HB. 1757); Joint Revenue Board Bill (HB. 1758). The Nigeria Tax Bills have been described by some observers as far-reaching, specifically that: "The NTB vests upon the Nigeria Revenue Service (expected to succeed FIRS) powers to collect all national taxes, including royalties collected by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and excise duties, import VAT etc., collected by the Nigeria Customs Service. The coming into force of the NTB will lead to the repeal of 11 laws/enactments,³⁸ while 13 other laws³⁹ shall experience consequential amendments".⁴⁰ The push by the Tinubu administration to modify the revenue framework of the country is significant. Not only does the

³⁶ See State House, (July 7 2023). *President Tinubu Sets up Committee on Tax Reforms*. Office of the President of the Federal Republic of Nigeria. Available at: <https://statehouse.gov.ng/news/president-tinubu-sets-up-committee-on-tax-reforms/>

³⁷ See Chapi-Odekina, G. (November 18 2024). *Nigeria must address 6% tax-to-GDP ratio – Speaker Abbas*. In the Vanguard Newspapers. Available at: <https://www.vanguardngr.com/2024/11/nigeria-must-address-6-tax-to-gdp-ratio-speaker-abbas/>

³⁸ The laws to be revoked are as follows: Capital Gains Tax Act; Casino Act; Companies Income Tax Act; Deep Offshore and Inland Basin Act; Industrial Development (Income Tax Relief) Act; Income Tax (Authorised Communications) Act; Personal Income Tax Act; Petroleum Profits Tax Act; Stamp Duties Act; Value Added Tax Act and; the Venture Capital (Incentives) Act. See Chibuzo, M. (November 20 2024). *President Tinubu's Tax Reform Bills Under a Microscope*. In Proshare Online News Report. Available at:

<https://proshare.co/articles/president-tinubus-tax-reform-bills-under-a-microscope?menu=Economy&classification=Read&category=Taxes%20%26%20Tariffs>

³⁹ The laws with consequential amendments are as follows: The Petroleum Industry Act, No 6. 2021 (the areas to be deleted in the PIA include parts I – X of chapter four; the Fifth and Sixth Schedule; paragraphs 6, 9, 10, 11 and 12 of the Seventh Schedule; and subparagraph 6 of paragraph 14 of the Seventh Schedule; the Nigerian Export Processing Zones Act (sections 8 and 18(1)(a) deleted); the Oil and Gas Free Trade Zone Act (sections 8 and 18(1)(a) deleted); the National Information Technology Development Agency Act (sections 1, 2, and 3(3) deleted); the Tertiary Education Trust Fund (Establishment, Etc.) Act (sections 1, 2, and 3(3) deleted); the National Agency for Science and Engineering Infrastructure (Establishment) Act (section 20(2), paragraph b(i) and b(ii) deleted); the Customs, Excise Tariffs, Etc. (Consolidation) Act (section 21(2) deleted); the National Lottery Act (sections 35A, 35B and 35C deleted); the Nigerian Minerals and Mining Act (sections 28 and 33 deleted); the Nigeria Start-up Act (sections 25(2), (3), (4) and 29(3) deleted); the Export (Incentives and Miscellaneous Provisions) Act (section 11(f) deleted); the Federal Roads Maintenance Agency (Establishment, Etc.) Act (section 14(1)(f) deleted); and the Cybercrime (Prohibition, Prevention, Etc.) Act (subsections 2(a) and (4) of section 44 and the Second Schedule are deleted). See Chibuzo, M. *President Tinubu's Tax Reform Bills Under a Microscope*, op.cit.

⁴⁰ Ibid.

legislation aim to simplify the hitherto numerous and complex tax laws but, it goes further to provide for the reduction in the tax burden on individuals and (in some cases) businesses. The simplification of the country's tax framework will even go further to signify to the international community that the country is 'open for business'.⁴¹ But this does not mean that it will come without challenges. The 4 tax bills address different aspects of the nation's revenue system. They are as follows:

4.1 Nigeria Tax Administration Bill

This bill seeks to provide a cohesive and uniform framework for the administration of taxation in Nigeria, to facilitate tax compliance and ensure the optimal collection of revenue. Further, the bill will amend the revenue sharing formula for the federation and the 3 tiers of government, respectively. The bill will bring together and harmonise provisions from the Companies Income Tax Act, Personal Income Tax Act, Petroleum Profits Tax Act, Value Added Tax Act (VAT), Stamp Duties Act, and Capital Gains Tax Act, and if passed will serve as the principal law for the administration of the Nigeria Tax Bill. The bill intends to provide to the Nigeria Revenue Service with jurisdiction over VAT but also acknowledges the role of the relevant State (and FCT) tax collecting agencies. Yet, it should be noted that the National Assembly currently does not have the constitutional powers over VAT, per the Federal High Court, in Attorney General of Rivers State

Federal Inland Revenue Service (2020) and other cases. Where there is no constitutional amendment to make VAT an Exclusive List or Concurrent List item, the powers of the NRS to administer VAT will most certainly be subject to litigation.

Again, this bill intends to reframe the VAT revenue sharing formula among the federating units. The new VAT regime is a change from the 'headquarters principle' where VAT is remitted from where the head corporation exist to one where allocation is to locations where products are consumed. If passed, VAT revenue will be shared in the following manner: 10% to the federal government; 55% to state governments (including the FCT), and 35% to local governments. Currently, the federal government collects 15% of the VAT and the states take about 50%. **Essentially it should be seen that the bill seeks to reframe the sharing principles. In other words: "Under the current formula 20% of the pooled funds are given to states based on their contributions, 30% are shared according to the population of each state and 50% are shared equally to all the states. Tinubu proposes to give states 60% of the revenue they generate, and to share 20% based on their populations and another 20% equally between all states".**⁴²

Another innovation of this bill is a gradual increase in the VAT rate from the current 7.5% to 10% in 2025; 12.5% in 2026, 2027, 2028, and

⁴¹ See Mbakogu, O.J. (2020). *Incentivizing Foreign Direct Investment In Nigeria: A Legal Critique of Extant Fiscal and Tax Regimes*. In the *Nnamdi Azikiwe University Journal of Commercial and Property Law* Vol. 7(1). Available at: <https://journals.ezenwaohaetorc.org/index.php/NAUJCPL/article/download/1072/1074>
⁴² See Mbachui, D. (February 18 2025). *Tinubu grapples with the politics of Nigerian tax reforms*. In *African Business Magazine*. Available at: <https://african.business/2025/02/politics/tinubu-grapples-with-the-politics-of-nigerian-tax-reforms>

2029, and a final peg of 15% from 2030. This proposed change in VAT includes a 0% rate for essential goods and services (which by some estimates, account for 82% of average household consumption); an exemption covering critical items such as food, medical services, education, transportation, fuel, and rent; and that businesses will benefit from tax credits for VAT paid on assets and production expenses, essentially lowering production costs by up to 7.5%.⁴³ The Nigeria Tax Administration bill also intends to expand the tax net to cover more Nigerians by mandating the registration of all taxable persons making the acquisition of a Tax Identification Card (TIC) compulsory for the opening of bank accounts, registration with stock broking firms and other financial institutions. Another innovation (or change to the tax regime) is the requirement for Employees to file tax returns. Currently, only Employers are required to file returns on behalf of employees. However, the new bill seeks to allocate that responsibility to employees so as to capture non-employment income. This will likely bring in activities done in the informal sector, if passed.

4.2 The Nigeria Tax Bill

This bill aims to revoke several existing tax laws, amend others and provide for a uniform tax system for the country. Here also, the bill seeks to “Repeal the Companies Income Tax Act, Personal Income Tax Act, Petroleum Profits Tax Act, the Value Added Tax Act, Stamp Duties Act, and

Capital Gains Tax Act, as well as consolidate the legal frameworks relating to taxation and enact a single act to provide for taxation of income, transactions and instruments, and for related matters”.⁴⁴ Some of the unique changes the act brings involve a new approach to the ascertainment of income and profits. Currently, for expenses to be deductible, they must meet 4 criteria (wholeness, exclusivity, necessity and reasonableness). If the act is passed, expenses will only have to be wholly and exclusively incurred to be deducted from income. Another innovation is the revision of the Corporate Income Tax rate. Under current laws, the tax rate for companies is: 0% for small companies (a small company is defined as one that earns a gross turnover of N25,000,000 million or less, per annum), 20% for medium companies and 30% for large companies.

However, under the new legislation, the tax rates are: 0% (zero) for a small company; 27.5% for any other company in the 2025 fiscal year of assessment; and then 25% for any other company from the 2026 fiscal year of assessment.

In addition, the new act defines a small company to mean one that earns gross turnover of N50,000,000 million or less per annum with total fixed assets not exceeding N250,000,000 million.⁴⁵ Again, the Nigeria Tax Bill has revised the Personal Income Tax rate and introduced a progressive system of taxation that lessens the tax burden on lower income earners. The table below depicts the manner in which the tax rates would be applied.

⁴³ See Policy and Legal Advocacy Centre (PLAC). (January 2025). *Analysis of the Nigerian Tax Reform Bills*, at p. 8. *Review of Relevant Information on Nigeria's Democracy. Bill Analysis. Issue 01*. Available at: <https://placng.org/wp-content/uploads/2025/01/Analysis-of-the-Nigerian-Tax-Reform-Bills.pdf>

⁴⁴ See Policy and Legal Advocacy Centre (PLAC). *Analysis of the Nigerian Tax Reform Bills*, op.cit., at p. 5.

⁴⁵ However, application of this definition of a small company shall not lie where the business concerned is a professional services company. See clause 56 of the Nigeria Tax Bill.

Table 2: Applicable Tax Rates for Different Income Bands

S/N	Income Band (per annum)	Applicable Tax Rate
1.	N800,000 or less	Zero
2.	between N800,001 and N3,000,000	15%
3.	between N3,000,001 and N12,000,000	18%
4.	between N12,000,001 and N25,000,000	21%
5.	between N25,000,000 and N50,000,000	23%
6.	above N50,000,000	25%

Source: The Nigerian Tax Bill, 2025

Another innovation of the Nigeria Tax bill is the classification of Digital assets as chargeable assets. In other words Digital assets (including cryptocurrencies and non-fungible tokens (NFTs)), will now be held as property or assets and will be deemed chargeable for tax purposes. The act goes on to define Digital assets as: “Digital representations of value that can be exchanged electronically, including but not limited to crypto assets and non fungible tokens (NFTs)”.⁴⁶ The introduction of Digital assets as being subject to charges (or taxes) is in agreement with the provisions on Digital assets under the Finance Act, 2023. Also, the Bill seeks

to revise and harmonise the several taxes charged to companies in Nigeria, under different guises. Currently, corporations are made to pay the following: Education Tax (3%); the National Agency for Science and Engineering Infrastructure (NASENI) tax (0.25%); and the National Information Technology Development Levy (1%). If passed into law, the single rate payable by companies, in the form of a Development Levy, will be 4% for the 2025 and 2026 fiscal years. But the rate will decrease to 3% for the 2027, 2028, and 2029 fiscal years, and still reduce to 2% from 2030 and after. The act stipulates that the income generated from the levy

⁴⁶ See the Nigeria Tax Bill.

from 2030 and onward will be dedicated entirely to the Student Education Loan Fund.⁴⁷

4.3 The Nigeria Revenue Service (Establishment) Bill

This proposed legislation aims to create a legal, institutional and regulatory framework for the management and superintendence of taxes and revenue under any legislation passed by the National Assembly and to give account for the collection of such taxes and revenue. The Bill seeks to modify the current Federal Inland Revenue Service (FIRS) into the Nigerian Revenue Service (NRS) and expand the scope of existing powers. One new addition is that the NRS can assist, on request, a State or Local Government, in the collection or administration of taxes. This, however, only applies to taxes in respect of which the requesting government has the statutory right to collect or administer. Also, the NRS Bill states that the Service is to be funded by a percentage (as may be determined by the National Assembly), of the total revenue collected by the Service. This differs from the previous position where funding of the FIRS from tax revenue was limited to non-oil revenues.⁴⁹

4.4 Joint Revenue Board (Establishment) Bill

The JRB Bill intends to create the Joint Revenue Board, the Tax Appeal Tribunal and the Office of the Tax Ombudsman for the coordination, harmonisation and settlement of disputes arising from tax administration.⁵⁰ The JRB Bill represents a reform that the Federal Government intends to introduce to transform the process of tax administration in Nigeria. The JRB Bill is set to modify tax administration, increase intergovernmental cooperation, and introduce new avenues for dispute resolution.

In the main, the attempt to reform the tax and revenue framework of the country is a step in the right direction. Several provisions of the bills above aim to bring the Nigerian tax system in line with global best practices. As such, whenever such changes are being implemented, they will be met with some opposition. However, as of the time of press, the tax bills appear to have weathered the storm to a large extent and are currently before the Senate of the federal republic. But the real challenge may not be with the passage of the bills into law but the implementation of the various acts and the potential clash with states over the collection of VAT.



⁴⁷ See Clause 59 of the Nigeria Tax Bill.

⁴⁸ See Policy and Legal Advocacy Centre (PLAC). *Analysis of the Nigerian Tax Reform Bills*, op.cit., at p. 11.

⁴⁹ Ibid.

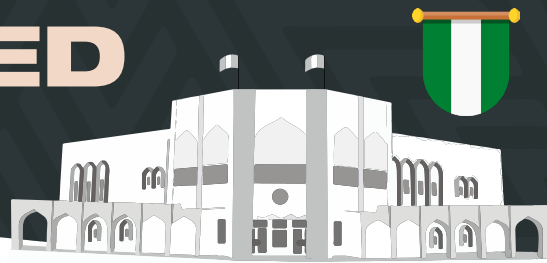
⁵⁰ Ibid.



5. 2025 Approved Budget Framework

The federal government projects to spend N54.99tn in the 2025 fiscal year. The 2025 budget appears quite ambitious, representing an increase of 91.07% from the 2024 budget of N28.78tn. Oil production is projected to be 2.06 mbpd, while inflation is projected to be 15%. The federal government has pegged the USD/Naira exchange rate at N1500/\$1; **however, with how the naira has been trading very weak consistently, it may further fuel inflationary pressures on goods and services.**

2025 FG APPROVED BUDGET



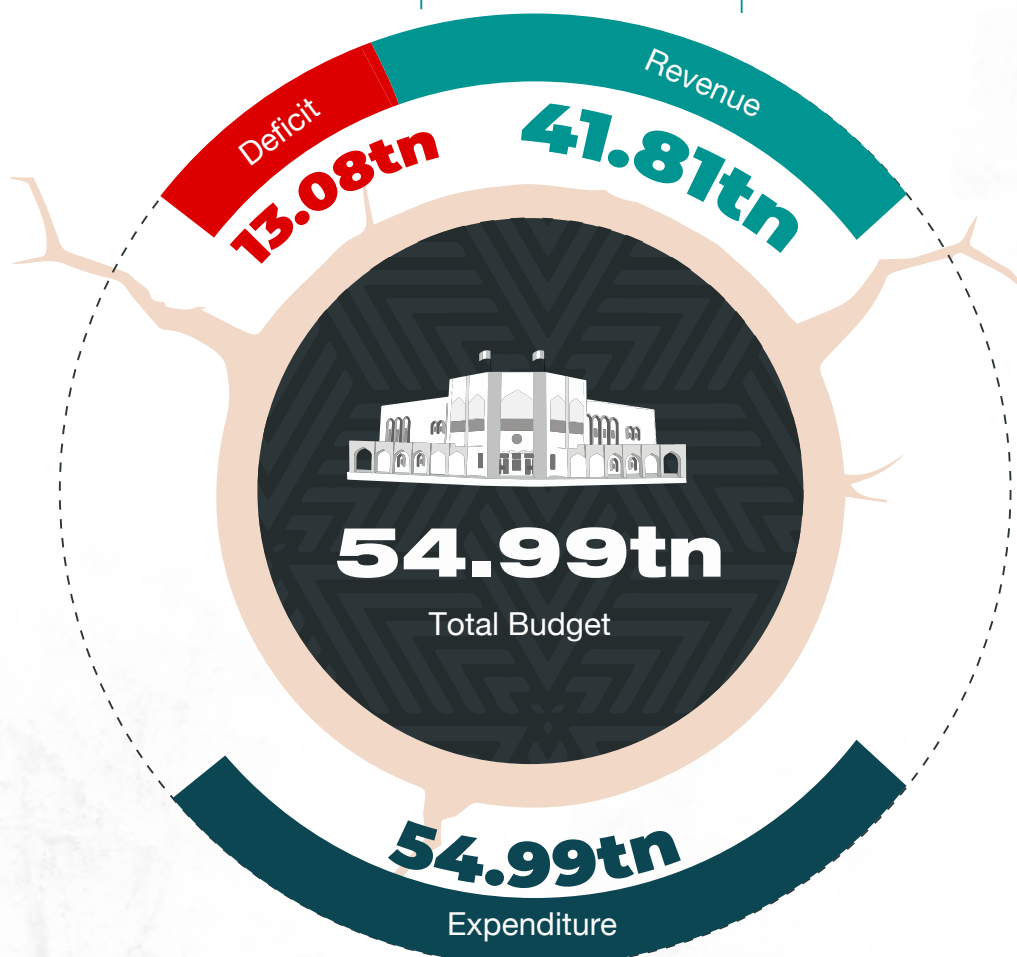
Key Assumptions



Unit in NGN

Budget Framework

Revenue



Expenditure



Source: 2025 Appropriation Act, Federal Republic of Nigeria Presidential Budget Speech

2025 Federal Government Approved Budget Analysis

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Table 3: 2025 Approved Budget Framework

Key Assumptions	
Description	2025 Budget
Oil Production (mbpd)	2.06 mbpd
Exchange Rate (N/\$)	N1500/\$
Inflation (%)	15%
Budget Framework	
Revenue	36.35 tn
Expenditure	54.99 tn
Debt Service	14.32 tn
Deficit	18.64 tn
Budget Breakdown	
Revenue	
FGN Share of Net Federation Revenues	27.49 tn
Independent Revenues	3.47 tn
Other Revenues	5.39 tn
Expenditure	
Statutory Transfer	3.65 tn
Recurrent Non-Debt	13.06 tn
Capital Expenditure	23.96 tn
Debt Service	14.32 tn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

5.1 Revenue Analysis

For the 2025 fiscal year, Nigeria's federal government anticipates a significant revenue increase to N36.35tn, marking a remarkable 110.72% rise from the previous year's targeted revenue of N17.25tn. This substantial growth reflects the government's efforts to enhance revenue generation through various channels, positioning Nigeria for potential economic recovery and development.

A detailed breakdown of the projected revenue reveals that the federal government's share of the Net Federation Revenue is expected to be N27.49tn. This figure represents the primary source of funding for government operations and development projects, derived from oil and gas sales, taxes, and other fiscal contributions. Additionally, Independent revenue is estimated at N3.47tn, which includes income

generated from government-owned enterprises and services. This revenue stream is crucial for reducing dependency on external sources and ensuring that the government can fund its initiatives sustainably. Furthermore, an additional N5.39bn is categorized as Other Revenue, which can encompass various smaller income sources, grants, and donations.

This dramatic increase in revenue presents an opportunity for the federal government to invest heavily in critical sectors such as infrastructure, healthcare, education, and housing. By allocating funds strategically, the government can address pressing issues, improve public services, and stimulate economic growth. However, effective management and transparency in the utilization of these funds will be essential to ensure that the anticipated revenue translates into tangible benefits for the citizens and the overall economy.



Table 4: 2025 Federal Government Approved Budget Revenue Breakdown

Revenue	Amount (Naira)
FGN Share of Net Federation Revenues Breakdown	
FEDERAL GOVERNMENT SHARE OF MAIN POOL	26.48tn
FEDERAL GOVERNMENT SHARE OF VAT POOL	972.93bn
FEDERAL GOVERNMENT SHARE OF EMTL	32.04bn
Total FGN Share of Net Federation Revenues	27.49tn
Independent Revenues	3.47tn
Other Revenues	5.39 bn
Total Revenue	36.35tn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

5.2 Expenditure Analysis

The expenditure figure for 2025 is 56.85% more than the aggregate expenditure for 2024, which was N35.06tn*. A further breakdown of the 2025 budget shows that 43.57% (N23.96tn) of the total budget is allocated for capital expenditure, 23.75% (N13.06tn) is allocated for recurrent expenditure, and 26.04% (N14.32tn) is set aside for debt service, while N3.65tn (6.64%) was allocated for statutory transfers.

Table 5: 2025 Federal Government Approved Budget Expenditure Breakdown

Expenditure	Amount (Naira)
Statutory Transfer	3.65 tn
Debt Service / Sinking Fund	14.32 tn
Recurrent (Non-Debt) Expenditure	13.06 tn
Capital Expenditure	23.96 tn
Total Expenditure	54.99 tn
Deficit	-18.64 tn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

*Budget Office of the Federation. (2024). Budget Call Circular. Federal Ministry of Budget and Economic Planning (FMBEP), Abuja

Over the years, Nigeria's allocation for capital projects has been on a steady increase. In 2023, 2024 and 2025, the federal government allocated about 27.35%, 34.75% and 43.57% of its total budget to capital spending respectively. Investing in capital projects will not only boost the nation's economic growth but will drive job creation and also provide essential services to citizens.

Allocation to recurrent expenditure increased by 60.68%, from N17.04tn in 2024 to N27.38tn in 2025. Statutory transfers are payments made to government agencies and institutions which are meant to receive funding outside the direct control of executive agencies based on their functions. A total budget of N3.65tn has been allocated to the agencies in 2025, this is an increment of 109.77% from N1.74tn in 2024.

5.3 Deficit and Deficit Financing

Fiscal deficit is the difference between the government's total revenue and expenditure. It shows how much money the government will likely borrow during the fiscal year or raise from asset sales. According to s.12(1) of the FRA 2007, the fiscal deficit should not exceed 3% of the estimated GDP, except when there is a clear and present threat to the national security and sovereignty of Nigeria. In the 2025 fiscal year, the federal government budget provides for a N54.99tn budget expenditure and a N36.35tn revenue projection, leaving a deficit of N18.64tn. **The projected 2025 budget deficit of N18.64tn represents about 51.28% of the federal government's expected revenue and 3.89% of the projected GDP, slightly higher**

than the 3% allowed by the Fiscal Responsibility Act FRA 2007. The 2025 budget deficit is 103.05% higher than the 2024 approved budget deficit.

In line with the usual pattern, the 2025 budget deficit is expected to be financed by borrowings: N9.28tn from domestic/foreign sources, N3.80tn from multilateral/bilateral loan drawdowns, while assets sales/privatisation proceeds are expected to provide N312.33bn. The government needs to pay attention to increasing the efficiency of revenue generation as well as eliminate reckless spending; this will help in managing the debt burden and ensure fiscal sustainability.

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6. Budget Trend Analysis

6.1 Revenue Trend

Nigeria's budget revenue trend from 2021 to 2024 reveals significant fluctuations in both projected and actual revenues. In 2021, the country achieved only 69.96% of its revenue target, highlighting initial shortfalls. However, there was notable progress in 2022, with actual revenue rising to

77.80% of the budget. The peak came in 2023, when revenue performance surged to 113.04%, with total collections reaching N12.48tn, exceeding the target of N11.05tn. This trend indicated a strong recovery in revenue generation.

Table 6: 4-Year Revenue Trend

Year	Budget (N' Billion)	Actual (N' Billion)	Performance
2019	6,998.49	4,120.09	58.87%
@Q3 2020	5,835.26	2,545.75	43.63%
2021	6,637.58	4,643.51	69.96%
2022	9,969.17	7,756.07	77.80%
2023	11,045.11	12,484.97	113.04%
2024*	25,876.61	8,469.06	32.73%

2024* Actual is for Jan-June

Source: Budget Office of the federation, Budget Implementation Report



Nigeria's revenue collection in the first half of 2024 significantly underperformed, achieving only 34.54% of the year's target. The Federal Government's total revenue for this period was N8.47tn, falling short by N4.47tn compared to the prorated budget projection of N12.94tn. This stark shortfall highlights ongoing challenges in

revenue generation. In contrast, the government had shown improvement in the previous three years, consistently increasing revenue collection to above 70% of targets. This trend underscores the potential for effective revenue strategies, although the early 2024 figures indicate a need for a renewed focus on fiscal management.

6.2 Expenditure Trend

Nigeria's budget expenditure from 2021 to 2024 shows a significant achievement in performance and performed over 85% execution of the allocation in the last three years. In 2021, the actual expenditure was N11.08tn, achieving 88.55% of the budgeted N12.51tn. This slight

shortfall continued in 2022, with performance at 87.84% and actual expenditure of N13.41tn. **A notable improvement occurred in 2023, where actual expenditure rose to N19.87tn, reaching 96.30% of the budgeted N20.63tn.**



Table 7: 4-Year Expenditure Trend

Year	Budget (N' trillion)	Actual (N' trillion)	Performance
2021	12,512.54	11,079.70	88.55%
2022	15,267.61	13,410.36	87.84%
2023	20,633.01	19,868.61	96.30%
2024*	35,060.00	12,482.10	35.60%

2024* Actual is for Jan-June

Source: Budget Office of the federation, Budget Implementation Report

However, as at the first half of 2024, there was a dramatic decline, with actual expenditure falling to only N12.48tn, representing just 35.60% of the significantly increased budget of N35.06tn.⁵¹ This sharp drop highlights serious challenges in fiscal

management and budget execution, indicating the need for improved strategies to ensure that budgeted expenditures are effectively met and utilized.

⁵¹ It can be conceded that this decline in actual expenditure was the result of the usual delay in disbursement of funds until mid-year before projects are executed. However, this cannot be confirmed until the Budget Implementation Reports of the 2024 full fiscal year are released.

6.3 Deficit Trend

As forecasted in the MTEF (2023-2025), the deficit to GDP has exceeded the 3% limit permitted by the Fiscal Responsibility Act (2007). Nigeria's budget deficit trend from 2021-2024 shows a concerning shift. In 2021-2023, the actual deficits of N6.44tn, N7.77tn, and N10.55tn, represent 6.10%, 5.10%, and 6.10%

of GDP, respectively. **By the first half of 2024, the situation had worsened significantly, with an actual deficit of N4.53tn representing 7.60% as at August 2024.** This trend reflects ongoing fiscal challenges and growing reliance on borrowing.

Table 8: 4-Year Deficit Trend

Year	Budget (N' trillion)	Actual (N' trillion)	Performance
2021	5,874.66	6,436.19	6.10%
2022	9,969.17	7,756.07	5.10%
2023	13,778.42	10,551.42	6.10%
2024*	9,178.93	4,529.92	7.60%

2024* Actual is for Jan-June

Source: Budget Office of the federation, Budget Implementation Report

While manageable deficits can stimulate economic growth, the rising deficits in relation to GDP pose serious risks, including escalating national debt and reduced fiscal flexibility. High deficits can lead to increased debt servicing costs, inflation, and

diminished investor confidence, which may hinder economic stability. Addressing these deficits is crucial for Nigeria to ensure sustainable fiscal health and promote long-term economic growth.

7. Public Debt Analysis

7.1 Total Debt

According to the Debt Management Office (DMO), Nigeria's total public debt as of September 2024 was N142.32tn,⁵² out of which domestic debt is 51.6% and foreign debt is 48.4%. This shows an increase of 46.21% from the previous year, in which the total public debt was N97.34tn as at December 2023.

The increase in the total public debt stock was reflected in both domestic and external debt components. Compared with the debt figures as at

December 2023, the total external debt stock increased from N38.22tn to N68.89tn, which is an increment of 80.25%. The total domestic debt also increased from N59.12tn as at December 2023 to N73.43tn as at September 2024. For the foreign debt, a significant factor for the huge increment can be attributed to the depreciation of the Naira to the US Dollar; **the rate of US\$1 to N899.393 was used as at December 2023, while the rate of US\$1 to N1601.028 was used as at September 2024.**

Table 9: Public Debt Stock - External and Domestic Debt of the FGN, States and FCT as at September 30, 2024

	Amount (USD)	Amount (NGN)	% of Total
External Debt	45.780bn	70.29tn	48.59%
Domestic Debt	48.44bn	74.38tn	51.41%
Total	94.23bn	144.67tn	

Source: Debt Management Office, Federal Republic of Nigeria

Note:



- Domestic Debt Stock for Cross Rivers State was as at June 30, 2024. All other States and Federal Capital Territory were as at September 30, 2024.
- The Central Bank Nigeria (CBN) Official Exchange Rate of US\$1 to N1,601.028 as of September 30, 2024, was used to convert External Debt to Naira.

⁵² See the Debt Management Office, (2024). Nigeria's Total Public Debt Portfolio As At September 30, 2024. Federal Republic of Nigeria. Available at: <https://www.dmo.gov.ng/debt-profile/total-public-debts/5080-nigeria-s-total-public-debt-as-at-september-30-2024/file>

7.2 Domestic Debt



Unlike foreign debt, the issue of domestic debt is not given much attention despite its potentially significant impact on economic growth, government budgets and macroeconomic stability. As at September 2024, Nigeria's domestic debt stood at N73.43tn (\$45.87bn), of which the federal government's share is N69.22tn (\$43.23m).⁵³ Nigeria's domestic debt is 51.6% of the total

public debt of Nigeria. While 94.26% of Nigeria's total domestic debt is owed by the federal government, the remaining 5.74% is owed by the 36 states plus the FCT. The federal government's share of the domestic debt increased from N53.26tn as at December 2023 to N69.22tn as at September 2024; this represents an increase of 29.97%.

Table 10: Domestic Debt of the FGN, States and FCT as at September 30, 2024

	Amount (USD)	Amount (NGN)	% of Total
Federal Government	43.23bn	69.22tn	94.26%
States and FCT	2.63bn	4.21tn	5.74%
Total	45.87bn	73.43tn	

Source: Debt Management Office, Federal Republic of Nigeria

7.3 Foreign Debt


The nation's economic growth is seriously threatened by the rising fiscal deficits brought on by a higher level of external debt servicing. This exposes the country to a high debt burden as a result of enormous debt accumulation. Nigeria's external debt as of September 2024 stood at N68.89tn (\$43.03bn), which is 48.4% of total public debt.⁵⁴

Several factors can be associated to the increase in external debt, some of which are rapid growth of public expenditure (particularly on capital projects), borrowing from the international community at non-concessional interest rates, dependence on imports (which contributed to the emergence of trade arrears) and lastly, the depreciation of the Naira to the US Dollar; the rate of

⁵³ Debt Management Office. *Nigeria's Total Public Debt Portfolio As At September 30, 2024*, op.cit.

⁵⁴ Ibid.

US\$1 to N899.393 was used as at December 2023, while the rate of US\$1 to N1601.028 was used as at September 2024.

 **There is an urgent need to pay more attention to revenue generation by implementing far-reaching revenue mobilization**

initiatives and reforms to raise the country's revenue. By encouraging the private sector to fund infrastructure projects through the various public-private partnership schemes, the government can take out some capital projects in the budget that are being funded from borrowing, thereby reducing budget deficit and borrowing.

7.4 Loans to Government/State Owned Enterprises (SOEs)

The federal government recently announced it would begin to score the performance of its Government Owned Enterprises, through a corporate governance scorecard. This exercise is meant to assess, monitor, and enhance the performance of State-Owned Enterprises (SOEs) in Nigeria and also to improve transparency, accountability, and efficiency in the management of public resources.⁵⁵ This is important because SOEs occupy an important but at the same time vulnerable position in any nation's economy. On one hand, they have preferential access to government resources and funding that other private organisations are not eligible for. On the other hand they tend to be involved in the provision of critical public services, some of which

may even border on national security. Whatever the case, SOEs require sufficient attention and scrutiny, primarily due to their weight on the total federal expenditure. For instance, in 2025, GOEs total expenditure is projected to hit N2.73tn in 2025.

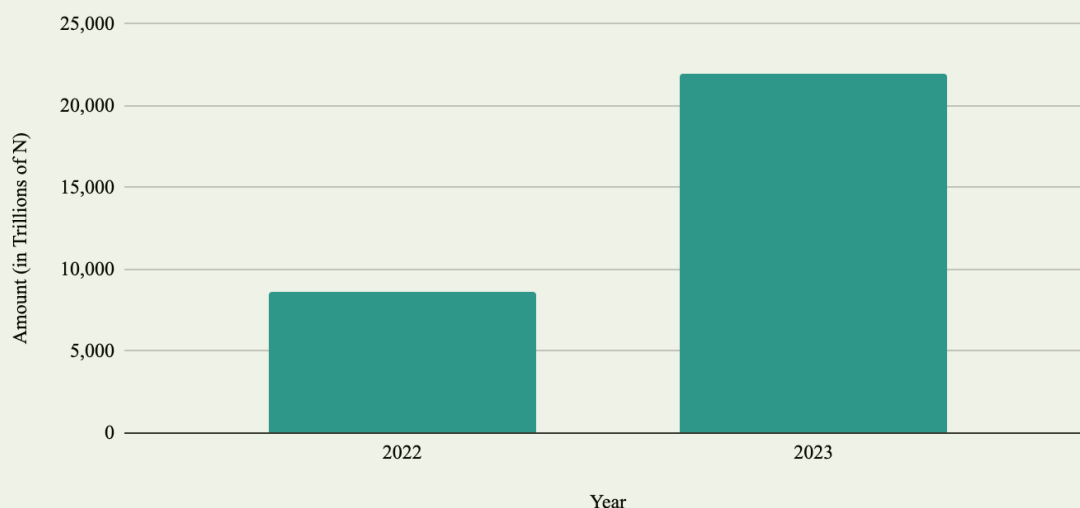
Previous fiscal years have shown that some government enterprises have been very poor at managing their balance sheets and their debt positions have been out-of-control.

For instance, in the 2023 fiscal year, it was reported that the NNPC's subsidiaries and joint venture partners (as funding of operations, back charge of expense, operating lease and processing fees) owe the NNPC about N22tn, as shown in the figure below.



⁵⁵ See Musa, N. (April 8 2025). FG institutes Mechanism to Assess Performance of State-owned Enterprises. In the News Agency of Nigeria. Available at: <https://nannews.ng/2025/04/08/fg-institutes-mechanism-to-assess-performance-of-state-owned-enterprises/>

Figure3: Growth in NNPC Subsidiaries Debt Profile (2022-2023)




Source: *Business Day Newspapers*⁵⁶

For comparison, this debt liability is N2tn higher than the total recurrent expenditure budgeted for the 2024 fiscal year (N19.54tn) and was about 7.76% of the GDP in 2024. This underscores the compelling need for the NNPC (and its subsidiaries) to appropriately and timely report on their

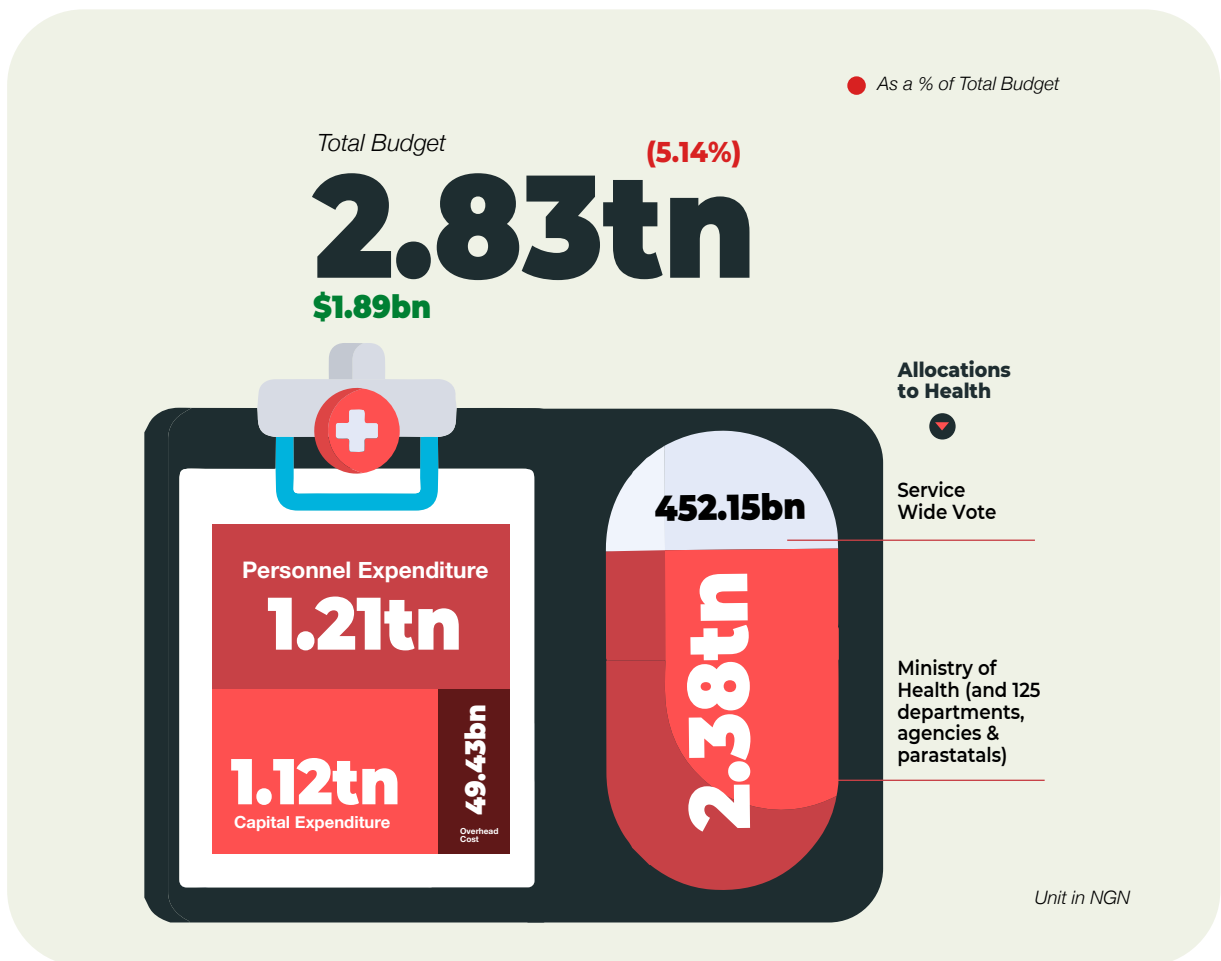
fiscal position. Perhaps more concerning is the fact that there are several other SOEs that are allocated significant sums from the federal budget but do little to no public financial reporting.

⁵⁶ See Oladehinde, D., and Balogun, F. (September 6 2024). How NNPC's subsidiaries incurred N22tn debt in one year. In *Business Day Newspapers*. Available at: <https://businessday.ng/news/article/how-nnpcs-subsidiaries-incurred-n22tn-debt-in-one-year/>



8. Sectoral Analysis of the 2025 Federal Government Approved Budget

8.1 Health



The health sector is not left out amongst other ministries that received their highest allocations in history, with an allocation of N2.83tn, still maintaining its 5% plus prioritisation after hitting it in 2023. After 24 years, Nigeria still however does not budget

up to the recommended 15% per the Abuja Declaration, 2001. Nigeria also records a low average health expenditure to GDP ratio of 4%. More prioritisation is required to create better health for all and improved capital development in the country.

Table 11: 2021 - 2025 Health Budget Trend

Year	Health Budget (NGN BN)	Total Budget (NGN TN)	% Prioritization
2021	635.53	13.59	4.68%
2022	819.29	17.22	4.76%
2023	1162.86	21.83	5.33%
2024	1480.00	28.78	5.15%
2025	2828.98	54.99	5.14%

Source: 2021-2025 Appropriation Act, Budget Office of the Federation

Inadequate funding and poor utilisation of funds is still very much a pressing challenge for the health sector which trickles further to the poor levels of health infrastructure, inadequate quality and quantity of healthcare workers, poor healthcare access

to rural communities and many more issues. Nigeria has its work cut out in terms of creating a healthy population, meeting the Minister for Health and Social Welfare, Ali Pate's, four-point Agenda⁵⁷ and competing to meet global health attainments.



⁵⁷ Federal Ministry of Health and Social Welfare. (n.d.). About Us. <https://www.health.gov.ng/Source/1/About-Us>

Table 12: 10 Top Allocations in the Health Budget

CODE	MDA	LINE ITEM	STATUS	AMOUNT
ERGP25212109	FEDERAL MINISTRY OF HEALTH AND SOCIAL WELFARE - HQTRS	COMPLETION OF PROCUREMENT OF CANCER EQUIPMENT, INFRASTRUCTURE AND TRAINING IN COLLABORATION WITH NSIA IN 6 TEACHING HOSPITALS (UBTH BENIN, UNTH, ENUGU, ABUTH, ZARIA, FETH, KATSINA, LUTH, LAGOS AND JUTH, JOS	NEW	63,604,839,646
ERGP25233649	FEDERAL MINISTRY OF HEALTH AND SOCIAL WELFARE - HQTRS	DRUGS, CONSUMABLES, EQUIPMENT, LAB REAGENTS, TEST KITS: TARGETING 10 MILLION VULNERABLE NIGERIANS	NEW	60,251,281,458
ERGP25233650	FEDERAL MINISTRY OF HEALTH AND SOCIAL WELFARE - HQTRS	INFRASTRUCTURE	NEW	13,278,672,160
ERGP252523414	FEDERAL MINISTRY OF HEALTH AND SOCIAL WELFARE - HQTRS	RENEWED HOPE HEALTH CONNECT: FREE MEDICAL OUTREACH		15,000,000,000
ERGP202502643	FEDERAL MINISTRY OF HEALTH AND SOCIAL WELFARE - HQTRS	ACQUISITION OF MB SPECIALIST HOSPITAL AND CANCER CENTRE	NEW	14,575,488,886
ERGP25112666	NATIONAL PRIMARY HEALTH CARE DEVELOPMENT AGENCY	PROCUREMENT OF ROUTINE IMMUNIZATION (RI) VACCINES, DEVICES AND OPERATIONAL COST	ONGOING	4,596,363,928
ERGP25112672	NATIONAL PRIMARY HEALTH CARE DEVELOPMENT AGENCY	POLIO ERADICATION INITIATIVE (PEI)	ONGOING	2,990,946,136
ERGP25233548	LAGOS UNIVERSITY TEACHING HOSPITAL	PROVISION OF RADIODIAGNOSTIC CENTER [PHASE 1]	NEW	7,529,233,600
ERGP20261396	AMINU KANO UNIVERSITY TEACHING HOSPITAL	COMPLETION OF BAGWAI GENERAL HOSPITAL, REHABILITATION OF GWARZO GENERAL HOSPITAL AND COMPLETION OF PROJECTS AT AKTH AND OTHER AREAS (MULTIPLE LOTS)	NEW	8,000,000,000
ERGP2523392256	FEDERAL MEDICAL CENTRE, AZARE BAUCHI	ESTABLISHMENT OF NATIONAL TRAUMA CENTRE	NEW	5,000,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Out of pocket payments/ National Health Insurance Scheme

It has been 20 years since the launch of the operations of the National health Insurance scheme in 2005, with its goal to provide universal health coverage by 2030 for Nigerians and achieve financial access to quality health care for all.⁵⁸ However, it is disturbing to note that out-of-pocket spending keeps increasing every year. In 2023, Nigeria's out of pocket payment from its total health

expenditure was estimated by the World Health Organisation to be 79.87% and is projected to increase to 81.92% by 2027.⁵⁹ The National Health Insurance Authority Act, 2022 which repeals the 1999 Scheme covers a total of 16.83 million people⁶⁰ which is just 7.65% coverage of the 220 million Nigerians and 20% of the 84 million poor Nigerians. **In the 2025 Budget the scheme received N1.31bn which is N78.11 per capita of its current coverage, absolutely low in all sense and needs higher allocation.**

Table 13: Priortisation to NHIS (2021-2025)

Year	NHIS Allocation (NGN MN)	Health Budget (NGN BN)	% Prioritization
2021	714.10	635.53	0.11%
2022	641.80	819.29	0.08%
2023	317.22	1162.86	0.03%
2024	1,145.55	1480.00	0.08%
2025	1,314.94	2828.98	0.05%

Source: 2021-2025 Appropriation Act, Budget Office of the Federation

If Nigeria desires proper health coverage and better health care for all, its health Insurance social program should be given higher priority as allocation to the program over the years has not gone beyond 0.1% of total health expenditure. This is an institution created to reduce the

burden of health care costs on the citizens. It should receive more allocations like the National Primary health Care Development Board (1.8%), Federal Teaching Hospitals (32.06%) or even Medical Centres (13.81%).

⁵⁸ National Health Insurance Authority, (n.d.). About Us. <https://www.nhia.gov.ng/about-us/>

⁵⁹ ReportLinker, (2025). Forecast: Out-of-pocket health expenditure in Nigeria (2024–2028). <https://www.reportlinker.com/dataset/9af8270512141a0e1918d4dbc70a89b32e94032f>

⁶⁰ National Health Insurance Authority, (n.d.). National Health Insurance Authority – Financial access to healthcare for all Nigerians. <https://www.nhia.gov.ng>

2025 Reproductive and Child Health Budget

Reproductive health is another pressing issue that faces the Nigerian health system, whether it's in terms of family planning, conception/ fertility care packages, antenatal care, adolescent reproductive care packages, postnatal care, delivery, infant and maternal nutrition, maternal, infant and child mortality.

Nigeria accounts for 10% of the global deaths of pregnant mothers, with a maternal mortality ratio of 1047 per 100,000 live births.⁶¹ Also, 46% of children that lose their mothers at birth are more likely to die in the first month of birth.⁶² **This is a cry for help as reproductive and child or infant care should not be taken for granted as a country and should be among the top spending allocations.**



Table 14: Key Allocations in the 2025 Budget to Reproductive and Child Health

CODE	LINE ITEM	STATUS	AMOUNT
ERGP25132265	SCALING UP OF THE PROVISION OF MATERNAL, INFANT AND YOUNG CHILD NUTRITION INTERVENTION IN NIGERIA INCLUDING MICRONUTRIENT DEFICIENCY CONTROL AND NUTRITION INFORMATION SURVEILLANCE SYSTEM (NUT.3.NP)	NEW	69,208,566
ERGP25158193	ARTICULATION OF POLICY AND STRATEGIC PLAN AND FACILITATE DELIVERY OF SAFE MOTHERHOOD INTERVENTIONS FOR REDUCTION OF MATERNAL MORTALITY AND MORBIDITY IN NIGERIA.	NEW	46,475,353
ERGP25158195	INCREASE ACCESS TO COMPREHENSIVE AND QUALITY FAMILY PLANNING INFORMATION, SUPPLY CHAIN AND SERVICES, INCLUDING SELF CARE INTERVENTIONS.	NEW	66,393,361
ERGP25225170	INSTITUTIONALISE RMNCH QUALITY OF CARE IN PUBLIC AND PRIVATE FACILITIES AT ALL LEVELS TO REDUCE MATERNAL, NEWBORN AND CHILD MORBIDITY AND MORTALITY.	NEW	66,393,361
ERGP25232254	ARTICULATION OF SEXUAL, REPRODUCTIVE, MATERNAL HEALTH POLICY AND COORDINATION FOR EFFECTIVE IMPLEMENTATION AT NATIONAL AND SUB-NATIONAL LEVELS.	NEW	46,475,353
ERGP25138814	MATERNAL AND CHILD HEALTHCARE (MCH)	ONGOING	305,697,857
ERGP25224287	IMPLEMENTATION OF MATERNAL NEONATAL AND CHILD (MNCH) INNOVATIONS IN PRIORITIZED LGAs IN NORTH CENTRAL ZONE	NEW	248,758,864
ERGP25224291	IMPLEMENTATION OF MATERNAL NEONATAL AND CHILD (MNCH) INNOVATIONS IN PRIORITIZED LGAs IN NORTH EAST ZONE	NEW	284,295,845
ERGP25224304	IMPLEMENTATION OF MATERNAL NEONATAL AND CHILD (MNCH) INNOVATIONS IN PRIORITIZED LGAs IN NORTH WEST ZONE	NEW	284,295,845
ERGP25224312	IMPLEMENTATION OF MATERNAL NEONATAL AND CHILD (MNCH) INNOVATIONS IN PRIORITIZED LGAs IN SOUTH EAST ZONE	NEW	177,684,903
ERGP25224317	IMPLEMENTATION OF MATERNAL NEONATAL AND CHILD (MNCH) INNOVATIONS IN PRIORITIZED LGAs IN SOUTH SOUTH ZONE	NEW	213,221,883

⁶¹ UNICEF Nigeria. (n.d.). Situation of women and children in Nigeria. [https://www.unicef.org/nigeria/situation-women-and-children-nigeria​:contentReference\[paicite:1\]\[index=1\]](https://www.unicef.org/nigeria/situation-women-and-children-nigeria​:contentReference[paicite:1][index=1])

⁶² Biose, S., & Oke, S. (2024, November 30). An unseen grief: Maternal mortality's impact on infants and children. Nigeria Health Watch. Available at: <https://articles.nigeriahealthwatch.com/an-unseen-grief-maternal-mortalitys-impact-on-infants-and-children/>

CODE	LINE ITEM	STATUS	AMOUNT
ERGP25224324	IMPLEMENTATION OF MATERNAL NEONATAL AND CHILD (MNCH) INNOVATIONS IN PRIORITIZED LGAs IN SOUTH WEST ZONE	NEW	213,221,883
ERGP25231414	PAEDIATRICS PURCHASE OF 20 NOS OF PHOTOTHERAPY LAMP,25 UNIT OF 2000V STABILIZERS,5 UNITS OF BILIRUBINOMETER,10 NO OF INCUBATORS FOR NEWBORN UNIT,10 NO OF MILD STEEL RESUSCITAIRE INFANT WARMER RESUSCITAIRE ,20 NOS OF DOUBLE BOTTLE ELECTRICAL SUCTION MACHINE AND OTHER EQUIPMENTS	NEW	100,000,000
ERGP25167980	COORDINATE, SUPERVISE AND MONITOR IMPLEMENTATION OF GENDER-RESPONSIVE INTERVENTIONS FOR REDUCTION OF GENDER-BASED VIOLENCE, FEMALE GENITAL MUTILATION AND IMPROVE ACCESS TO SEXUAL REPRODUCTIVE HEALTH RIGHTS SERVICES.	NEW	53,114,689
ERGP25225133	ACCELERATE INTERVENTIONS FOR CHILD SURVIVAL AND REDUCTION OF UNDER-5 MORTALITY IN NIGERIA	NEW	59,754,025
ERGP20263007	INTEGRATION OF BASIC CANCER PREVENTION SERVICES IN TO THE FAMILY PLANNING ACTIVITIES AT COMPREHENSIVE PRIMARY HEALTHCARE CENTRES IN 36 STATES AND FCT	ONGOING	250,000,000
ERGP25224907	REHABILITATION AND EQUIPPING OF GOPD,PHARMACY,SOPD AND ANTENATAL CLINIC AT ABUTH TUDUN WADA ZARIA	ONGOING	350,000,000
ERGP202502603	PROCUREMENT AND INSTALLATION OF NEONATAL EQUIPMENT IN FEDERAL MEDICAL CENTRE - ABUJA	NEW	728,774,444
ERGP202502614	SUPPLIES OF HOSPITAL BEDS AND ACCESSORIES, NEONATAL INCUBATORS AND BABIES' COTS, RADIANT WARMERS, PHOTOTHERAPY MACHINES IN FEDERAL MEDICAL CENTRE, NGURU YOBE	NEW	728,774,444
ERGP202502630	CONSTRUCTION OF MATERNAL AND NEONATAL COMPLEX IN FEDERAL MEDICAL CENTRE, BIDA	NEW	728,774,444
ERGP25171813	PROCUREMENT, DISTRIBUTION OF 1,000,000,000 UNITS OF POINT OF CARE SICKLE SCAN FOR CHILDHOOD SCREENING OF SCD, CAPACITY BUILDING OF STAFF ON USAGE AND STRENGTHENING OF THE PHCs FOR UNIVERSAL NEWBORN SCREENING FOR SCDS POLICY IN 6 GEOPOLITICAL ZONES OF NIGERIA FOR EARLY DIAGNOSIS ,ENROLLMENT FOR COMPREHENSIVE CARE	NEW	630,736,928
ERGP25212815	PROCUREMENT OF SEED STOCK OF MMS, MNP AND SQLNS FOR PRIORITISED STATES WITH HIGH RATE OF ANAEMIA AMONGST PREGNANT WOMEN AND SAM CHILDREN AND DISTRIBUTION OF OF SEED STOCK (NUT.3.NP)	NEW	172,622,738

Source: 2025 Appropriation Act, Federal Republic of Nigeria

8.2 Education



Human capital development is the bedrock of any country pushing to achieve economic growth and development. **Education is essential to transform a healthy populace to a productive one, although Nigeria still lags behind in educating its people. As of October 2022, UNESCO recorded Nigeria's adult (age 15 and above) literacy rate to**

be at 62% with approximately 41.76mn Nigerian adults lacking in literacy skills.⁶³ With female literacy levels at 52.7% and males at 71.3%, critical measures need to be made to not just improve literacy or access to education but to ensure that women and girls are receiving more of these opportunities.

⁶³ See UNESCO Institute for Lifelong Learning. (2022). GAL Country Profile: Nigeria. https://www.uil.unesco.org/sites/default/files/medias/files/2022/11/gal_country_profiles_nigeria.pdf

The government's expenditure on education stands at 0.53% of its GDP, which is abysmally low and extremely far from the Education 2030 Agenda benchmark of 4% to 6%⁶⁴ and can only improve through more allocation of resources to education and a critical prioritization of the sector. Just like other sectors, the Education sector in 2025 received its highest allocation in history. The 2025 approved budget to the sector saw a 6.65% prioritization with the sum of N3.66trn allocated; though not up to the public expenditure benchmark of 15% to 20%, this is still an improvement. The Ministry of Education and its 249 departments, agencies and parastatals received an allocation of N2.59trn, of which capex

had a lump sum of N938.57bn (36.17%) and recurrent obligations gulped 1.66trn (63.82%).

Also under the education sector, TETFund which is the current intervention **“To provide focused and transformative intervention in Public Tertiary Institutions in Nigeria through funding and effective project management”**⁶⁵ received N990bn in 2025; an increase from the N700bn allocated in 2024. Service Wide Votes received N73.21bn with a significant allocation of N50bn to the Student Loan Scheme. It should be noted that the Student Loan scheme is the first of its kind by the federal government since the return to democracy.

Table 15:

Service Wide Votes in the 2025 Federal Government Budget

CODE	PROJECT NAME	TYPE	AMOUNT	SECTOR
ERGP16210696	UNIVERSITIES* PENSIONS INCLUDING ARREARS - PENSIONS	ONGOING	10,313,472,286	Education
ERGP16211683	REFUND OF BORROWED FUNDS FROM THE EDUCATION TAX POOL (TETFUND)	ONGOING	12,899,000,000	Education
ERGP22213042	STUDENT LOAN SCHEME	ONGOING	50,000,000,000	Education
Sub-Total			73,212,472,286	

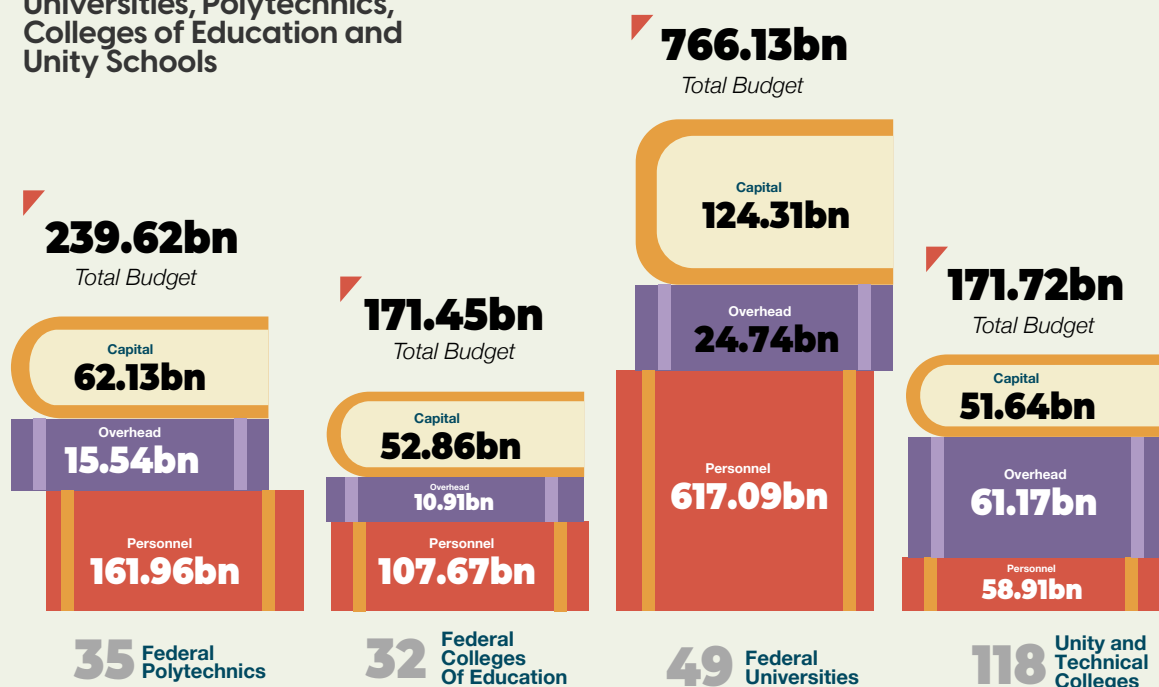
Source: 2025 Appropriation Act, Federal Republic of Nigeria

⁶⁴ See UNESCO. (n.d.). *Financing education*. <https://www.unesco.org/en/education-policies/financing>

⁶⁵ See the Tertiary Education Trust Fund. (n.d.). *Tertiary Education Trust Fund*. <https://tETFund.gov.ng>

2025 Allocation to Universities, Polytechnics, Colleges of Education and Unity Schools

Unit in NGN



Universal Basic Education Programme

The Universal Basic Education Commission (UBEC) saddled with the responsibility to bring about Universal Basic Education programme implementation across the country, received an allocation of N644.14bn. According to the UBE Act of 2004 and associated UBE state laws, the Commission is to provide free and compulsory education for all children in Nigeria, yet the number of out of school children is on the rise. In 2022, UNICEF recorded 10.2 million children

out of school at primary level and 8.1 million children out of school at junior secondary level.⁶⁶ Nigeria's out of school children population makes up 15% of the global population of out of school children.⁶⁷ With 12.4 million children who have never attended school and 5.9 million children who left school early.⁶⁸ The Commission, despite its 25 years of existence, has a great deal of work to do. **Having received N1.33tn in the last 5 years, despite the constant advocacy for more allocation, there is need for effective and efficient utilisation of funds.**

⁶⁶ See UNICEF Nigeria. (2022, June). Education opportunities for out-of-school children (OOSC). <https://www.unicef.org/nigeria/media/7746/file/UNICEF%20Nigeria%20OOSC%20Sheet%20Out-of-school%20Children.pdf>

⁶⁷ See UNICEF Nigeria. Education opportunities for out-of-school children (OOSC), op.cit.

⁶⁸ Ibid.

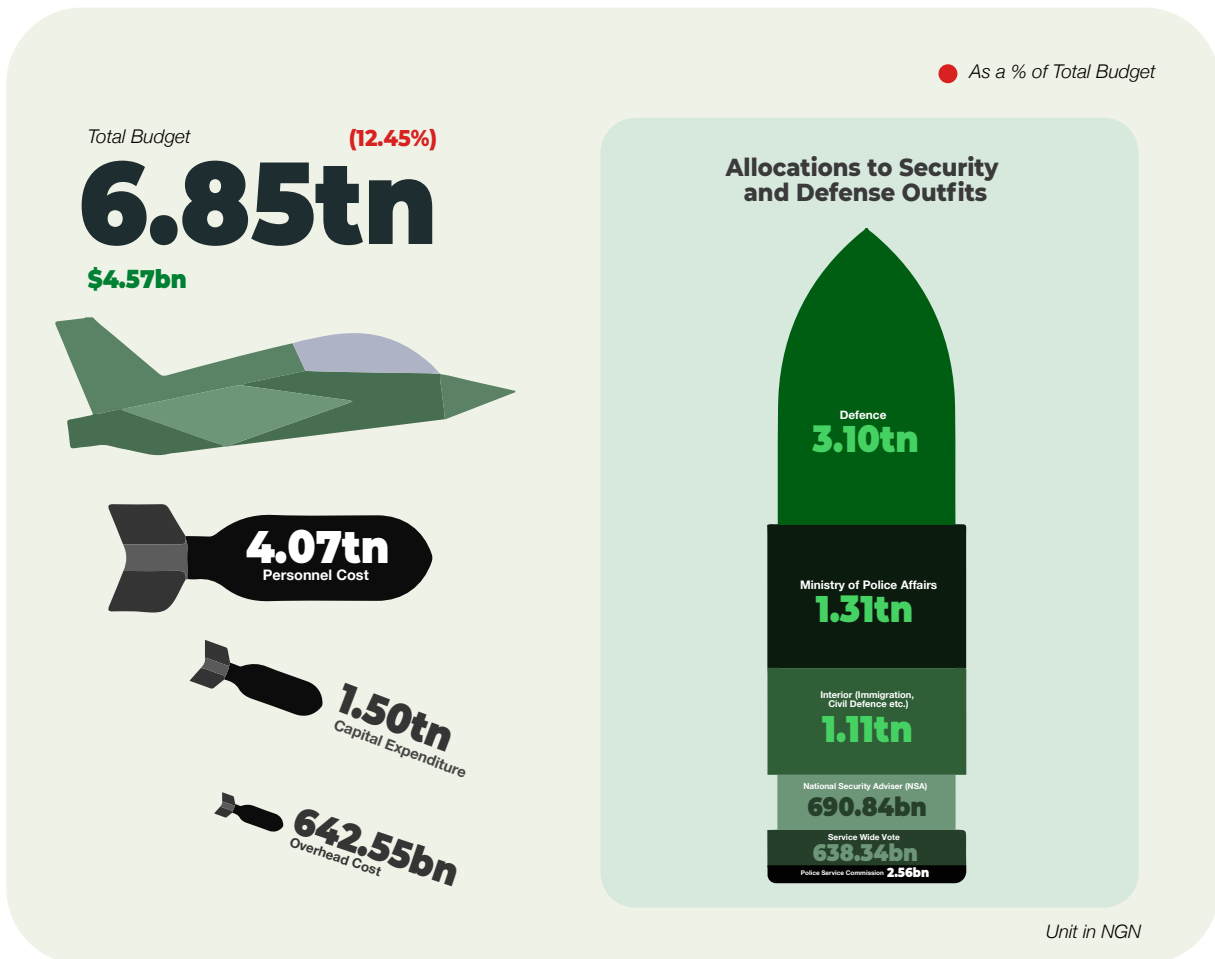
Table 16: Allocations to UBEC (2021-2025)

YEAR	BUDGET ALLOCATION (NGN BN)
2021	94.46
2022	150.39
2023	169.02
2024	273.81
2025	644.14

Source: 2021-2025 Appropriation Act, Budget Office of the Federation



8.3 Security & Defense



The security and defense sector is crucial for ensuring the safety and peace of Nigeria, a nation facing significant challenges such as terrorism, banditry, and communal conflicts. A strong security framework is essential for maintaining public order, protecting citizens, and safeguarding national interests, fostering a sense of safety that underpins social stability and economic development. When citizens feel secure, they are more likely to engage in productive activities and support government initiatives, driving national growth. Additionally, the sector upholds

the rule of law by ensuring fair enforcement of laws, which deters crime and builds trust in public institutions. Collaboration with local communities through initiatives like community policing enhances relationships between security agencies and citizens, facilitating better cooperation in crime prevention and conflict resolution. **Ultimately, a well-functioning security and defense sector is vital for creating a peaceful environment, allowing Nigeria to thrive socially and economically while establishing itself as a stable player in the regional and global landscape.**

Table 17: Breakdown of the Security and Defense Sector (Budget figures are in billions of naira)

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION	% OF THE SECTOR BUDGET	% OF THE 2024 BUDGET SIZE
MINISTRY OF DEFENCE	2,147.00	344.18	604.92	3,096.00	45.21%	5.63%
FEDERAL MINISTRY OF INTERIOR	587.55	71.03	450.16	1,109.00	16.19%	2.02%
NATIONAL SECURITY ADVISER	212.51	123.46	354.86	690.84	10.09%	1.26%
FEDERAL MINISTRY OF POLICE AFFAIRS	1,121.00	103.38	87.02	1,312.00	19.16%	2.39%
POLICE SERVICE COMMISSION	1,473.00	493.32	0.59	2,558.00	0.04%	0.00%
SERVICE WIDE VOTE				638.34	9.32%	1.16%
	4,070	642.55	1,498	6,848		12.45%

Source: 2025 Appropriation Act, Federal Republic of Nigeria

A total of N6.85tn, representing 12.45% of the 2025 budget, has been allotted to the Security and Defence sector for the current fiscal year. It is significant to note that this budgetary allotment is 43.80% higher than the N3.85tn allotted for the sector the previous year. The majority of the security and defence budget in 2025 will be spent on personnel costs, which comprise employee salaries, wages, and benefits, accounting for 59.43% (N4.07tn), followed by capital expenditure at 21.87% (N1.50tn) and overhead costs at 9.38% (N642.55bn). A disaggregated look at the security and defense budget shows that 45.21%, representing N3.10tn of the security budget will be spent on defense; 19.20% (N1.31tn)

on the police force, 16.19% (N1.11tn) on the Interior (Immigration, Civil Defence, Nigeria Correctional Service, and Nigeria Fire Service), and 10.09% (N690.84bn) on the National Security Adviser (NSA, DSS, NIA, Presidential Airfleet, Centre for the Control of Small Arms and the Counter Terrorism Centre).

To maximize benefits from Nigeria's security and defense sector, the government should highly rank efficient utilization of the substantial budget allocation of N6.85tn. Implementing transparent financial management practices is crucial to ensure that resources are effectively allocated and minimize waste. Given that personnel costs represent a



significant portion of the budget, investing in training and professional development for security personnel will enhance their operational effectiveness and build public trust. Additionally, increasing capital expenditure on modern technology and infrastructure has the potential to enhance response times and overall efficiency in managing security challenges. Engaging communities through community policing initiatives can foster better relationships with security agencies, leading to more effective crime prevention and conflict resolution.

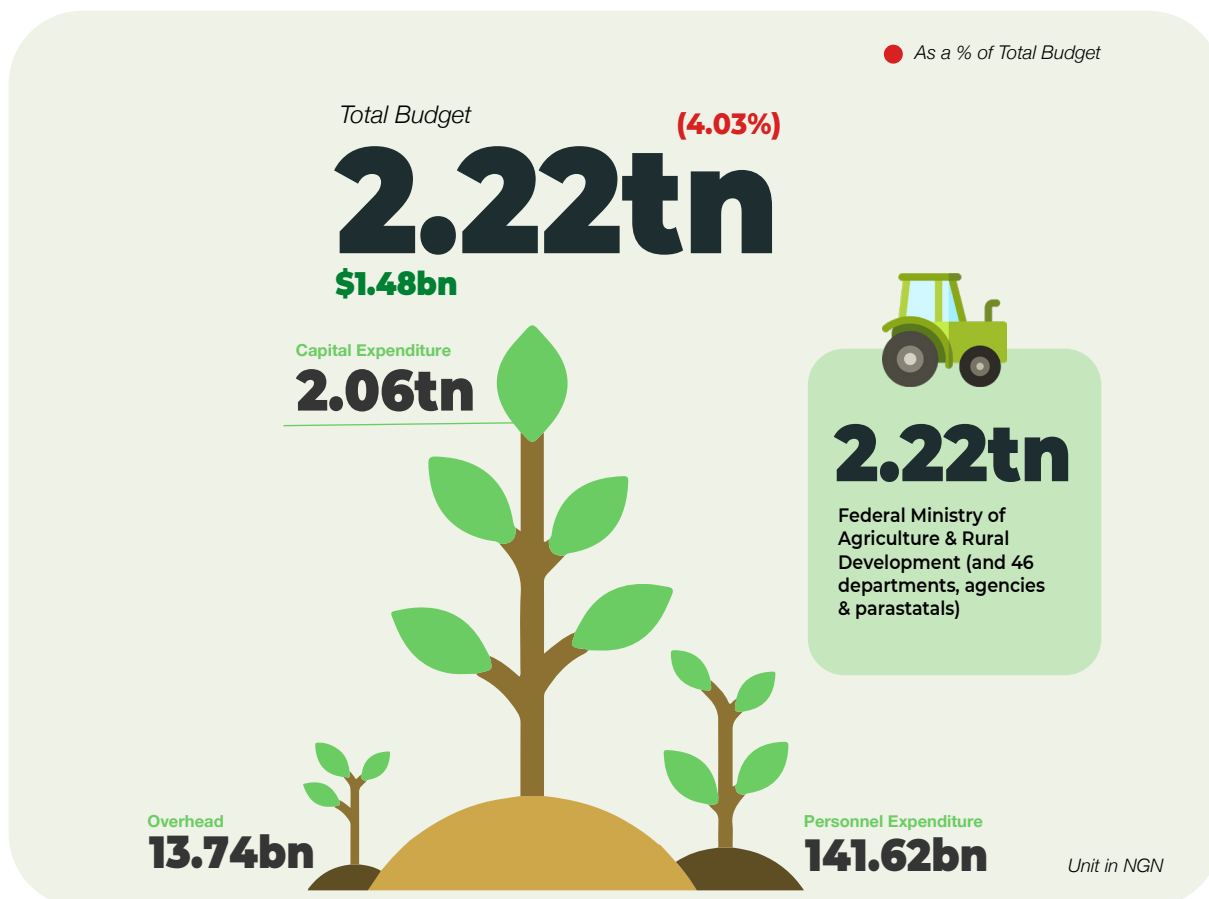
Furthermore, leveraging intelligence-gathering capabilities and data-driven approaches will enhance the effectiveness of security

operations. Collaborating with international partners can facilitate knowledge transfer and resource mobilization, strengthening Nigeria's capacity to address complex security threats. It is also essential to provide mental health support for security personnel to improve their well-being and job performance. Establishing robust monitoring and accountability mechanisms will ensure that resources are used effectively, while public awareness campaigns can empower citizens to actively participate in community safety. **By diversifying funding sources through public-private partnerships, Nigeria can alleviate budget pressures and foster innovative security solutions, ultimately creating a safer environment conducive to economic growth and development.**



8.4 Agriculture

2025 Approved Budget



The Agricultural sector has experienced the highest allocation in history with N2.25tn, which is a 132.9% increase from the N967.39bn allocation in 2024. And in the last 10 years its allocation has increased by 5,442.73%. As huge as this increase is, the budget to the sector is only but a 4.1% component of the total budget. The federal ministry of agriculture and food security and its 46 departments, agencies and parastatals received N2.22tn which is a 98.4% of the allocation to the sector, with capex gulping 93% of it and 7% for recurrent obligations.

National Agricultural Land Development Authority (NALDA) mandated with “Developing rural communities through agriculture and to make agriculture a business and a source of wealth creation for the country”,⁶⁹ received 1.56% of the sector's allocation with N35.18bn. Also, although often overlooked, livestock remains a significant component of Nigeria's agricultural sector, contributing an average of 5% to the sector's share of the country's GDP. The Ministry of Livestock Development received an allocation of N12bn with N1.8bn to overhead costs and 10.2bn to capex.

⁶⁹ See National Agricultural Land Development Authority. (n.d.). What is NALDA? <https://www.nalda.gov.ng/about>

Proposed vs. Approved

As much as the increase in the allocation to the sector is significant, the bone of contention remains what the major boost in the budget actually was. The Ministry of Agriculture and Food Security received

N636.08bn in the 2025 proposed budget, which increased by 1.58tn after approval and consequential changes across certain agencies within the ministry.

Table 18: Agencies with Major Allocation Differences between the Proposed and Approved Budget (Budget figures are in billions of naira)

CODE	MDA	Approved Budget	Proposed Budget	Difference	% Difference
0215004001	NATIONAL CENTRE FOR AGRICULTURAL MECHANISATION-ILORIN	86.26	2.61	83.65	3202.4%
0215011001	NATIONAL HORTICULTURAL RESEARCH INSTITUTE- IBADAN	52.05	4.34	47.72	1099.9%
0215026001	COLLEGE OF VETERINARY AND MEDICAL LABORATORY TECHNOLOGY - VOM	49.19	2.25	46.94	2082.8%
0215029001	FEDERAL COOPERATIVE COLLEGE- IBADAN	192.91	2.02	190.89	9453.0%
0215030001	FEDERAL COOPERATIVE COLLEGE- KADUNA	38.00	2.12	35.89	1696.6%
0215031001	FEDERAL COOPERATIVE COLLEGE- OJI RIVER	323.16	2.41	320.74	13291.7%
0215032001	FEDERAL COLLEGE OF LAND RESOURCES TECHNOLOGY - OWERRI	28.90	2.38	26.52	1114.3%
0215034001	FEDERAL COLLEGE OF HORTICULTURE, DADIN-KOWA, GOMBE	192.71	3.25	189.46	5827.4%
0215050001	NIGERIA STORED PRODUCTS RESEARCH, ILORIN	73.16	2.85	70.31	2469.5%
0215054001	AGRICULTURAL RESEARCH COUNCIL OF NIGERIA	96.98	2.52	94.45	3746.8%
0215058001	NIGERIA INSTITUTE OF OCEANOGRAPHY AND MARINE RESEARCH	84.08	5.09	78.98	1551.0%

Source: 2025 Appropriation Act and Bill, Federal Republic of Nigeria

The most significant changes appeared in these listed agencies with above 1000% difference from what was proposed to what was approved. Federal Cooperative College-Oji River recorded the most increase from N2.41bn in the proposed budget with just 11 capital expenditure line items to

N323.16bn with 1154 capital expenditure line items in the approved budget. The agency alone swallowed 14.57% of the allocation to the ministry with 1143 insertions in its capital expenses. This pattern is reflective across other departments and agencies in the ministry.

Malabo Declaration

It's been 10 years since the Malabo Declaration of 2014,⁷⁰ and most conversations within the time frame have surrounded the commitment to at least 10% of public expenditure to agriculture, its effectiveness and efficiency. Why?

Financial commitments is the major jump off point to achieving other commitments and so far Nigeria has failed to meet this commitment, even with 4.1% prioritization in the 2025 budget which is the highest in the last 10 years.

Table 19: FG Budget Commitment to Malabo Declaration 2014-2025

Commitment to Malabo Declaration so far

Year	Allocation (NGN BN)	Total budget (NGN TN)	% Prioritization
2014	66.64	4.70	1.42%
2015	40.66	4.49	0.90%
2016	75.81	6.06	1.25%
2017	135.55	7.44	1.82%
2018	203.01	9.12	2.23%
2019	164.90	8.92	1.85%
2020	183.08	10.81	1.69%
2021	280.32	13.59	2.06%
2022	360.85	17.22	2.10%
2023	426.99	21.83	1.96%
2024	967.40	28.78	3.36%
2025	2253.62	54.99	4.10%

Source: 2014- 2025 Appropriation Act, Federal Republic of Nigeria

⁷⁰ See African Union. (2014). *Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods*. Malabo, Equatorial Guinea. https://www.resakss.org/sites/default/files/Malabo%20Declaration%20on%20Agriculture_2014_11%2026-.pdf

Nigeria still very much struggles with other commitments from the declaration such as ending hunger in Africa by 2025, which is not likely to be achieved. According to the 2024 Global Hunger Index, Nigeria ranks 110th of 127 countries with serious levels of hunger.⁷¹ This is disturbing, as 26.5 million people were projected to face acute hunger in 2024⁷² and 33 million to be food insecure in 2025.⁷³ The state of food insecurity is on a constant rise especially with the rate of food inflation at 39.16%.⁷⁴ How will it achieve its commitment to halving poverty by 2025 with more than 37% of

the population living below the poverty line? **Despite the target of the Malabo declaration being 2025, Nigeria and other African countries still have their work cut out for them.** It is however critical that financial resources are prioritized to strengthen food and nutrition security as well as facilitate more consumption and production of local foods which will in turn target the elimination of child under-nutrition, job creation for youths and women and boost the economic growth of Nigeria.

Comparative Advantage

Nigeria is a blessed country, flowing with numerous natural resources, giving it a huge comparative advantage amongst other countries. In terms of agriculture, Nigeria has an advantage in several crops and agricultural resources due to its favorable climate, fertile soil, diverse agro-ecological zones, and large farming population. Nigeria has an edge in crops such as but not limited to cassava, sesame, cocoa, groundnuts, palm oil, and maize. Not leaving out livestock farming, aquaculture, fishery and horticulture.

Palm Oil costs between \$120-\$150 per barrel (or its equivalent) - making it more expensive than crude oil. Nigeria could work with the private sector to establish a functional palm oil refining industry in the country to gradually compete with

crude oil refineries. Cassava starch production and exporting in Delta state and improving aquaculture to global markets in Bayelsa state but to name a few, are viable alternatives to the country's precarious dependence on oil.

Although exploration and development of these resources have been in deficit for far too long, the sector is further riddled with poor infrastructure/storage facilities, insecurity, stagnance in modernisation of farming techniques and weak processing/value addition. **All hope is not lost, as improved investment in the sector for higher value chains and better logistics infrastructure can boost food security, reduce imports and expand exports, thereby increasing revenue and contributing to the overall economy.**

⁷¹ See Concern Worldwide, Welthungerhilfe, & Institute for International Law of Peace and Armed Conflict. (2024). Nigeria: Global Hunger Index. Global Hunger Index. <https://www.globalhungerindex.org/nigeria.html>

⁷² See World Food Programme. (n.d.). Nigeria. <https://www.wfp.org/countries/nigeria>

⁷³ See United Nations. (2024, November). Global Perspective Human stories. UN News. <https://news.un.org/en/story/2024/11/1156876>

⁷⁴ See National Bureau of Statistics. (2024). Consumer Price Index and Inflation Report October 2024. https://nigerianstat.gov.ng/pdfuploads/CPI_OCTOBER_2024.pdf

The Ministry of Finance and the Nigerian Customs Service should also ensure lower import duties/tariff on crops in which it has no comparative advantage over, such as wheat. Nigeria is currently one of the largest consumers of wheat grain in the world, with its annual consumption for 2025 projected to reach 5.6mn metric tonnes, an estimated production of 135,000 tonnes and estimated importation of 6.1mn tonnes.⁷⁵ It is clear that Nigeria is heavily

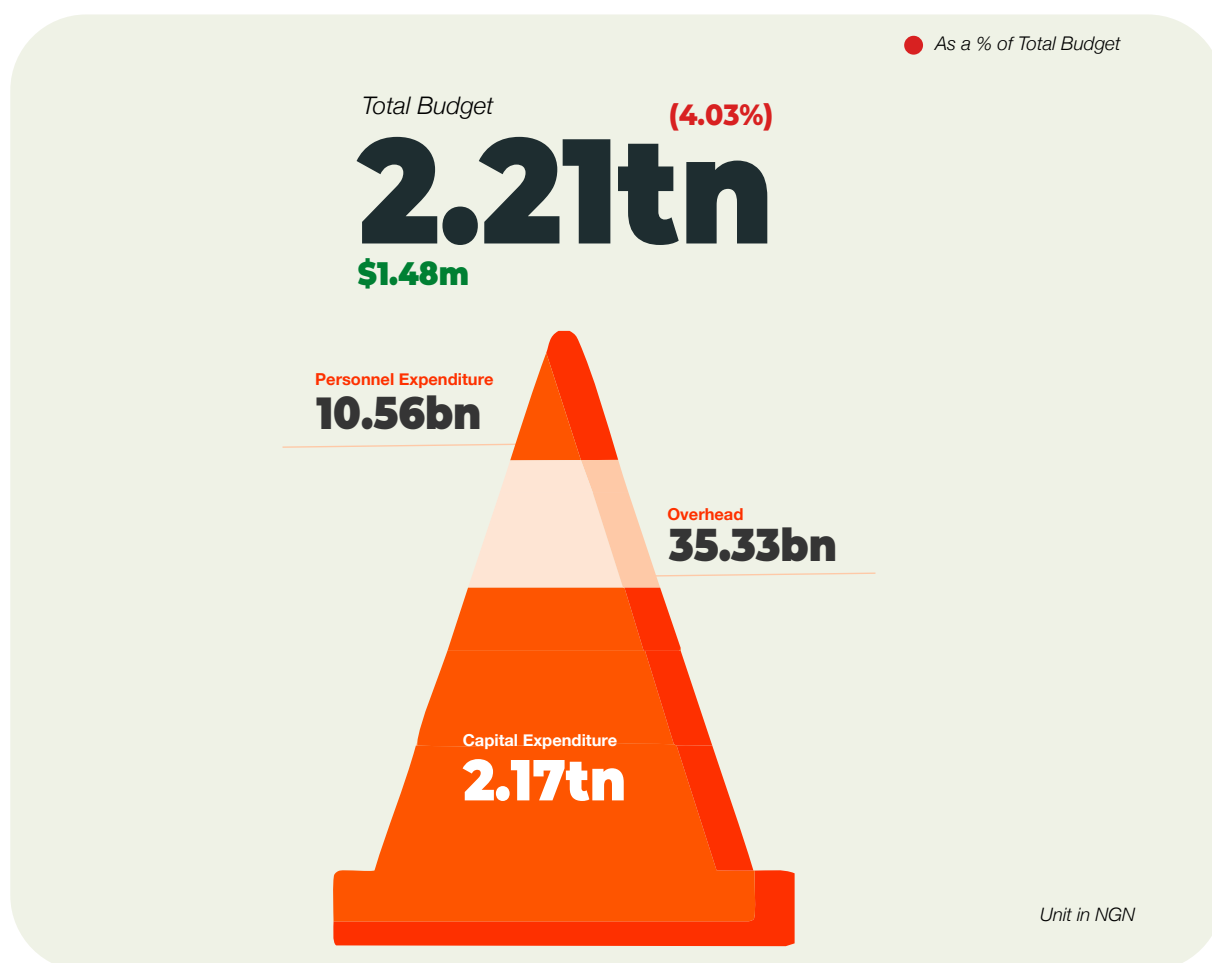
dependent on imports for wheat. However, Nigeria can explore the AFCFTA free trade with Egypt and Ethiopia which are recorded to be the top producers of wheat grain in Africa. As of 2022 Egypt recorded 9.7mn tonnes and 7mn tonnes was recorded for Ethiopia.⁷⁶ These recommended interventions could to some extent reduce the import burdens of wheat grain into the country, further reducing the cost of major staple foods that are wheat-based and in high demand.



⁷⁵ See Reidy, S. (2025, March 26). Nigeria consuming more wheat, corn, rice and sorghum. World Grain. <https://www.world-grain.com/articles/21197-nigeria-consuming-more-wheat-corn-rice-and-sorghum>

⁷⁶ See Africa View Facts. (2024, July 15). Top wheat producers in Africa. Africa View Facts. <https://africaviewfacts.com/stats/top-wheat-producers-in-africa/>

8.5 Works



The infrastructure landscape in Nigeria for 2025 reflects a mix of ambitious government plans, focused project prioritization, and persistent challenges. With a population exceeding 200 million, infrastructure development remains critical to the nation's economic growth and social stability. The 2025 National Budget, "Budget of Restoration: Securing Peace, Rebuilding Prosperity" prioritised infrastructure with the second highest allocation, giving it 9.85% of the budget. A significant portion of N2.2tn is directed towards works and this includes construction and rehabilitation of road

projects. **However, due to economic constraints such as inflation and rising project costs, the Federal Ministry of Works ranks completing ongoing projects over initiating new ones while focusing on the completion of 4 road projects per geopolitical zone.** Looking into ongoing road infrastructure, the Ministry inherited 2,600 road projects valued at N13tn from previous administrations.⁷⁷ The country's debt servicing at N15.81tn, high debt service-to-revenue ratios (26.20%), limits fiscal space for infrastructure spending.⁷⁸

⁷⁷ See Obiowo, C. (2024, September 28). FG to prioritize completion of 4 road projects per zone in 2025, no new road projects to begin- David Umahi. Nairametrics. <https://nairametrics.com/2024/09/28/fg-to-prioritize-completion-of-4-road-projects-per-zone-in-2025-no-new-road-projects-to-begin-david-umahi/>

⁷⁸ See Adedipe, B., Prof. (2025). Nigeria 2025: Path to Economic Rebound; The Issues, The Drivers and The Expectations. https://www.lagoschamber.com/wp-content/uploads/2025/01/Adedipe_LCCI_Economic_Outlook_Jan_2025-1.pdf

In providing what seems like a solution, the government has emphasized completing ongoing projects and leveraging Public-Private Partnerships (PPPs) as part of its strategy to improve infrastructure stock; the Highway Development and Management Initiative

(HDMI) continues to be a cornerstone of Nigeria's road infrastructure strategy. Under this initiative, private sector involvement is encouraged through financing and construction agreements for major highways, which will subsequently be tolled for cost recovery.⁷⁹

Table 20: Breakdown of MDA allocations in the Federal Ministry of Works

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
FEDERAL MINISTRY OF WORKS	5.64bn	1.86bn	2.047bn	2.04bn
FEDERAL ROAD MAINTENANCE AGENCY	4.92bn	33.47bn	130.68bn	169.07bn
REGIONAL CENTRE FOR TRAINING IN AEROSPACE SURVEY	0	0	510.1bn	510.1bn
	10.56bn	35.33bn	2.16tn	2.21tn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

The 2025 budget has allocated 5.42tn generally to infrastructure (this includes Power, Works, Transportation, Aviation, Water Resources, and Housing and Urban Development); this makes up only 9.85% of the total budget. Within this total allocation, almost half of the infrastructure budget (N2.21tn) is being allocated to Works. This is broken down into N10.56bn (0.48%) going to

Personnel, N35.32bn (1.60%) to Overhead costs and N2.16tn (97.92%) to Capital expenditure. The 2024 fiscal year was significantly different, with the total allocation to infrastructure spending pegged at N1.91tn; about 6.63% of the total budget, and of this total, N1.03tn went to Works (3.57%). The 2024 Works budget apportioned N16.68bn to Personnel spending, N22.70bn to

⁷⁹ See Obiowo, C. (2024, September 28). FG to prioritize completion of 4 road projects per zone in 2025, no new road projects to begin- David Umahi. Nairametrics. Available at: <https://nairametrics.com/2024/09/28/fg-to-prioritize-completion-of-4-road-projects-per-zone-in-2025-no-new-road-projects-to-begin-david-umahi/>

Overheads, and N987.29bn to Capital expenditure. Breaking it down into departments/ agencies, the Federal Ministry of Works headquarters received the largest allocation, accounting for over 92% of the total, mainly directed towards capital projects. Federal Road Maintenance Agency (FERMA) received 7.64%, while the Regional Centre for Training in Aerospace Survey received 0.02%, fully allocated to capital expenditure.

A further breakdown of the 2025 expenditure according to economic

classification shows some interesting insights. For instance, the highest allocation in the Ministry of Works, about N152.24bn of the Ministry's total budget went to "Multilateral/Bilateral Tied Loan-Construction of Lafia Road and The Dualization of 9th Mile". The second highest allocation in the 2025 Ministry of Works budget, namely N75bn went to the "dualisation of Kano-Katsina Road", followed by the "Dualization Of Kano-Katsina Road Phase 1: Kano Town At Dawanau Roundabout To Katsina State Border In Kano State C/No.6213" at N34bn.

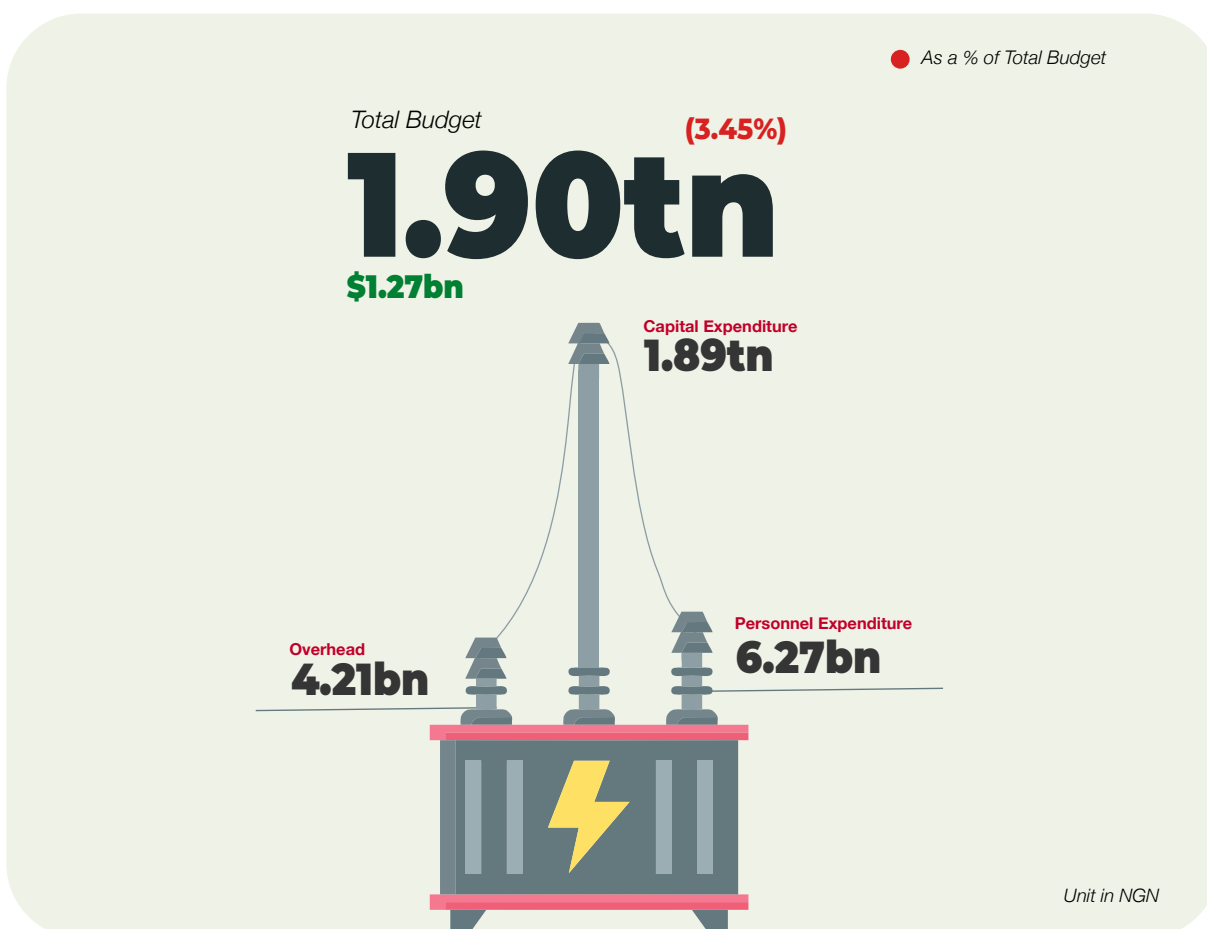


Table 21: Top 10 Ministry of Works projects in the 2025 Approved Budget

CODE	MDA	PROJECT NAME	APPROVED BUDGET (NAIRA)
ERGP12234171	Federal Ministry of Works	MULTILATERAL/BILATERAL TIED LOAN - CONSTRUCTION OF LAFIA ROAD AND THE DUALIZATION OF 9TH MILE (ENUGU) OTUKPO- MAKURDI (KEFFI PHASE II) ROAD PROJECT	152,241,455,205
ERGP12154115	Federal Ministry of Works	DUALIZATION OF KANO-KATSINA ROAD IN KANO/KATSINA STATES PHASE II (KM 74+100 - KM 152+655) IN KANO/KATSINA STATES BORDER-KATSINA STEEL ROLLING MILLS ROUND ABOUT C/NO.6632	75,000,000,000
ERGP12154304	Federal Ministry of Works	DUALIZATION OF KANO-KATSINA ROAD PHASE 1: KANO TOWN AT DAWANAU ROUNDABOUT TO KATSINA STATE BORDER IN KANO STATE C/NO.6213	34,000,000,000
ERGP12208975	Federal Ministry of Works	MULTINATIONAL COUNTERPART FUNDING FOR THE CONSTRUCTION OF LAFIA BYPASS AND 9TH MILE (ENUGU) - OTUKPO - MAKURDI ROAD IN ENUGU AND BENUE STATE	34,000,000,000
ERGP12220309	Federal Ministry of Works	CONSTRUCTION OF MAIDUGURI BYPASS ROAD	25,000,000,000
ERGP12209802	Federal Ministry of Works	CONSTRUCTION OF KANO NORTHERN BYPASS ROAD IN KANO STATE	20,000,000,000
ERGP202699054	Federal Ministry of Works	CONSTRUCTION/REHABILITATION OF WUSASA-JOS ROAD-TURUNKU- MARARABAN JOS FEDERAL ROAD, KADUNA STATE	20,000,000,000
ERGP12153966	Federal Ministry of Works	DUALISATION OF KANO - MAIDUGURI ROAD LINKING KANO - JIGAWA - BAUCHI - YOBE AND BORNO STATES, (SECTION 1: KANO - WUDIL - SHUARIN) TOTAL LENGTH = 105KM	19,000,000,000
ERGP12154139	Federal Ministry of Works	REHABILITATION OF ENUGU-PORT HARCOURT ROAD SECTION III: ENUGU-LOKPANTA IN ENUGU STATE, TOTAL LENGTH = 61.2KM	17,000,000,000
ERGP12231242	Federal Ministry of Works	REHABILITATION OF FAILED SECTIONS OF BAUCHI - JIGAWA STATE BORDER ROAD	15,000,000,000
ERGP12153869	Federal Ministry of Works	RECONSTRUCTION OF ABUJA - LOKOJA ROAD (SECTION I&II): ZUBA - ABAJI ROAD	11,000,000,000
ERGP12208684	Federal Ministry of Works	RECONSTRUCTION OF MUBI-MAIDUGURI ROAD SECTION 3 : MADAGALI-ADAMAWA/BORNO BORDER-LIMANKARA-GWOZA- PULKA-BAMA ROAD IN ADAMAWA/BORNO STATE (KM107+800- KM179+900)	10,020,000,000
ERGP12153991	Federal Ministry of Works	DUALISATION OF KANO-MAIDUGURI ROAD LINKING KANO-JIGAWA- BAUCHI-YOBE AND BORNO STATES. (SECTION V) DAMATURU- MAIDUGURI, IN BORNO STATE TOTAL LENGTH = 131.91KM	10,000,000,000
ERGP12154096	Federal Ministry of Works	REHABILITATION OF ZARIA - HUNKUYI - KATSINA SB - DABAI - KAFUR - MALUNFASHI - DAYI - GIDAN MUTUN DAYA ROAS SECTION III (MALUMFASHI - GIDAN MUTUNDAYA) PROJECT LENGTH = 74KM	8,000,000,000
ERGP12153951	Federal Ministry of Works	COMPLETION OF REMAINING SECTIONS OF PREVIOUS CONTRACT OF GITTO (CH131+362- CH179+792) DUALIZED SECTION IV ON ABUJA- LOKOJA ROAD, REMANING SECTION TO COMPLETION CH131+36-CH142+862-11.5KMX2 +CH144+762-CH153+262-8.3KM X2 +156+262-CH179+792-23.5KM X 2. TOTAL REMAINING LENGTH LHS & RHS = 86.6KM	7,000,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

8.6 Power



The chronic power challenges in Nigeria have met with several initiatives such as the Presidential Power Initiative (PPI). In February 2024, the Ministry of Power kicked off the PPI intending to amplify the transmission capacity by 272 megawatts, aimed at ensuring a more robust delivery of electricity to consumers across the nation.⁸⁰ **Despite these initiatives, the national grid keeps suffering collapses and disturbances. These incidents lead to economic losses estimated at over \$25bn annually and this does not include additional costs for off-grid fuel.**⁸¹ Frequent grid collapses disrupt

business operations, and SMEs are particularly vulnerable as they cannot easily externalize these additional costs. In 2024, the federal government revealed an \$800mn investment through the PPI to enhance the power sector, aimed at achieving operational capacity of 6,000 megawatts by the end of 2024 and 25,000 megawatts by the end of 2025. Despite significant investments and plans, the PPI has faced challenges in meeting its targets, such as the goal of generating 6,000 megawatts at the end of 2024.⁸²

⁸⁰ See FG Power, A. (2024, January 27). Hon. Minister of Power Commissions Five Projects Under Phase I of the Presidential Power Initiative (PPI). FGN Power Power Presidential Power Initiative. <https://fgnpowerco.ng/hon-minister-of-power-commissions-five-projects-under-phase-i-of-the-presidential-power-initiative-ppl/>

⁸¹ See Yusuf, I. A. (2024, November 10). How National Grid collapse impacts economy negatively – Report. The Nation. <https://thenationonlineng.net/how-national-grid-collapse-impacts-economy-negatively-report/>

⁸² See Odeyinka, O. (2025, October 5). 2025 Budget: Ministry of Power to spend N150 billion on PPI transmission projects. <https://nairametrics.com/2025/01/05/2025-budget-ministry-of-power-to-spend-n150-billion-on-ppl-transmission-projects/>

To regularise electricity tariffs, the Nigerian Electricity Regulatory Commission (NERC) approved a 300% tariff increase for Band A consumers, raising the price from N68 to N225 per kilowatt-hour. This change aimed to ensure sustainable energy distribution and affected about 15% of the population, who consume 40% of the nation's electricity.⁸³ Despite tariff increases, many consumers, including those in Band A, often do not receive the guaranteed 20 hours of daily electricity

supply. This diminishes the consumers' expectations given that they expect to get a better power supply.

As the second phase of the PPI is set to commence in 2025, the initiative and its private partners aim to increase transmission and distribution capacity to evacuate up to 11 GW of electricity. In the same vein, the Transmission Company of Nigeria (TCN) Projects the execution of 149 projects across the country, costing 2.7trn.⁸⁴

Table 22: Breakdown of MDA allocations in the Federal Ministry of Power

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
FEDERAL MINISTRY OF POWER -HQTRS	1,399,060,465	825,785,443	1,066,234,201,623	1,068,459,047,531
NATIONAL RURAL ELECTRIFICATION	1,357,993,671	1,228,443,528	547,801,954,835	550,388,392,034
NIGERIAN ELECTRICITY MANAGEMENT SERVICES AGENCY (NEMSA) HQTR	2,262,794,601	1,053,701,838	4,057,706,409	7,374,202,848
NATIONAL POWER TRAINING INSTITUTE	911,664,063	423,904,359	30,237,303,189	31,572,871,611
NIGERIA ELECTRICITY LIABILITY MANAGEMENT LIMITED	341,545,212	679,567,991	1,567,101,637	2,588,214,840
TRANSMISSION COMPANY OF NIGERIA	0.00	0.00	235,399,314,848	235,399,314,848
	6,273,058,012	4,211,403,159	1,885,297,582,540	1,895,782,043,711

Source: 2025 Appropriation Act, Federal Republic of Nigeria

In 2025, the Ministry of Power's budget formed 3.45% (N1.89tn) of the total federal budget, which is also 34.98% of the total infrastructure budget. Compared to the 2024 budget at N418.37bn, the power budget increased by 335.07% in 2025. Taking account of

the breakdown of the Ministry's budget, personnel spending is N6.37bn (0.33%), Overheads makeup (0.22%) N4.21bn while capital expenditure at N1.88tn makes up 99.45% of the ministry's budget, alongside a service-wide vote of N1bn. The corresponding 2024 Ministry

⁸³ See Odeyinka, O. (2024, April 4). NERC Approves 300% Tariff Increase for Band A, Nigerian Electricity Consumers. Proshare. <https://www.proshare.co/articles/nerc-approves-300-tariff-increase-for-band-a-nigerian-electricity-consumers?menu=Economy&classification=Read&category=Power+%26+Energy>
⁸⁴ See Aina, D. (2025, January 14). TCN needs N2.78tn to execute 149 power projects – Minister. The Punch. https://punchng.com/tcn-needs-n2-78tn-to-execute-149-power-projects-minister/#google_vignette

of Power budget allocated about 1.1% (N4.59bn) to Personnel expenditure, 0.62% (N2.62bn) to Overhead spending, and 98.3% (N411.15bn) to capital expenditure. Taking a look at the component-wise breakdown, the Federal Ministry of Power, Headquarters received the largest share at 56.34%, followed by the National Rural Electrification Agency with 29.03%. The Transmission Company of Nigeria was allocated 12.42%, fully for capital projects—no funds for personnel or overhead, indicating a pure infrastructure push. National Power Training Institute received 1.67%, Nigerian Electricity Management Services Agency (NEMSA) received 0.39% and Nigeria Electricity Liability Management Ltd received 0.14%.

Further broken down, the highest allocation in the Ministry of Power went to Funding For PPI Transmission Projects (Transfer To FGN Power) which stands at N150bn. The second highest allocation is the National Public Sector Solarization Initiative, which is to be implemented by the National Rural Electrification Agency, this makes up N100bn. Followed by the Counterpart Funding of Earmarked Transmission Lines and Substations Projects Under Donor Donor Agencies & Zungeru Transmission Line Project (World Bank, AFDB, AFD, JICA And China EXIM Bank), this stands at N36.26bn.



Table 23: Top 10 Ministry of Power projects in the 2025 Approved Budget

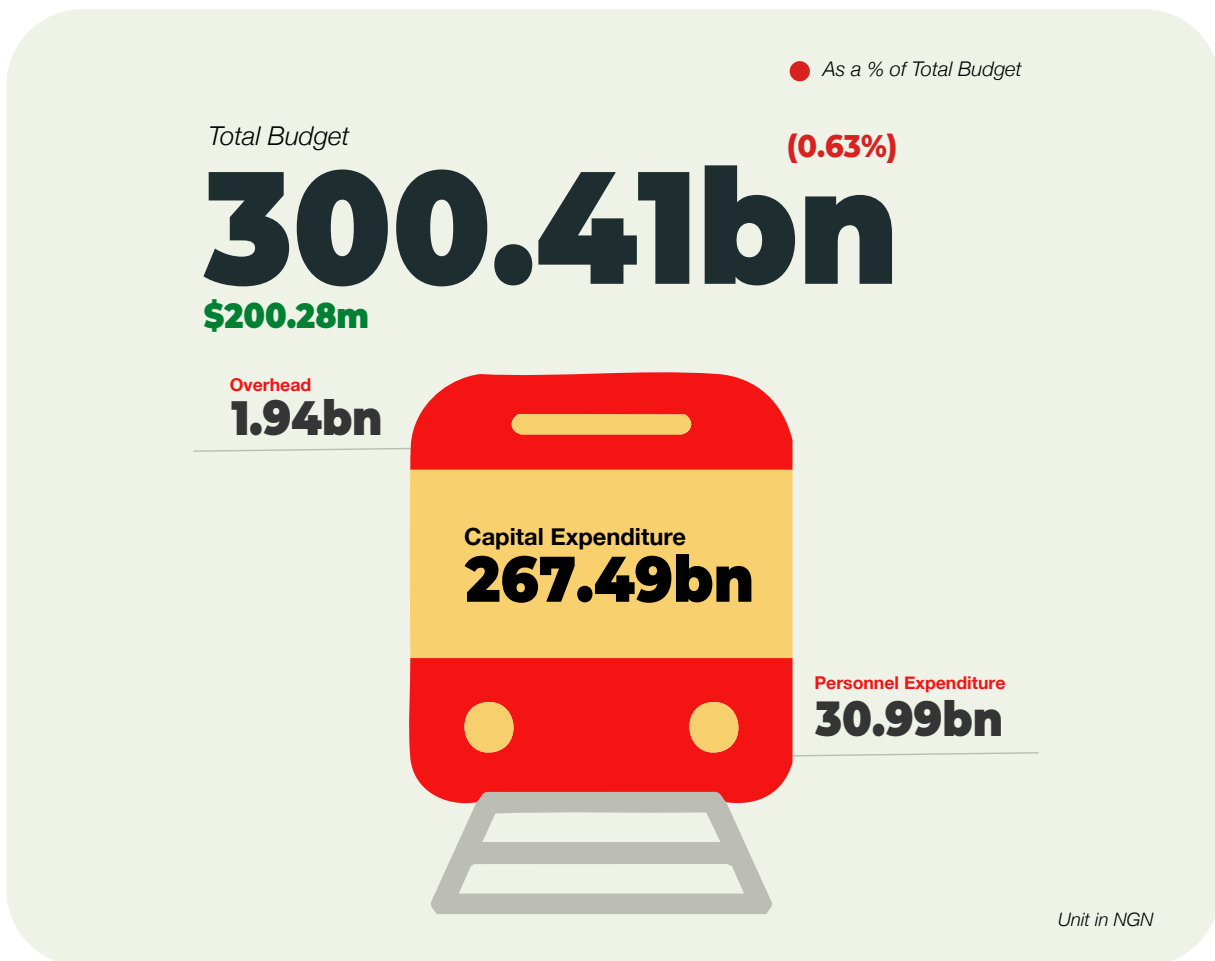
CODE	MDA	PROJECT NAME	APPROVED BUDGET (NAIRA)
ERGP10234211	Federal Ministry Of Power	FUNDING FOR PPI TRANSMISSION PROJECTS (TRANSFER TO FGN POWER)	150,000,000,000
ERGP10233939	National Rural Electrification Agency	NATIONAL PUBLIC SECTOR SOLARIZATION INITIATIVE	100,000,000,000
ERGP10131589	Federal Ministry Of Power	COUNTERPART FUNDING OF EARMARKED TRANSMISSION LINES AND SUBSTATIONS PROJECTS UNDER DONOR AGENCIES & ZUNGERU TRANSMISSION LINE PROJECT(WORLD BANK, AFDB,AFD,JICA AND CHINA EXIM BANK)	36,262,001,659
ERGP10234204	Federal Ministry Of Power	DISTRIBUTION SEGMENT INTERVENTION FOR TRANSFORMERS. CABLING/POLLING REPLACEMENT ACROSS 6 GEO-POLITICAL ZONES - DOMICILED IN FMP	30,000,000,000
ERGP10234203	Federal Ministry Of Power	FEDERAL MINISTRY FOR COMPETITION OF TCN UNCOMPLETED PRIORITY PROJECTS - DOMICILED IN FMP	25,000,000,000
ERGP10234210	Federal Ministry Of Power	PROVISION OF SOLAR STREET LIGHTS FOR MAJOR HIGHWAYS ACROSS THE 6 GEO-POLITICAL ZONES UNDER RENEWED HOPE LIGHT UP OUR HIGHWAYS PROJECT DOMICILED IN FEDERAL MINISTRY OF POWER	24,740,000,000
ERGP10234206	Federal Ministry Of Power	DISTRIBUTION OF SOLAR HOMES SYSTEMS AND RURAL STREET LIGHTING ACROSS THE 6 GEO-POLITICAL ZONES UNDER THE RENEWED HOPE LIGHT UP RURAL AREAS	24,000,000,000
ERGP10234205	Federal Ministry Of Power	MINI GRIDS INTERVENTION FOR FEDERAL AND STATE POLYTECHNICS ACROSS THE 6 GEO-POLITICAL ZONES DOMICILED IN FMP	20,000,000,000
ERGP20255281	National Rural Electrification Agency	SUPPLY AND INSTALLATION OF SOLAR STREET LIGHT IN DIFFERENT LOCATIONS IN RANO/BUNKUR/KIBIYA/SUMAILA/TAKAI/KARAYE / ROGO/DOGUWA/TUDUNWADA LOCAL GOVERNMENT KANO STATE.	5,000,000,000
ERGP10189212	Transmission Company Of Nigeria	COMPENSATION FOR TRANSMISSION LINE AND SUBSTATION PROJECTS. PAYMENT OF COMPENSATION TO PROJECT AFFECTED PERSONS AND COMMUNITIES (PAPS) FOR CROPS, ECONOMIC TREES AND STRUCTURES NATIONWIDE	3,579,893,671
ERGP10212366	Federal Ministry Of Power	CONSTRUCTION AND INSTALLATION OF 2X60MVA,132/33KV SUBSTATION PLUS THE CONSULTANCY FOR SUPERVISION IN APABIEKUN IBADAN OYO STATE	2,900,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

In the 2025 fiscal year, the ministry of power needs to diversify energy resources by encouraging the development of renewable energy sources like solar and hydropower. Also,

it requires substantial effort to harness the sustainable investments in infrastructure to enable seamless transmission and distribution of power to reduce frequent power losses.

8.7 Transportation



The transportation sector in Nigeria encompasses roads and railways. As a critical area of infrastructure, transportation has faced considerable advancements and obstacles, mirroring larger uneven patterns in infrastructure development and economic policy. Between 2024 and 2025, Nigeria's transportation sector received significant budget allocations and infrastructure improvements, focusing on modernizing railways, expanding road networks, and transitioning to sustainable energy. The Ministry of Transportation aims to activate the rehabilitated Lagos-Kano

narrow-gauge railway for freight use, rejuvenate the Dala Inland Dry Port, and complete ongoing coastal rail projects that link Lekki to the Apapa/Tin-Can ports.⁸⁵ The transportation sector's share of Nigeria's GDP increased, with transport contribution to GDP rising from N135.79bn in Q2 2024 to N183.40 bn in Q3 2024.⁸⁶ This indicates a marked recovery and growth path following earlier declines caused by economic challenges.

Ongoing high inflation rates are affecting operational expenses in the transportation sector, influencing the pricing structures for services such

⁸⁵ See Onyema, J. (2025, January 14). 2025 Budget: FG allocates N256bn to transport sector. *The Punch*. <https://businessday.ng/transport/article/2025-budget-fg-allocates-n256bn-to-transport-sector/>
⁸⁶ See Trading Economics (n.d.). Nigeria GDP From Transport. <https://tradingeconomics.com/nigeria/gdp-from-transport>

as public transportation and freight logistics. This scenario diminishes consumer purchasing power and may reduce the demand for transportation services. To promote sustainable practices, the ministry is undertaking reforms like the deployment of CNG-powered buses in collaboration with transport unions and the establishment of conversion centers.⁸⁷ Moreover, there is a need for regulatory streamlining, with the National Transport

Commission tasked to unify multimodal transport policies while creating a cohesive national transportation policy that integrates road, rail, and maritime strategies. The federal government's heavy dependence on loans for rail infrastructure results in delays of 2-3 years beyond the initial planned timelines, which increases costs and diminishes investor confidence in public-private partnerships.

Table 24: Breakdown of Ministry of Transportation Budget by MDA

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
FEDERAL MINISTRY OF TRANSPORT - HQTRS	1,973,795,236	410,784,490	199,881,918,641	202,266,498,367
NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	3,859,785,509	342,320,410	45,765,183,297	49,967,289,216
NIGERIAN RAILWAY CORPORATION	22,329,000,951	201,118,011	16,649,959,487	39,180,078,449
COUNCIL FOR THE REGULATION OF FREIGHT FORWARDING IN NIGERIA	780,334,390	270,000,000	700,000,000	1,750,334,390
FEDERAL UNIVERSITY OF TRANSPORTATION, DAURA, KATSINA STATE	2,043,720,151	716,575,291	4,489,659,060	7,249,954,502
	30,986,636,237	1,940,798,202	267,486,720,485	300,414,154,924

Source: 2025 Appropriation Act, Federal Republic of Nigeria

A budget of N300.41bn was allocated to the Ministry of Transportation in the 2025 budget, this makes up 0.62% of the total budget which is 5.54% of the infrastructure budget. In comparison to the 2024 budget of N167.29bn, there was a 79.59% increase. Breaking down the Ministry's budget: N30.98bn

(10.32%) is allocated to personnel costs, N1.94bn (0.65%) is designated for overheads, and N267.48bn (89.03%) is earmarked for capital expenditure. Additionally, a service-wide vote of N43.47bn is included. The corresponding 2024 Ministry of Transportation budget allocated

⁸⁷ See Agbor, E. (2025, January 18). Rail projects dominates transport ministry's 2025 focus. <https://arbiterz.com/rail-projects-dominates-transport-ministrys-2025-focus/>

N24.96bn to Personnel expenditure, N2.80bn to Overhead spending, and N138.53bn to capital expenditure.

The component breakdown indicates that the Federal Ministry of Transport, Headquarters received N202.27bn, accounting for over 67% of the sector's total allocation. The Nigerian Institute of Transport Technology (NITT) follows with

a sizable N49.97bn allocation, accounting for 16.63%. The Nigerian Railway Corporation (NRC) was allocated N9.18bn (13.04%), the Council for the Regulation of Freight Forwarding in Nigeria (CRFFN) received a modest N1.75bn (0.58%), and the Federal University of Transportation in Daura, Katsina State, a relatively new institution, is allocated N7.25 bn (2.41%).

Taking account of the prioritised allocations, the highest allocation in the Ministry of Transportation is N146.14bn, allocated to Counterpart Funding For Lagos Green Line Metro Rail-Phase 1 (Transfer To MOFI). The second-highest allocation is N41.48bn allocated to

- 1** *Completion Of Abuja-Kaduna Railway Project.*
- 2** *Completion Of Lagos - Ibadan And Its Associated Additional Works.*
- 3** *Rehabilitation Of Itakpe - Ajaokuta Rail Line And Construction Of 12 Nos Station Buildings And Track Laying Works At Railway Ancillary Facilities Areas Agbor.*
- 4** *Completion Of Addendum 2a and Railway Ancillary Facilities Areas Agbor.*
- 5** *Design, Manufacture, Supply And Installation Of Rolling Stock, Supply Of Spare Parts And Maintenance Equipments For The Ongoing Railway Modernization Project.*
- 6** *Installation Of Signal And Telecommunication System On Itakpe-Ajaokuta-Warri Railway Line.*
- 7** *Installation Of Acoustal Sensing Security [sic] Surveillance System For The Abuja (Idu)-Kaduna And Other Security Gadgets.*
- 8** *Completion Of Feasibility Studies For New Standard Gauge Rail Lines.*
- 9** *Engagement Of Transaction Advisors On Concession of the*
 - *Construction Of Abuja-Baro- Itakpe And The Segment Aladja-Warri Port and*
 - *Kano- Maradi.*
- 10** *Provision For Railway Modernisation Projects.*

Table 25: Top 10 Ministry of Transportation projects in the 2025 Approved Budget

CODE	MDA	PROJECT NAME	TYPE	APPROVED BUDGET (NAIRA)
ERGP13234125	FEDERAL MINISTRY OF TRANSPORTATION	COUNTERPART FUNDING FOR LAGOS GREEN LINE METRO RAIL- PHASE 1 (TRANSFER TO MOFI)	NEW	146,141,117,570
ERGP13177707	FEDERAL MINISTRY OF TRANSPORTATION	1. COMPLETION OF ABUJA-KADUNA RAILWAY PROJECT. 2. COMPLETION OF LAGOS - IBADAN AND ITS ASSOCIATED ADDITIONAL WORKS. 3. REHABILITATION OF ITAKPE - AJAOKUTA RAIL LINE AND CONSTRUCTION OF 12 NOS STATION BUILDINGS AND TRACK LAYING WORKS AT RAILWAY ANCILLARY FACILITIES AREAS AGBOR. 4. COMPLETION OF ADDENDUM 2A AND RAILWAY ANCILLARY FACILITIES AREAS AGBOR. 5. DESIGN, MANUFACTURE, SUPPLY AND INSTALLATION OF ROLLING STOCK, SUPPLY OF SPARE PARTS AND MAINTENANCE EQUIPMENTS FOR THE ONGOING RAILWAY MODERNIZATION PROJECT. 6. INSTALLATION OF SIGNAL AND TELECOMMUNICATION SYSTEM ON ITAKPE-AJAOKUTA-WARRI RAILWAY LINE. 7. INSTALLATION OF ACOUSTAL SENSING SECURITY SURVEILLANCE SYSTEM FOR THE ABUJA (IDU)-KADUNA AND OTHER SECURITY GADGETS. 8. COMPLETION OF FEASIBILITY STUDIES FOR NEW STANDARD GAUGE RAIL LINES. 9. ENGAGEMENT OF TRANSACTION ADVISORS ON CONCESSION OF THE 1. CONSTRUCTION OF ABUJA-BARO- ITAKPE AND THE SEGMENT ALADJA-WARRI PORT AND 2. KANO- MARADI. 10.PROVISION FOR RAILWAY MODERNISATION PROJECTS.	ONGOING	41,487,606,111
ERGP13102578	FEDERAL MINISTRY OF TRANSPORTATION	PROVISION OF ELECTRICAL POWER SUPPLY AND WATER SUPPLY, CONSTRUCTION OF PROTECTIVE FENCES ALONG THE RAILWAY CORRIDORS IN ABRAKA,ORA,ORUWHORUM,FOR ITAKPE-AJAOKUTA-ALADJA RAILWAY SYSTEM.	ONGOING	4,035,365,460
ERGP202503181	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	CONSTRUCTION OF RURAL ACCESS JIGAWA, KATSINA, SOKOTO AND KEBBI STATE(MULTIPLE LOTS)	NEW	3,000,000,000
ERGP202503184	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	CONSTRUCTION OF RURAL ROADS CULVERTS AND DRAINAGES IN SELECTED LOCATIONS IN THE FEDERATION(MULTIPLE LOTS)	NEW	3,000,000,000
ERGP25215233	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	SUPPLY OF SPECIALISED MEDICAL EQUIPMENT TO SELECTED PRIMARY HEALTH CENTRES IN COMMUNITIES IN THE NORTH WEST ZONE OF THE FEDERATION (MULTIPLE LOTS)	ONGOING	2,772,500,000
ERGP202503183	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	CONSTRUCTION OF ASPHALT ROAD AND DRAINAGES IN SELECTED LOCATIONS IN THE NORTH(LOTS 1-10)	NEW	2,500,000,000
ERGP20262536	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	"RESTORATION AND FURNISHING OF SEVERAL HISTORICAL ROYAL RESIDENCES IN OTA, IGBESA AND OTHER VARIOUS EMIRATES THROUGHOUT NIGERIA (MULTIPLE LOTS)	NEW	2,300,000,000
ERGP202503180	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	CONSTRUCTION OF RURAL ROAD AT SABUWAR KASA-KAHUTU- KUDAN OF KATSINA STATE (LOT 1-4)	NEW	2,000,000,000
ERGP202503182	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	CONSTRUCTION OF FARMERS ACCESS ROAD ACROSS SOKOTO, KATSINA AND KEBBI STATE(LOTS 1-7)	NEW	2,000,000,000
ERGP20262533	NIGERIAN INSTITUTE OF TRANSPORT TECHNOLOGY	PROCUREMENT OF EQUIPMENT TO IMPROVE MATERNAL HEALTH AND REDUCE INFANT MORTALITY IN OTA, EBUTO ERO, IJALE KETU COMMUNITIES AND OTHER SELECTED LOCATIONS (MULTIPLE LOTS)	NEW	2,000,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

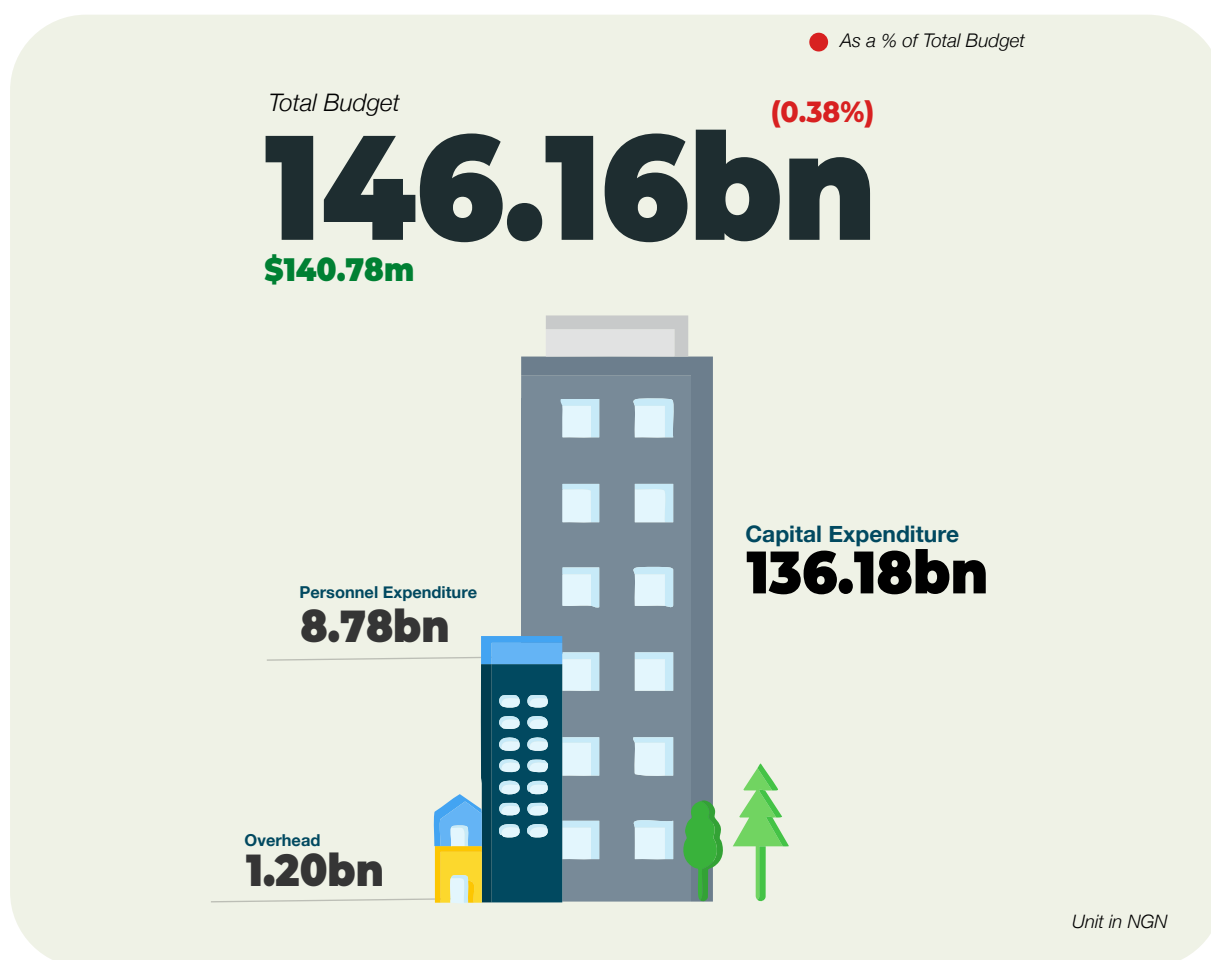


As Nigeria fully settles in the 2025 fiscal year, the transportation industry is anticipated to generate roughly \$1.73bn from public transportation alone, signifying strong market potential.⁸⁸ The overall growth rate of the GDP is projected to stabilize at around 3.6%, with non-oil sectors, including transportation, playing a vital role in this strategy for diversification.⁸⁹ To fully

leverage growth opportunities, the government should improve funding mechanisms through creative financing options like infrastructure bonds while promoting increased competition in the sector by welcoming new market participants and investing in technology adoption for enhanced logistics management and operational efficiency.

⁸⁸ See Statista (2025, April 1). *Public Transportation - Nigeria*. <https://www.statista.com/outlook/mmo/shared-mobility/public-transportation/nigeria>
⁸⁹ cepar.unilag.edu.ng

8.8 Housing And Urban Development



The Federal Ministry of Housing and Urban Development is essential for improving the quality of life for citizens by addressing housing needs and promoting sustainable urban development. By facilitating access to affordable and quality housing, the ministry helps reduce homelessness and enhance living conditions, contributing to social stability and well-being. **Housing demand is projected to grow by 8% annually, reaching 30 million units by the end of 2025, while supply is expected to increase at a slower pace of 5% annually.** This gap

highlights the need for affordable housing solutions. And with a high urbanisation rate Nigeria's rate is expected to exceed 51% by 2025.⁹⁰ With cities like Lagos, Abuja, and Port Harcourt experiencing rapid growth, this drives demand for both residential and commercial properties.⁹¹ Urban expansion is concentrated around major urban fields, including the Northern conurbation around Kano, the Central conurbation from Abuja to Jos, the South-Western conurbation from Lagos to Ilorin, and the South-Eastern conurbation encompassing Benin City, Port Harcourt, Calabar, and Enugu.⁹²

⁹⁰ See the Nigerian Housing Market. (n.d). 2025 Real Estate Prediction - Nigeria Housing Market. Available at: <https://www.nigeriahousingmarket.com/2025-prediction/nigeria>

⁹¹ See Nigeria's Real Estate Market in 2025: (Growth Projections and Key Drivers) – Octo5 Holdings Limited

⁹² Avis, W. (2019). Urban Expansion in Nigeria. K4D Helpdesk Report 692. Brighton, UK: Institute of Development Studies.

The Ministry of Housing and Urban Development plays a critical role in urban planning, developing infrastructure such as roads, water supply, and sanitation, which improves economic opportunities for residents. Through initiatives that encourage public-private partnerships, the ministry can stimulate investment in the housing sector, leading to job creation and economic growth. Despite several reforms and initiatives such as

the “Renewed Hope Housing Scheme”, the populace face several challenges such as high construction cost and limited mortgage access; the housing deficit is estimated at over 22 million units.⁹³

Overall, the ministry is vital for fostering safe, inclusive, and sustainable communities, significantly impacting citizens' lives across Nigeria.



Table 26: Breakdown of Ministry of Housing and Urban Development Budget by MDA

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
FEDERAL MINISTRY OF HOUSING AND URBAN DEVELOPMENT - HQTRS	5,941,911,881	480,334,421	131,100,501,056	137,522,747,358
OFFICE OF THE SURVEYOR GENERAL OF THE FEDERATION	1,741,884,169	569,090,791	4,002,698,120	6,313,673,080
FEDERAL SCHOOL OF SURVEY, OYO	1,098,582,023	153,966,785	1,074,722,645	2,327,271,453
	8,782,378,073	1,203,391,997	136,177,921,821	146,163,691,891

Source: 2025 Appropriation Act, Federal Republic of Nigeria

The 2025 fiscal year budget for the Federal Ministry of Works and Housing is N146.16bn, a 15.51% reduction from the N168.83bn allocated in 2024. The ministry is crucial to the nation's infrastructure development and requires sufficient funding to address the shortcomings in the current housing landscape. As usual, the ministry has prioritised capital expenditures at a high rate of 93.17%, allocating N136.18bn, N8.78bn to personnel, and N1.20bn to overhead costs. Taking a look at the component-wise breakdown, the Federal Ministry of Housing and Urban Development headquarters received the

majority share, amounting to N137.52bn, which represents 93.8% of the total sector allocation. The Office of the Surveyor General of the Federation was allocated N6.31bn, accounting for 4.3% of the total ministry's budget. The Federal School of Survey, Oyo, received a total of N3.23bn, representing 2.2% of the ministry allocation.

Taking a deeper look at the prioritized allocations, the highest allocation in the Ministry of Housing and Urban Development is N11.50bn, targeted at the “Renewed Hope Agenda Housing Scheme, (Construction of 20,000

⁹³ See Nigeria's Real Estate Market in 2025: (Growth Projections and Key Drivers) – Octo5 Holdings Limited

housing units). The second highest allocation is N5.34bn targeted at the Federal Government National Housing

Programme Nationwide. This is followed by the N4.98bn targeted at “Payment Of Multiple Contracts”.

Table 27: Top 10 Housing and Urban Development Projects in the 2025 Approved Budget

CODE	MDA	PROJECT NAME	TYPE	AMOUNT
ERGP27225476	Federal Ministry Of Housing And Urban Development	RENEWED HOPE AGENDA HOUSING SCHEME (CONSTRUCTION OF 20,000 HOUSING UNITS)	ONGOING	11,500,000,000
ERGP27225494	Federal Ministry Of Housing And Urban Development	FEDERAL GOVERNMENT NATIONAL HOUSING PROGRAMME NATIONWIDE	ONGOING	5,343,802,400
ERGP20261311	Federal Ministry Of Housing And Urban Development	PAYMENT OF MULTIPLE CONTRACTS: FMWH/H-CRW/2022/05/1/82, FMWH/SPUH/2022/05/1/181, FMWH/SPUH/2022/05/1/182, FMWH/SPUH/2022/05/1/183, FMWH/SPUH/2022/01/1/97, FMWH/SPUH/2022/01/1/98, FMWH/SPUH/2022/01/1/99, FMWH/SPUH/2022/03/1/76, FMHUD/SPU/2023/01/1/32, FMHUD/ESD/2023/01/1/2, FMHUD/SPU/2023/01/1/31, FMHUD/ESD/2023/01/1/134, FMHUD/ESD/2023/01/1/134, FMWH/SPUH/2021/01/1/652, FMWH/SPUH/2021/01/1/653, FMWH /SPU/2021/01/1/637, FMWH/SPUH/2021/01/1/638, FMWH/SPUH/2021/01/1/640, FMWH/SPUH/2021/01/1/641, FMWH/SPUH/2021/01/1/642, FMWH/SPUH/2021/01/1/663, FMWH/ESH/2022/03/1/241	ONGOING	4,988,780,479
ERGP20260232	Federal Ministry Of Housing And Urban Development	CONSTRUCTION OF RENEWED HOPE ONE- AND TWO-BEDROOM LOW-COST HOUSING UNITS IN THE 774 LOCAL GOVERNMENT AREAS (PHASE 1) BY (FEDERAL HOUSING AUTHORITY (FHA)	NEW	4,283,784,807
ERGP27226698	Federal Ministry Of Housing And Urban Development	DEVELOPMENT OF ADDITIONAL OFFICE BLOCK AT FEDERAL MINISTRY OF WORKS AND HOUSING (HQ) MABUSHI, ABUJA	ONGOING	4,000,000,000
ERGP27226717	Federal Ministry Of Housing And Urban Development	PROVISION FOR PAYMENT OF OUTSTANDING LIABILITIES OF NATIONAL HOUSING PROJECT AND PROTOTYPE HOUSING PROJECT	ONGOING	4,000,000,000
ERGP27227795	Federal Ministry Of Housing And Urban Development	SETTLEMENT OF LIABILITIES IN MDGs, SDGs, ZIP AND DIRECT MANDATE PROJECTS.	ONGOING	3,250,000,000
ERGP27226546	Federal Ministry Of Housing And Urban Development	PROTOTYPE HOUSING SCHEMES SULEJA (NIGER STATE/ IKORODU (LAGOS STATE)	ONGOING	3,000,000,000
ERGP202502331	Federal Ministry Of Housing And Urban Development	CONSTRUCTION OF INNER ROAD/BUILDING INFRASTRUCTURE FOR LASUTECH (PHASE III AND PHASE I) AND PROVISION OF SOLAR POWER AND CONNECTION TO SELECTED FLOOD RAVAGED AREAS IN ITIRE/NGURU/OLODEOKUTA, NRP (PHASE I) IN LAGOS STATE	ONGOING	2,321,000,000
ERGP27227857	Federal Ministry Of Housing And Urban Development	CONSTRUCTION OF SKILL ACQUISITION CENTRES IN YOBE, LAGOS, RIVERS, KANO, GOMBE, ENUGU, KOGI, PLATEAU, NASARAWA,, BENIUE, KANO, KATSINA, KADUNA, ZAMFARA, SOKOTO, NIGER, ENUGU, EBONYI, IMO, OYO, LAGOS, KWARA,	ONGOING	1,250,000,000

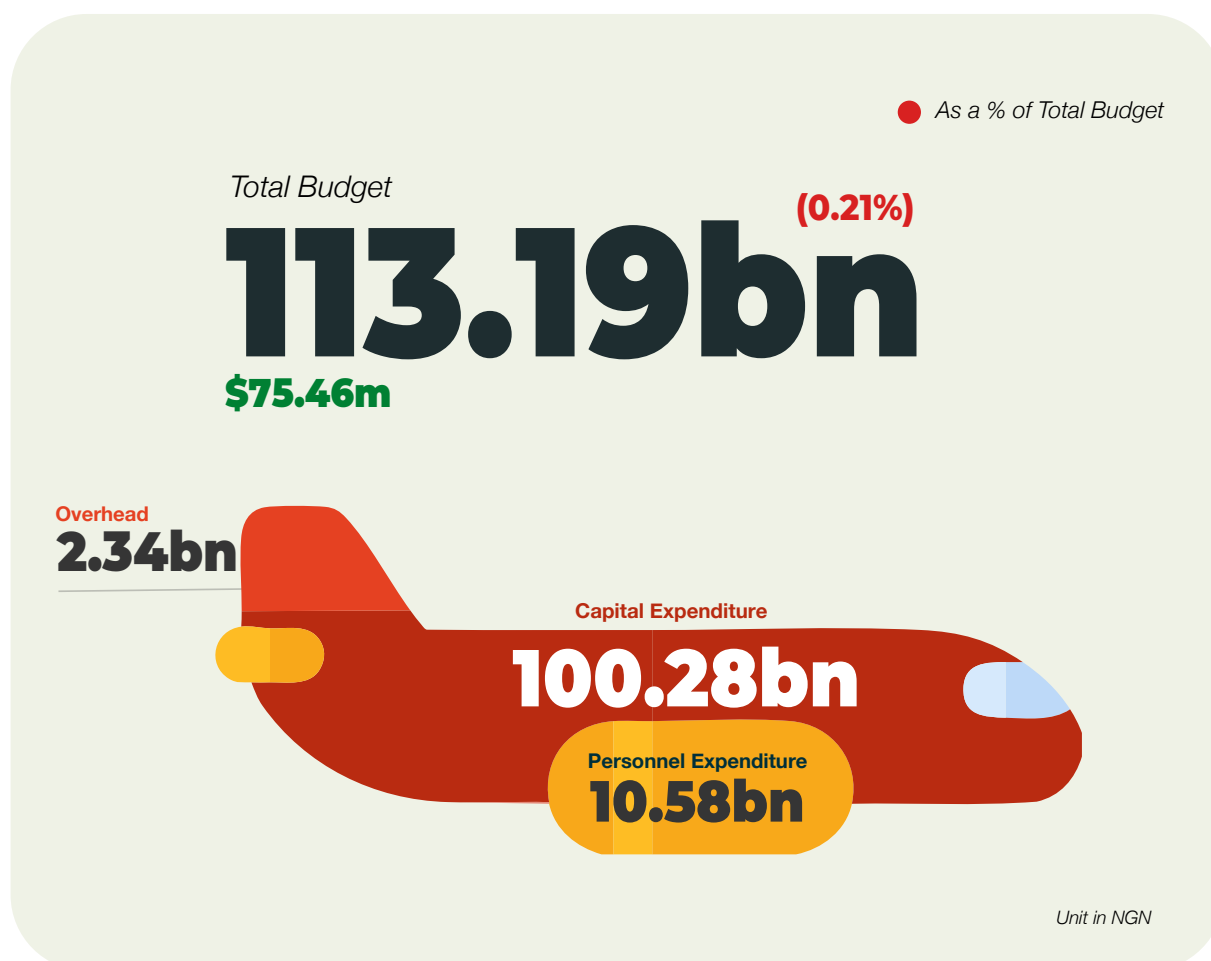
Source: 2025 Appropriation Act, Federal Republic of Nigeria



In the 2025 fiscal year, the Ministry of Housing should focus on strategic planning by encouraging state level planning that can help manage urban expansion and improve infrastructure

through public-private partnerships and also the implementation of green technologies and sustainable urban planning that can mitigate environmental impacts and improve healthy living.

8.9 Aviation



At the beginning of 2024, more than \$800mn in airline revenues were stranded due to shortages in foreign exchange, which led some international airlines to cut back on services or consider withdrawing. The Central Bank of Nigeria ultimately resolved \$850mn of these funds, enhancing relationships with foreign carriers.⁹⁴ During the 2024-2025 fiscal period, the aviation industry in Nigeria experienced a notable increase in budget allocations and strategic investments, indicating the government's commitment to tackle long-standing issues and position the sector for

expansion. **The aviation sector saw growth in airlines and route development, exemplified by Air Peace's launch of non-stop flights to London-Gatwick on March 30, 2024, signifying a major return of Nigerian airlines to the UK market after many years of absence.** The Federal Government collaborated with the European Aviation Safety Agency (EASA) to create and implement Sustainable Aviation Fuel (SAF) along with other low-carbon alternatives. These initiatives were designed to lessen the aviation industry's carbon emissions while

⁹⁴ See Okeke-Korieocha, I., and Okpale, F. (January 3 2025). New routes, aircraft scarcity mark Nigeria's aviation in 2024. In Business Day (Online). Available at: <https://businessday.ng/aviation/article/new-routes-aircraft-scarcity-mark-nigerias-aviation-in-2024/>
⁹⁵ See Etuk, P. (November 4 2024). Nigeria committed to reducing aviation's carbon footprint – Keyamo. In the Punch Newspapers (Online). Available at: <https://punchng.com/nigeria-committed-to-reducing-aviations-carbon-footprint-keyamo/>

generating economic opportunities.⁹⁵ In 2024, International airlines accounted for 80% of the revenue in commercial aviation, but concerns about currency shortages and debt risks could jeopardize the stability of the sector in the 2025 fiscal year.⁹⁶ Initiatives such as enhanced adherence to the Cape Town Convention (increasing from 49% to 70.5%) are designed to lower aircraft leasing expenses and draw in foreign investments. The government has targeted increasing aviation's GDP contribution to 5% (\$14.2bn) through the aviation roadmap and this is said to

potentially create over 72,000 jobs in the year 2025. The Aviation sector suffers a series of infrastructure deficits ranging from obsolete equipment, inadequate safety systems and delayed airport upgrades. It has been noted that N1bn is spent monthly on diesel for Lagos and Abuja airports due to unreliable power supply.⁹⁷ Also the lack of consumer protection and sector governance has posed threats to the citizens who have suffered a series of inconveniences such as delayed flights, cancellations, elevated airfares. There is a need for the sector to create an effective oversight mechanism.

Table 28: Breakdown of Ministry of Aviation Budget by MDA

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
FEDERAL MINISTRY OF AVIATION AND AEROSPACE DEVELOPMENT - HQTRS	1.12bn	745,742,676	69.4bn	71.26bn
NIGERIAN METEOROLOGICAL AGENCY	6.25bn	393,726,784	3.27bn	9.92bn
NIGERIAN COLLEGE OF AVIATION TECHNOLOGY-ZARIA	3.17bn	464,441,402	9.34bn	12.97bn
NIGERIA AIRSPACE MANAGEMENT AGENCY	0	0	9.00bn	9.00bn
NIGERIAN SAFETY INVESTIGATION BUREAU (NSIB)	0	734,089,686	9.30bn	10.04bn
	10.6bn	2.34bn	100.3bn	113.19bn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Taking a look at the budget of the Federal Ministry of Aviation, N113.19bn was allocated to the aviation industry. This indicates a significant increase of 97.78% when compared to the previous year. A breakdown identified N10.58bn allocation to personnel, N2.34bn allocation to overheads while N100.27bn was allocated to capital expenditure. This

reflects a commitment to infrastructural development in the sector. A look at component wide allocation, N71.26bn representing 63% of the ministry's budget was allocated to the Federal Ministry of Aviation and Aerospace Development. The Nigerian Meteorological Agency (NiMet) follows with an allocation of N9.92bn (8.76%).

⁹⁵ See Ariemo, O. (January 9 2024). Tinubu govt pushes Nigeria's aviation challenges to 2024. In the Daily Post Newspapers (Online). Available at: <https://dailypost.ng/2024/01/09/tinubu-govt-pushes-nigerias-aviation-challenges-to-2024/>

⁹⁷ See Dapo-Thomas, O. (November 24 2024). Eight key reforms in Aviation, Aerospace sector under Keyamo. In the Nation Newspapers (Online). Available at: <https://thenationonline.ng/eight-key-reforms-in-aviation-aerospace-sector-under-keyamo/>

Nigerian College of Aviation Technology (NCAT) in Zaria receives N12.98bn, accounting for 11.5% of the Ministry's budget. The Nigeria Airspace Management Agency (NAMA) is allocated N9bn (8%), entirely focusing on capital expenditure. Lastly, the Nigerian Safety Investigation Bureau (NSIB) received N10.04bn, about 8.86% of the Ministry's total budget.

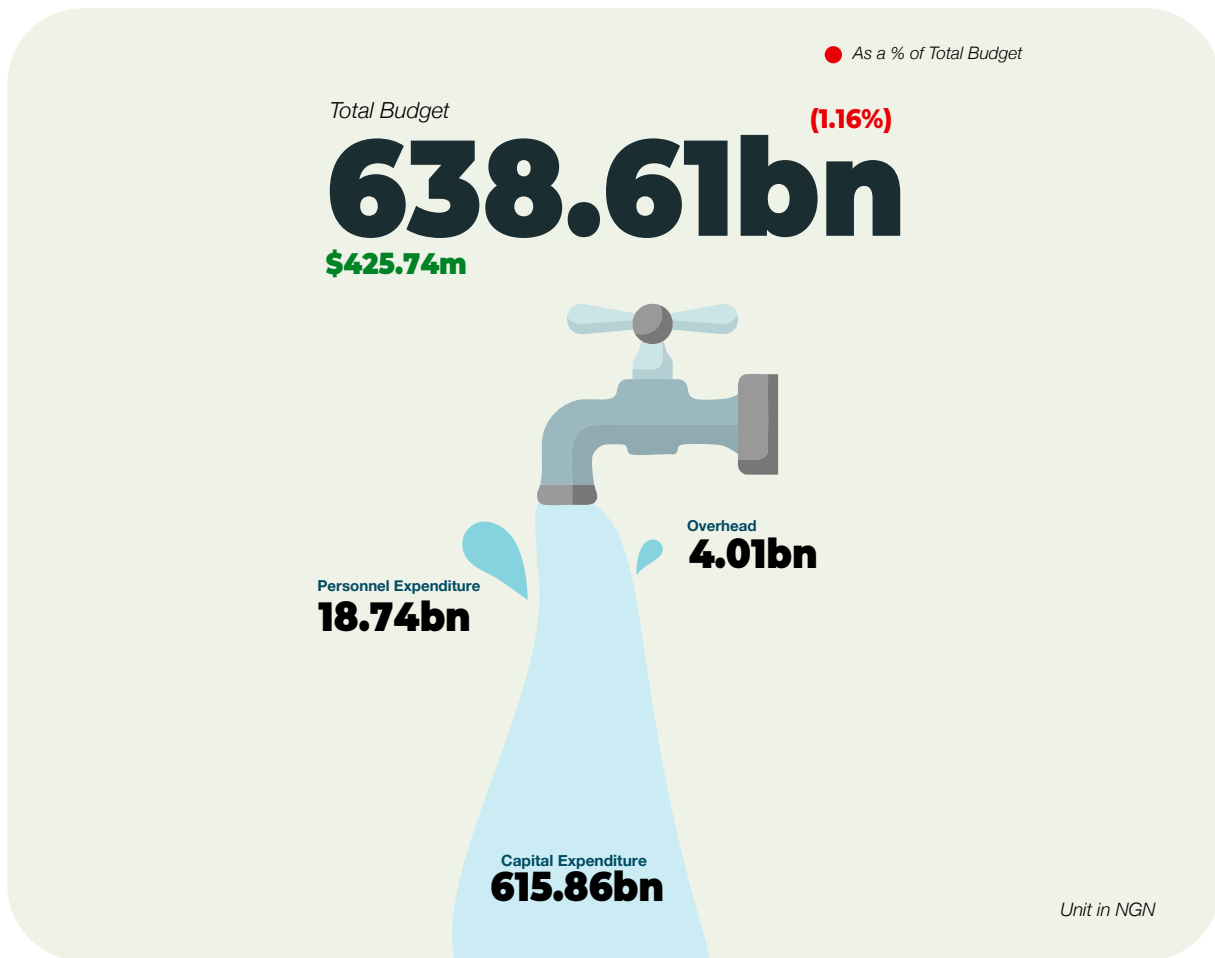
With a focus on prioritisation of projects, N5bn was allocated to Power/ Energy Improvement At Lagos And Other Airports/Ipp Abj. Followed by the Construction Of Corporate Hq Building And Staff Accommodation For FMA & It's Agencies with an allocation of N5bn. The Nigerian College of Aviation Technology, Zaria will be implementing the "Completion of Runway" project with the sum of N5bn.

Table 29: Top 10 Aviation Projects in the 2025 Approved Budget

CODE	MDA	PROJECT NAME	TYPE	AMOUNT
ERGP10145419	Federal Ministry Of Aviation And Aerospace Development - HQTRS	POWER/ ENERGY IMPROVEMENT AT LAGOS AND OTHER AIRPORTS/IPP ABJ.	ONGOING	5,000,000,000
ERGP31141946	Federal Ministry Of Aviation And Aerospace Development - HQTRS	CONSTRUCTION OF CORPORATE HQ BUILDING AND STAFF ACCOMODATION FOR FMA & IT'S AGENCIES	ONGOING	5,000,000,000
ERGP31144725	Federal Ministry Of Aviation And Aerospace Development - HQTRS	SAFETY AND SECURITY CRITICAL PROJECTS AND AIRPORT CERTIFICATION NATION WIDE/ ETC (CAT 3 AFL, DISABLED AIRCRAFT RECOVERY EQUIPMENT)	ONGOING	5,000,000,000
ERGP31157357	Federal Ministry Of Aviation And Aerospace Development - HQTRS	DEVELOPMENT OF AEROSPACE UNIVERSITY ABUJA	ONGOING	5,000,000,000
ERGP20255568	Nigerian College Of Aviation Technology- Zaria	COMPLETION OF RUNAWAY	NEW	5,000,000,000
ERGP31233718	Nigeria Airspace Management Agency	EXPANSION OF JOTRON EXTENDED RANGE HIGH POWER STAND- ALONE VHF RADIO OVER 10.02 SATELLITE NETWORK AT 14 EN-ROUTE STATION	NEW	5,000,000,000
ERGP31141740	Federal Ministry Of Aviation And Aerospace Development - HQTRS	REFUND FOR THE CONSTRUCTION OF AIRPORT AT BIRNIN KEBBI STATE (Ref No. SGF.OP/1/5.3/III)	ONGOING	4,000,000,000
ERGP31206270	Federal Ministry Of Aviation And Aerospace Development - HQTRS	REHABILITATION / DEVELOPMENT OF OSUBI AIRSTRIP, DELTA STATE	ONGOING	4,000,000,000
ERGP31145417	Federal Ministry Of Aviation And Aerospace Development - HQTRS	PURCHASE OF FIRE TRUCKS FOR AIRPORTS	ONGOING	2,000,000,000
ERGP31224046	Federal Ministry Of Aviation And Aerospace Development - HQTRS	POWER IMPROVEMENTS AT THE AIRPORTS WITH SOLAR AND GAS TURBINES FOR OWERRI, BENIN, OSUBI, AKURE, CALABAR AND OTHERS	NEW	2,000,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

8.10 Water Resources



The Federal Ministry of Water Resources is the government agency in charge of developing, managing, and conserving the country's water resources. The ministry was established to ensure that water is used sustainably for home, agricultural, industrial, and environmental purposes. In conjunction with state governments, the ministry works to increase citizens' access to clean water. Several agencies are embedded under the ministry, such as the River Basin Development Authorities (RBDAs) and the Nigeria Hydrological Services Agency (NIHSA). These agencies regulate and optimize the utilization of Nigeria's vast

water resources for economic growth and social development.⁹⁸

The Ministry of Water Resources has a total budget allocation of N638.61bn for the 2025 fiscal year. A breakdown of this sum has the largest chunk of the allocation going to the Ministry of Water Resources Headquarters, at N146.78bn (22.98%) of the total, the second allocation, of N97.65bn (15.29%) going to Hadejia-Jama'are River Basin Development Authority and the third highest allocation of N66.12bn (10.25%) going to the Benin/ Owena River Basin Development Authority.

⁹⁸ See the Federal Ministry of Water Resources. (2023). *Official Policy on Water Supply and Management*. Retrieved from www.waterresources.gov.ng

Table 30: Breakdown of Water Resources' Budget by MDA

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
Federal Ministry Of Water Resources - Hqtrs	4.03bn	531.73m	142.22bn	146.78bn
Nigeria Hydrological Service Agency	684.75m	259.70m	13.84bn	14.79bn
Anambra/ Imo River Basin Development Authority	1.15bn	265.43m	6.70bn	8.11bn
Benin/ Owena River Basin Development Authority	989.34m	234.27m	64.89bn	66.12bn
Chad Basin River Basin Development Authority	910.34m	248.52m	47.54bn	48.69bn
Cross River River Basin Development Authority	1.01bn	248.21m	5.49bn	6.76bn
Hadejia-Jama'are River Basin Development Authority	979.74m	244.74m	96.42bn	97.65bn
Lower Benue River Basin Development Authority	1.06bn	208.75m	19.06bn	20.33bn
Lower Niger River Basin Development Authority	1.17bn	208.55m	7.73bn	9.11bn
Niger Delta River Basin Development Authority	1.55bn	211.06m	6.12bn	7.89bn
Ogun/ Osun River Basin Development Authority	710.76m	222.56m	56.72bn	57.65bn
Sokoto Rima River Basin Development Authority	848.18m	236.42m	60.52bn	61.61bn
Upper Benue River Basin Development Authority	1.01bn	230.81m	46.98bn	48.22bn
Upper Niger River Basin Development Authority	944.64m	196.67m	35.86bn	37.00bn
National Water Resources Institute - Kaduna	1.35bn	219.09m	4.03bn	5.60bn
Nigeria Integrated Water Management Commission	327.68m	246.84m	1.73bn	2.29bn
Total	18.74bn	4.01bn	615.86bn	638.61bn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

The Ministry of Water Resources allocated a better chunk of its budget to capital investments, 96.44% (N615.86bn), 2.93% (18.74bn) for personnel costs and 0.63% (4.01bn) for overheads.

Table 31: Breakdown of Water Resources' Budget

Breakdown	Amount (Naira)	Percentage
Capex	615.86bn	96.44%
Overheads	4.01bn	0.63%
Personnel	18.74bn	2.93%
Total	638.61bn	

Source: 2025 Appropriation Act, Federal Republic of Nigeria

An overview of the Ministry's top ten (10) capital projects is listed below. Out of these projects, the ministry budgeted a significant amount for the Multilateral/Bilateral Tied Loan - Transforming Irrigation Management in Nigeria (Triming) project at N49.78bn and the Multilateral/Bilateral Tied Loan -

Nigeria Program For Integrated Development And [sic] Adoption To Climate Change (PIDACC) at N11.78bn. The water resources sector suffers from the same issue of fragmentation of capital projects, with several projects in the budget that are prone to corruption due to the deliberate lack of details.

Table 32: Top 10 Water Resources Projects in the 2025 Approved Budget

CODE	DESCRIPTION	AMOUNT
ERGP28234168	Multilateral/Bilateral Tied Loan - Transforming Irrigation Management In Nigeria (Triming) Project	49.78bn
ERGP28234169	Multilateral/Bilateral Tied Loan - Nigeria Program For Integrated Development And Adoption To Climate Change (PIDACC)	11.78bn
ERGP202503471	Construction And Rehabilitation Of Agricultural Infrastructure (Canals, Rural Access Roads) And Construction/Completion Of Ibiono Ibom Dam And Nkari Dam, In Akwa Ibom State To Support Food Production And Access To Market Catchment Areas Of Benin/Owena River Basin Development Authority Under The Renewed Hope Agenda (Multiple Lots)	10.00bn
ERGP202503461	Construction Of Small And Medium Earth Dams In The Catchment Areas Of Chad Basin River Basin Development Authority To Support Irrigation For Food Production To Support The Renewed Hope Agenda (Multiple Lots)	10.00bn
ERGP202503481	Rehabilitation Of Existing And Development Of New Irrigation Schemes In The Catchment Areas Of Hadejia- Jama'are For Food Security To Support The Renewed Hope Agenda (Multiple Lots)	10.00bn
ERGP202503466	Construction Of Dikes And Flood /Erosion Control Structures To Free More Lands In The Catchment Areas Of Ogun-Osun River Basin Development Authority To Support Irrigation For Food Production To Support The Renewed Hope Agenda (Multiple Lots)	10.00bn
ERGP202503467	Development Of Small-Scale Irrigation Schemes In Catchment Areas Of The Ogun-Osun River Basin To Support The Renewed Hope Agenda For Increased Food Security	10.00bn
ERGP202503468	Construction Of New And Rehabilitation Of Existing Irrigation Schemes In The Catchment Areas Of Ogun- Osun River Basin Development Authority To Support Food Production (Multiple Lots)	10.00bn
ERGP202503456	Construction Of Small And Medium Earth Dams In The Catchment Areas Of Sokoto-Rima River Basin Development Authority To Support The Renewed Hope Agenda On Irrigation Development (Multiple Lots)	10.00bn
ERGP202503476	Construction Of Small And Medium Earth Dams In The Catchment Areas Of The Upper Benue River Basin Development Authority To Support Irrigation Under The Renewed Hope Agenda (Multiple Lots)	10.00bn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

How Can We Benefit More from the Sector?

Nigeria faces significant water scarcity challenges, with over 60 million people lacking access to clean water and 80 million people having no access to improved sanitation facilities.⁹⁹ The poor state of infrastructure within Nigeria's water management sector disrupts effective service delivery of water to citizens. Across many water corporations in the country, existing infrastructure is outdated and in dire need of modernization.

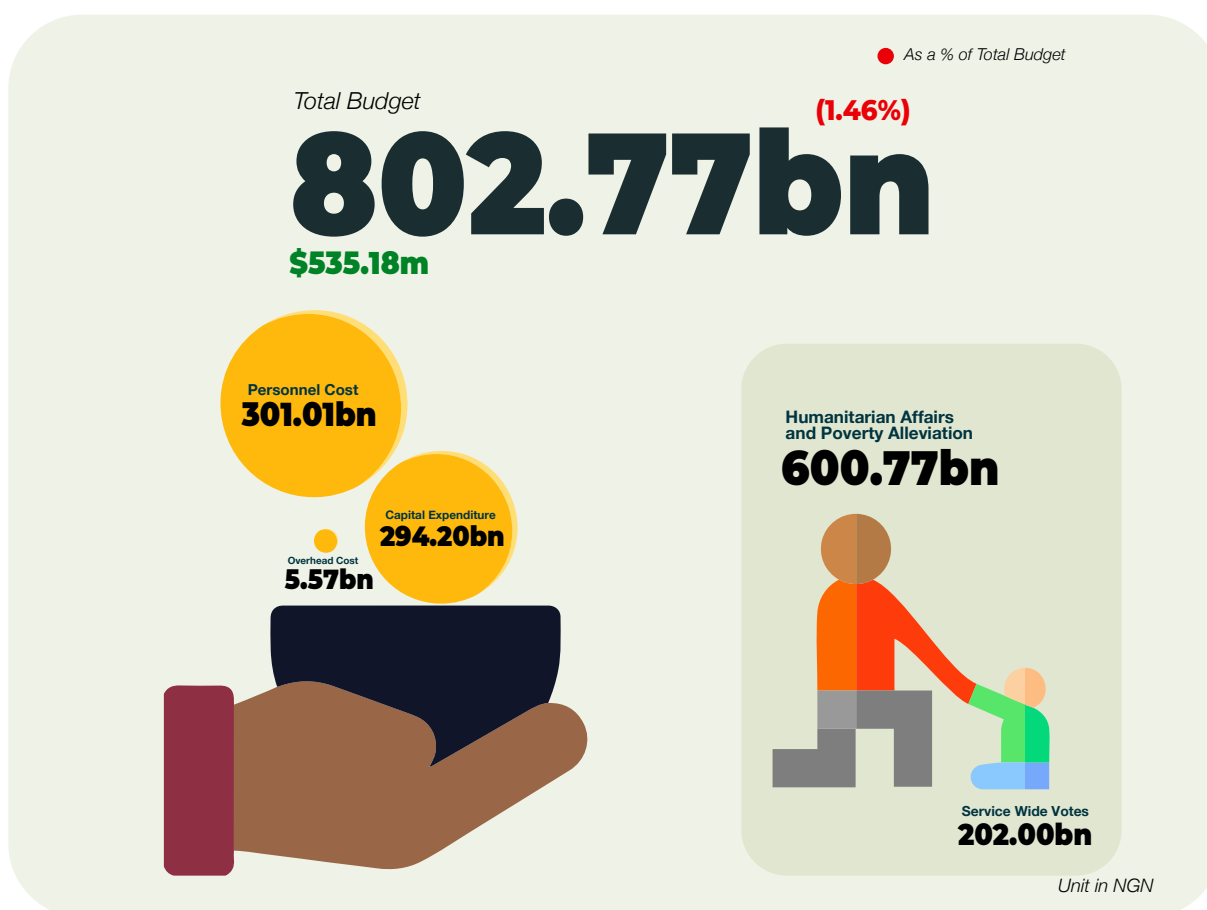
To address this problem, the government should focus more on the rehabilitation of outdated water infrastructure, investing in modern infrastructure for water supply, the construction of new dams, and the development of sustainable irrigation systems for agriculture.

The issue of corruption also exists within the sector; the mismanagement of funds for projects and the lack of accountability contribute to inadequate service delivery from the sector. Policies, reforms and regulatory frameworks that can ensure better water governance should be introduced and implemented optimally. The government can also partner with the private sector and international organizations to access funding and expertise to enhance water projects across Nigeria. There is a need for the government to strengthen its commitment towards improving access to Water, Sanitation and Hygiene (WASH).

⁹⁹ See the World Bank Group (2021, May 26). Nigeria: Ensuring Water, Sanitation and Hygiene for All. Retrieved April 10, 2025, from <https://www.worldbank.org/en/news/feature/2021/05/26/nigeria-ensuring-water-sanitation-and-hygiene-for-all>

8.11 Social Development and Poverty Reduction Programmes

Poverty Reduction Programmes



Throughout Nigeria's history, numerous initiatives, interventions, and policies have been introduced to reduce poverty. From the Better Life for Rural Women program to the National Economic Empowerment and Development Strategy (NEEDS), SURE-P, and the Anchor Borrowers' Program, among many others, these efforts have yet to make a significant impact in alleviating poverty. Despite these initiatives, Nigeria remains deeply entrenched in poverty, with over 84 million Nigerians living in poverty and 63% classified as multidimensionally poor.¹⁰⁰ Given these

staggering figures, one would expect these numerous programs to have made a substantial difference. **However, the grim reality is that Nigeria has the second-largest poor population in the world, after India.**¹⁰¹

The challenges that have riddled these initiatives including corruption, mismanagement of funds, poor policy implementation, inconsistent policies, weak data management, duplication of efforts, targeting issues, and, most importantly, inadequate funding—have prevented them from reaching their full

¹⁰⁰ See National Bureau of Statistics. (2022, November 17). Nigeria launches its most extensive national measure of multidimensional poverty. [https://www.nigerianstat.gov.ng/news/78​;contentReference\[oaicite:1\]}\[index=1\]](https://www.nigerianstat.gov.ng/news/78​;contentReference[oaicite:1]}[index=1])

¹⁰¹ See World Bank. (2024, April). Nigeria Overview. <https://www.worldbank.org/en/country/nigeria/overview>

potential. The issue of funding still persists as allocation to social development and poverty reduction programs in the 2025 approved budgets makes up only 1.46% of the total budget. Prioritisation is extremely low as this is the provision that is meant to serve

and uplift about 47% of the population of the country. With N600.76bn going to the Ministry of Humanitarian Affairs and N202bn going to Service wide votes of some of the current initiatives in the country which will serve as contingency funding in cases of emergencies.

Table 33: 2025 Approved Funding to Current Poverty Reduction Programs

CODE	CURRENT POVERTY REDUCTION PROGRAMS	STATUS	SERVICE WIDE VOTES	AMOUNT
ERGP16210802	National Poverty Reduction With Growth Strategy (NPRGS) - Recurrent	ONGOING	100,000,000,000	
ERGP22212125	National Social Investment Programme Agency (NSIP)	ONGOING	2,000,000,000	
ERGP22219766	National Home Grown School Feeding Programme (NHGSFP)	ONGOING	100,000,000,000	
ERGP22200699	Home-Grown School Feeding	ONGOING		1,817,964,867
ERGP22200702	GEEP (Marketmoni, Tradermoni, Farmermoni)	ONGOING		1,064,174,556
ERGP22200711	JCU (N-Power + Build & Equip Skills For Jobs + Innovation	ONGOING		1,817,964,867
ERGP22234183	GVG (Grant For Vulnerable Group)	NEW		1,064,174,556
ERGP22234185	CCT (NCTO)	NEW		221,703,033
ERGP22234186	CCT (NASSCO)	NEW		221,703,033

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Deprioritization of Social Development in the 2025 Budget

From the N600.76bn, the North East Development Commission gulped 50.1% with an allocation of N300.91bn. It is however disturbing that the agency mandated to lead the reconstruction and development of the North East seems to be spending the bulk on its allocation on personnel costs with N290.99bn allocation and just a measly N9.09bn (3.29%) allocated to capital expenditure which is meant to achieve “the Resettlement, Rehabilitation, Integration and Reconstruction of Roads, Houses and Business Premises of Victims of Insurgency

and Terrorism as well as tackling the menace of Poverty, Illiteracy, Ecological Problems and any other related Environmental or Developmental Challenges in the North-East States, and for related matters”.¹⁰² **The question remains as to why personnel provisions should overcrowd the social development the agency ought to provide? More concerning is the complete absence of overhead allocations for what is meant to be an administrative entity.**

¹⁰² See the North East Development Commission. (n.d.). About us. <https://nedc.gov.ng>

The reverse can be said for the Office of the Senior Special Assistant to the President on MDGs (OSSAP-MDGs) as capex takes up 99.79% (N217.93bn) of the N218.37bn allocated to the agency with N438.15mn left to overheads. Some key capital allocations in the agency are shown below.

It is however imperative to ask how these allocations translate into sustainable development for the people of Nigeria and in any way achieving the MDGs and the SDGs especially as there are MDA's mandated to provide some of these capital investments.

Table 34: Some Key Allocations to the Senior Special Assistant to the President MDG (OSSAP-MDGs)

CODE	LINE ITEM	STATUS	AMOUNT
ERGP20253645	CONSTRUCTION OF SOLAR STREET LIGHT, MINI GRID SOLAR SYSTEM AND OTHER SOLAR RELATED DEVICES IN SELECTED LOCATIONS IN NIGERIA (MULTIPLE LOTS)	NEW	10,000,000,000
ERGP20253595	ROADS CONSTRUCTIONS IN SELECTED LOCATIONS IN NIGERIA (MULTIPLE LOTS)	NEW	15,000,000,000
ERGP20253596	CONSTRUCTIONS AND FURNISHING OF BLOCKS OF CLASSROOMS WITH STAFF ROOMS, TOILETS, CONFERENC HALLS, ADMIN OFFICES ETC. IN ZARIA	NEW	10,000,000,000
ERGP20253597	CONSTRUCTION OF FACULTY BUILDINGS IN SELECTED TERTIARY INSTITUTIONS IN NIGERIA.	NEW	15,000,000,000
ERGP20253598	CONSTRUCTION OF ADMINISTRATIVE COMPLEXES OF SOME TERTIARY INSTITUTIONS IN NIGERIA.(MULTIPLE LOTS)	NEW	10,000,000,000
ERGP20253599	CONSTRUCTION OF SCHOOL OF NURSING, HOSTEL COMPLEXES BUILDING WITH RECREATIONAL ROOMS, STAFF OFFICES, KITCHEN, LAUNDRY FACILITIES IN ZARIA (MULTIPLE LOTS)	NEW	6,000,000,000
ERGP20253600	CONSTRUCTION, REHABILITATION & EQUIPPING OF BLOCKS & CLASSROOM, ADMIN/STAFF OFFICES, LIBRARIES, LABORATORIES, ICT CENTRE, ASSEMBLY HALLS IN SELECTED LOCATIONS IN THE COUNTRY	NEW	10,000,000,000
ERGP20253601	CONSTRUCTION OF SOLAR & MANUAL HAND BORE HOLES, AND SOLAR STREET LIGHTS, MINI SOLAR ENERGY INVERTER HYBRID IN SELECTED LOCATIONS IN NIGERIA (MULTIPLE LOTS)	NEW	15,000,000,000
ERGP20253602	SUPPLY OF MULTIPURPOSE PETROL OPERATED AND ELECTRIC/SOLAR POWERED MOTORCYCLES, TRICYCLES, MOTOR VEHICLES, SOLAR INVERTERS TO SELECTED COMMITTEES IN NIGERIA	NEW	8,000,000,000
ERGP20253604	CONSTRUCTIONS & EQUIPPING OF BLOCKS OF CLASSROOMS FOR SECONDARY SCHOOLS WITH ADMIN BLOCKS, STAFFROOMS, CAFETERIA, CLINICS, LABORATORIES, ASSEMBLY HALLS, SPORTING CENTRES, HOSTEL, ETC. (MULTIPLE LOTS)	NEW	15,000,000,000
ERGP20253605	CONSTRUCTION AND EQUIPPING OF SPORT ACADEMY, COMPRISING OF STADIUM, INDOOR AND OUTDOOR FACILITIES, CLASSROOMS, CAFETERIA, HOSTEL, OFFICES, CLINICS (MULTIPLE LOTS)	NEW	10,000,000,000
ERGP20253607	CONSTRUCTION & FURNISHING OF POLICE STATION IN SELECTED STATES	NEW	2,000,000,000
ERGP20253619	PROVISION OF BUILDING MATERIALS TO SUPPORT CRITICAL PUBLIC INFRASTRUCTURES IN SELECTED LOCATIONS IN NORTH WEST NIGERIA (MULTIPLE LOTS)	NEW	3,000,000,000
ERGP20253649	CONSTRUCTION OF YOUTH SPORTS CENTRES IN SELECTED LOCATIONS IN ABIA STATE (LOTS 1--8)		8,000,000,000
ERGP20253652	PROVISION FOR THE CONSTRUCTION OF ROBOTICS / MECHATRONICS TRAINING CENTRE (BFC) (MULTIPLE LOTS)		8,000,000,000
ERGP20269875	CONSTRUCTION OF SOLAR POWERED 3-IN-1 STREET LIGHTS IN SOME SELECTED FEDERAL CONSTITUENCIES OF THE SOUTH WEST DCW PROJECTS (MULTIPLE LOTS)	NEW	1,000,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

When Will the Budget Be More Inclusive?

In 2025, with so much awareness on the need for inclusion, and how to mainstream inclusion into budgeting to make it responsive to vulnerable groups, Nigeria seems to be lagging behind.

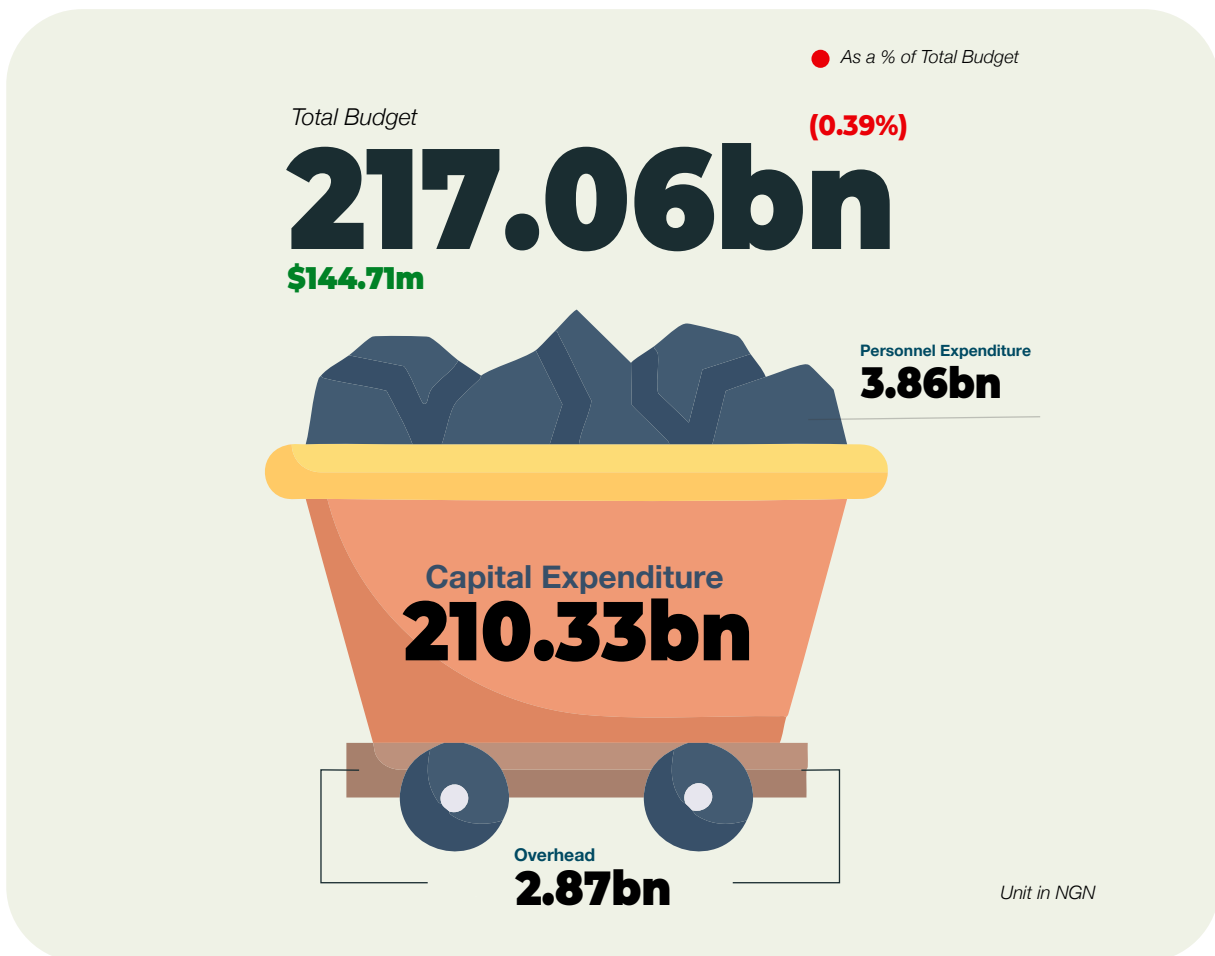
Social development is meant to encompass all groups; to lift all groups out of poverty, proper provisions and prioritization should be made for them. It is alarming that the National Commission for Persons with Disabilities only received N2.77bn (0.46%) from the total allocation to Humanitarian affairs and Poverty Alleviation. With N1.25bn going to recurrent obligations and N1.56bn going to capex, it is important to note that Nigeria has 35 million PWDs,¹⁰³ this amounts to a N43.34 per capita provision in 2025 coming from an agency that should be solely responsible for them.

Same can be said for the National Senior Citizen Centre which received N1.59bn (0.27%). Nigeria has 25¹⁰⁴ old peoples homes and care centres, all of which are not government owned. It is important to note that the 2025 budget makes no provision for the construction of such, not to talk of provisions for common diseases that plague the elderly such as dementia, hypertension, arthritis, diabetes or even cardiovascular diseases. Whereas the National Social Investment Office received N1.58bn just for **“PURCHASE OF OFFICE FURNITURES FOR NSIP OFFICE”** money that could build a good and suitable old peoples home, or provide subsidised treatment for the elderly.

¹⁰³ See Abdullahi, M. (2023, December 2). 35m people living with disabilities in Nigeria, says NCPWD. *The Cable*. <https://www.thecable.ng/35m-people-living-with-disabilities-in-nigeria-says-ncpwd/>

¹⁰⁴ See Daily Trust. (n.d.). 6yrs after, FG's proposed elderly care centres unrealised. <https://dailytrust.com/6yrs-after-fgs-proposed-elderly-care-centres-unrealised/>

8.12 Solid Minerals Development



The Ministry of Solid Minerals Development has a total budget allocation of N217.06bn for the 2025 fiscal year, which is 0.39% of the total budget. A breakdown of this sum has the largest chunk of the allocation going to the Ministry of Solid Minerals Development headquarters, at N66.63bn (30.7%) of the total. The second

allocation, of N63.81bn (29.4%) goes to the Geological Survey Agency of Nigeria and the third highest allocation of N43.74bn (20.15%) goes to the Solid Minerals Development Fund. N28.14bn (12.97%) was allocated to the Mining Cadastral Office while N14.74bn (6.79%) was allocated to the Nigerian Institute of Mining and Geosciences.

Table 35: Breakdown of Solid Minerals' Budget by MDA

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION
Federal Ministry Of Solid Minerals Development - HQTRS	0	1.57bn	65.06bn	66.63bn
Geological Survey Agency Of Nigeria	2.37bn	450.54m	60.98bn	63.81bn
Mining Cadastral Office	445.68m	391.69m	27.31bn	28.14bn
Solid Minerals Development Fund	404.04m	229.81m	43.10bn	43.74bn
Nigerian Institute Of Mining And Geosciences	634.94m	228.38m	13.87bn	14.74bn
Total	3.86bn	2.87bn	210.33bn	217.06bn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

The Ministry has allocated 96.9% (N210.33bn) of its budget for capital expenditure, 1.32% (N2.87bn) for overheads, and 1.78% (N3.86bn) for personnel costs. This breakdown indicates that the sector prioritises capital investment over recurrent expenses. The MDA with the highest capital expenditure allocation is the Ministry of Mines and Steel Development Headquarters, which is to take N65.06bn; this is closely

followed by the Geological Survey Agency of Nigeria, taking N60.98bn. In terms of personnel costs, the ministry has allocated the Geological Survey Agency of Nigeria 61.52% (N2.37bn) for its personnel spending and this is the largest allocation for the personnel line in the entire sector, this is closely followed by the Nigerian Institute of Mining and Geosciences taking 16.46% (N634.94m) for its personnel costs.

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Table 36: Breakdown of Solid Minerals' Budget

Breakdown	Amount (Naira)	Percentage
Capex	210.33bn	96.9%
Overheads	2.87bn	1.32%
Personnel	3.86bn	1.78%
Total	217.06bn	100%

Source: 2025 Appropriation Act, Federal Republic of Nigeria

An overview of the Ministry's top ten (10) capital projects is listed below. Out of these projects, the Solid Minerals Development Fund will execute four, three will be executed by the Ministry of Mines and Steel Development

Headquarters, two will be executed by the Geological Survey Agency of Nigeria and the last one is under the purview of the Nigerian Institute of Mining and Geosciences.

Table 37: Top 10 Solid Minerals Projects in the 2025 Approved Budget

CODE	LINE ITEM	AMOUNT
ERGP3213087	Strengthening Of Mines Surveillance Task Force In Collaboration With Relevant Agencies (Satellite Motoring)	10.92bn
ERGP30233156	Preliminary Exploration Works On Polymetallic Au-Pb- Zn-Cu Mineralization At Babban Tsauni Area, Gwagwalada Area Council FCT.	9.76bn
ERGP30233178	Economic Empowerment Program Through Extension Services To Industrial Mineral Miners In Cross River (Baryte Mining) And Sokoto State (Phosphate Mining)	9.51bn
ERGP30233158	Pb-Zn-Ag Metal Recover From Small-Scale Mining Dump Site In Gombe State Using Gravity Separation Method For Economic Empowerment Of Local Miners	9.29bn
ERGP30233162	Capacity Building In Mineral Processing For Mineral Engineers, Geologist And Mining Engineers	9.05bn
ERGP3210881	Procurement Of Project Vehicles (3nos Of New/Fairly Used Hilux Vans)	8.42bn
ERGP1229412	Procurement Of Projects Vehicles	8.35bn
ERGP3210528	Logistics Support For Special Mines Surveillance Taskforce	5.46bn
ERGP3226523	Rehabilitation / Repairs Of Solid Minerals Development Headquarter Office Buildings	5.46bn
ERGP30229325	International Geological Collaboration For Geosciences	4.29bn

Source: 2025 Appropriation Act, Federal Republic of Nigeria

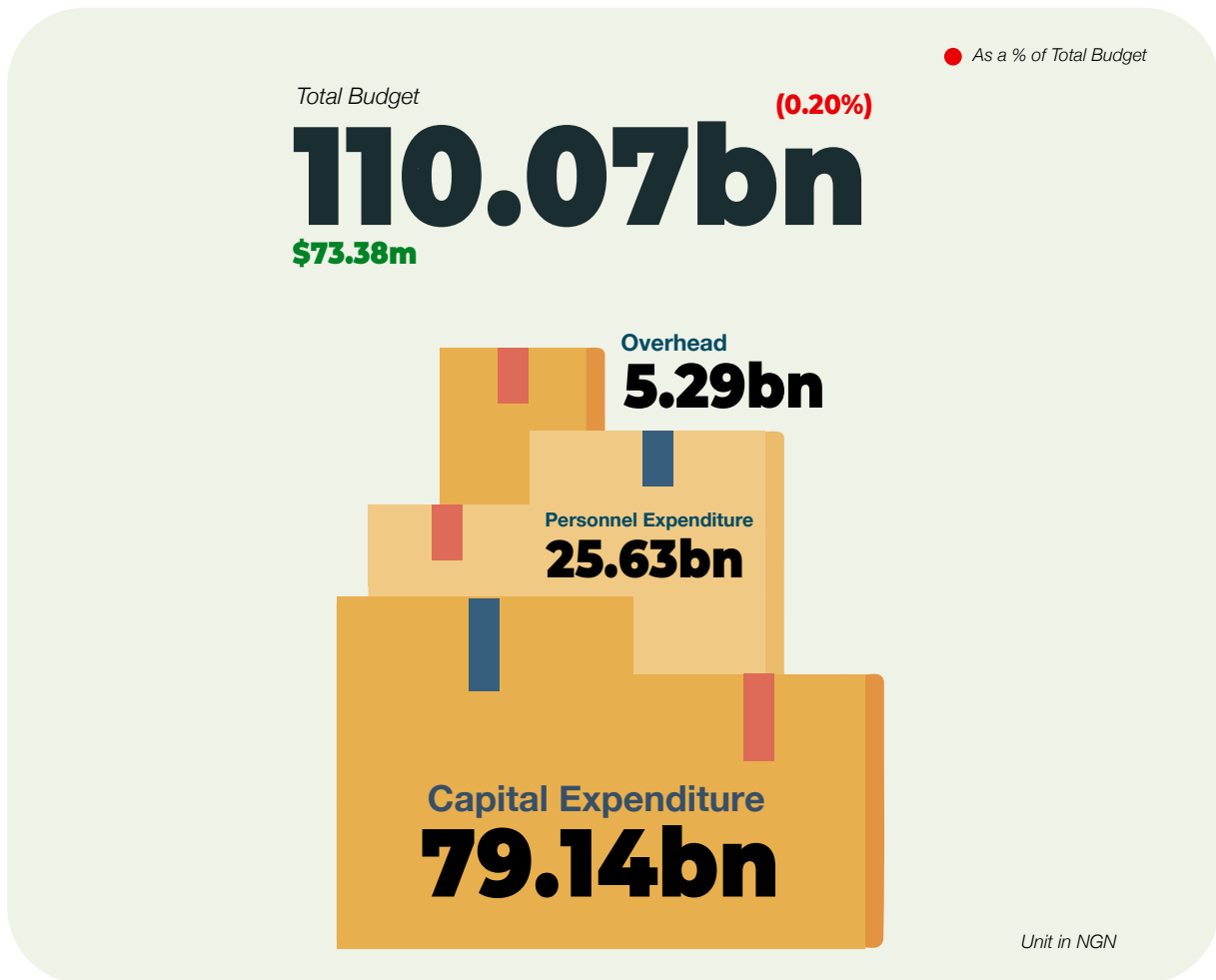
How Can We Benefit More from the Sector?

Despite its potential, the solid minerals sector remains untapped by the government. There are several ways in which the government can maximize revenue from the solid minerals sector. One is by the implementation of policies and reforms that can help to attract investors into the sector. The second is that the government needs to strengthen regulatory frameworks and introduce tax incentives. Third, the government should focus on creating the conditions for the private sector to enhance value addition and local processing of minerals in addition to exportation. **Establishing mineral processing plants and encouraging local industries to utilize Nigeria's solid minerals, such as gold, limestone, and lithium can create jobs and generate more revenue from exports of refined products.**

Taking a look at artisanal and small-scale mining (ASM), there is a need for the government to invest in research and development of low-cost, environmentally friendly mining technologies suitable for artisanal miners. Governments should also enforce stricter environmental regulations, requiring miners to conduct Environmental Impact Assessments (EIAs) before commencing operations.¹⁰⁵ Innovations in ore processing and waste management can significantly reduce environmental impacts. Different mechanisms should be created for collecting and analyzing data on ASM activities, including production levels, environmental impacts, and socioeconomic conditions. This data can inform policy-making and program development.

¹⁰⁵ See Spiegel, S.J. (2012). "Governance institutions and incentives for sustainable artisanal mining." *International Journal of the Commons*, 6(2), 361-399.

8.13 Industry, Trade, and Investment



The Ministry of Industry, Trade, and Investment (MITI) in Nigeria is pivotal in driving economic growth by formulating and implementing policies that promote industrialization, trade development, and investment attraction. It supports the establishment of industries, facilitates domestic and international trade, and enhances the investment climate by providing incentives for local and foreign investors. Additionally, MITI promotes

entrepreneurship, particularly among small and medium-sized enterprises, and establishes a regulatory framework to ensure fair competition and consumer protection. **Through capacity building, collaboration with other government agencies, and ongoing monitoring and evaluation, the ministry aims to create a conducive environment for sustainable economic development in Nigeria.**

Table 38: Breakdown of Budget of the Ministry of Industry, Trade, and Investment

MDA	PERSONNEL	OVERHEAD	CAPITAL	TOTAL ALLOCATION	% OF THE SECTOR BUDGET	% OF THE 2024 BUDGET SIZE
FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT - HQTRS	6,451,613,046	1,455,545,651	3,888,628,432	11,795,787,129	10.72%	0.02%
STANDARD ORGANIZATION OF NIGERIA	5,886,197,528	342,443,492	586,149,478	6,814,790,498	6.19%	0.01%
NATIONAL AUTOMOTIVE DESIGN & DEVELOPMENT COUNCIL (NADDCC) HQTRS	1,159,955,394	0	508,355,390	1,668,310,784	1.52%	0.00%
INDUSTRIAL TRAINING FUND	2,700,000,000	0	715,669,238	3,415,669,238	3.10%	0.01%
NIGERIAN EXPORT PROMOTION COUNCIL	1,000,914,035	264,641,675	1,258,761,221	2,524,316,931	2.29%	0.00%
NIGERIAN EXPORT PROCESSING ZONES AUTHORITY	1,895,146,417	0	10,344,269,577	12,239,415,994	11.12%	0.02%
LAGOS INTERNATIONAL TRADE FAIR COMPLEX MANAGEMENT BOARD	199,392,381	215,004,022	631,569,374	1,045,965,777	0.95%	0.00%
FEDERAL PRODUCE INSPECTION	0	210,706,417	595,912,778	806,619,195	0.73%	0.00%
EXTERNAL TRADE SECTOR, GENEVA (WTO)	1,612,103,640	179,084,347	197,551,587	1,988,739,574	1.81%	0.00%
OIL AND GAS FREE ZONES AUTHORITY, NIGERIA (OGFZA)	0	0	18,978,851,546	18,978,851,546	17.24%	0.03%
TAFAWA BALEWA SQUARE MANAGEMENT BOARD	120,206,450	449,451,848	567,322,179	1,136,980,477	1.03%	0.00%
NIGERIA TRADE OFFICE, TAIWAN	730,504,880	160,595,772	182,387,793	1,073,488,445	0.98%	0.00%
NIGERIA TRADE OFFICE, CHINA	735,054,908	134,583,419	183,685,788	1,053,324,115	0.96%	0.00%
SMEDAN - H/QTRS	1,373,134,814	369,996,096	38,390,204,166	40,133,335,076	36.46%	0.07%
NIGERIAN INVESTMENT PROMOTION COUNCIL HQTRS	636,245,205	506,871,304	494,116,813	1,637,233,322	1.49%	0.00%
NIGERIA OFFICE FOR TRADE NEGOTIATION (NOTN) ABUJA	444,975,063	365,171,918	434,631,317	1,244,778,298	1.13%	0.00%
FEDERAL COMPETITION AND CONSUMER PROTECTION TRIBUNAL	327,528,196	286,221,078	683,851,570	1,297,600,844	1.18%	0.00%
NIGERIA TRADE OFFICE, GHANA	360,844,400	358,287,645	499,795,436	1,218,927,481	1.11%	0.00%
	25,633,816,357	5,298,604,684	79,141,713,683	110,074,134,724		0.20%

Source: 2025 Appropriation Act, Federal Republic of Nigeria

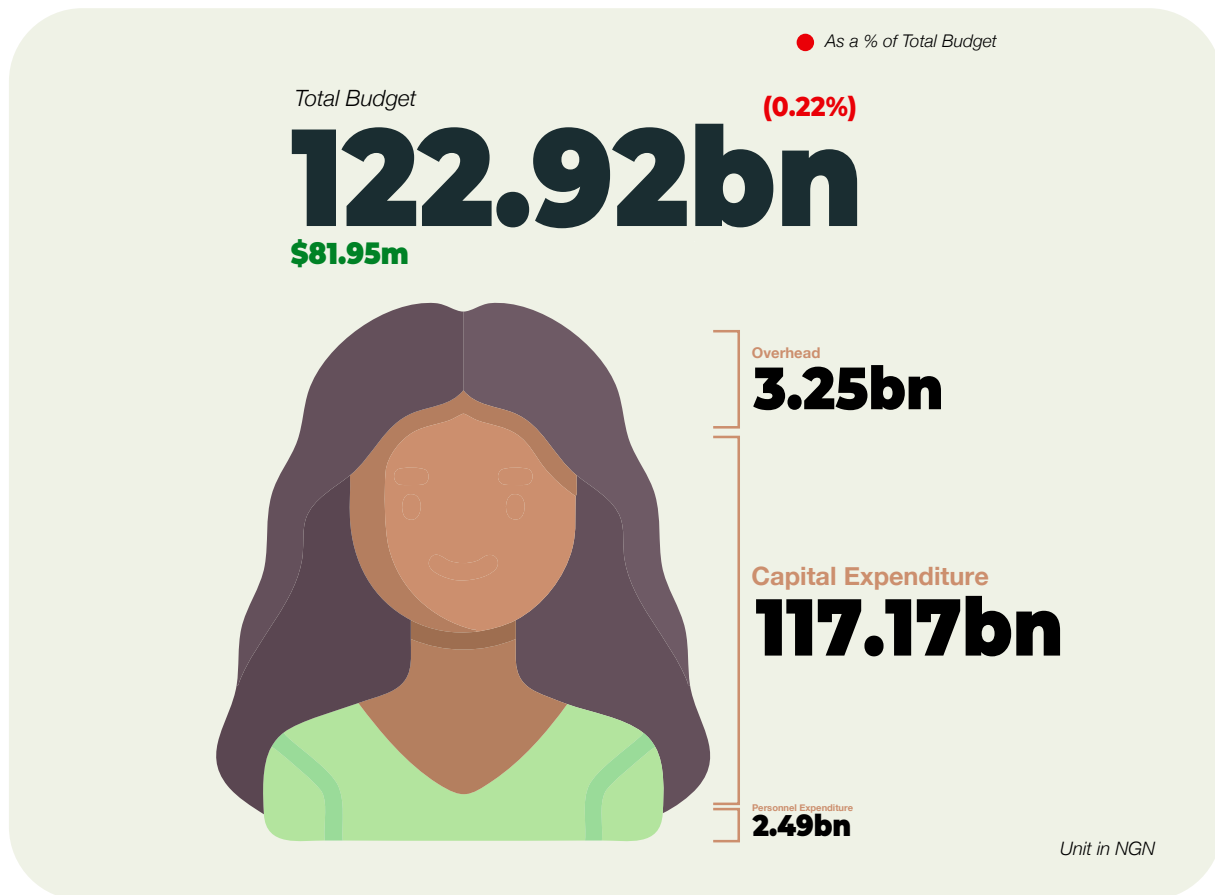


The Federal Ministry of Industry, Trade, and Investment plays a pivotal role in shaping Nigeria's economic landscape. With a total budget allocation of N110.07bn for the upcoming fiscal year, representing a mere 0.20% of the overall 2025 budget, this funding is notably 41.60% lower than the N188.50bn allocated the previous year. This reduction raises concerns, especially given the sector's critical importance in fostering economic growth, job creation, and enhancing overall competitiveness in the global market. The industry, trade, and investment sector is foundational to Nigeria's economic development. It encompasses a wide range of activities that contribute to the nation's Gross Domestic Product (GDP) and employment. By driving industrialization, this sector plays a crucial role in

diversifying the economy, reducing dependence on oil, and promoting sustainable growth. The current budget allocation for the Federal Ministry of Industry, Trade, and Investment is disproportionately low relative to the sector's importance to Nigeria's economic growth and stability. The significant reduction from the previous year, coupled with the emphasis on capital expenditures, underscores the need for a strategic reevaluation of funding priorities. By increasing the budget for this sector, Nigeria can stimulate industrial growth, enhance competitiveness, and address pressing socioeconomic challenges, ultimately paving the way for a more diversified and resilient economy.

8.14 Gender

Prioritization of funding to the Mother Ministry “Women Affairs”



The Ministry of Women Affairs experienced a gigantic leap in its allocation size for 2025. It had an allocation of N122.92bn growing by 748% from the N14.48bn allocated in the previous year. **One of the major drivers of this growth is the N62.53bn allocation to the ‘Nigeria for Women’ Project which is a multilateral/bilateral loan from the World Bank.** The allocation to the ministry shows that capex gulps 95.32% (N117.16bn) leaving 4.68% (N5.75bn) to recurrent expenses. Further breakdown to the ministry shows that the Federal Ministry of Women Affairs HQ received

an allocation of N94.74bn (77.07%) and N28.18bn (22.93%) allocated to the National Centre for Women Development.

Despite the leap in the 2025 allocation, prioritisation still falls below 1%, with only a 0.22% spotlight on women's affairs. Despite the fact that the budget is for all and should benefit all, the Ministry of Women Affairs is the only MDA created specifically to address the issues that affect women, of which the gender gaps we still face today are too many not to be prioritized and properly funded.

Table 39: Key Allocations in the Ministry of Women Affairs

CODE	MDA	PROJECT NAME	TYPE	APPROVED BUDGET (NAIRA)
ERGP1229237	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	WOMEN'S ECONOMIC EMPOWERMENT (WEE) POLICY	NEW	100,563,000
ERGP18229464	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	OPERATION FUND FOR WOMEN AND CHILD DEVELOPMENT	NEW	100,000,000
ERGP22229776	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	SPECIALIZED EDUCATION PROGRAMME FOR THE RESCUED CHIBOK GIRLS	NEW	224,000,000
ERGP202502136	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	ACCESS TO FINANCE, GRANTS FOR RURAL WOMEN AND OTHER VULNERABLE GROUPS NATIONWIDE	NEW	2,500,000,000
ERGP202502137	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	EMPOWERMENT OF GRASSROOTS WOMEN N AGRO ECONOMY AND AGRO PROCESSING NATIONWIDE INCLUDING PROVISION OF STARTUP GRANTS AND EQUIPMENT TO BOOST FOOD PRODUCTION AND INCOME GENERATION	NEW	2,500,000,000
ERGP202502138	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	CLEAN AND SAFE COOKING INITIATIVE. PROMOTION OF WOMEN IN GREEN ECONOMY AND PROVISION OF OF CLEAN ENERGY SOLUTIONS FOR WOMEN AND VULNERABLE FAMILIES NATIONWIDE (ERGP16229671)	ONGOING	2,500,000,000
ERGP202502139	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	PROVISION OF FOOD RATION AND FOOD PACKS FOR OUR VULNERABLE POPULATION WOMEN AND CHILDREN HEADED HOUSEHOLDS NATIONWIDE	NEW	2,500,000,000
ERGP202502140	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	FAMILY COHESION AND ADVANCEMENT PROGRAM FOR THE MITIGATION OF SOCIAL VICES AND PROMOTION OF PEACE, SECURITY AND DEVELOPMENT NATIONWIDE (CAPACITY BUILDING, SENSITIZATION AND EMPOWERMENT). (ERGP16228893)	ONGOING	1,500,000,000
ERGP202502141	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	CONSTRUCTION OF EQUIPPING, NETWORKING, FURNISHING OF PHASE 2 FMWA SMART OFFICE COMPLEX IN FCT (ERGP30229766)	ONGOING	2,500,000,000
ERGP202502142	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	PROVISION OF OPERATIONS FUNDS FOR MANAGEMENT OF EMERGENCY AND EMERGING ISSUES AFFECTING WOMEN, CHILDREN, FAMILIES AND OTHER VULNERABLE GROUPS ACROSS THE NATION (EGRP18229464)	ONGOING	1,500,000,000
ERGP202502143	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	RENEWED AND HOPE EVERY HOME A GARDEN: HOME FARMING INITATITIVES FOR WOMEN IN URBAN AND RURAL AREA. (GRANT EQUIPMENT,AGRO INPUTS, TRANING, SENSITIZATION)	NEW	2,500,000,000
ERGP22230021	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	EMPOWERMENTS FOR WOMEN AND YOUTH IN THE 6 GEOPOLITICAL ZONES OF NIGERIA	NEW	350,000,000
ERGP22230032	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	VOCATIONAL EMPOWERMENT FOR WIDOWS IN RIVERS STATE.	NEW	394,000,000
ERGP20253614	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	CONSTRUCTION OF WOMEN DEVELOPMENT CENTRE IN KADUNA STATE (MULTIPLE LOTS)	NEW	2,000,000,000
ERGP20261814	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	ESTABLISHMENT OF AGRO-PROCESSING FACILITIES FOR AGROPRENEURS IN 3 SELECTED LOCATIONS OF GARAM INDUSTRIAL ZONE	NEW	1,000,000,000

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Gender Based Violence

Prevention and response to gender based violence can never be overemphasized. With the rising mortality rates resulting from GBV in our communities, it is essential that adequate steps are put in place to not only prevent but to respond to victims and survivors. According to UNICEF, with approximately 20 million survivors Nigeria accounts for 10% of the global survivors and also is the third highest in terms of Female Genital Mutilation.¹⁰⁶ In 2024, Nigeria recorded the deaths of 113 women and girls due to gender based violence, with 33.63% being Intimate partner violence, 55.44% as Non Intimate partner violence and 15.04% being domestic violence.¹⁰⁷ Just within this first quarter of 2025, more than two dozen cases of femicide have been reported, with 17 in January and 16 cases recorded in February.



Basically GBV is very much under-reported in Nigeria, with little record of sexual, social, or physical

abuse that happens to men and boys. Protecting, preventing and responding to this issue is something that has core pillars, which includes creating, implementing and enforcing laws and policies, improving the justice system (especially in terms of referral pathways and prosecutions), providing multidimensional support systems and basically making sure that citizens are properly informed and aware on the laws and policies, the process and referral pathways. However, one cross cutting pillar is the availability of resources; human resources, material resources and most importantly financial resources. GBV is often under prioritized in the budgeting process of Nigeria, at the federal level or subnational, with just very few line items that capture the prevention and response. Below are some of the allocations in the 2025 budget that speaks to GBV across relevant ministries.



¹⁰⁶ See UNICEF. (2024, December 2). Unites to End Gender-Based Violence: 16 Days of Activism Highlights Urgent Call for Action.

<https://www.unicef.org/nigeria/press-releases/unites-end-gender-based-violence-16-days-activism-highlights-urgent-call-action>

¹⁰⁷ See Maktaba Wiki. (n.d.). Femicide in Nigeria. <https://public.tableau.com/app/profile/maktaba.wiki/viz/FemicideinNigeria/Dashboard1>

Table 4O: 2025 Allocations to GBV

CODE	MDA	PROJECT NAME	TYPE	APPROVED BUDGET (N)	PILLAR
ERGP22207421	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	EMPOWERMENT OF SGBV VICTIMS	ONGOING	42,774,718	Support Services and Structures
ERGP22229773	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	CAPACITY BUILDING WORKSHOPS/INTERVENTIONS ON CASE MANAGEMENT ON GENDER BASED VIOLENCE AND OTHER GBV RELATED ISSUES IN NIGERIA	NEW	55,000,000	Support Services and Structures
ERGP17229479	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	ACCESS TO CHILD FRIENDLY JUSTICE	NEW	50,000,000	Justice
ERGP18229164	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	IMPLEMENTATION OF NATIONAL COMMITMENTS TO ENDING VIOLENCE AGAINST CHILDREN IN NIGERIA	NEW	37,000,000	Policy Implementation
ERGP30229589	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	16 DAYS ACTIVISM AGAINST GENDER BASED VIOLENCE(GBV)	NEW	36,000,000	Sensitisation and Awareness Campaign
ERGP30230665	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	NATIONAL STAKEHOLDERS MEETING ON SEXUAL GENDER BASED VIOLENCE (SGBV) AMONG WOMEN AND GIRLS WITH DISABILITIES IN THE SIX GEO-POLITICAL ZONES OF THE FEDERATION	NEW	58,000,000	Policy Implementation
ERGP22158374	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	GENDER BASED VIOLENCE DASHBOARD: DESIGNING AND POPULATING THE GBV DASHBOARD	ONGOING	20,000,000	Information and Data driven responsiveness
ERGP22207216	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	DOMESTICATION OF AFRICAN (AU) UNION INITIATIVE ON STRENGTHENING REGIONAL AND NATIONAL CAPACITY AND ACTION AGAINST ONLINE CHILD SEXUAL EXPLOITATION AND ABUSE IN AFRICA.	ONGOING	229,456,335	Policy Adaptation and Enforcement
ERGP22229757	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	NEEDS ASSESSMENTS/EMPOWERMENT OF SEXUAL GENDER BASED VIOLENCE SURVIVORS ACROSS THE SIX GEO-POLITICAL ZONES OF THE FEDERATION	NEW	100,000,000	Information and Data driven responsiveness
ERGP22229759	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	ADVOCACY FOR ENDING EARLY CHILD/FORCE MARRIAGE IN NIGERIA	NEW	25,000,000	Sensitisation and Awareness Campaign
ERGP22229592	FEDERAL MINISTRY OF WOMEN AFFAIRS - HQTRS	AFTER CARE SERVICE FOR VIOLATED AND TRAUMATIZED WOMEN AND GIRLS	NEW	20,000,000	Support Services and Structures
ERGP22229596	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	WOMEN;S RIGHT AND CONSTITUTIONAL REFORM	NEW	55,000,000	Laws and Policies
ERGP22229542	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	NATIONAL,COMMUNITY LEVEL SOCIAL MOBILIZATION ELIMINATION OF HARMFUL TRADITIONAL PRACTICES	NEW	35,000,000	Sensitisation and Awareness Campaign
ERGP22229553	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	PSYCHO SOCIAL SUPPORT INTEGRATION OF VICTIMS OF TRAFFICKING	NEW	30,000,000	Support Services and Structures

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Table 4O: 2025 Allocations to GBV

CODE	MDA	PROJECT NAME	TYPE	APPROVED BUDGET (N)	PILLAR
ERGP22230332	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	SEXUAL AND ASSAULT REFERRAL CENTRE FOR WOMEN (SAT)/TEMPORAL SHELTER.	NEW	35,000,000	Support Services and Structures
ERGP30230660	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	GENDER ASSESSMENT OF SEXUAL ASSAULT REFERRAL CENTERS (SARCS) IN THE 36 STATES OF THE FEDERATION TO ASSESS THEIR OPERATIONAL CAPACITY.	NEW	70,000,000	Support Services and Structures
ERGP30230354	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	RESPONSE TO VICTIMS OF GENDER BASED VIOLENCE AND GENDER BIASES: REHABILITATION AND REINTEGRATION/REUNIFICATION OF VICTIMS OF VESICO VAGINAL FISTULA (VVF) AND RECTO VAGINAL FISTULA (RVF) SUFFERERS PROGRAMME ACROSS NIGERIA (BAUCHI AND KATSINA STATE)	NEW	120,042,234	Support Services and Structures
ERGP22228429	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	ESTABLISHMENT/STRENGTHENING OF EXISTING WOMEN/ CHILD PROTECTION STRUCTURES /CAPACITY BUILDING ON CONTEMPORARY/BEST PRACTICES ON CHILD/WOMEN PROTECTION ISSUES IN SELECTED COMMUNITIES/ STATES	NEW	20,000,000	Policy Implementation
ERGP22229019	NATIONAL CENTRE FOR WOMEN DEVELOPMENT	ADVOCATE FOR THE IMPLEMENTATION OF CHILD RIGHTS ACT 2003 EXISTING LAWS AND POLICIES ON CHILDREN	NEW	25,000,000	Policy Implementation

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Global Gender Gap

Achieving true gender parity is not a race but a marathon, and if Nigeria continues at its current pace it will never make it to the finish line. The 2024 World Economic Forum assessment of 146 countries shows Nigeria ranking 125th¹⁰⁸ in the Global Gender Index. Though an improvement from the 130th position of 2023, this is still not significant growth as the country recorded a rank of 123rd in 2022. How does Nigeria intend to

achieve its Medium Term National Development Plan (MTNDP) target of ranking among top 100 countries by 2025 at this pace, or even the National Women Economic Empowerment Policy and Action Plan target to rank among top 90 countries? Improved and efficient strides by the federal government and subnational governments is necessary to closing this gender gap in the next 10 to 20 years.

Table 41: Nigeria's 2022- 2024 Global Gender Gap Rankings

GENDER GAP SUB-INDEXES	2021	2022	2023	2024
Economic Participation and Opportunity	78	50	54	49
Educational Attainment	146	134	139	138
Health and Survival	104	97	99	97
Political Empowerment	149	141	142	136
Overall Gender Gap Index	139	123	130	125

Source: 2025 Appropriation Act, Federal Republic of Nigeria

Nigeria has recorded some progress in terms of Economic participation and opportunity, also in terms of health and survival since 2021. However, its

progress on Educational attainment and political empowerment has been mute. For Nigeria to improve significantly, progress needs to occur on all fronts.

¹⁰⁸ See the World Economic Forum. (2024). Global Gender Gap Report 2024. https://www3.weforum.org/docs/WEF_GGGR_2024.pdf



9. Conclusion and Recommendations

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9.1 Conclusion

The 2025 budget, titled "Budget of Restoration: Securing Peace, Rebuilding Prosperity", represents a bold attempt by the Nigerian government to address critical socio-economic challenges and foster sustainable growth. With a total expenditure of N54.99tn, the budget reflects a significant increase from previous years in nominal terms. It aligns with President Bola Ahmed Tinubu's Renewed Hope Agenda, emphasizing economic stability, national development, and human capital enhancement. However, its success will depend on effective implementation and strategic reforms.

The budget heavily stimulates economic growth through increased investments in infrastructure, education, healthcare, and agriculture. With notable allocations to these ministries, the government aims to reduce inflation from 34.6% to 15% and stabilize the naira exchange rate at N1,500 per dollar. Achieving these ambitious goals will require robust fiscal-monetary policy coordination, governance reforms, and innovative financing strategies to address inefficiencies and enhance resilience.

One of the most pressing concerns is Nigeria's rising debt servicing costs, which have surged to N13.43tn—exceeding combined allocations for defense, infrastructure,

healthcare, and education. The fiscal deficit of N13.38tn also highlights the need for revenue diversification and prudent debt management. While the government projects N36.35tn in revenue for 2025, achieving this target will demand efficient tax administration, restructuring revenue agencies, and unlocking untapped sectors like solid minerals.

The record-high capital expenditure of approximately N24tn reflects the government's commitment to addressing infrastructure gaps and boosting economic diversification. Investments in key sectors aim to promote economic development in the country. However, persistent foreign exchange challenges and limited export diversification remain barriers to attracting foreign investment and sustaining economic growth. While the 2025 budget presents an optimistic roadmap for Nigeria's socio-economic recovery, its success hinges on effective implementation amid challenging global and domestic conditions. Strong fiscal discipline (eliminating frivolous line items), structural reforms, and stakeholder engagement will be vital in achieving its objectives. The government must balance immediate fiscal obligations with long-term developmental needs to restore macroeconomic stability and rebuild prosperity for all Nigerians.

9.2. Recommendations: New and Legacy Issues with the 2025 Budget

A realistic assessment of the Nigeria federal budget process, shows several issues that challenge the integrity and accountability of public spending and the role of both the legislature and the executive in the yearly fiscal ritual. Instead of being the priests that ensure processes and regulations are followed, the government is many times the possessed person, in breach of its own provisions. This section outlines the legacy (perennial problems with the budgeting process, that have been identified by a significant number of observers) and novel issues that appear to be the 'new normal' for the current administration. The main point is that these practices add no value to the annual budget and rather water down its impact, push accountability away from the reach of citizens, compromise the government's

position and render the budget a tool of patrimonial interests. The budget and appropriation process must move from being crude and rudimentary to being orderly, efficient, effective and participatory. The fiduciary duty of the government requires re-examination beyond who needs to be held accountable to why the accountability has not been enforced and potential mechanisms to move the needle towards system improvement. In relation to public expenditure management (used interchangeably with PFM) more broadly, Diamond and colleagues pithily note that: *"It is the basic PFM prerequisite from a technical viewpoint as well. If you cannot protect the money, you cannot control it; if you cannot control it, you cannot allocate it; and if you cannot allocate it, you obviously cannot manage it well."*¹⁰⁹

01

Delays in Passing the Annual Budget

One of the key reasons why the federal budget process is seemingly arbitrary may likely be due to the refusal of the Ministry of Finance and the Office of the Accountant General to enforce cash planning. Despite being required by the Fiscal Responsibility Act, cash planning does not seem to be made a priority for the budgeting process. As such, the budget ultimately becomes unimplementable due to an absence of available funding. This in turn contributes to the low budget credibility that is common with the Nigerian public financial management system.

¹⁰⁹ See Diamond, J., Davies, M., Khemani, P., Thomas, T., and Sarraf, F. (2006). *IMF Technical Assistance Evaluation: Public Expenditure Management Reform in Selected African Countries*. IMF Country Report 06/67, Washington, DC: International Monetary Fund.

02

Introduction of Funds-Capital Supplementation Going Rogue

The federal government under the current administration has introduced a number of “Funds” that have very little in terms of reporting and disclosure. For instance, the “Capital Supplementation” component of the federal budget has the following allocations: **FGN Special Intervention Programme-Social Housing (N7,000,000,000); Nigeria Youth Investment Fund (N25,000,000,000); Consumer Credit Fund (N100,000,000,000); Infrastructure Project Preparation Fund (FMBEP) (N21,000,000,000); Mortgage Development/Promotion Fund (N65,000,000,000); Student Loan Scheme (50,000,000,000); and Office Of the Presidential Adviser On Energy (N1,000,000,000), to name a few.** The foregoing Funds/Offices total N269 billion; about 5% of the total Capital Supplementation. While some of the foregoing Funds are being implemented by known government entities, others such as the Office of the Presidential Adviser are unclear. In any case, the implementation data of these funds needs to be provided in a timely manner and in as much detail (disaggregation) as possible.

03

Abuse of the Service Wide Votes

The Budget Office of the Federation has stated in its most recent Budget Call Circular, that: “Provisions in the Service-Wide Vote (SWV) are for specific purposes and/or contingencies. For avoidance of doubt, no omnibus service-wide provisions for MDAs’ expenditure items will be made in the budget”.¹¹⁰ However, the Ministry of Budget and Planning/Budget Office appears to have flouted its own rules, with the omnibus insertions into the Service Wide Votes of the 2025 federal budget. Some egregious examples are: **ERGP 30212116 - Presidential Committee On Health Sector Reform (N500 million); ERGP 7234028 - Presidential Revenue Monitoring & Reconciliation Committee (Capital) (N280 million); ERGP 7234080 - Presidential Revenue Monitoring & Reconciliation Committee (Recurrent) (N5.78 billion); and ERGP 8213043 - Office of the Presidential Adviser On Energy (N1 billion).** For one, these omnibus line items would be better placed under the Presidency (as an MDA) for neater accounting. Furthermore, though these line items are for a specific purpose, they do not constitute a contingency financing, as they are quite literally payment for known Committees and Offices. This practice is a complete derogation from the principles of government accounting that provide for specific procedures and processes for

¹¹⁰ See the Federal Ministry of Budget and Economic Planning (FMBEP), FGN 2025 Budget Call Circular, at p. 18, op.cit.

the payment of recurrent and overhead expenses. While it is arguable that the capital expenditure component for ERGP 7234028 above can remain, it is poor and opaque accounting for the lump sum to be provided for, with no corresponding breakdown of the expenditure. The Ministry of Budget and Planning/Budget Office should reject such insertions or, at the very least, insert them according to the known rules of government accounting.

04 Improve Budgetary Transparency

To improve budgetary transparency, it is essential to establish a robust and publicly accessible system that provides clear, real-time information on all government budgetary allocations. This system should cover every stage of the budget cycle, from planning and approval to implementation and auditing, and be made easily accessible to citizens, civil society organizations, and oversight bodies. Special attention must be paid to critical sectors such as healthcare, education, and security, where public interest and accountability are especially high. Citizens can gain meaningful insight into how their tax money is being utilized if transparency is given a top priority.

05 Poverty Reduction and Social Development

To build a more equitable and resilient society, the government must pay attention to poverty reduction and social development. Funding for social programs that specifically target vulnerable populations such as low-income families, the unemployed, children, the elderly, and persons with disabilities can significantly enhance their quality of life. Putting in place programs that not only provide immediate relief through access to food, healthcare, education, and shelter but also long-term support such as job training, microloans, and access to affordable housing. However, the financial and institutional capacity of these programs must be strengthened to ensure that they can effectively reach those in need, respond swiftly to crises, and promote self-reliance among beneficiaries. Social programs can be aligned with national goals, they can also be infused into broader economic strategies. This integration will ensure that poverty reduction is sustainable and aligned with long-term development goals.

06

Set Priorities for Capital Spending

The government needs to set clear priorities for capital investments to further drive sustainable economic growth and address critical developmental challenges in the country. Among the sectors most deserving of increased capital investment are education, healthcare, and infrastructure. Prioritizing education enables the building and upgrading of schools, training centers, and digital learning platforms, which collectively enhance human capital and empower future generations. In the healthcare sector, investing in the construction of modern hospitals, clinics, and diagnostic centers, as well as the acquisition of cutting-edge medical equipment, will contribute to better health outcomes and greater resilience against public health crises. Similarly, infrastructure development such as roads, bridges, energy systems, and water supply networks lays the groundwork for improved mobility, productivity, and quality of life. Investment in infrastructure creates a wide range of employment opportunities for citizens, this will also attract foreign investment and reduce the cost of doing business.

07

Address Inflationary Pressures

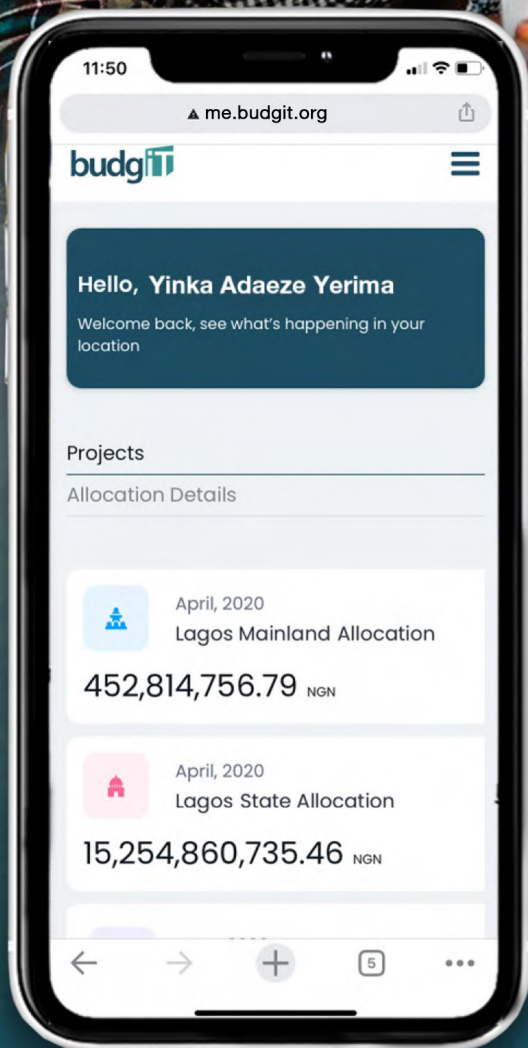
To address inflationary pressures in Nigeria effectively, the government must implement comprehensive and responsive fiscal policies aimed at reducing inflation and stabilising the naira. Inflation in Nigeria has been largely driven by factors such as naira depreciation, rising food prices, and fuel costs. To manage this, fiscal policy tools like prudent government spending, improved revenue generation through taxation, and better public financial management are necessary. Another approach is to reduce the country's dependency on imports by investing heavily in domestic manufacturing and agricultural production. Nigeria has the potential to meet a large portion of its demand for goods and services locally, but this requires improved infrastructure, stable power supply, access to credit for small and medium enterprises (SMEs), and an enabling business environment.

08

End the Insertion of Constituency Projects

The 2025 federal government budget is no different from its predecessors, in that it is awash with insertions by the National Assembly. For instance, the Ministry of Works has the following insertions among many, such as: **ERGP202699153 - “PROVISION OF SOLAR LIGHTS IN ITU/IBINO IBOM FED. CONSTITUENCY, AKWA-IBOM STATE” - N65,000,000; ERGP202699159 - “CONSTRUCTION OF 4 NOS. SOLAR-POWERED BOREHOLES IN SOME COMMUNITIES VANDEIKYA/KONSHISHA, BENUE STATE” - N50,000,000; and ERGP202699169 - “PROVISION OF SOLAR STREET LIGHTS IN SOME SELECTED COMMUNITIES IN EHIME MBANO, IHITE UBOMA AND OBOWO FED. CONSTITUENCY, IMO STATE AND OTHER LOCATIONS AT UMAHAIA NORTH IN ABIA STATE” - N100,000,000.** There are hundreds of similar worded line items (of similar budget amounts) in the Ministry of Works budget and other line Ministries. These line items literally mention federal constituencies and communities and as such are a clear indication of insertions. We hold that the role of the legislature is the power of appropriation and not the proposal of projects. This is a violation of the doctrine of the separation of powers, where the legislature is given the non-existent dual mandate to propose and appropriate. It is high time the judiciary interpreted the constitution as a way of settling whether or not the legislature has this dual mandate.

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