The Federal Government has sustained its efforts to improve public financial management through the comprehensive implementation of the:

- Treasury Single Account (TSA)
- The Government Integrated Financial Management Information System (GIFMIS)
- The Integrated Payroll and Personnel Information System (IPPIS).

The Department of Petroleum Resource shall, within three months, complete the collection of past-due oil license and royalty charges.

The Ministry of Finance, working with all the relevant authorities, has been authorized to take action to liquidate all recovered, unencumbered assets, within 6 months.

Given the improved oil prices and production levels, Nigerian National Petroleum Corporation (NNPC) is to immediately commence the recovery of all outstanding obligations, including those due from Nigerian Petroleum Development Company (NPDC) (a subsidiary of NNPC), which it had agreed to pay since 2017.

“We have cause to be optimistic about the future. The economy has recovered from recession. We have done more work with less resources in Agriculture, Social Development and Infrastructure” – President Muhammadu Buhari
• Overall budget deficit of N1.859 trillion in 2019 represents 1.33% of GDP.
• Projected deficit within threshold stipulated in the Fiscal Responsibility Act (FRA) 2007.
• Budget deficit is to be financed mainly borrowing N1.649 trillion.
  • Domestic sources N824.82 billion
  • Foreign sources N824.82 billion

Highlights

- Share of Oil Revenue
  2019: 3688.28bn
  2018: 2998.86bn

- Share of Dividend (NLNG)
  2019: 31.25bn
  2018: 39.95bn

- Share of Minerals & Mining
  2019: 1.29bn
  2018: 1.17bn

- Share of Non-Oil
  2019: 1305.54
  2018: 1304.93

Budget Highlight

Distribution of expected FGN revenue are as follows:

- Oil Revenue: 52.90%
- CIT: 11.50%
- VAT: 3.30%
- Customs: 4.30%
- Independent Revenue: 9.00%
- Signature Bonus: 1.20%
- JV Equity Restructuring: 10.20%
- Grants & Donor Funding: 3.00%
- Domestic Recoveries & Fines: 2.90%
- Others*: 1.70%

* Balances in Special Accounts, FGN Share of NLNG Dividend, Share of Minerals & Mining

What is the Federal Budget?

Section 81 of the 1991 Constitution of the Federal Republic of Nigeria (as amended) requires Mr. President to ‘cause to be prepared and laid before the National Assembly the annual budget of the Federal Government’ for its passage into law.

The Federal Budget is

A plan to how government raises revenue from different sources to pay for its activities.

A plan for how the government spends taxpayers' money to implement policies and achieves set objectives.

A plan for government borrowing or the repayment of borrowed funds.

The budget gives details of expected revenue and expenditure; it presents the direction of government’s policies and spending priorities for a govern fiscal year.

Top 12 MDA Capital Expenditure Allocations in the 2019 Budget

- **N408.3bn**
  - Federal Ministry of Power, Works & Housing

- **N158.12bn**
  - Ministry of Defence

- **N80.29bn**
  - Federal Ministry of Agriculture & Rural Development

- **N73.58bn**
  - Federal Ministry of Water Resources

- **N47.40bn**
  - Federal Ministry of Interior

- **N47.29bn**
  - Federal Ministry of Education

- **N39.40bn**
  - Ministry of Niger Delta Affairs

- **N34.37bn**
  - Office of the Secretary to the Government of the federation

- **N31.97bn**
  - Ministry of Niger Delta Affairs

- **N30.07bn**
  - Federal Ministry of Industry, Trade and Investment

- **N29.85bn**
  - Federal Ministry of Transportation

- **N25.16bn**
  - Ministry of Health

- **N20.34bn**
  - Ministry of Petrol
### Transportation
- **N80.22 billion Counterpart funding for Railway projects including:**
  - Lagos-Kano (Ongoing)
  - Calabar - Lagos (Ongoing)
  - Ajaokuta-Itakpe-Aladja (Warri) (Ongoing)
  - Port Harcourt - Maiduguri (New)
  - Kano-Katsina-Jibiya-Maradi in Niger Republic (New)
  - Abuja-Itakpe and Aladja (Warri)-Warri Port and Refinery Including Warri New Harbour (New)
  - Bonny Deep Sea Port & Port Harcourt and other Rail Projects

### Power
- **N1.02 billion set aside as fund for the Mambilla hydro power project**
- **N400 million Construction of 215MW LPFO/Gas Power station Kaduna**
- **N388.5 million Kashimbilla transmission**
- **N398 million Fast Power Programme Accelerated Gas and Solar Power Generation**

### Housing
- **N30.04bn**
  - For the Federal Government National Housing Programme

### Works
- **N27.12bn**
  - For the construction and rehabilitation of several roads nationwide

### Water Resources
- **N1.8 billion provisioned for the Zobe Water Supply Project - Phase I & II**
- **N1 billion for Partnership for Expanded Water, Sanitation and Hygiene (PEWASH)**
- **N1 billion for Special Intervention for North East and IDPs - Potable of Portable Water**
- **Over N53 billion for water supply, rehabilitation of dams, and irrigation projects nationwide**

### Education
- **N3 billion PROVISION OF SECURITY INFRASTRUCTURE IN 104 COLLEGES**
- **N1.8 billion for Payment of 5000 Federal Teachers Scheme Allowance**
- **N6.8 billion for various Scholarship allowances**

### Regional Intervention
- **N65 billion for reintegration of transformed ex-militants under the Presidential Amnesty Programme.**
- **N45 billion for Federal Initiative for North-East (Pilot Counterpart funding contribution) N6.8 billion for various Scholarship allowances**

### Health
- **N51.22 billion Provisioned for the implementation of the National Health Act**
- **N21.25 billion provided for GAVI/Immunization**
- **N1.26 billion for the procurement Of Non Polio SIA Vaccine**
- **N1.12 Billion for the procurement Of Kits And Commodities For Community Health Influencers**
- **N780 million for the establishment Of Chemotherapy centres in UBTH, UITH, ABUTH, UMTTH, OAUTH, UNTH, UPTH, FMC Owerri, FMC Abeokuta**
- **N7.63 billion for procurement of RI vaccines and devices**
- **N3.5 billion for counterpart funding including global fund/health**

### SDG
- **N40 billion for SDGs Intervention Programmes/Conditional Grants**
- **N5.5 billion for other SDGs Projects**

### Other Projects
- **N1.008bn**
  - Construction of Terminal Building at Enugu Airport
- **N13bn**
  - Construction of Second Run-Way of Nnamdi Azikwe International Airport Abuja
- **N5.5 billion for other SDGs Projects**
The 2019 Budget Proposal is intended to further reposition the economy on the path of higher, inclusive, diversified and sustainable growth, and to continue to lift significant numbers of our citizens out of poverty.

The Budget also reflects the key execution priorities of the ERGP, namely Restoring Macroeconomic Stability; Agriculture and Food Security; Energy Sufficiency (in Power and Petroleum Products); Transportation Infrastructure; and Industrialization (focusing on SMEs).

Government will continue to create the enabling environment for private sector to increase their investment and contribute significantly to job creation and economic growth.

Already, diversification efforts are yielding positive results with significant growth in the non-oil sector (2.32% growth in Q3 2018, up from 2.05% in Q2 2018).

Nigeria faces significant challenge with respect to revenue generation and this would be tackled vigorously. Therefore, Key reforms will be implemented with increased vigour to improve revenue collection and expenditure management.

Achieving fiscal sustainability and macro-fiscal objectives of government will require bold, decisive and urgent action.