

BUDGETING FOR THE CITIZENS

— Insights on the level of adequacy
of the National Budget.



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INTRODUCTION

Every level of government plays a crucial role in ensuring the welfare of its people. In light of the economic challenges Nigeria is facing, especially in recent times, citizens are increasingly relying on the government to lead initiatives aimed at improving their living conditions.

But how well-positioned is the government to address these needs?

To gain insight into this, it is essential to evaluate budgetary allocations at both the federal and state levels

The National Assembly approved the sum of N54.99 trillion as FY:2025 Federal Government budget, an increase of 56.9% compared to the 2024 approved budget of N35.06 trillion. Also, the total budgeted spending by States for FY:2025 amount to N26.3 trillion. Cumulatively, both the Federal and State Governments have budgeted a total of **N81.3 trillion.**

We analyze this project in this report, to show what these amounts mean to the average Nigerian, if these budgets were to be shared among all Nigerians.

By presenting important budget figures and measures at the national level – federal and state, this report contributes to discussions on the adequacy of Nigeria’s budget. It examines the total budget, the proportion of capital expenditure in the total budget, the average budget size per citizen, the budget to GDP ratio, as well as changes and real growth in the budget size after adjusting for inflation.

Notably, what may appear as relatively high budgets can become less significant when considering the needs, measured by population size, economic size, and inflationary trends.

As Nigeria strives to enhance the efficiency of its public spending, it is essential to attract and maintain both domestic and foreign private investment that can complement public investment, particularly in sectors that significantly affect citizens’ welfare.

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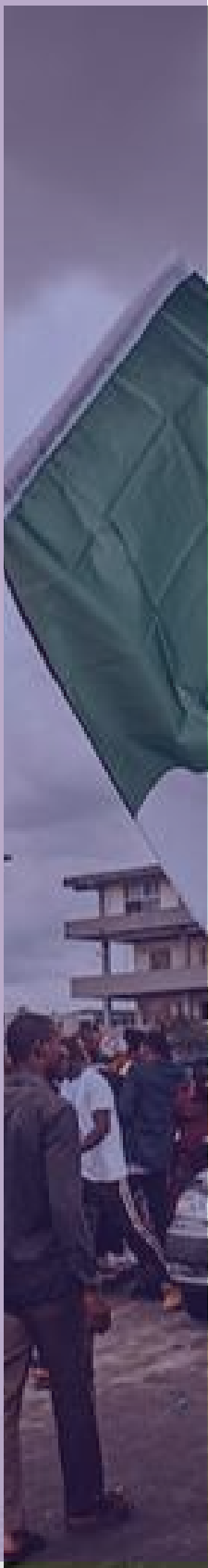
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TOTAL BUDGET





✓ The total National budget approved for 2025 is N81.3 trillion

*This is made up of the federal government budget of **N54.99 trillion** and the total state governments budget of **N26.30 trillion**.*

✓ This represents an increase of 51.9% compared to 2024 budget.

✓ The Federal budget increased by 56.9% while Combined States budgets increased by 42.4% when compared the previous year.

✓ The substantial budget increases across all levels suggest a response to address economic conditions such as the increase in the minimum wage, investment in infrastructure, and other key sectors of the economy, as well as increase in price level.



	 Total Budget	 Budget change (Nominal)
National	N81.30trn	51.9%
Federal	N54.99trn	56.9%
State	N26.3trn	42.4%

BUDGET GROWTH & GDP

- ✓ After accounting for inflation, the 2025 Federal government budget shows an increase of 31.9% compared to 2024 budget.
 - **The estimated ratio of FGN budget to GDP is 15.6%. on the average.**
- ✓ At the states level, the 2025 budget increased by 17.4% in real terms compared to 2024, while the budget to GDP ratio is estimated at 7.5%
- ✓ Nationally, the overall growth of the 2025 budget is 26.9%. The budget to GDP ratio is estimated at 23.1% on the average.

High nominal growth relative to real growth suggest that inflation is a significant issue.

- Sustainable development requires balancing spending with inflation control, revenue growth, and efficient resource allocation.



	 Budget Growth (Real)	 Budget-GDP Ratio
National	26.9%	23.1%
Federal	31.9%	15.6%
State	17.4%	7.5%

CAPITAL BUDGET

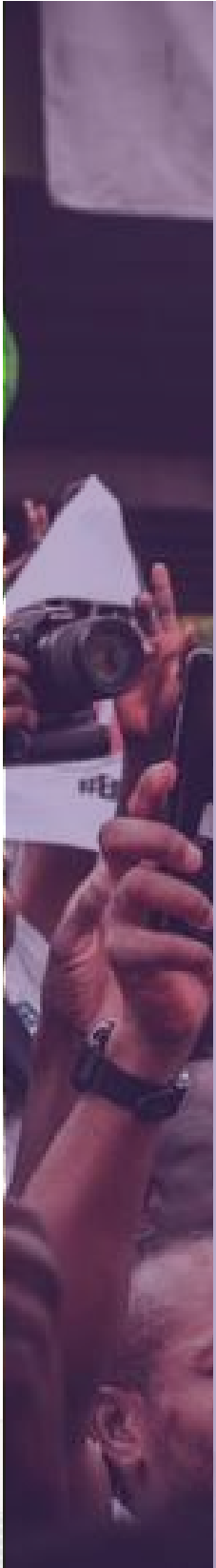
- ✓ The total capital expenditure at the federal level is N23.96 trillion, while at the state level it is N17.56 trillion, bringing the total capital budget at the national level to N41.51 trillion.
- ✓ Share of capital in total budget shows that 43.6% is being allocated to capital projects at the Federal level.
- ✓ At the state level, about 66.7% of the total budget is allocated to capital expenditures.

This highlights a strong commitment to capital investments to address local needs and stimulate economic growth.

- ✓ Overall, the average Share of Capital in Budget at the national level stands at 51.1%


	 Capital Budget	 Share of Capital in Budget
National	N41.51trn	51.1%
Federal	N23.96trn	43.6%
State	N17.56trn	66.7%

BUDGET PER CITIZEN (NAIRA)

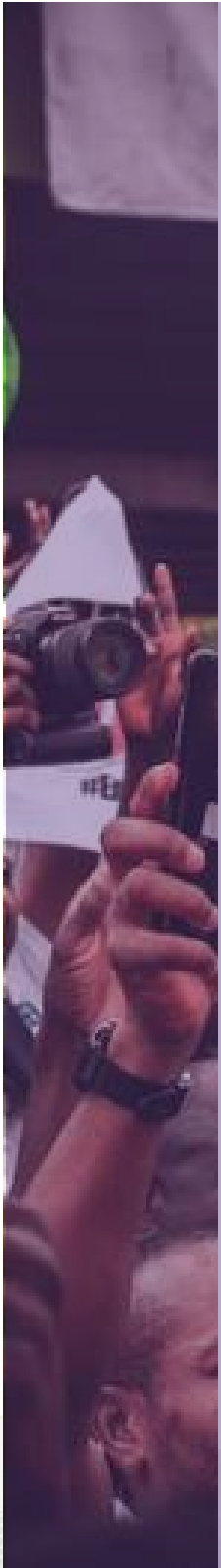


- ✓ The Federal budget per capita amounts to **N235,706**. This means that, on average, each citizen can spend **N645.8** daily, if the budget were shared among all Nigerians.
- ✓ **At the State level, budget per citizen is N115,500 for the year while the daily budget for individual is N317.**
- ✓ Cumulatively, if the national budget were to be shared by citizens, each person will get **N348,481 per year** from the 2025 budget; that is, each person gets **N955** daily from the budget.

The budget per citizen is a useful indicator of how much government investment is available for each individual, how much the government plans to spend on each citizen.


	Budget Per Person, Annual		Budget Per Person, Daily
National	N348,481		N954.74
Federal	N235,706		N645.77
State	N115,500		N316.57

BUDGET PER CITIZEN (DOLLAR)



- ✓ In dollar terms, daily budget per person for 2025 is \$0.63 at the national level, which is lower compared to the 2024 value of \$0.86 per capita daily.
 - The values at the federal and state levels are \$0.43 and \$0.21, respectively, both of which are lower compared to 2024.
- ✓ The daily budget per person at all levels (national, federal, and state) is far below the poverty line of \$2.15.

This indicates that the budget, when distributed across the population, is insufficient to meet the basic needs of citizens, such as food, healthcare, and education.

	Budget Per Person, Daily 2025		Budget Per Person, Daily 2024
National	\$0.63		\$0.86
Federal	\$0.43		\$0.56
State	\$0.21		\$0.30

DATA TABLE

States	2025 Total Budget (N'bn)	2025 Capital Budget (N'bn)	Share of Capital in Budget	Budget per citizen (N'000)	Budget Per Person, daily (N)	Budget-GDP Ratio (%)	Nominal Budget Change (2025 vs 2024, %)	Budget Growth (Real, %)
Abia	750.3	611.7	81.5	172.1	471.5	9.4	43.5	16.6
Adamawa	486.2	348.9	71.8	96.7	265.0	10.2	72.9	48.6
Akwa Ibom	955.0	655.0	68.6	143.0	391.7	10.5	12.4	-14.3
Anambra	607.0	467.5	77.0	93.3	255.7	6.6	48.0	21.8
Bauchi	465.0	282.3	60.7	58.4	160.0	7.1	17.8	-11.7
Bayelsa	689.4	426.1	61.8	255.8	700.8	9.9	-9.3	-35.8
Benue	550.1	374.7	68.1	80.5	220.5	8.2	38.7	15.5
Borno	584.8	380.8	65.1	81.9	224.4	12.5	39.3	17.4
Cross River	498.0	328.0	65.9	108.9	298.2	7.4	14.0	-11.5
Delta	936.1	587.4	62.7	137.3	376.1	10.2	29.1	5.0
Ebonyi	396.6	284.5	71.7	117.0	320.7	8.2	0.5	-26.2
Edo	675.0	381.0	56.4	136.3	373.3	8.2	39.0	13.5
Ekiti	375.8	183.5	48.8	96.0	262.9	6.7	149.6	124.9
Enugu	971.1	837.9	86.3	185.0	506.8	14.2	86.2	62.0
Gombe	320.1	209.0	65.3	81.6	223.6	7.2	-12.0	-37.8
Imo	807.1	694.8	86.1	123.9	339.5	10.1	36.3	12.1
Jigawa	698.3	536.8	76.9	101.3	277.4	13.5	82.1	56.5
Kaduna	790.4	551.6	69.8	80.5	220.5	9.2	72.5	47.2
Kano	719.6	457.1	63.5	45.4	124.5	8.4	34.1	8.6
Katsina	692.2	533.0	77.0	74.3	203.5	11.6	43.7	20.4
Kebbi	580.3	453.0	78.1	109.2	299.1	14.7	91.1	64.3
Kogi	582.4	302.8	52.0	109.4	299.7	8.6	83.7	55.0
Kwara	540.4	335.6	62.1	142.2	389.6	7.5	6.0	-19.1
Lagos	3366.8	2071.2	61.5	222.8	610.4	6.1	48.5	21.3
Nasarawa	402.6	236.2	58.7	134.0	367.2	6.4	12.9	-10.9
Niger	1558.9	1359.7	87.2	230.3	630.9	19.3	93.5	67.7
Ogun	1054.5	601.0	57.0	166.9	457.2	12.2	50.0	24.9
Ondo	698.7	433.6	62.1	125.7	344.3	7.9	42.0	14.9
Osun	390.0	144.2	37.0	68.8	188.6	6.4	42.4	16.7
Oyo	684.2	349.3	51.1	71.6	196.2	7.9	56.0	29.0
Plateau	471.1	269.6	57.2	95.9	262.7	6.6	47.3	22.7
Rivers	1189.0	678.1	57.0	133.6	366.1	12.2	48.5	21.4
Sokoto	526.9	349.4	66.3	88.6	242.7	9.8	46.3	21.6
Taraba	429.9	262.2	61.0	118.5	324.6	10.4	34.2	10.9
Yobe	320.8	176.9	55.1	79.5	217.7	8.1	47.9	22.5
Zamfara	546.0	393.3	72.0	100.4	275.1	11.4	28.0	2.4
A. All States	26,310.5	17,547.6	66.7	115.5	316.6	7.5	42.4	17.4
B. Federal Government	54,990.2	23,963.3	43.6	235.7	645.8	15.6	56.9	31.9
C. TOTAL NIGERIA (National)	81,300.6	41,510.8	51.1	348.5	954.7	23.1	51.9	26.9

DATA SOURCES:

- FGN budgets obtained from the Appropriation Bill passed by the National Assembly on Thursday, February 13, 2025.
- States' budget obtained from various news sources and respective States' websites
- Historical Nigeria's population obtained from NPopC and NBS
- 2025 forecasts of National Population, GDP and Inflation obtained from the IMF WEO, October, 2024
- State population forecasts obtained by applying respective State's population growth rate to project the historical figures forward
- States' expected inflation for 2025 computed as equal-weighted average of last 3 years inflation from NBS
- State GDP are projected from the 2023 edition of Nigeria In Figures: A Socio-Economic Databook (see: figures.adsrng.com/ and states-forecasts.adsrng.com/)

SELECTED ADSR PUBLICATIONS IN 2024

S/N	Document Title	Link to Downloads
1	Key Highlights of Labour Statistics Q2' 2024	https://adsrng.com/download-material/167
2	Analysis of 2025 – 2027 MTEF	https://adsrng.com/download-material/154
3	Towards a US\$ 1 Trillion Economy: Roles of Insurance & Pension Sectors	https://adsrng.com/download-material/174
4	Impact of Dangote Refinery on the Nigerian Economy - As it is allowed to breathe freely	https://adsrng.com/download-material/158
5	Incumbent & Predecessor: Completing Project & Sharing Ideas	https://adsrng.com/download-material/165
6	Operation & Management of The Federation Account: In the Context of the Nigerian Constitution, Acts and Executive Orders	https://adsrng.com/download-material/170
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