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FEDERAL GOVERNMENT 2024 PROPOSED BUDGETARY ALLOCATIONS AND SECTORAL EXPENDITURES: A DISAGGREGATED ANALYSIS

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Abstract;
Budgeting is the apportionment of scarce resources to various sectors of the economy based on chosen parameters. This paper conducted a disaggregated analysis of 2024 budget proposal. Objective was to analyze the 2024 budget and conduct a comparative analysis of the present budget with the previous years. The paper was anchored on budgetary control theory. The paper adopted a qualitative analysis using descriptive statistics of frequency table, percentages and bar charts were employed for the data analysis comprised of the budgetary amounts/figures. It was revealed that Nigerian budget for the past years have remained huge and exorbitant without commensurate development of fiscal infrastructure. The reviewed budget of hope failed to allocate much needed funds to education and agriculture. The paper recommended that there should be synergy between government and stakeholders in the process of budget implementations and government should institute effective monitoring of budget implementations.

Keywords; Disaggregated Analysis, Budgetary Allocations, Sectoral Expenditures, Perspective

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Introduction

Income and expenditure outlay for every particular year is important as a guide to effectively manage and grow the economy. It means that budgets are planed based on projected income and assumed values. It is important to put up an outlay of modalities to earning income/revenue and apportion their expenditure according to set priorities. It is comprehensive when both revenue and expenditure are planed and distributed to various chosen components. The economic sectors are chosen and apportionments prioritized to achieve desired objectives of wise spending (Jacobs, Helis & Bouley, 2009). There are types of budgets mainly; gender, surplus, balanced, and deficit budgets (Obadan, 2000). Budgetary considerations are essential as an instrument for understanding the focus of revenue and expenditure. These considerations include; data for the Past Year, data for the current Year, data for the Budget Year, data for the out years, allowances to show the effect on the budget totals of a proposal that would affect many accounts and the baseline. The Budget Package for 2023 represents an increase of N5.8 billion in core expenditure. This includes the proposed extension of the Building Momentum Public Sector pay agreement at a cost of N1.4 billion across 2022 and 2023 including the associated pension impacts. N1.9 billion is provided to support continued provision of existing levels of service and an additional N1.8 billion for new current expenditure measures across Government Departments. Capital expenditure will increase by N0.8 billion in line with the National Development Plan. The baseline as provided in BBEDCA specifies that funding for discretionary programs is inflated from the most recent enacted appropriations using specified inflation rates. The reason is to capture or consider "Current Services Estimates," and provide more information on the baseline. And the baseline provides estimate of the receipts, outlays, and deficits or surpluses that would occur if no changes were made to current laws and policies during the period covered by the budget. It has been found that there the 2023 budget proposal is bedeviled with defects (Ayo Teriba, Muda Yusuf, & Ademola, 2023). The 2023 budget was pegged at N20.52tn with revenue projection of N16.87tn against budget of N17.13trn for 2022.

Question raised is how well is the 2023 budgetary to deliver on infrastructure and sustained development in the context of increasing demand for infrastructure in the face of growing population in Nigeria? Is the budget really a budget of sustainability or deficit? To answer the above question, it became pertinent to carry out a disaggregated analysis of the 2023 budgetary allocations vis-a-vis the amounts of each sector of the economy.

Objective of the paper was to conduct a disaggregated analysis of Nigeria government 2023 proposed budgetary allocations and sectoral expenditures. Specifically, the objectives are to conduct analysis of the following;

(1) Income/Revenue for budget Financing.
(2) Expenditure on president and vice president official quarters and vehicles.
(3) Budget projected Expenditure.
(4) Key budgetary assumptions (Economic Impact)/budget revenue financing sources.
(5) Two thousand and twenty four (2024) budget expenditure outlay.
(6) Statutory transfers to Ministries and Agencies.
(7) Budgetary fiscal deficit.
(8) Two thousand and twenty four (2024) budgetary fiscal deficit (sources of funding).
(9) Federal government top ten ministries/agencies proposed budgetary allocations.
(10) Federal government ministries/agencies proposed capital expenditures.
(11) Running cost allocations to agencies.
(12) Allocation to personnel costs (salaries & allowances.

(13) Ten years budget trend analysis.
(14) Trend of budget and actual from 2013 to 2022
(15) Budget 2024 running costs
(16) Budget 2024 overhead costs
(17) Capital expenditure (Ministry of Works).
(18) Capital expenditure (Ministry of Education)
(19) Capital expenditure (Ministry of Health
(20) Federal government 2024 budgetary allocation to ministry of power
(21) Breakdown components of 2024 proposed budget on health
(22) Comparative analysis of 2024 budget fiscal framework projections.
(23) Comparative analysis of 2023 and 2024 federal budgetary allocations.
(24) Comparative analysis of 2023 and 2024 projected budget parameter differences
(25) Budget Frivolous Items

Conceptual Study of Budget and its various Components

Budget: Every budget is tied to expenditure items to clarify the reason for the allocation of funds. It is expenditure estimate/plan suggested from projected income and revenue covering a given period such as one month, a year usually 12 months. Budget is in five different types; surplus, deficit and balanced budgets. If budgeting, several methods can be adopted such as activity-based budgeting, zero-based budgeting, value-based budgeting, fixed budgeting, flexible budgeting and incremental budgeting (Lambe, 2004).

Fiscal deficit: When the revenue is lower than the expenditure we say there is fiscal deficit. It means the revenue will not be enough for the provision of infrastructural development. In an organization, stock is capital stock is reduced by deficit financing and it has a negative impact on the economy. It shows that additional funding is required in the name of borrowing to finance every budget deficit (Arjomand, Emami & Salimi, 2016).

Income and revenue: This explains the inflow of fund/money for business activities or purchase of items in the family. Government also invests in order to receive income or revenue. Income and revenue are the same and a must for both household and government. Every income and revenue is complimented with expenditure since money is either for investment, spending or consumption (Frijters, 2000). The assumption of gain in opportunity and consumption by an organization or company within a particular period generally denoted in the form of money such as wage, pocket money, interest, salary, gifts, allowances etc.

Budgetary Assumption: It explains the expenditure heads tied monetary apportioned estimates. It is the conceptualized income and revenue considered accruable into the treasury for which the budget estimates are based (Popesko, & Kadalová, 2022). This is the key items for which monetary allocations are tied to in the budget estimate. They are the basis for with costs are attached and makes easy any adjustment in prices for any area of the budget. The assumption reviews both income and expenditure outlay.

Statutory transfer: National expenditure or budgetary allocations and by law, changes and amendments relating to financial allocations are possible which may arise from surplus or deficit budgeting. It is usually done in the budgetary allocations to alter projected expenditures of agencies and ministries to provide or make adequate provision for better economic growth and development. It is a right by law. It is usually applied in budgetary allocations to indicate excess/surplus or deficit or not enough (Oladipo, & Akinbobola, 2011).

Expenditure deficit: budget and expenditure are likely the same in the sense that while budget is the initial outlay, expenditure is the prelude that explains execution of budget plans. Where expenditure is not met, then there is deficit financing when the budget is actually executed. (Emefiele, Obim & Ita, 2019). The shortfall in budget implementation explaining that the fund was not enough calls for appropriation or borrowing to finance the deficit. Fiscal deficit and expenditure deficit are likely the same. The overall cause is as a result of deficit funding or budgeting.

Capital expenditure: in budgeting, funds are apportioned allocated to budgetary items in categories both recurrent and capital projects: infrastructural projects such as roads, bridges, flyovers, schools, building electrical distributions and transmission plants , railways, power plants, and others (Lambe, Lawal & Okoli, 2015). The amounts for re-current expenditures are different from capital expenditures. Capital expenditure gulps huge funds as well as recurrent. However, recurrent expenditure are those expenditures that come up on monthly basis such as salaries, electricity bills and others.

Significantly, this paper exposes what constituted sectors of the Nigerian economy for which budgetary allocations are proposed. It brings to limelight the assumptions of the 2023 budget. It specifically showcases the variables or items for which the budgeted amounts were tied to in terms of expenditure outlay. The sources of revenue generation to fund the budget were exposed to enable the public have an idea of where to grow the economy when it comes to revenue sources from federation account. The paper clarified the capital expenditure items in the budget. Looking at the budget as a budget of fiscal sustainability, it revealed the fiscal and expenditure deficits. It further identified and explained the statutory transfers and sources of deficit funding of the budget.

Empirical Literature

Literature studies have shown that budgetary allocation is the foundation of policy framework for both economic and infrastructural developments (Branko, 2018). Reviewing systemic budgetary control in government organizations was carried out by Lambe, Lawal and Okoli, (2015). Focus of the study was on Nigerian National Petroleum Corporation (NNPC). Descriptive statistics of frequency tables, percentages and bar charts were implored in the data analysis. Findings revealed that the involvement of stakeholders in budget preparation is important if high productivity in budgetary allocation must be achieved in organizations. Nganyi, et al, (2017) conducted analysis on the performance budgeting effects on expenditure of the government. The study focused on budgeting approaches or formats such as: Program and Performance Budgeting System (PPBS), Performance Based Budgeting System (PBBS) and Zero-Based Budgeting (ZBB). Review of previous studies was adopted for the study as extension of in Al-Kharj region as ways of improving the budgeting patterns. It was discovered that under the accounting system, public office accountants are familiar with Performance-Based Budgeting System with few challenges to this adopted approach.

Determinants of sub-national budget/fiscal determinants transparency were investigated by Branko, (2018). Focus of the paper was on the budget transparency. Descriptive review was adopted for the analysis. It was found that the paper provided a clear cut account of variables that influence measurement of impacts of government sub-national budgets. Lepori, Usher and Montaut, (2013) studied organizational characteristics and budgeting in higher institutions. Focus of the study was on resources repartition level of expenditure decision with specific attention of Sociology and theory of organizations. The study adopted a review method for the analysis. The paper found the integration of organizational theory and sociology as the most appropriate body of knowledge in research studies and budget functioning process.

Pagalung, (2022) conducted an empirical study on budget and managerial performance effect. The study focused on how to improve on both budget participation and managerial performance. Review of past scholarly Articles was adopted for the analysis. It was study discovered that participation in budgeting is one and not the only improving managerial performance factor while participation in budgeting can be moderated using psychological capital as one of the variables. Budgeting practices as a practice by manufacturing companies in the study of companies in Lithuanian was investigated by Klimaitienė and Ramanauskaitė, (2019). The study focus was on manufacturing budget practices. The study implored descriptive statistics of frequency tables, percentages and bar charts for the data analysis. It was found that budgeting efficiency and satisfaction were not listed as an important process of budgeting.

Nigerian budget implementation problems were investigated by Ejumudo, (2020). Focus of the study was on government ministries and agencies. The study adopted descriptive statistics of Chi-Square and mean rating. It was found that both poor commitment and accommodation politics were significantly related in terms of budget monitoring, corruption and culture. Syaifullah, et al (2015) worked on performance-based budgeting. The paper focused on the flow of money approach under performance budgeting. The study implored qualitative description approach for the data analysis. It was discovered that performance-based budgeting was adopted by local government councils following their four implementation approaches of vision, mission, goals and objectives.

A cross-sectional survey on government budgetary allocations on students' academic performance assessment was investigated by Ibrahim1 and Burah, (2021) with focus on academic performance of the students. Mean standard deviation, Chi-square statistics were implored for the data analysis. The paper discovered that students' academic performance and budgetary allocation were significantly related at five percent level. Optimal allocation of government budget for maximization of health coverage methodology was studied by Berman and Chawla, (2000). The study focus was on health care delivery system for pregnant mothers. Estimation method was used for the analysis. It was revealed that there is under-utilization of the public service and not significantly utilized as an alternative.

Budgetary Control Theory

This paper is anchored on budgetary control theory propounded by Barth, (2001) as a phenomenon with a widening orientation associated to other theories. Budgeting and budgetary control as a key organizational and institutional variable is not a modern phenomenon. However, budgeting and budgetary control are of wide ranging global orientations, to which several models and theories have been associated with overtime, most especially as propounded and opined by various authorities and schools of thoughts. The theory is a unification of finance, production and sales. The theory sees organization's management as the key makers of policies that produce results. It opined that both budgetary control and budgeting are organized process that influences activities of an organization. Barth, (2001) was of the view that it is necessary to ensure that budget is effectiveness of budgets with known responsibilities by staff of the organization on their duties at all times. In furtherance, responsibilities are performed through effective procedures. It then became necessary to understand the budget, who prepares and coordinates it, the decisions therein, the required guiding information, there sources and to source them and how the analysis will be interpreted based on facts. The procedures will guide the decision-making. He concluded that budgetary success lies on its acceptance by the people for whose sake the budget was prepared. Budget and its control theory is appreciated when its implementation produces results that positively affects the general public.

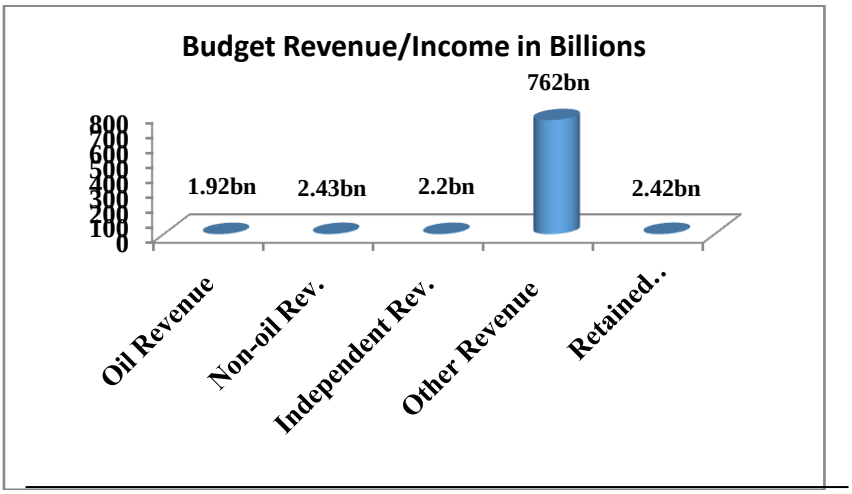
Methodology

Focus of this paper is to establish the relationship between federal government budgetary allocations and expenditures of various economic sectors as explained in the 2024 budget of renewed hope. The methodology is predicated on empirical facts (Budget, 2024: BUDGETI, 2023). It is a qualitative synopsis analysis of the 2024 budgetary parameters to various sectors of Nigerian economy. In research literature, previous studies are summarized, thereafter; outcomes are relationships between results are drawn to establish facts about the study and previous studies (Pagalung, 2022). Specifically, descriptive statistics of frequency table, percentages and bar charts were implored for the data analysis comprised of the budgetary amounts/figures.

Analysis and Discussion

The 2024 Budget of Hope is analyzed according to the various components where the allocations are tied. This is subsequent to 2023 budget of fiscal sustainability and transmission with a design to achieve certain objective from 2021 to 2025. These strategic objectives of 2024 budget which was projected to engulfed about N27tn was designed to achieve the following goals; (a) facilitate macroeconomic stability, human capital development, and food security, (b) boost manufacturing performance, (c) improve defense and internal security, (d) improve business environment and transport infrastructure, (e), ensure energy sufficiency and (f) promote industrialization focusing on small and medium scale enterprises. The analysis was carried out to cover the following areas as shown below;

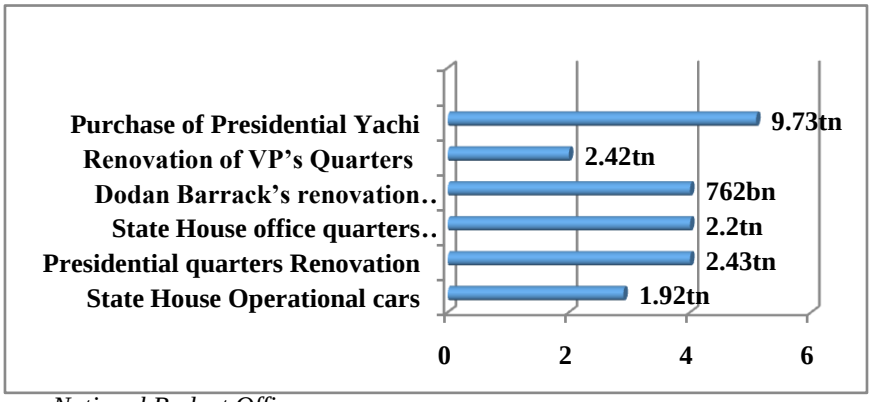
Fig. 1 Income/Revenue for budget Financing



Source: National Budget Office

On the budget financing revenue sources, it was revealed that revenue from oil was target to generate about N1.92bn for capital projects while non-oil revenue was to rake in N2.43bn. Independent Revenue, other revenue sources and retained revenue sources were to generate N2.2bn, N762bn and N2.42bn respectively.

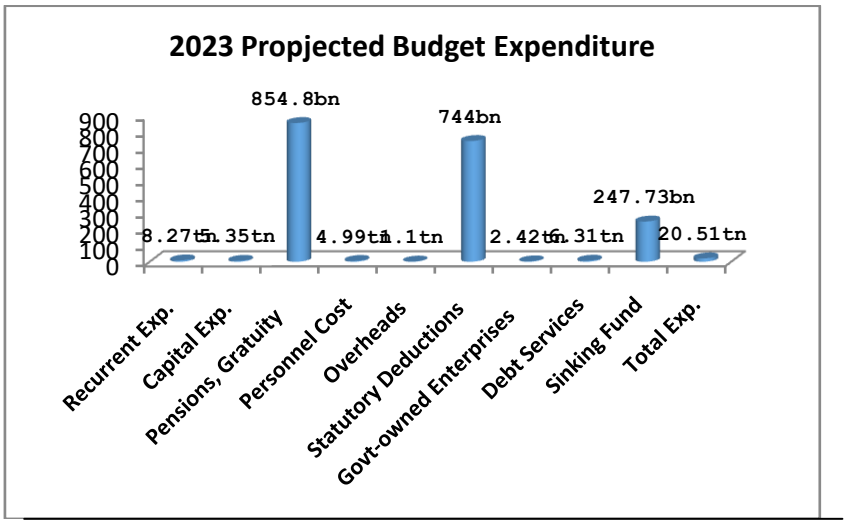
Fig. 2. Expenditure on president and vice president official quarters and vehicles



Source: National Budget Office

Key components of the budgetary allocations revealed that presidential Yachi was to gulf a wooping sum of N9.73tn. Vice president's quarters was allocated N2.42tn. State house office quarters and Dodan Barracks renovations were to cost N762bn and N2.2tn respectively while state house operational vehicles were to cost N1, 92tn.

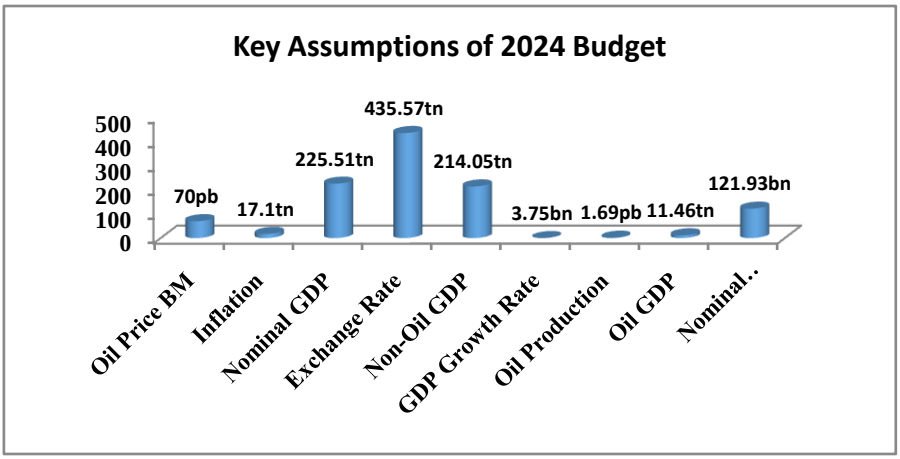
Fig. 3. Budget Projected Expenditure



Source; Budget Office of the Federation

Budgetary allocation analysis further revealed that recurrent expenditure alone was to gulf the cost of N8.27tn while Capital expenditure was to cost N5.35tn. Pension, Gratuity, Personal Cost and overheads were to N854.8bn, N4.99tn and N1.1tn respectively. Statutory deduction was budgeted to take N744.1bn while all government enterprises were to take N2.42.6tn. However, debt services, sinking fund were to take N31trn and N247.73bn respectively.

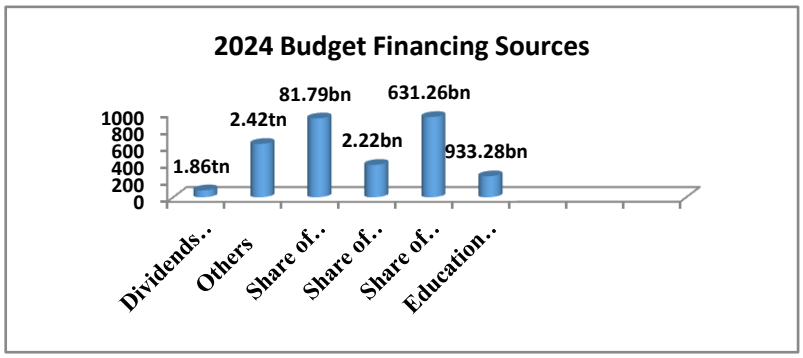
Fig. 4. Key Budgetary Assumptions (Economic Impact)



Source; Ministry of Finance, Budget & National Planning; NNPC;BOF;NBS

Assumed and likely impacts of the 2024 budget on the economy were considered to reflect on the following key variables; oil production was expected to increase up to 70 barrels per day while inflation rate was expected to 17.1 per cent. Nominal GDP growth was expected to hit N225.57tn while exchange rate was to increase up to N435.57tn. Non-oil GDP was expected to hit N214.05tn with Gross Domestic Growth (GDP) rate was to rise to 3.75bn. Oil production was to increase to 1.69 million pd while Oil GDP and Nominal Rate were to hit N11.46tn and N121.93bn respectively.

Fig. 5. Further revenue financing sources to the budget



Source; Ministry of Finance, Budget & National Planning; NNPC;BOF;NBS

Figure 5 above revealed that in financing the budget, there other sources not yet capture. These sources are through dividend captured in the budget to be capable of generating revenue to execute the budget. Dividend was to generate N1.86tn. Other undisclosed source was assumed to target 2.42tn. Communication and Information Technology (CIT) was also targeted to generate N2.24tn was believed to be capable of generating N2.42tn. value Added Tax was to generate N2.22bn. However, share of Customs and education Tax (TETFUND) were to generate N631.26 and N933.28bn respectively.

Fig. 6. 2024 Budget Expenditure outlay

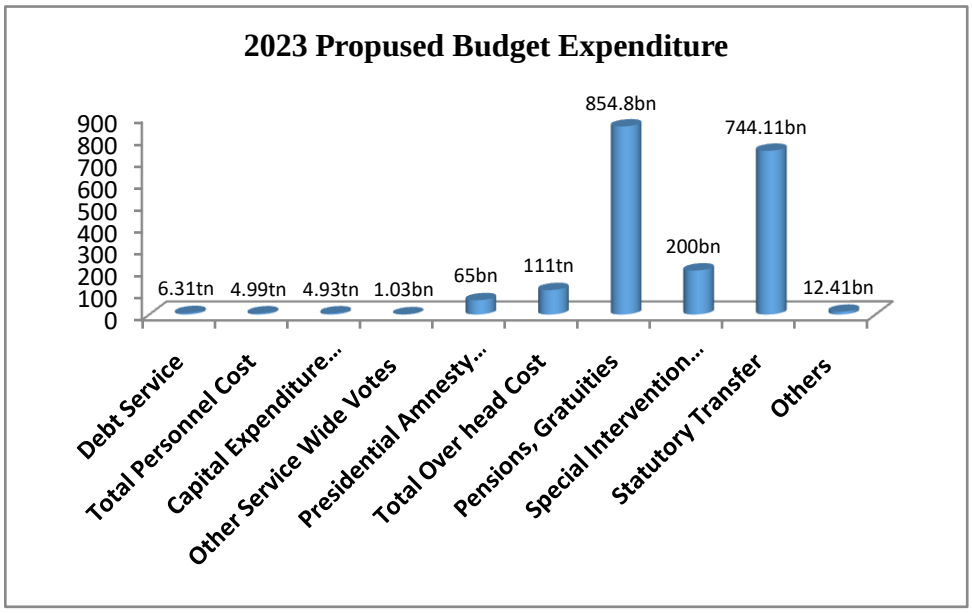
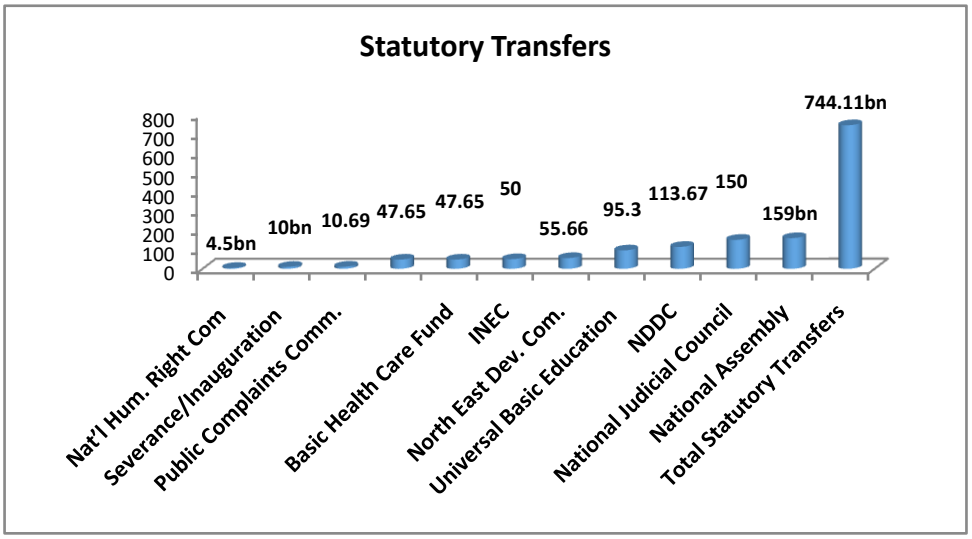


Figure 6 presented the budget expenditure outlay which revealed that debt services were to gulp N6.31tn and N4.99tn going for total personnel cost. capital expenditure was to cost a total of N4.93tn while wide votes under other services including immunization were budgeted N1.03bn. presidential Amnesty was budgeted to cost N. Overhead cost was budgeted 65bn. Overhead cost was budgeted at N11.1bn Pension, Gratuity and Special Intervention were to cost N854.8bn, and N200bn respectively while Statutory Transfer and other costs were budgeted N744.11bn and N12.41bn respectively.

Fig. 7 Statutory Transfers to Ministries and Agencies

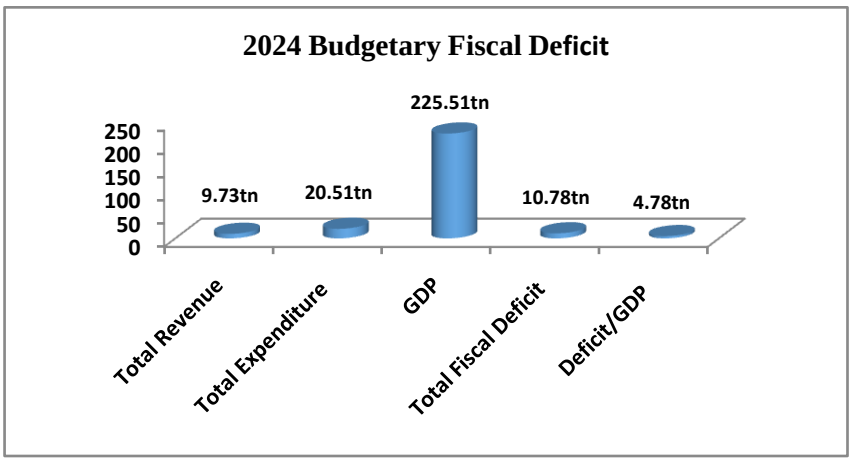


Source; Budget Office of the Federation

Statutory transfers are payments made to government institutions which are required by law to receive their funding first from the public purse before others primarily to protect their funding and guarantee independence from the executive. Budgeted under statutory transfer were ministries and other government agencies. Analysis in figure 7 revealed that Human right Commission was to spend N4,5bn. Severance and Inauguration of government office

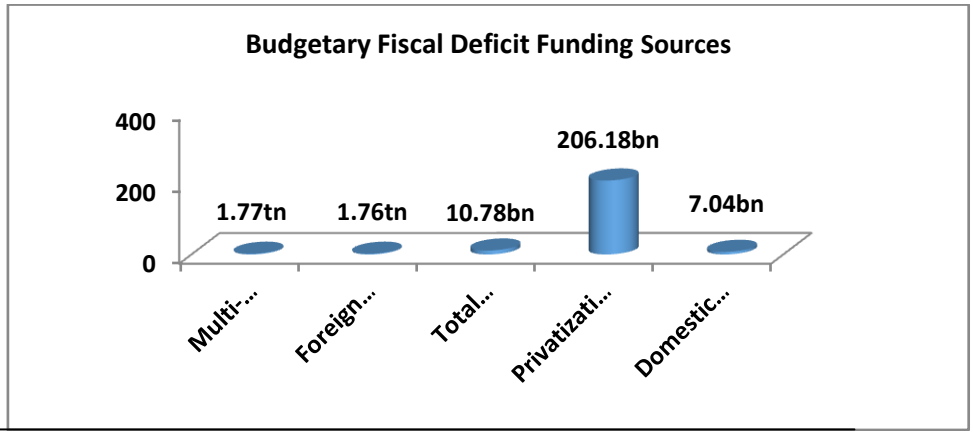
holders (executives) was budgeted to spend N10bn while Public Complaint Commission was allocated N10.69bn. National Agency (NASENI) was allocated N47.65bn while the cost of N47.65bn was also allocated for Basic Health Care. Independent National Electoral Commission (INEC) had N50bn to spend for the fiscal year. Universal Basic Education and Niger Delta Development Commission (NDDC) were allocated N95.3bn and N113.67bn respectively while National Judicial Council and National Assembly were to allocated N150bn and N159bn respectively. Cumulatively, a total of N744.11bn was apportioned to be spent under Statutory Transfer in the 2024 budget of hope.

Fig. 8 Budgetary Fiscal Deficit



The fiscal deficit is the difference between the government's total revenue and expenditure. It signals how much money the government will likely borrow during the fiscal year or raise from asset sales. Based on section 12(1) of the FRL 2007, fiscal deficit should not exceed 3% of the estimated GDP, except there is a clear and present threat to the national security and sovereignty of Nigeria.

Fig. 9 2024 Budgetary Fiscal Deficit (Sources of Funding)

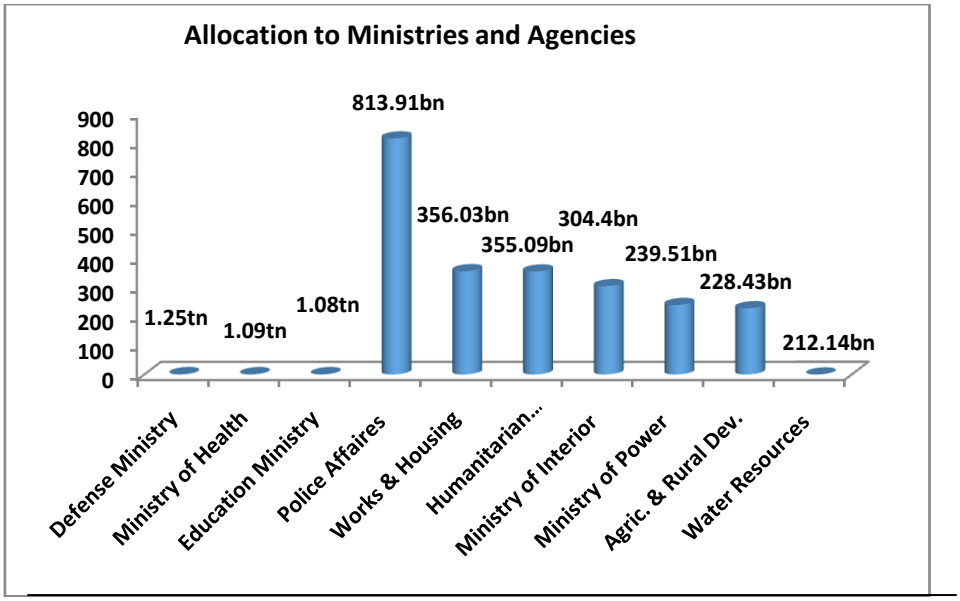


Source; www.yourbudgit.com

Funding budget deficit is critical to fulfilling the goals of the budget. This is because funds must be borrowed to finance the budget deficit. However, the sources of deficit funding are better explained in the light of the budget of hope as stated by the federal government. Sources fiscal deficit funding and their targeted amounts are as explained in figure 9 above.

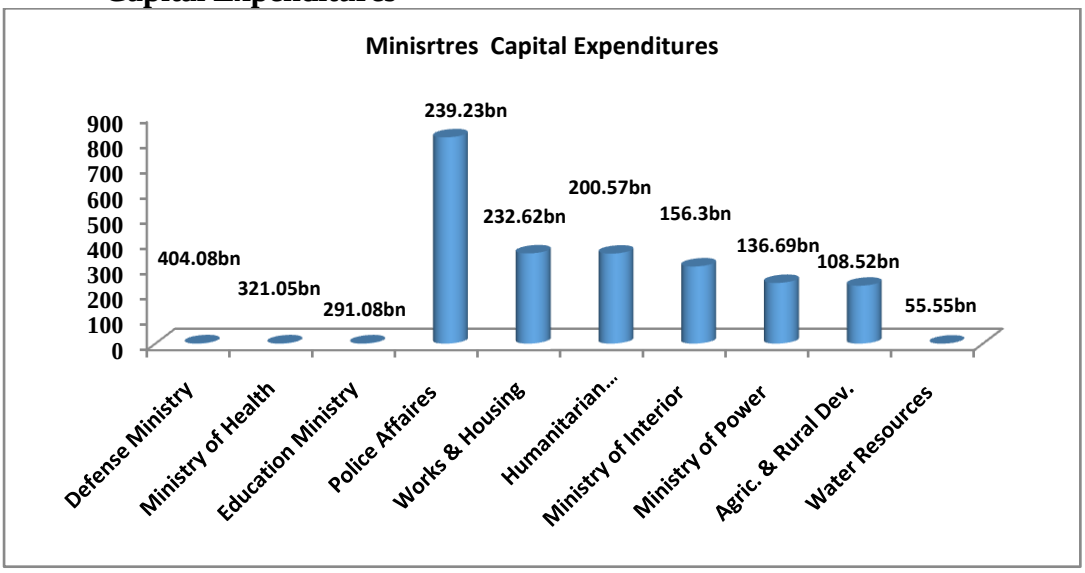
Multi-lateral project loans were to cost N1.77tn while loans to be sourced were to be N1.76tn. Total budget deficit to be financed through borrowing was expected to be up to N10.78bn. in that vein, proceeds from privatization and borrowing from domestic sources was to amount to N206.18bn and N7.04bn respectively.

Fig. 10. The Top Ten (10) Federal Government Ministries/Agencies and their proposed Budgetary Allocations



From the analysis in figure 10, it was established that ministry of Defense was allocated N1.25tn for the fiscal year. Ministry of health attracted allocation of N1.09tn while Education ministry was to spend N1.08tn. Ministry of Police Affairs was allocated N813bn. Ministry of Works and Housing was allocated N356.03bn. humanitarian ministry attracted allocation of N355.09bn while ministries of Interior, power and Agriculture were allocated N304.4bn, N239.51bn and N228.4bn respectively. Ministry of Water resources had N212.14bn allocation.

Fig. 11. The Top Ten (10) Federal Government Ministries/Agencies and their proposed Capital Expenditures



Source; Budget Office of the Federation

Analysis on figure 10 revealed that health ministry had more capital allocation than other ministries and agencies with allocation of N404.08bn. works and housing had capital expenditure of N321.05bn. Ministries of humanitarian affairs and education had capital expenditure of N291.08bn, N239.23bn respectively. Ministries of Power, water resources had capital expenditure of N232.62bn and N200.57bn respectively. Ministries of defense, agriculture and rural development were allocated N156.3bn and N136.69bn respectively. However, the least under capital expenditure were ministries of transport and aviation which were allocated N108.52bn and N55.55bn respectively.

Fig. 12. Running Cost Allocations to Agencies

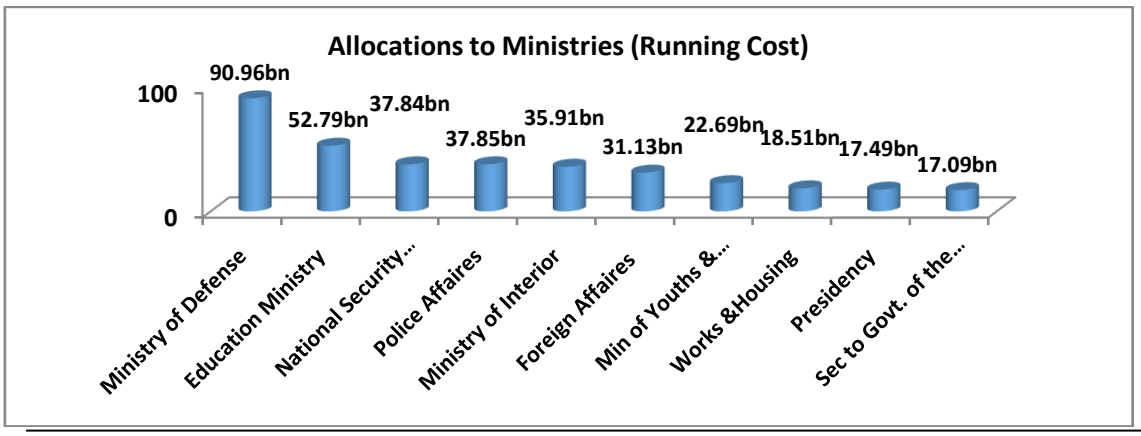


Figure 12 revealed the running costs allocated to government agencies in the 2024 budget of hope. Defense running cost was N90.96bn. Education and national security adviser had allocation of N52.79bn and N37.84bn respectively. Police affairs and ministry of interior were allocated N37.85bn and N5.91bn respectively. Ministries of foreign affairs and youths and sports development were allocated N31.13bn and N22.69bn respectively. Works and housing was allocated N18.51bn while presidency and Secretary to government of the federation were allocated N17.49bn and N17.09bn respectively.

Fig. 13. Allocation to Personnel Costs (Salaries & Allowances

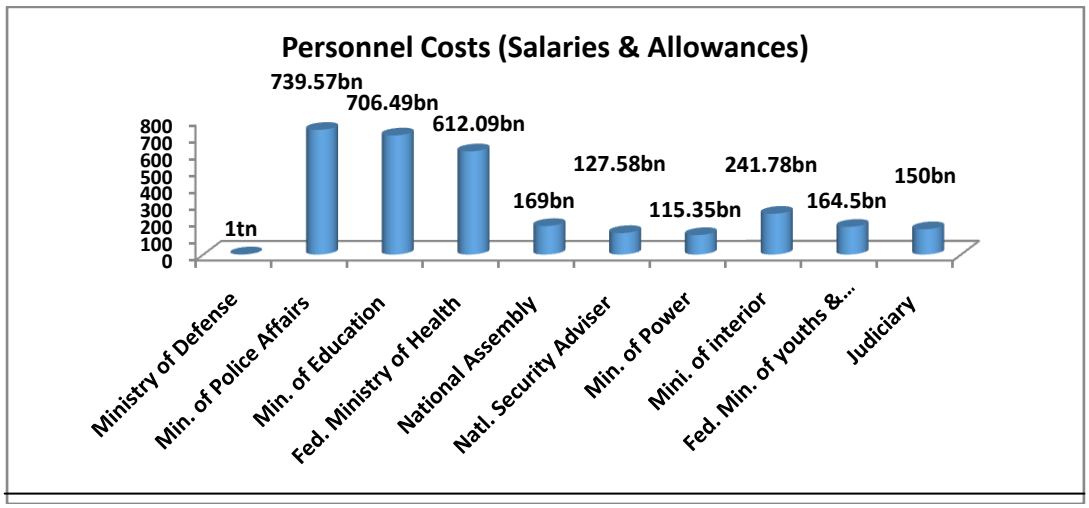
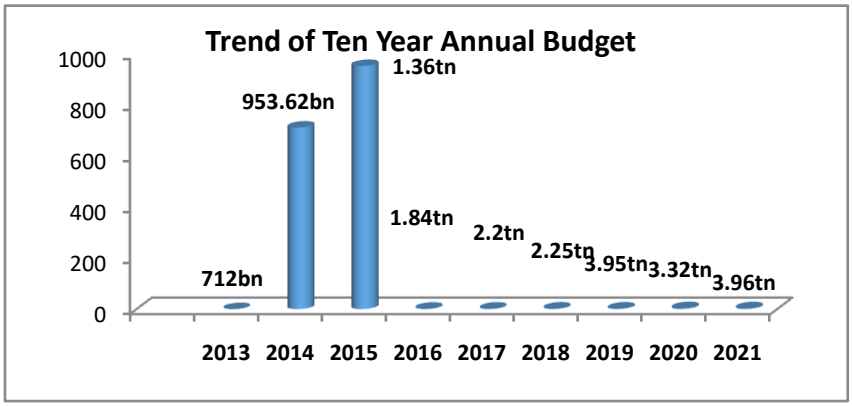


Figure 13 presented analysis of personnel costs budget 2024 which revealed that ministry of defense and police affairs were allocated N1tn and N739.57bn respectively while education and health care were allocated N706.49bn and N612.09bn respectively for the fiscal year under review. National assembly and national security adviser had N169bn and N127.58bn

respectively. Ministry of power and interior were allocated N115.35bn and N241.78bn respectively. Ministry of youth and sports and judiciary had budgetary allocations of N164.5bn and 150bn respectively.

Fig. 14. A Retrospective Ten year budget trend analysis

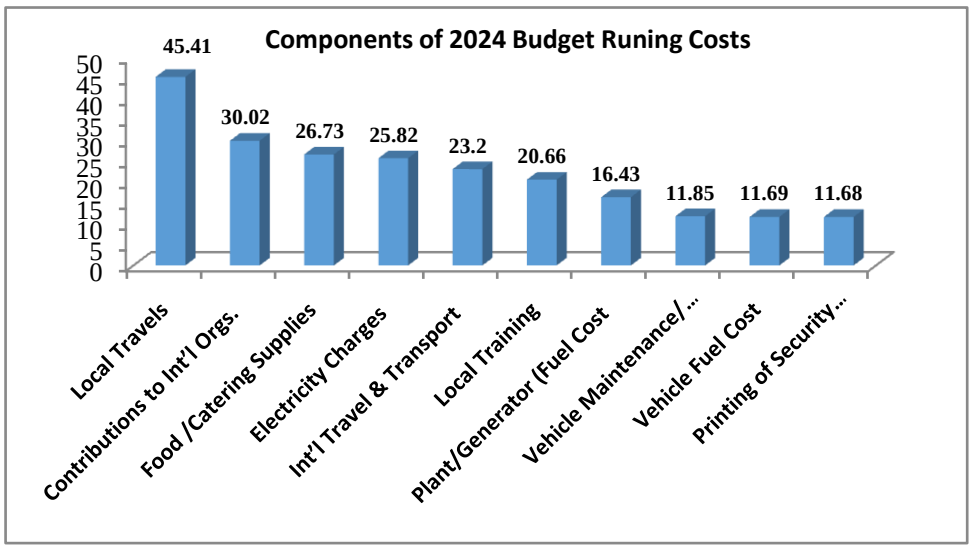


Source; www.yourbudgit.com

Looking at the ten year budget trend since 2013 analysis in figure 14, it could be discovered the lowest was in 2013 fiscal year with N712bn while 2014 was financed with N953.62bn, the years 2015, 2016 and 2017 were financed with N1.36tn, N1.84tn and 2.2tn respectively. The fiscal years 2018 and 2019 were financed with budgetary allocations of N2.25tn and N3.95tn respectively. Finally, 2020 and 2021 fiscal years were financed with N3.32tn and N3.96tn respectively.

In figures 14 and table 1 showed a trend of past years budgetary allocations were brought in for proper understanding of the increase in fiscal budgets since 2016 following the inflationary pleasure in the economy. However, it could be observed that 2013 to 2017, federal budgetary allocations have been on deficit, which means federal government borrowed to finance the budget, while 2018 to 2022 fiscal year experienced surplus budgeting meaning the expenditures for the period were not financed through borrowing rather, projected revenues were enough to finance economic expenditures.

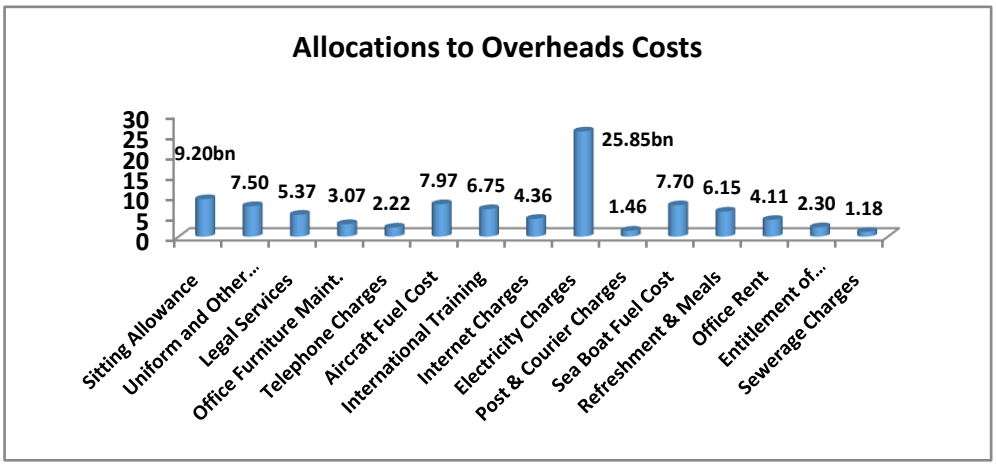
Fig. 15. 2024 Budget Running Costs



Source; www.yourbudgit.com

Figure 15 revealed results of analysis of the budget running cost revealed that local travels was allocated N45.41bn while international organizations; contributions was allocated N30.02bn. Other running cost components such as food stuff for catering, electric charges and international travels and transport were allocated N26.73bn, N25.82bn and N23.2bn respectively. However, local trainings, generator and fueling were allocated N20.66bn and N16.43bn respectively. Finally, equipment and maintenance, vehicle, and printing and security got N11.85bn, N11.69bn and N11.68bn respectively.

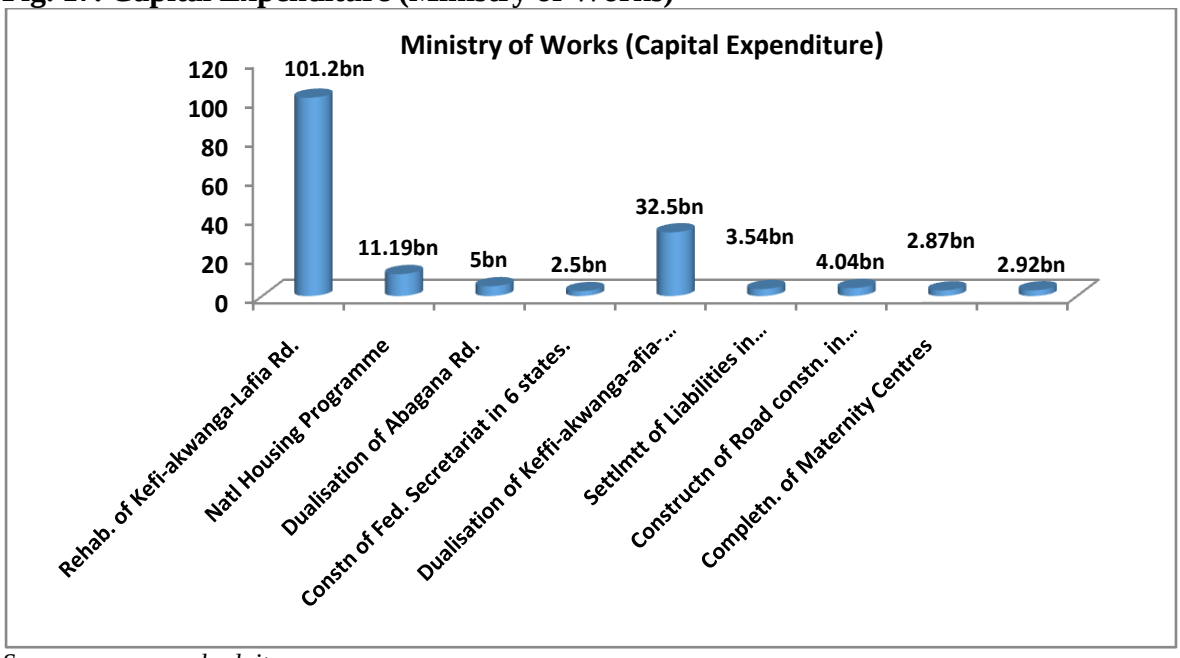
Fig. 16. 2024 Budget Overhead Costs



Source: National Budget Office

Figure 16 analysis of the overheads cost revealed that sitting allowances/ honorarium was allocated N9.20bn. Uniform and other clothing had N7.50bn. Legal services, furniture and telephone were allocated N5.37bn, N3.07bn and N2.22bn respectively. Cost of fuelling the aircraft, international training and internet charges were allocated N7.97bn, N6.75bn and N4.36bn respectively. Electricity charges, courier charges and sea boat fueling cost had N25.85bn, N146bn and N7.70bn budgets respectively. Refreshment and office rent were allocated N6.15bn and N4.11bn respectively. Finally, entertainment and sewage charges had N2.30bn and N1.18bn allocations respectively.

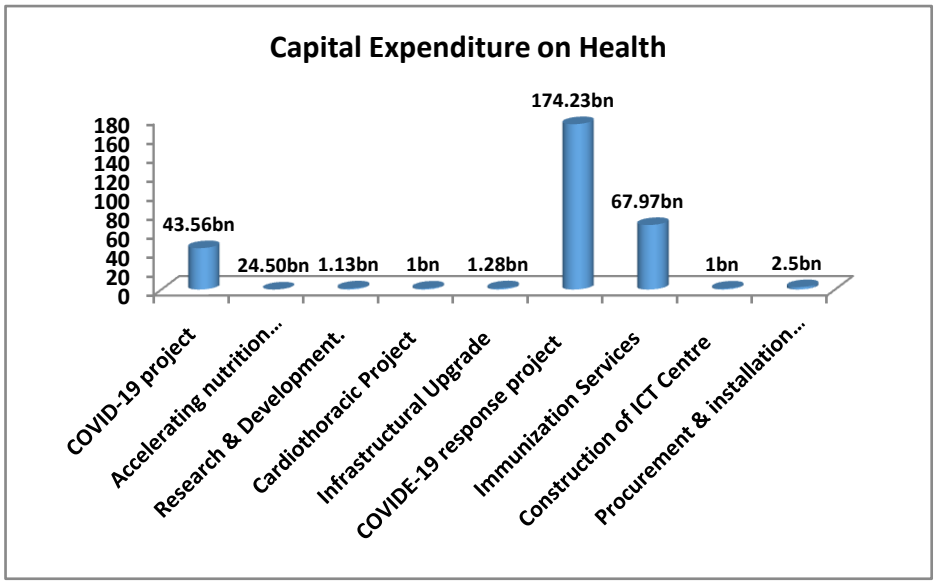
Fig. 17. Capital Expenditure (Ministry of Works)



Source; www.yourbudgit.com

Figure 17 revealed that federal ministry of works capital expenditure had N101.2bn budget for the rehabilitation of Kefi-Akwanga- Lafia road. National housing program was allocated N11.19bn. Abagana road dualization had N5bn allocation. The construction of federal secretariats in 6 states was allocated N2.5bn. Kefi-Akwanga-Lafia-Makurdi road dualization and liabilities settlement for MIDGs, SDGs and ZIP were allocated N32.5bn and N4.04bn respectively. Road constructions in Ibadan-Oyo state and completion of maternity centres were allocated N4.04bn and N2.87bn respectively while N2.92bn was budgeted for the completion of health centres all over the states of the federation.

Figure 18. Capital Expenditure (Ministry of Health



Capital budget to ministry of health in figure 18 revealed that N43.56bnwas allocated for multilateral/bilateral tied loans-Nigeria (COVID-19 preparedness & response project while multilateral/bilateral tied loans-accelerating nutrition results in Nigeria was budgeted to cost

N24.50bn. Research and Development intramural & extramural research field work and the construction of cardiothoracic complex at ABUTH were budgeted to cost N1.13bn and N1bn respectively. Infrastructural upgrade and multilateral/bilateral tied loans-Nigeria COVIDE-19 preparedness & response project were budgeted to cost the federal government N1bn and N173.23bn respectively. However, Multilateral/bilateral tied loans-immunization plus & Malaria progress by accelerating coverage & transforming services and construction of ICT Centre for university of Medugri Teaching Hospital were budgeted to cost N67.97bn and N1bn respectively while procurement & installation of MRI machine was to cost N2.50bn.

Fig. 19. Federal Government 2024 budgetary Allocation to Ministry of Power

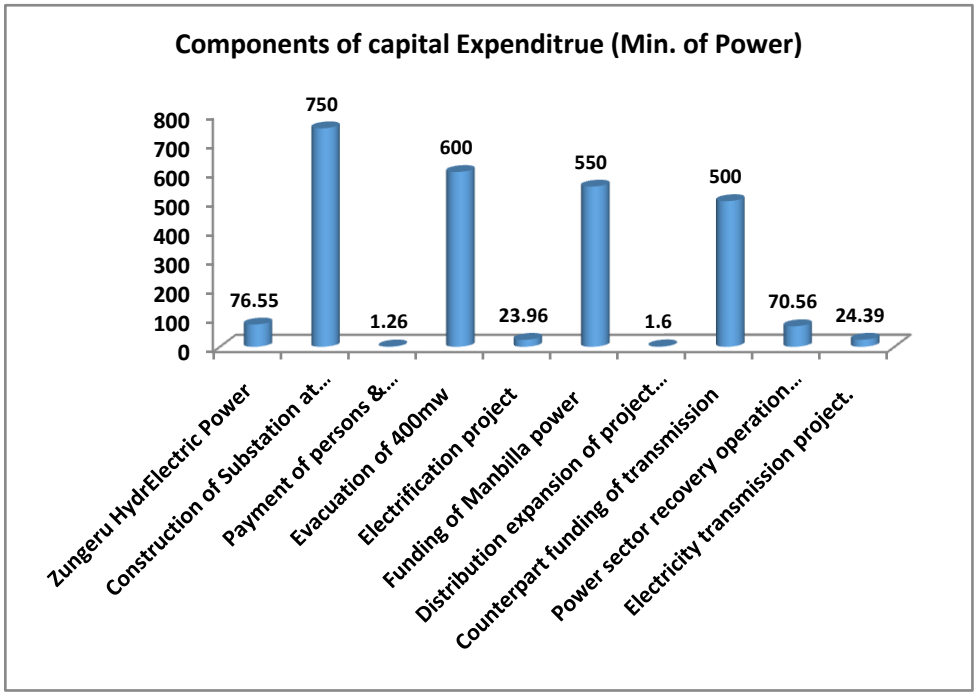


Figure 19 analysis revealed that for federal ministry of power, Zungeru Hydro-electric power was to cost the federal government N76.55bn. while substation construction in Ibiono was to cost N750bn. Communities and persons payment and 400mw evacuation were budgeted N1.26bn and N600bn respectively. Electrification project and Manbilla power station were allocated N23.96bn and N550bn in the budget. Expansion distribution project and transmission counterpart funding were also allocated N1.6bn and N500bn respectively. Recovery of power sector and electricity transmission project were budgeted to cost N70.56bn and N24.39bn respectively.

Table. 1. Breakdown components of 2024 proposed budget on Health

Expenditure	Amount	Service wide votes	Amount
Personnel Costs	612.09bn	NHIS Military Retirees	4.48bn
Overhead Costs	16.38bn	Gavi/Immunization	69.57bn
Capital Expenditure	404.08bn	Provision for Corp Members NHIS	4.48bn
Retirees Revenue	62.66bn	DNA Laboratory in LUTH & National Hospital Abuja	600m
Aids & Grants	2.50bn	Counterpart funding including global Health refund to GAVI	7.42bn
Total Budget to the Health Sector	1.18tn		

Source; Budget office of the Federation

Table 1 analyzed components of budget on health were further broken down for further understanding as shown in figure 20 analysis. The breakdown revealed a total of cost of N612.09bn as personnel cost, overhead was to cost a total of 16.38bn. Capital expenditure and retirees had N404.08bn and N62.66bn respectively while aids and grants was budgeted to cost N2.50bn. National Health Insurance Service (NHIS) for Military retirees had N4.48bn while Gavi/Immunizations were allocated N69.57bn. National Health Insurance (NHIS) for Youth Corp members was budgeted to cost 4.48bn. Lagos University Teaching Hospital (LUTH) and National Hospital Abuja and Global Health counterpart refund Gavi were budgeted to spend N600bn and N7.42bn respectively. In all, Health sector was allocated with a total of N1.18tn.

Table 2. comparative analysis of 2024 Budget fiscal Framework Projections

	2023Actural	2024 Revised Forecast (as at July 203)	2024 Executive Proposal	2024 National Assembly Approval
Oil Price Benchmark (USD/b)	71.3	73.0	70.0	75.0
Oil Production (mbpd)	1.48	1.60	1.69	1.69
Exchange Rate (N/$)	383.0	410.15	435.57	435.57
Inflation (%)	16.98	16.11	**17.16	**17.16
Non-Oil GDP (N'bn)	166,439.5	188.278.1	214,049.5	214,049.5
Oil GDP (N'bn)	9,636.0	10,652.0	11,457.8	11,457.8
Nominal GDP (N'bn)	176,075.5	198,930.0	225,507	225,507
GDP Growth Rate (%)	3.40	3.55	***3.75	***3.75
Imports	20,844.0	23,145.3	24,385.6	24,385.6
Nominal Consumption	188,437.1	120,172.6	121,933.1	121,933.1

Source; Ministry of Finance Budget &National Planning; NNPC; BOF; NBS

Table 2 revealed key parameters and other macroeconomic drivers of the medium term revenue and revised expenditure framework in tandem with emergent realities. The fiscal framework revealed that Oil price was projected at $71.3 dollars per barrel while the national assembly approved $75pb with a projected oil production at 1.48mbpd with an approval of a scaled down quantity of 1.69mbpd. The exchange rate was projected at 383.0 while the national assembly approval bas based on 435.57 per cent. The inflation rate was considered to affect the fiscal year at 16.98 per cent while the national assembly considered 17.16 per cent. Non oil Gross Domestic Product (GDP) was considered to grow to N166, 439.5bn while the national assembly considered her approval at N11, 457.08bn. Oil GDP and nominal GDP were projected in the budget at N9636.0bn and N176, 075.5bn, however, they were considered by the national assembly at N11, 457.8bn and N225, 507bn respectively. The GDP growth was projected to rise to 3.40 per cent but the national assembly made her approval at a projected growth rate of 3.75 per cent. Import revenue and nominal consumption were projected at N20,844.0bn and N188,437.1 while national assembly made her approval at a projection of N24,385.6 and N121,933.1bn respectively. With the current reality, it can be seen that the 2024 budget would run on surplus.

Table 3. Comparative Analysis of 2022 and 2023 Federal Budgetary Allocations

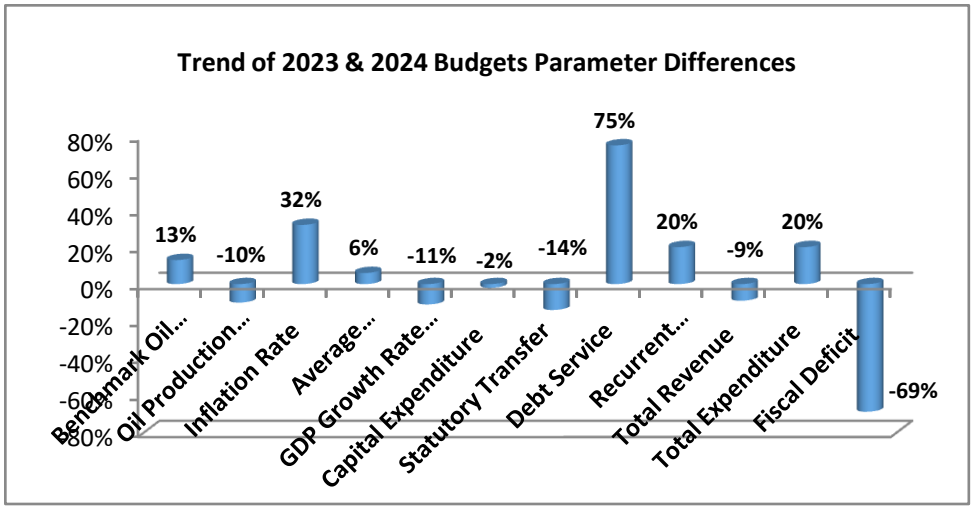
Fiscal Parameter	2023 proposed Budget	2024 Proposed Budget	Percentage change (%)
Benchmark Oil Price	$62 Pb	$70 Pb	13%
Oil Production Vol. bpd	1.88m	1.69m	-10%
Inflation Rate	13%	17.16%	32%
Average Exchange Rate	N410.15/$1	N435.57/$1	6%
GDP Growth Rate (%)	4.20%	3.75%	-11%
Capital Expenditure	N5.47tn	N5.35tn	-2%
Statutory Transfer	N869.67bn	N744.11bn	-14%
Debt Service	N361tn	N6.31bn	75%
Recurrent Expenditure (Non-debt)	N6.91tn	N8.27tn	20%
Total Revenue	N10.74tn	N9.73tn	-9%
Total Expenditure	N12.13tn	N20.51tn	20%
Fiscal Deficit	(N6.39tn)	(N10.76tn)	-69%

Source; Ministry of Finance Budget &National Planning; NNPC; BOF;NBS

A trajectory analysis of the 2023 and 2024 budgets in table 3 revealed propositions of the two year budgets and their percentage differences. While the oil bench mark price for 2023 budget was $62pb 2024 was budgeted at $70pb with a percentage difference of 13 per cent in favor of 2024 budget. The 2023 budget was proposed with inflation at 13 per cent while the 2024 budget was proposed at inflation of 17.16 per cent, reflecting 32 per cent increase. Crude oil production was projected to N1.88mbpd in 2023 while in 2024 the budget was proposed at N1.69mbpd showing a reduction of less than 10 per cent (-10%). The proposal in 2023 was proposed at average exchange rate of N410.15/$ while the 2024 budget was proposed at an exchange rate of N435.57/$, an increase of 6 per cent. Gross Domestic Product (DGP) growth rate in 2023 was 4.20 per cent at which the proposal of the budget while that of 2024 budget proposal was at GDP Growth rate of 3.75 per cent, showing a drop of less than eleven percent (-11%). Capital expenditure in the 2023 budget proposal was N5.47bn while the 2024 was proposed at N5.35bn indicating less than 2 per cent (-12%).

Statutory transfers revealed N869.67bn in 2023 and N744.11bn for 2024 respectively with a difference of less than 14 per cent (-14%). Debt servicing for 2023 showed N361tn, while 2024 was N6.31bn showing a difference of 75 per cent. Non-debt recurrent expenditure for 2023 was N6.91tn while 2024 was N8.27tn with a difference of less 9 per cent (-9%). Total revenue budget for 2023 stood at N10.74tn while that of 2024 stood at N20.51tn thereby showing a difference of twenty per cent (2%). The fiscal deficit for 2023 was N39tn while that of 2024 was N10.76tn, a difference of minus 69 per cent (69&).

Fig. 20. Comparative Analysis of 2022 and 2023 projected Budget Parameter Differences



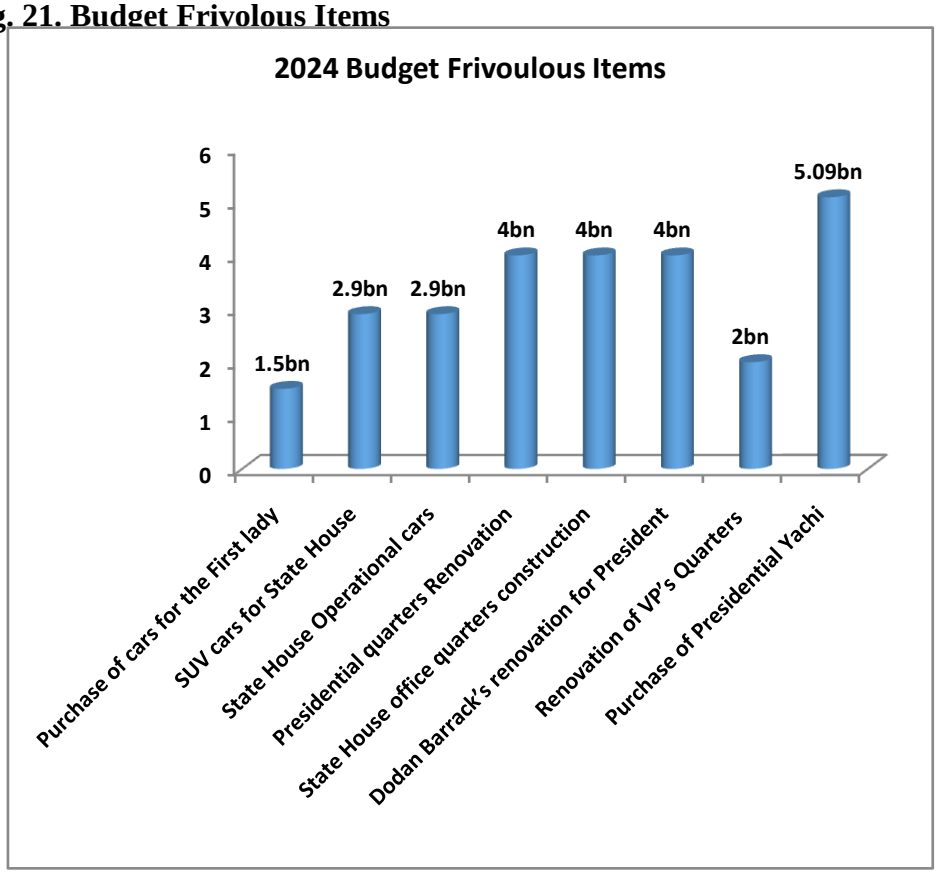
Budget parameter differences in figure 20 revealed that benchmark oil price for the two years 2023 and 2024 showed a difference of 13 per cent. Which meant that, that of 2024 was more than that of 2023? Crude oil production was less in 2023 by 10 per cent. Inflation rate projection was 32 per cent, an indication that inflation will increase more than its present level/rate before the end of 2024. Average exchange rate parameter was projected to increase by 6 per cent than it presents level. For GDP growth rate, the projection showed a difference of minus 11 per cent (-11) when compared to that of 2023 to 2024. Capital expenditure parameter projection showed that, that of 2024 is expected to be less than that of 2023 with minus two per cent (-2%). Statutory transfers were projected les by minus 14 per cent in 2034 when compared to that of 2023. Debt services and recurrent expenditure were to have a parameter projection of 75 per cent in 2024 more than that of 2023 while the recurrent expenditure was project to twenty per cent more than that of 2023 respectively. Total revenue was projected to be less by minus -9 per cent in 2024 when compared to that of 2023. The total expenditure for 2024 was projected to be more by twenty per cent (20%) when compared to that of 2023. Fiscal deficit is projected to far less in 2024 when compared to 2023 by minus sixty nine per cent.

Table 4. Budget Frivolous Items

S/N	2024 Budget Frivolous Items	(₦)
1.	Purchase of cars for the First lady	N1.5bn
2.	SUV cars for State House	N2.9bn
3.	State House Operational cars	N2.9bn
4.	President's Presidential quarters Renovation	N4bn
5.	State House office quarters construction	N4bn
6.	Dodan Barrack's renovation for President	N4bn
7.	Renovation of Vice President's Lagos office Quarters	N2bn
8.	Purchase of Presidential Yachi	N5.09bn

Source: BUDGETI, 2023

Fig. 21. Budget Frivolous Items



BUDGETI has argued that certain items be removed from the 2024 budget. Her reason was that those items may have amounted to being expensive or nt necessary to the economy and therefore should be removed. These item are as shown in table 5 and figure 21 above**;** among these frivolous items revealed that vehicles for the first lady was budgeted N1.5bn while SUV cars for members of national assembly is projected to cost N2.9bn. state house operational vehicles and renovation of presidential quarters, and construction of state house offices were allocated N4bn and N4bn respectively. While Dodan barracks was to cost N4bn also. VIP quarters renovation and presidential yachi purchase were budgeted N2bn and 5.09bn respectively.

Table 5. Trend of Budget and Actual in Retrospect from 2013 to 2022

S/N	Fiscal Year	Budget	Actual	Difference (₦)	Remark
1.	2013	59. 76bn	828.10bn	768.34bn	**Deficit**
2.	2014	712.00bn	941.67bn	229.67bn	**Deficit**
3.	2015	953.62bn	1.06tn	859bn	**Deficit**
4.	2016	1.36tn	1.38tn	2bn	**Deficit**
4.	2017	1.84tn	1.82tn	2bn	**Deficit**
5.	2018	2.20tn	2.16tn	4bn	**Surplus**
6.	2019	2.25tn	2.45tn	20bn	**Surplus**
7.	2020	3.95tn	3.34tn	61bn	**Surplus**
9.	2021	3.32tn	4.22tn	10bn	**Surplus**
10.	2022	3.96tn	2.60tn	36bn	**Surplus**

Source; Budget Office of the Federation

It was established that from 2013 to 2017 the federal budgets were on deficit. A situation which emphasized that the country was borrowing to finance her budgets for five years. The analysis further explained that between 2018 and 2022, federal government operated a surplus budget implementation which established that budgets were in excess of the expenditures.

Conclusion

The budget of renewed hope was based on existing inflationary pressures and can be said to be higher than previous budgets. The surplus nature of the budget was not as a result of resources but purely based on inflation. It is deduced that corruption was on the increase every passing fiscal year with increasing total budgets. More allocations were allocated to the 2024 budget parameters without recourse to its impact on the economy. What has been experienced over the years has been huge expenditure with a commensurate response to infrastructural development meaning that the budgets have been for this appropriation. Agriculture remained a neglect and was not given a priority in all the projects. Industries and labour had no proper attention in all the budgets. In all the project has failed already because it failed to recognize youth empowerment and skill development.

Recommendations

Based on the results, if the implementation of 2024 budget is to impact positively of the economy,

1. There should be synergy between government and stake holders in the process of budget implementations.

2. Government should ensure that unspent money in the coffers of agencies and ministries are not mopped up by heads of parastatals at the end of every fiscal year.

3. Budget proposals should be based on facts and not a function of personal interest or intention to enrich oneself.

4. Government should institute effective monitoring of budget implementations.

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