



HIGHLIGHTS/BREAKDOWN OF THE 2020 APPROVED BUDGET

Presentation by Mrs. Zainab Shamsuna Ahmed

Honorable Minister of Finance, Budget & National Planning,
Federal Government of Nigeria
19th December, 2019

OUTLINE

- **Introduction and Background**
- **Overview of 2019 Fiscal Outcomes and Updates on 2019 Budget Performance**
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INTRODUCTION & BACKGROUND



It would be recalled that Mr. President laid the 2020 Budget proposal on the 8th of October, 2019 at a joint session of the National Assembly.

The 9th Assembly kept to the bilateral agreement of an “early submission, early passage” of the 2020 Budget, which is to enable us return to a predictable January-December fiscal year.

This is a remarkable development in our quest to work collaboratively with the Legislature to deliver development through the budget process.

INTRODUCTION & BACKGROUND



Following from the country's exit from recession to a path of sustainable, inclusive and diversified growth; we have been able to achieve the following...



Back on the path of growth

We have had **ten consecutive quarters of positive growth** since the exit from recession, though levels remain below desirable targets



Economic diversification

We continue to deepen our **non-oil** sector performance with non-oil Gross Domestic Product (GDP) at over **90%** of GDP as at Q3 2019



Security

We have made significant progress in **countering the insurgency** in the North-East and resolving **militancy/conflicts** in other parts of Nigeria



Improved trade balances

Nigeria merchandise trade grew in Q3, 2019 with higher exports and lower imports. The trade balance was a positive N1.39 trillion.



Stable oil production

We have been able to raise and maintain more **stable oil production levels**



Infrastructure & Social Investments

We have made **unprecedented progress with social investment** programmes and are innovating ways of funding infrastructure.

We will continue to ensure that the economy stays on a growth trajectory whilst making strategic investments in critical infrastructure and human capital to spur further economic growth.

We plan to improve the fiscal space by boosting revenues.

OVERVIEW OF 2019 FISCAL OUTCOMES



S/N	Description	FY Budget	Q2 Actual	Q3 Actual
1	GDP Growth Rate (%)	3.5	*2.12	2.28
2	Oil Production (mbpd)**	2.3	1.86	1.96
3	Oil Price (US \$)	60	67.2	64.02
4	Inflation Rate (%)	9.98	11.22	***11.24
5	Exchange Rate (N/\$)	305	305.9	305.9

*This represents the revised growth rate for Q2 up from 1.94%.

** This excludes Incremental production for repayment of cash call arrears.

*** This represents inflation rate as at September 2019; At end November 2019, inflation rate was 11.85%

Source: BOF, NBS, CBN, NNPC, OPEC

UPDATE ON 2019 BUDGET IMPLEMENTATION (JAN – SEPT)



Revenue Performance

- As at Q3, Federal Government's actual aggregate revenue was **N4.25 trillion**, which is 81% of the prorata target (and 52% more than Q3 '18). This includes:
 - Oil Revenue of N1.44 trillion (52% performance, 10% less than 2018);
 - Company Income Tax (CIT) of N595.27 billion (98% performance, 29% more than 2018);
 - Value-Added Tax (VAT) of N81.36 billion (69% performance, 0.4% more than 2018); and
 - Customs Collections of N184.10 billion (114% performance, 21% more than 2018).
- Drawings from the Special Accounts also accounted for a significant share of the revenues within the period.

UPDATE ON 2019 BUDGET IMPLEMENTATION (JAN – SEP) .../2



Revenue Performance

		2019 Approved Budget	2019 Pro Rata (Jan-Sept)	2019 Actuals (Jan-Sept)	2018 Actuals (Jan-Sept)	2019 Variance		Variance 2019 vs. 2018	
		Billions of Naira		Billions of Naira		Billions of Naira	%	Billions of Naira	%
S/N	FEDERAL RETAINED REVENUES	6,998.49	5,248.87	4,252.59	2,796.90	(996.28)	-19%	1,455.68	52%
A			-			-		-	
1	Oil Revenue	3,688.28	2,766.21	1,441.16	1,604.43	(1,325.05)	-48%	(163.27)	-10%
2	Share of Dividend (NLNG)	39.89	29.92			(29.92)	-100%		
3	Minerals & Mining Revenue	1.29	0.97	1.58		0.62	64%	1.58	
4	Non-Oil Revenue:	1,409.19	1,056.89	996.29	813.86	(60.60)	-6%	182.43	22%
i	CIT	813.37	610.02	595.27	461.77	(14.75)	-2%	133.50	29%
ii	VAT	229.34	172.00	118.33	117.86	(53.67)	-31%	0.48	0.4%
iv	Customs Revenues	310.87	233.15	265.81	218.80	32.66	14%	47.00	21%
v	Federation Account Levies	55.62	41.71	16.88	15.43	(24.83)	-60%	1.45	9%
B		1,859.84	1,394.88	1,813.55	378.61	418.67	30%	1,434.94	379%
1	FGN Independent Revenue	631.08	473.31	506.78	310.65	33.47	7%	196.13	63%
2	Actual Balance in Special Accounts	8.33	6.25	1,305.57		1,299.33	20803%	1,305.57	
3	FGN Balances in Special Levies Account	12.91	9.68		45.00	(9.68)	-100%	(45.00)	-100%
4	FGN's Share of Signature Bonus	84.23	63.17	1.19	0.66	(61.98)	-98%	0.53	81%
5	Domestic Recoveries + Assets + Fines	203.38	152.53			(152.53)	-100%		
6	Earmarked Funds (Proceeds of Oil Assets Ownership Restructuring)	710.00	532.50			(532.50)	-100%		
7	Grants and Donor Funding	209.92	157.44			(157.44)	-100%		
8	FGN Unspent Balance of Previous Fiscal Year				22.30	-		(22.30)	-100%



Expenditure Performance

- Of the total budgeted expenditure of **N8.92 trillion**, **N5.81 trillion** had been spent by 30th September, 2019 against the prorated expenditure budget of **N6.69 trillion**. This represents **86.9% performance**.
- Debt service and the implementation of non-debt recurrent expenditure, notably payment of workers' salaries and pensions, are on track.
- Capital releases could only commence after the signing of the 2019 Budget on 27th May, 2019. As at 12th December 2019, a total of about **N1,212.56 billion** had been released for capital projects.
- Spending on capital has been prioritised in favour of critical ongoing infrastructural projects in the power, roads, rail and agriculture sectors.

UPDATE ON 2019 BUDGET IMPLEMENTATION (JAN – SEP) .../4



Expenditure Performance Q3

S/N	Fiscal Items	2019 Approved Budget	Pro Rata (Jan-Sept)	Actuals (Jan-Sept)	2018 Actuals (Jan-Sept)	2019 Variance		Variance 2019 vs. 2018	
		Billions of Naira	Billions of Naira	Billions of Naira	Billions of Naira	Billions of Naira	%		
	FGN EXPENDITURE	8,916.96	6,687.72	5,811.33	4,854.34	876.40	13.1%	956.99	19.7%
A	Statutory Transfers	502.06	376.54	346.97	342.34	29.57	7.9%	4.63	1.4%
B	Recurrent Expenditure	6,319.95	4,739.97	5,092.32	4,114.14	(352.35)	-7.4%	978.17	23.8%
1	Non-Debt Recurrent Expenditure	4,065.94	3,049.46	3,168.68	2,299.91	(119.22)	-3.9%	868.77	37.8%
a	Personnel Costs	2,288.57	1,716.43	1,739.50	1,561.29	(23.07)	-1.3%	178.21	11.4%
b	Pensions & Gratuities including Service wide pension	528.07	396.05	219.87	142.52	176.18	44.5%	77.36	54.3%
ii	Overheads	268.13	201.09	172.62	149.35	28.48	14.2%	23.27	15.6%
iii	Service Wide Votes	364.55	273.41	219.27	162.26	54.14	19.8%	57.00	35.1%
iv	Presidential Amnesty	65.00	48.75	43.34	43.57	5.41	11.1%	(0.23)	-0.5%
v	Special Intervention Programme	350.00	262.50	231.10	65.10	31.40	12.0%	166.01	255.0%
vi	SWV Power Sector Reform Programme (Transfers to NBET)	150.40	112.80	110.48		2.32	2.1%	110.48	
vii	Basic Health Care Fund (1% of CRF)	51.22	38.41			38.41		-	
viii	Payment from Special Accounts		-	432.50	175.83	(432.50)		256.67	146.0%
2	Debt Service	2,254.01	1,690.51	1,923.64	1,814.23	(233.13)	-13.8%	109.40	6.0%
i	Domestic Debt	1,710.22	1,282.66	1,406.99	1,574.57	(124.32)	-9.7%	(167.59)	-10.6%
ii	Foreign Debt	433.80	325.35	315.34	195.36	10.01	3.1%	119.98	61.4%
iii	Sinking Fund	110.00	82.50	4.41	7.91	78.09	94.7%	(3.50)	-44.2%
iv	Interest on Ways & Means		-	196.90	36.39	(196.90)		160.51	441.1%
C	Capital Expenditure	2,094.95	1,571.21	372.04	397.85	1,199.17	76.3%	(25.81)	-6.5%

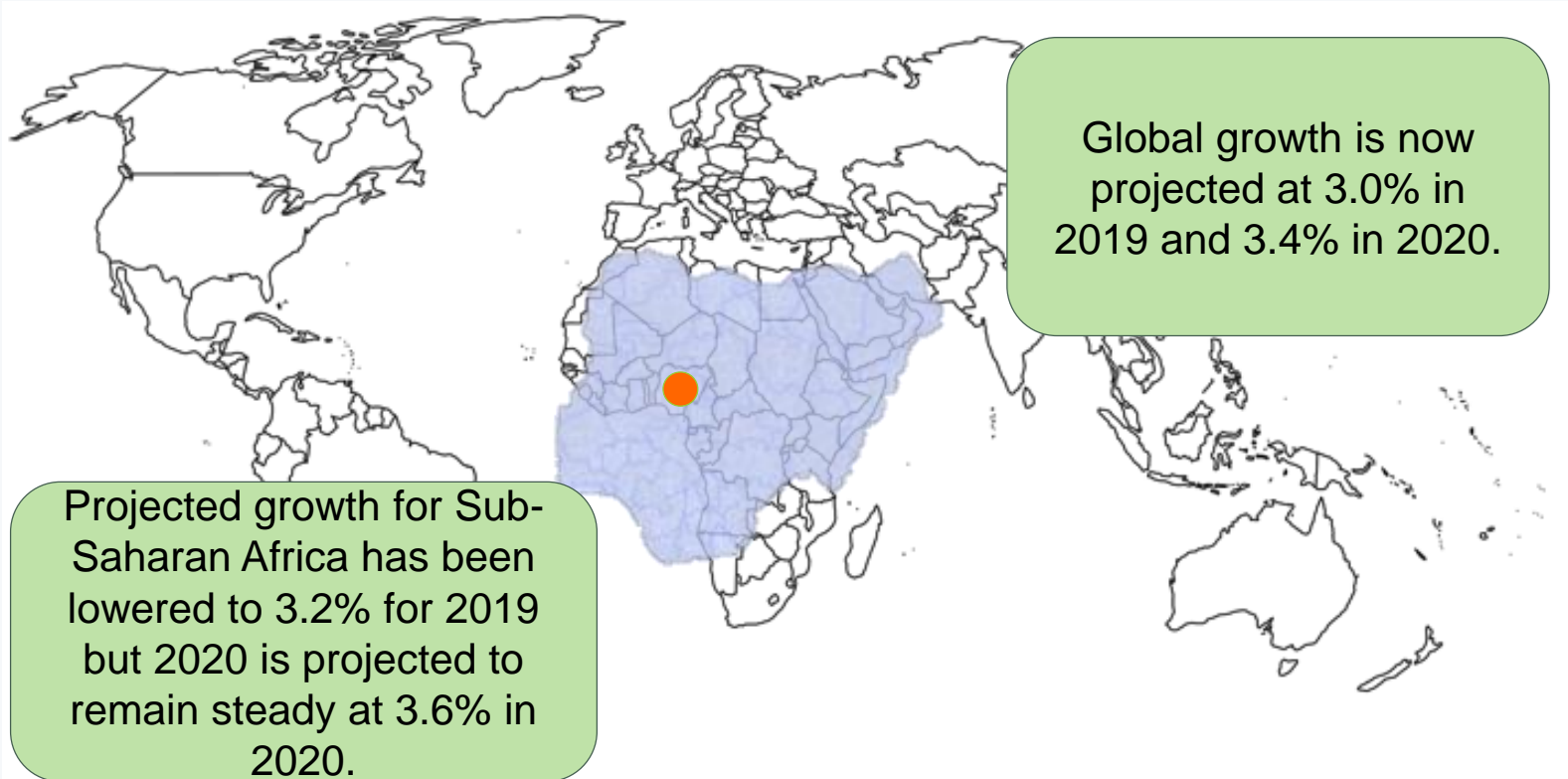


We have continued to pay salaries and pensions as and when due, and covered our debt service obligations.

***Capital Expenditure as at 12th December stood at N1,212.56 bn**

UPDATES TO GLOBAL OUTLOOK AND DOMESTIC DEVELOPMENTS

GLOBAL OUTLOOK AND DOMESTIC DEVELOPMENTS



GLOBAL OUTLOOK AND DOMESTIC DEVELOPMENTS



- The global economic outlook has been revised downwards from the estimates in July largely due to slowdown in industrial outputs driven by a number factors including the trade tensions between the US and China; weak business confidence; and BREXIT.
- Growth in advanced economies was expected to further decline from 2.2% in 2018 to 1.7% in 2019 and remain at same level in 2020.
- In the Euro area, growth (although revised downwards) is projected to rebound from 1.2% projected for 2019 to 1.4% in 2020.
- The baseline projection of about 1.2% and 1.4% growth in the United Kingdom in 2019 and 2020 respectively was surrounded by prolonged uncertainty about the Brexit outcome.
- Growth in Emerging Market and Developing Economies (EMDEs) in Asia were expected to slowdown to 3.9% in 2019 from 4.5% in 2018 but rebound to 4.6% 2020.

GLOBAL OUTLOOK AND DOMESTIC DEVELOPMENTS .../3



	2018	July Projections		October Updates	
		2019	2020	2019	2020
World Output	3.6	3.2	3.5	3.0	3.4
Advanced Economies	2.2	1.9	1.7	1.7	1.7
United States	2.9	2.6	1.9	2.4	2.1
Euro Area	1.8	1.3	1.6	1.2	1.4
Emerging Market & Developing Economies	4.5	4.1	4.7	3.9	4.6
China	6.6	6.2	6.0	6.1	5.8
India	6.8	7.0	7.2	6.1	7
Brazil	1.1	0.8	2.4	0.9	2
Sub-Saharan Africa	3.1	3.4	3.6	3.2	3.6
South Africa	0.8	0.7	1.1	0.7	1.1

Source: IMF-WEO October, 2019

- Growth in China and India is expected to moderate, reflecting not only escalating tariffs but also slowing domestic demand following needed measures to rein in debt.
- Inflation is rising in some economies but moderating in others.
- In Nigeria, macroeconomic stability has been largely achieved. We are however not likely to meet our 2019 growth projection of 3.01%.
- Real GDP growth increased from 2.10% in the first quarter of 2019 to 2.28% in Q3 2019.

- The non-oil sector grew by 1.85% in Q3 2019, up from 1.64% in Q2 2019. Its contribution to GDP was 90.23% to GDP, a slight moderation from 91.18% in Q2 2019.
- Inflation has been gradually inching up since July 2019, from 11.08% to 11.85% in October 2019.

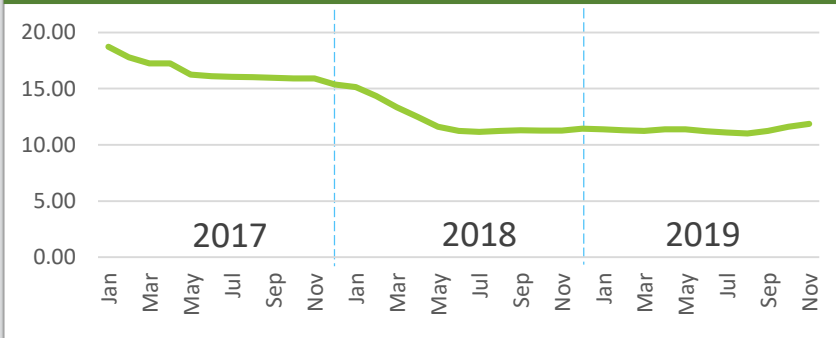
GLOBAL OUTLOOK AND DOMESTIC DEVELOPMENTS .../4



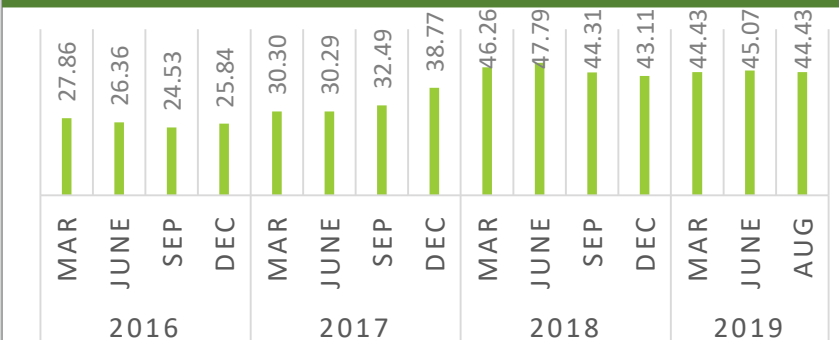
GDP growth (%)



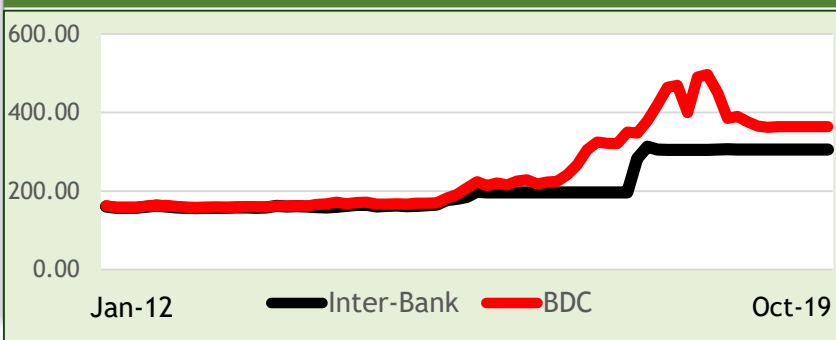
Inflation (%)



Foreign Reserves



Exchange rates

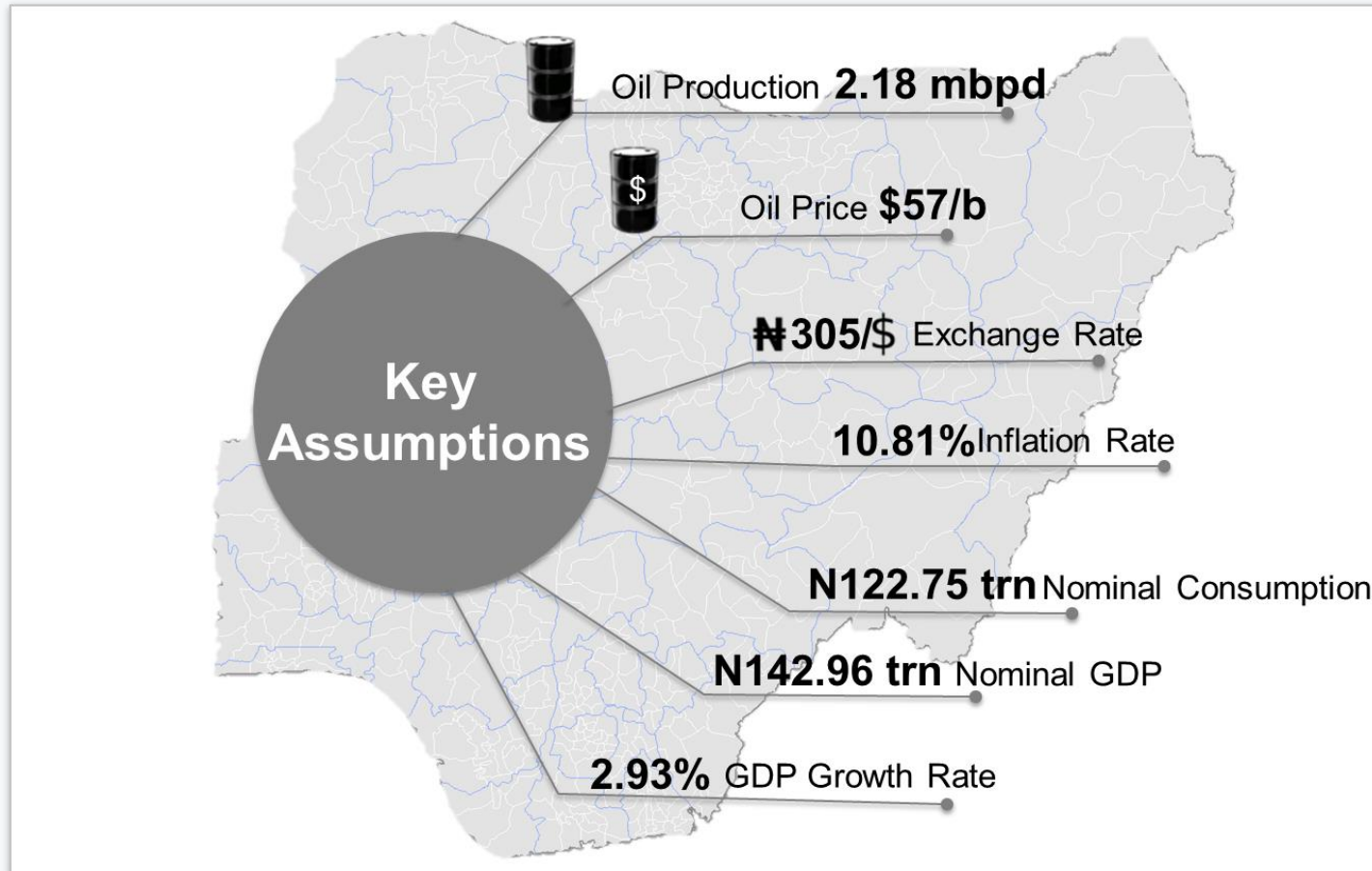




- We expect general improvements in the fundamentals of the economy as we pursue a more diversified and inclusive growth over the medium-term, with expected reduction in the rate of unemployment.
- Economic activities in the North East are recovering as we are recording remarkable progress in containing the insurgency in parts of the Northeast, and with ongoing works through the North East Development Commission.
- Although breaches of pipelines still occur, militancy in the Niger Delta has generally abated leading to an improvement in oil production levels.

UNDERLYING ASSUMPTIONS
DRIVING THE MACROECONOMIC
PARAMETERS & TARGETS FOR THE 2020
BUDGET

KEY ASSUMPTIONS OF THE 2020 BUDGET FRAMEWORK



2020 BUDGET REVENUE PROPOSALS – WHERE THE MONEY IS COMING FROM?



An Overview of the Revenue Framework

FISCAL ITEMS		2019 as Passed NASS	2020 Executive Proposal (Final)	2020 as Passed NASS	Variance	% Share in Total Revenue
AMOUNT AVAILABLE FOR FGN BUDGET (excluding GOEs)		6,998,489,049,631	7,602,043,679,650	7,865,989,437,133	263,945,757,483	
a	Share of Oil Revenue	3,688,282,600,552	2,637,609,314,988	2,637,609,314,988	-	31.3%
b	Share of Dividend (NLNG)	39,889,887,640	124,269,200,000	124,269,200,000	-	1.5%
c	Share of Minerals & Mining	1,288,084,234	1,895,673,251	1,895,673,251	-	0.0%
d	Share of Non-Oil	1,409,186,629,523	1,805,115,823,875	1,805,115,823,875	-	21.4%
	Share of CIT	813,365,752,583	839,306,973,052	839,306,973,052	-	10.0%
	Share of VAT	229,339,263,648	292,573,424,131	292,573,424,131	-	3.5%
	Share of Customs	310,866,122,279	618,647,203,735	618,647,203,735	-	7.3%
	Share of Federation Acct. Levies	55,615,491,012	54,588,222,958	54,588,222,958	-	0.6%
e	Revenue from GOEs (Top 10 GOEs excluding NNPC)	955,361,046,920	990,113,888,722	990,113,888,722	-	11.8%
	Top 10 GOEs Operating Surplus (80% of which is captured in Independent Revenue)	(359,831,060,380)	(436,938,846,257)	(436,938,846,257)	-	-5.2%
f	Independent Revenue	631,079,910,674	849,968,442,768	849,968,442,768	-	10.1%
g	FGN's Balances in Special Levies Accounts	12,910,083,472	300,000,000,000	300,000,000,000	-	3.6%
h	FGN's Share of Actual Bal. in Special Accts	8,327,994,472	345,000,000,000	345,000,000,000	-	4.1%
i	Signature Bonus / Renewals / Early Renewals	84,228,494,867	939,300,022,585	939,300,022,585	-	11.2%
l	Recovery from Swiss. (US\$320 Mill)	-	-	-	-	0.0%
j	Domestic Recoveries + Assets + Fines	203,379,583,341	237,012,653,161	237,012,653,161	-	2.8%
k	Earmarked Funds (Proceeds of Oil Assets Ownership Restructuring)	710,000,000,000	-	-	-	0.0%
l	Stamp Duty		200,000,000,000	463,945,757,483	263,945,757,483	132.0%
m	Exchange Rate Differentials (Non-FAAC)		125,479,949,022	125,479,949,022	-	1.5%
n	Grants and Donor Funding	209,915,780,857	36,392,600,000	36,392,600,000	-	0.4%
AMOUNT AVAILABLE FOR FGN BUDGET (including GOEs)		7,594,019,036,171	8,155,218,722,115	8,419,164,479,598	263,945,757,483	3.2%



An Overview of the Revenue Framework



- The aggregate revenue available to fund the 2020 budget is projected at N8.42 trillion (3.2% or N263.94 billion more than the Executive proposal, and 10.9% more than 2019 Budget of N7.59 trillion).
- To promote fiscal transparency, accountability & comprehensiveness, the budget of 10 major GOEs are integrated in the FGNs budget w.e.f 2020.
- In aggregate, 44% of projected revenues is to come from oil related sources while 56% is to be earned from non-oil sources.
- Overall, the size of the budget has been constrained by our relatively low revenues.

2020 BUDGET EXPENDITURE PROPOSALS – WHERE THE MONEY IS GOING..



An Overview of the Expenditure Framework

FISCAL ITEMS		2019 as Passed NASS	2020 Executive Proposal (Final)	2020 as Passed NASS	Variance	
STATUTORY TRANSFER		502,058,892,965	556,700,827,235	560,470,827,235	3,770,000,000	0.7%
DEBT SERVICE		2,144,014,113,092	2,452,598,930,000	2,452,598,930,000	-	-
SINKING FUND		110,000,000,000	296,000,000,000	272,900,000,000	(23,100,000,000)	-7.8%
RECURRENT (NON-DEBT)		4,385,591,096,996	4,880,309,549,778	4,842,974,600,640	(37,334,949,138)	-0.8%
a	Personnel Costs (MDAs)	2,288,574,783,657	2,841,908,409,100	2,827,648,399,908	(14,260,009,192)	-0.5%
b	Personnel Costs (GOEs)	160,504,766,016	218,805,923,102	218,805,923,102	-	
c	Overheads (MDAs)	268,125,856,604	280,501,016,581	302,426,076,635	21,925,060,054	7.8%
d	Overheads (GOEs)	159,145,947,296	146,142,338,283	146,142,338,283	-	
e	Pensions, Gratuities & Retirees Benefits	528,067,517,289	536,717,450,127	536,717,450,127	-	
f	SWV Power Sector Reform Programme**	150,402,049,347	-	-	-	
g	Other Service Wide Votes (including GAVI/Immunization)	364,550,424,823	441,234,412,586	396,234,412,586	(45,000,000,000)	-10.2%
h	Presidential Amnesty Programme	65,000,000,000	65,000,000,000	65,000,000,000	-	
i	Basic Health Care Fund (1% of CRF)	51,219,751,964			-	
SPECIAL INTERVENTIONS (Recurrent)		350,000,000,000	350,000,000,000	350,000,000,000	-	-
AGGREGATE CAPITAL EXPENDITURE		3,184,195,688,124	2,462,869,296,587	2,783,480,003,208	320,610,706,621	13.0%
a	Capital Supplementation	289,300,000,000	291,572,762,500	318,567,762,500	26,995,000,000	9.3%
b	Capital Expenditure in Statutory Transfers	257,349,565,015	318,061,996,254	318,061,996,254	-	
c	Special Intervention Programme (Capital)	150,000,000,000	30,000,000,000	30,000,000,000	-	
d	Amount Available for MDAs Capital Expenditure	1,445,734,928,775	1,270,487,006,753	1,564,102,713,374	293,615,706,621	23.1%
e	Top 10 GOEs Capital Expenditure	275,879,273,229	188,226,781,081	188,226,781,081	-	
f	Grants and Donor Funded Projects	209,915,780,857	36,392,600,000	36,392,600,000	-	
g	Multi-lateral / Bi-lateral Project-tied Loans	556,016,140,249	328,128,150,000	328,128,150,000	-	
Capital Expenditure (Exclusive of Transfers)		2,926,846,123,109	2,144,807,300,333	2,465,418,006,954	320,610,706,621	14.9%
TOTAL FGN BUDGET (Excluding GOEs & Project-tied Loans)		8,916,964,099,373	9,449,113,414,882	9,713,059,172,365	263,945,757,483	2.6%
TOTAL FGN BUDGET (Including GOEs & Project-tied Loans)		10,068,510,226,161	10,330,416,607,347	10,594,362,364,830	263,945,757,483	2.6%



An Overview of the Expenditure Framework

- 2020 FGN spending (inclusive of GOEs and project-tied Loans) is projected to be **N10.59 tn** is 18.8% higher than 2019.
- Recurrent (non-debt) spending expected to total **N4.84 tn** is 45.7% of total expenditure, and 10.3% higher than 2019, (reflecting increases in salaries & pensions including provisions for implementation of the new minimum wage).
- Aggregate Capital Expenditure of **N2.78 tn** is 26.2% of total expenditure; and 12.6% less than 2019 (Inclusive of Capital component of Statutory Transfers, GOEs Capital & Project-tied loans expenditures) as % of FGN Expenditure is 26%
- At **N2.45 tn**, debt service is 23.2% of total expenditure, and is 14.5% higher than 2019.
- Provision to retire maturing bonds to local contractors of **N272.9 bn** is 2.6% of total expenditure, and 148% higher than 2019. This reflects FGN's effort to resolve accumulated arrears of contractual obligations dating back over 10 years.

2020 BUDGET: DEFICIT, FINANCING & CRITICAL RATIOS



An Overview of Deficit, Financing & Critical Ratios

FISCAL ITEMS	2019 as Passed NASS	2020 Executive Proposal (Final)	2020 as Passed NASS	Variance
TOTAL FGN BUDGET (Excluding GOEs & Project-tied Loans)	8,916,964,099,373	9,449,113,414,882	9,713,059,172,365	263,945,757,483
TOTAL FGN BUDGET (Including GOEs & Project-tied Loans)	10,068,510,226,161	10,330,416,607,347	10,594,362,364,830	263,945,757,483
Fiscal Deficit (excluding GOEs and Project-tied Loans)	(1,918,475,049,741)	(1,847,069,735,232)	(1,847,069,735,232)	
Total Fiscal Deficit (including GOEs and Project-tied Loans)	(2,474,491,189,990)	(2,175,197,885,232)	(2,175,197,885,232)	
GDP	139,811,509,172,405	142,960,529,369,007	142,960,529,369,007	
DEFICIT/GDP (excluding GOEs and Project-tied Loans)	(1.37%)	(1.29%)	(1.29%)	
DEFICIT/GDP (including GOEs and Project-tied Loans)	(1.77%)	(1.52%)	(1.52%)	
TOTAL FGN EXPENDITURE	10,068,510,226,161	10,330,416,607,347	10,594,362,364,830	263,945,757,483
Total Non-Debt Expenditure	7,814,496,113,069	7,581,817,677,347	7,868,863,434,830	287,045,757,483
Capital Expenditure as % of Non-Debt Expenditure	41%	32%	35%	3%
Capital Expenditure as % of total FGN Expenditure	32%	24%	26%	2%
Capital Expenditure (Inclusive of Transfers, but exclusive of GOEs Capital & Project-tied loans) as % of FGN Expenditure	26%	21%	23%	3%
Recurrent Expenditure as % of total FGN Exp (incl. GOEs + Project-tied Loans)	68%	76%	74%	(2%)
Debt Service to Revenue Ratio (incl. GOEs + Project-tied Loans)	28%	30%	29%	(1%)
Deficit as % of FGN Revenue (incl. GOEs + Project-tied Loans)	33%	27%	26%	(1%)
				-
ADDITIONAL FINANCING				
a Sales of Government Property		-	-	-
b Privatization Proceeds	210,000,000,000	252,083,727,688	252,083,727,688	-
c Non-Oil Asset Sales		-	-	-
d Multi-lateral / Bi-lateral Project-tied Loans	92,836,081,493	328,128,150,000	328,128,150,000	-
e New Borrowings	1,605,638,968,248	1,594,986,007,544	1,594,986,007,544	-
Domestic Borrowing	802,819,484,124	744,986,007,544	744,986,007,544	-
Foreign Borrowing	802,819,484,124	850,000,000,000	850,000,000,000	-

• Overall **budget deficit** is **N2.175 tn** for 2020. This represents **1.52% of GDP**, which is within the threshold stipulated in the Fiscal Responsibility Act (FRA) 2007.

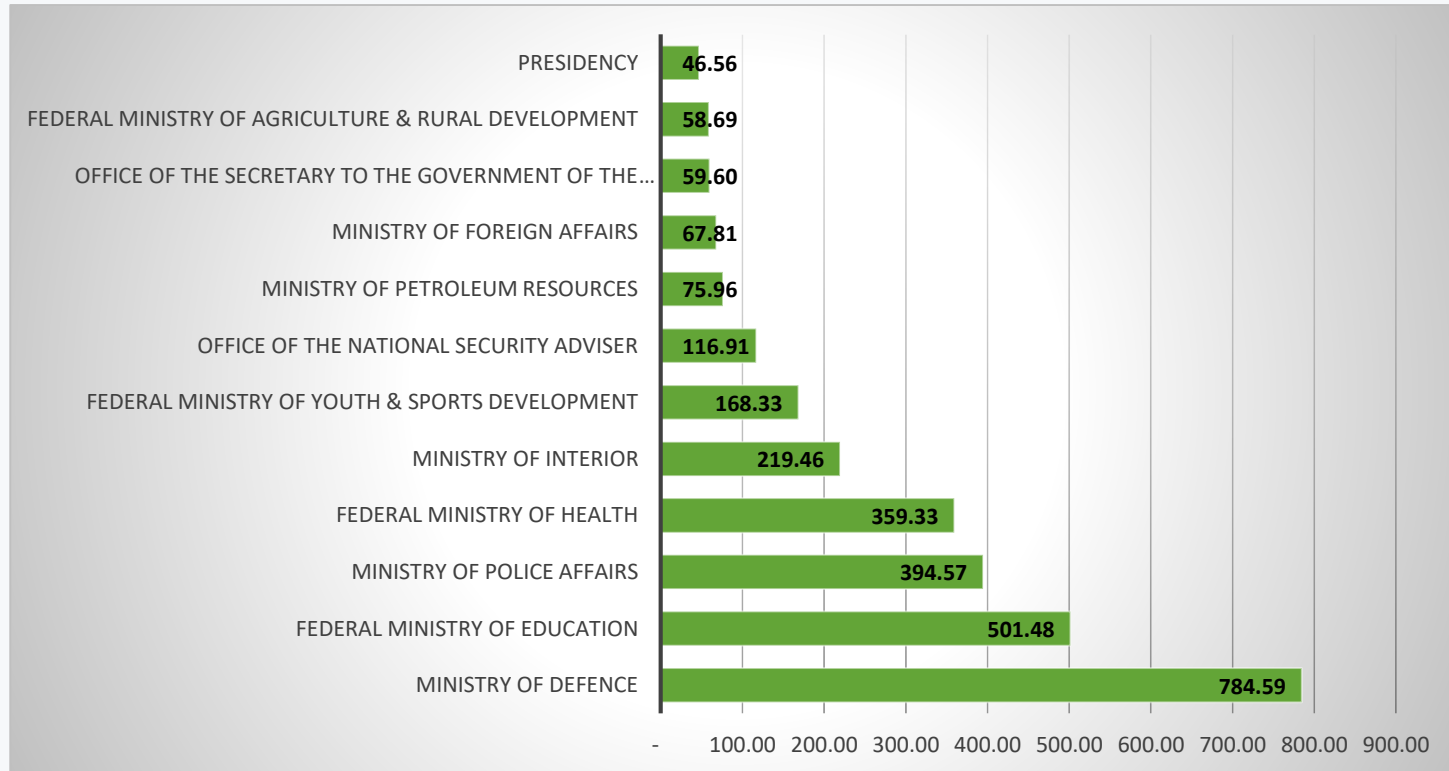
• Budget deficit is to be financed mainly by borrowings:

- Domestic sources: **N744.99 bn**
- Foreign sources: **N850 bn**
- Multi-lateral / bi-lateral loan drawdowns: **N328.13 bn**

TOP 12 RECURRENT ALLOCATIONS IN THE 2020 BUDGET



Recurrent Expenditure (N billions)

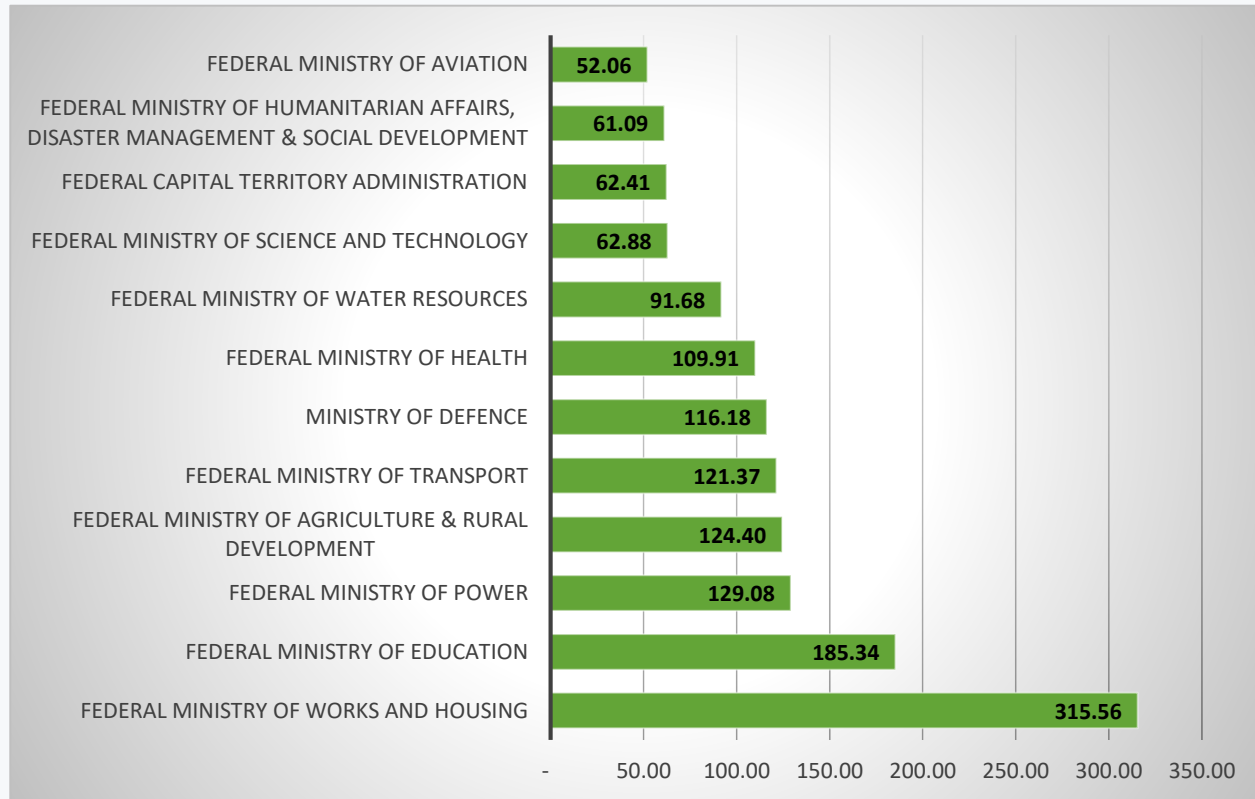


- Allocations underscore our commitment to increase investment in **national security** and **human capital development**

TOP 12 CAPITAL ALLOCATIONS IN THE 2020 BUDGET



Capital Expenditure (N billions)



- The **Social Investment allocations** are included in the Budget of **FMHAD&SD**
- Allocations to Health also include the provision for the **BHCPF, GAVI / Immunisation & Counterpart funding for Health programmes.**
- **UBEC** is also included in the **Education Allocation.**
- The **PSRP** transfer to NBET is also included in the capital allocation to **Power.**

KEY EXPENDITURES CAPTURED IN MTEF & NOT IN FGN'S BUDGET



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N61bn

Amount
provisioned
for
**Presidential
Power
Initiative**



N1.22tn

**Federally
funded projects
in the Oil & Gas**
sector to be
undertaken by
NNPC on behalf
of the
Federation



N277bn

Transfers to the
Tertiary
Education Trust
Fund (**TETFUND**)
for infrastructure
projects in
Tertiary
institutions



N82.35bn

Transfer to Nigeria
Sovereign Wealth
Investment
Authority (NSIA) for
Public Private
Partnership (**PPP**)/
Presidential
Infrastructure
Development Fund
(**PIDF**)

As Mr President Stated in his Budget Speech, **Investing** in critical infrastructure, human capital development and enabling institutions, especially in key job creating sectors, **incentivising** private sector investments essential to complement the FGN's development plans, policies and programmes remain the key focus in FY2020

SELECTED PROJECTS IN THE **2020 BUDGET**

SOME PROJECTS IN THE 2020 BUDGET



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☐ Aviation

- **N4 billion** for safety & Security critical projects and airport certification Nationwide
- **N8 billion** for construction of Second Run-Way at Nnamdi Azikiwe International Airport Abuja.
- **N1.6 billion** Extension & asphalt overlay of MMIA runway
- **N1 billion** Construction of new terminal building in Enugu
- **N2 billion** Construction of Nguru & Abeokuta airstrip

☐ Transport

- **N67.17 billion** for counterpart funding for Railway projects including:
 1. Lagos-Kano (Ongoing)
 2. Calabar-Lagos (Ongoing)
 3. Ajaokuta-Itakpe-Aladja (Warri) (Ongoing)
 4. Port Harcourt- Maiduguri
 5. Kano-Katsina-Jibiya-Maradi In Niger Republic (New)
 6. Abuja-Itakpe and Aladja (Warri)-Warri Port And Refinery Including Warri New Harbour
 7. Bonny Deep Sea Port & Port Harcourt and other Rail Projects

SOME PROJECTS IN THE 2020 BUDGET .../2



Investing for a sustainable future: critical infrastructure & human capital

☐ Transportcont'd

- **N14.66 billion** for various **rehabilitation of railway tracks** including
 - Reconstruction of narrow gauge track from Minna to Barrow river port
 - Maintenance of track (including emergency recovery, bridge and culverts repair)
 - Procurement of spare parts (including lubricants) for the locomotives, coaches and wagons.
 - Kuru to Maiduguri narrow gauge track rehabilitation project
 - Track rehabilitation from Makurdi to Jos to Kafanchan to Kaduna junction
 - Procurement and rehabilitation of locomotives and rolling stock
 - Procurement of workshop equipment and rolling stocks
 - Design, manufacture, supply, installation, testing and commissioning of electric overhead travelling cranes for carriage and wagons workshop
 - Upgrading of signaling & telecom system on Eastern Line (Port Harcourt, Maiduguri, etc) including revised estimated total cost for extension to Western Line
- **N1.04 billion** for procurement of spare parts for locomotive coaches & wagons
- **N1.02 billion** Upgrading of signaling & telecom system on eastern line

SOME PROJECTS IN THE 2020 BUDGET .../3



Investing for a sustainable future: critical infrastructure & human capital

□ Power

- **N2 billion** counterpart-fund for the Mambilla Hydro Power project
- **N717 million** for construction of 2x60MVA 132/33KV substation at Gwaram
- **N190 million** for construction of 215MW LPFO/ Gas Power station Kaduna
- **N506 million** for Kashambilla Transmission

□ Housing

- **N13.57 billion** for Federal Government National Housing Programme
- **N30 billion** for Social Housing Scheme (Family Homes Fund)
- **N692 million** for Prototype Housing scheme in Niger & Lagos states

SOME PROJECTS IN THE 2020 BUDGET .../4



Investing for a sustainable future: critical infrastructure & human capital

■ Works

- Over **N210 billion** for the construction and rehabilitation of roads in every geo-political zone of the country, such as:
 - Counterpart Funding for the Dualization of Makurdi - Enugu Road
 - Counterpart Funding for the Dualization of Akwanga – Jos - Bauchi - Gombe Road
 - Reconstruction of the Outstanding Sections of Benin – Ofosu – Ore – Ajebandele - Shagamu Expressway
 - Construction of Bodo - Bonny Road
 - Pavement Strengthening and Asphalt Overlay of Ajebandele - Ijebu Ode - Shagamu Road
 - Construction of Oju/Loko - Oweto Bridge to link Loko and Oweto
 - Dualization of Ilorin – Jebba - Mokwa/Bokani Junction Road
 - Kano - Maiduguri Road (Various Sections)
 - Abuja - Lokoja Road (Various Sections)
 - Dualization of Obajana Junction to Benin (Various Sections)
 - Lagos – Shagamu - Ibadan Dual Carriageway
 - Early Works for the Construction of 2nd Niger Bridge in Anambra/Delta State.

SOME PROJECTS IN THE 2020 BUDGET .../5



Investing for a sustainable future: critical infrastructure & human capital

■ Works Cont'd

- Over **N210 billion** for the construction and rehabilitation of roads in every geo-political zone of the country, including:
 - Construction of Kaduna Eastern By-pass:
 - Abuja – Kano Dual Carriageway
 - Dualization of Odukpani – Itu – Ikot Ekpene Road
 - Construction of Kano Western By-Pass
 - Abuja – Abaji
 - Suleja – Minna Road
 - Rehabilitation & Expansion of Lagos - Badagry Expressway
 - Rehabilitation of Vandeikya – Obudu - Obudu Cattle Ranch Road
 - Rehabilitation of Ilorin – Kabba - Obajana Road In Kwara/Kogi
 - Reconstruction of Nasarawa - Loko Road

SOME PROJECTS IN THE 2020 BUDGET .../6



Investing for a sustainable future: critical infrastructure & human capital

■ Works Cont'd

- Over **N210 billion** for the construction and rehabilitation of roads in every geo-political zone of the country, such as:
 - Dualisation of Sapele - Ewu Road (various sections)
 - Reconstruction of Bida - Lambata Road in Niger State
 - Rehabilitation of Ikorodu - Shagamu Road
 - Rehabilitation of 9th Mile - Orokam Road In Enugu State
 - Re-construction of Sokoto - Tambuwal – Jega – Kontagora - Makera
 - Design and Construction of Bridge Across the Cross River at Uwana (Ebony State) to Nkomoro (Cross River State)
 - Construction of Road-Falali, Birni, Bako to Furoja Town (Ningilga), Bauchi State
 - Dualization of Obajana Junction – Benin Phase II, Sections I-IV

SOME PROJECTS IN THE 2020 BUDGET .../7



Investing for a sustainable future: critical infrastructure & human capital

■ Health

- **44.50 billion** Provisioned for the implementation of the National Health Act
- **N22.73 billion** provided for GAVI/Immunization
- **N4.8 billion** for Polio Eradication Initiatives
- **N815 million** for the procurement Of Non-Polio SIA Vaccine
- **N554.92 million** for the procurement Of Kits And Commodities For Community Health Influencers
- **N1.41 billion** for expanded midwives service scheme
- **N5.5 billion** for counterpart funding including global fund/health
- **N4 billion** for Procurement of RI Vaccines & devices

■ Water Resources

- **N1.41 billion** provisioned for the Hawul inter basin water transfer dam project
- **N2.38 billion** for Damaturu water supply scheme
- **N1.52 billion** for Partnership for Expanded Water, Sanitation and Hygiene (PEWASH)
- **N2 billion** for Itisi dam project
- Over **N30 billion** for water supply, rehabilitation of dams, and irrigation projects nationwide

SOME PROJECTS IN THE 2020 BUDGET .../8



Investing for a sustainable future: critical infrastructure & human capital

□ **Agriculture & Rural Development**

- Over **N9 billion** for Promotion and Development of Value Chains in more than 30 different commodities
- **N3 billion** for Veterinary and Pest Control Services
- **N7.64 billion** for Rural Roads And Water Sanitation
- **N1.6 billion** for National Grazing Reserve Development
- **N1.02 billion** FGN support for Women & Youth in Agribusiness
- **N683 million** for Mechanization
- **N1.01 billion** for Livelihood Improvement Family Enterprise (Life) Programme
- **N2.01 billion** for Food and Strategic Reserves
- **N1.49 billion** for Extension Services
- **N655 million** for GES - Delivery Platform, Roll-out and Management
- **N1.08 billion** for Land and climate management

SOME PROJECTS IN THE 2020 BUDGET .../9

Investing for a sustainable future: critical infrastructure & human capital



□ Industry, Trade & Investment

- **N10 billion** FGN Grant to BOI to support Low interest lending to SMEs
- **N500 million** for Presidential Enabling Business Environment Council
- **N1.03 billion** for Commerce House Project
- **N1.12 billion** for the revitalisation of 6. no industrial development centres/cluster parks
- **N2.04 billion** Conditional Grant

SOME PROJECTS IN THE 2020 BUDGET .../10



Investing for a sustainable future: critical infrastructure & human capital

■ Education

- **N1.9 billion** Provision of Security Infrastructure in 104 Colleges
- **N1.9 billion** for take off grant for the establishment of 6 Federal Science & Technical Colleges (FSTCs)
- **About N3.46 billion** for various Scholarship allowances
- **N1.33 billion** for payment of 5,000 Federal Teachers Scheme Allowance

■ Niger Delta

- **N1 billion** for the Construction of Elele – Owerri Road Rivers/Imo States
- **N1.56 billion** for the construction of various skills acquisition centres with resident supervision and furnishing/equipping in nine states of the Niger Delta Region
- **N350 million** for the design & Construction of Ebute – Ipare road in Ilaje, Ondo State

SOME PROJECTS IN THE 2020 BUDGET .../11

Investing for a sustainable future: critical infrastructure & human capital



▪ **Regional Interventions**

- **N65 billion** for reintegration of transformed ex-militants under the Presidential Amnesty Programme.
- **N38.10 billion** for the North East Development Commission (NEDC) – Statutory Transfer
- **N80.88 billion** for the Niger Delta Development Commission (NDDC)

▪ **Special Intervention Programme**

- **N400 billion** for FGN Special Intervention Programme (including Home Grown School Feeding Programme, Government Economic Empowerment Programme, N-Power Job Creation Programme, Conditional Cash Transfers, etc)
- The **NSIO** is now domiciled in the Ministry of Humanitarian Affairs and Disaster Management & Social Development

CONCLUSION

CONCLUSION



- As mentioned previously, key reforms such as the **Strategic Revenue Growth Initiative (SRGI)** will be implemented with increased vigour to improve revenue collection and expenditure management.
- In furtherance of our objective of greater comprehensiveness and transparency in the budget process, the FGN budget from 2020 will reflect the revenues & expenditures of GOEs and the multi-lateral/bi-lateral project-tied loans and related expenditures.
- Achieving fiscal sustainability and macro-fiscal objectives of government will require bold, decisive and urgent action. Government is determined to act as may be required.
- We welcome citizens input and participation throughout the budget implementation phase.
- The detail budget document is currently available on the websites of the Budget Office of the Federation and the Federal Ministry of Finance, Budget and National Planning.

THANK YOU!

Any Questions?

www.budgetoffice.gov.ng
www.finance.gov.ng