

SPEECH ON THE 2018 APPROPRIATION BILL

Mr. Speaker, Honourable Colleagues, I thank you for the opportunity to make comments on the 2018 Appropriation Bill.

The 2018 Budget was presented and laid before a joint sitting of the National Assembly on Tuesday, 7th November 2017, by the President & Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, Muhammadu Buhari, GCFR.

The Budget has the objective of delivering on a 3-year (2018- 2020) Economic Recovery and Growth Plan (ERGP). The presentation by Mr. President and Commander-in-Chief marked the first reading of the 2018 Appropriation bill.

The Bill contained the estimates of revenue and expenditure totaling **N8, 612, 236,953,214**, and was made up of:

Statutory Transfer	–	N 530,421,368,624
Debt Service	–	N2,203,835,365,699
Recurrent (Non-Debt) Expenditure	–	N3,512,677,902,077
Contribution to Development Fund for Capital Expenditure	-	N2,873,400,351,825.

2. Legislative Action

The House debated on the general principles of the bill, read it a second time and consequently referred it to the Committee on Appropriations for further action on Tuesday, 5th December, 2017.

The Committee, in working on the Bill, engaged relevant stakeholders and subsequently referred the detailed schedules of the bill to the appropriate sub-committees on Appropriations in line with the Standing Orders of the House. The Sub-Committees were enjoined to work in line with the appropriate guidelines provided by the Committee to guide the 2018 Budget work.

In addition, the Committee in conjunction with its Senate counterpart conducted a 2-day National Budget Hearing on Tuesday, 27th and Wednesday 28th March, 2018 respectively.

This was for the purpose of engaging the public within wide perspectives of both the formal and informal sectors of the polity. This was also in line with the commitment of the National Assembly to make the budget process an open, inclusive and participatory activity.

3. Revenue Projection

In processing the 2018 Appropriation Bill, the Committee premised expenditure on the following key revenue assumptions:

- | | | |
|-------------------------|---|-----------|
| a) Oil Price benchmark | - | USD 51 |
| b) Crude Oil Production | - | 2.3 mbp/d |
| c) Exchange Rate | - | N305/USD |

The 2018 proposals had projected an oil price benchmark at USD 45, Crude oil production at 2.3mbpd and based on an exchange rate of N305 to 1 USD.

4. Highlights of the 2018 Appropriation Bill

The 2018 Appropriation Bill as worked on, contains the following highlights:

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I. Aggregate Expenditure	-	9,120,334,988,225
II. Statutory Transfers	-	530,421,368,624
III. Debt Service	-	2,203,835,365,699
IV. Recurrent Expenditure	-	3,512,677,902,077
V. Capital Expenditure	-	2,873,400,351,825
VI. Fiscal Deficit	-	1,954,464,993,775
VII. Deficit to GDP	-	- 1.73%

5. National Assembly Special Interventions

Mr. Speaker, Hon. Colleagues, In the 2018 appropriation Bill, the National Assembly has made a number of Special Interventions. They include the following, among many others.

- i. National Health Act: To accelerate and achieve the Federal Government's health care programs, the National Assembly, for the very first time, since 2014 when the Act was enacted, has made an allocation of **N55.150bn** as contribution to the National Health Act. This move will enhance synergy between the Federal Government and its foreign partners.

- ii. NDDC: In order to ensure sustainable has been provisioned peace in the Niger Delta, an allocation of **N33.981bn** is made to reduce the Federal Government outstanding liabilities to the NDDC
- iii. Newly Established Universities: The 12 newly established Universities have been found to be severely threatened by the lack of basic learning infrastructure and other facilities. To ensure successful take off towards a promising future, an allocation of **N12bn** has been made for them.
- iv. Federal Roads: Aside from the proposals that came through the Executive submission, an additional allocation of **N43.5bn** has been made so as to facilitate the completion of roads nationwide.

Other important features of the Bill are contained in the attached details to include projects and programs in several other critical areas.

6. Recommendation

Mr. Speaker, Honorable colleagues, given that due consideration has been given to the preparation of the 2018 Appropriation Bill, the Committee hereby recommends that the House should consider and approve:

The Bill for an Act to authorise the issue from the Consolidated Revenue Fund of the Federation the total sum of

=N=9,120,334,988,225 (Nine Trillion, One Hundred and Twenty Billion, Three Hundred and Thirty Four Million, Nine Hundred and Eighty Eight Thousand, Two Hundred and Twenty Five Naira) only, of which, **=N=530,421,368,624** (Five Hundred and Thirty Billion, Four Hundred and Twenty One Million, Three Hundred Sixty Eight Thousand, Six Hundred and Twenty Four Naira) only is for Statutory Transfers, **=N=2,203,835,365,699** (Two Trillion, Two Hundred and Three Billion, Eight Hundred and Thirty Five Million, Three Hundred and Sixty Five Thousand, Six Hundred and Ninety Nine Naira) only is for Debt Service, **=N=3,512,677,902,077** (Three Trillion, Five Hundred and Twelve Billion, Six Hundred and Seventy Seven Million, Nine Hundred and Two Thousand, Seventy Seven Naira) only is for Recurrent (Non-Debt) Expenditure while the sum of **=N=2,873,400,351,825** (Two Trillion, Eight Hundred and Seventy Three Billion, Four Hundred Million, Three Hundred and Fifty One Thousand, Eight Hundred and Twenty Five Naira) is for contribution to the Development Fund for Capital Expenditure for the year ending on the 31st day of December, 2018 as contained in the attached schedule.

7. Conclusion

On behalf of the Appropriations Committee, we wish to thank Mr. Speaker and the House Leadership for the support given to the Committee. We also appreciate the co-operation of all our Sub-committees and of course all Honorable Members. You have all contributed to the success of the 2018 Budget work and process.

Thank you.

Hon. Mustapha Bala Dawaki

Chairman,

Committee on Appropriations,

House of Representatives.

16th May, 2018