Federal Ministry of Finance

Signed by:

Taiwo Oyedele

Honourable Minister of Finance
and Coordinating Minister of the Economy,
Federal Republic of Nigeria.

Understanding Fiscal Reporting:

Clarifying Terms

APPROPRIATION

Legal authority granted by the legislature to the executive to incur expenditure for specific purposes within a fiscal year.

EXPENDITURE AUTHORIZATION

The authority granted to incur commitments and make payments under approved appropriations.

FINANCING

The process of raising funds to meet budgetary requirements and cover cash flow needs.

FISCAL REPORTING

The systematic recording, summary, and presentation of fiscal activities and outcomes.

It's vital to distinguish between **appropriation, expenditure authorization, financing, and fiscal reporting** to avoid misinterpretations.

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DEBUNKING CLAIMS:

NO ‘SHADOW BUDGET’ OR UNAPPROVED SPENDING

- Claims of **₦8 trillion** (2% of GDP) spent outside the approved budget are incorrect and misleading.

- The Federal Government operates strictly within constitutional and statutory frameworks.

TRANSPARENCY. ACCOUNTABILITY. TRUST.
WE MANAGE. WE ACCOUNT. WE DELIVER.

Continued Transparency:

Upholding Rule of Law

The Federal Government will continue to uphold the rule of law, maintain transparency in public resource management, and work with stakeholders to strengthen fiscal governance.

RULE OF LAW | TRANSPARENCY | STRONGER TOGETHER

SETTING THE RECORD STRAIGHT: FEDERAL GOVERNMENT'S PUBLIC EXPENDITURE

The **Federal Ministry of Finance** addresses recent public commentary regarding alleged unapproved spending, clarifying the government's commitment to fiscal transparency and accountability.

TRANSPARENCY / ACCOUNTABILITY | PRUDENCE

Building a Sustainable and Prosperous Nigeria

Transparency in Action:

Statutory Transfers and Interventions

Nigeria's public finance includes statutory transfers and intervention mechanisms established by law, such as allocations to development commissions, cost of collection, and special interventions. **These are legal and disclosed.**

EDUCATION
Funding to improve access to quality education

INFRASTRUCTURE
Investments in roads, bridges, and public works

DEVELOPMENT COMMISSIONS
Supporting balanced regional development across Nigeria

DISASTER RELIEF
Rapid response to emergencies and natural disasters

COST OF COLLECTION
Enabling efficient revenue collection for national growth

We are committed to **openness, accountability,** and **responsible stewardship** of public resources.

TRANSPARENT FINANCE. STRONGER NIGERIA.

Approved Spending:

Appropriation Acts and Statutory Authorities

All government expenditures are incurred through duly enacted Appropriation Acts, Supplementary Appropriation Acts, and other statutory authorities.

Multi-year capital projects are also legally implemented.

BUDGETS

Funds are authorized through Appropriation Acts and Supplementary Appropriation Acts.

LAWS

All spending is backed by law and follows due process.

PROJECTS

Multi-year capital projects are legally implemented to drive national development.

TRANSPARENCY. ACCOUNTABILITY. SUSTAINABLE GROWTH.

Building a stronger financial future for Nigeria.

IMF's View: Focus on Reporting, Not Legality

The IMF's observations primarily relate to the **comprehensiveness, timing, and presentation** of fiscal reporting, not the legality of expenditures.

Nigeria is actively aligning with international standards.

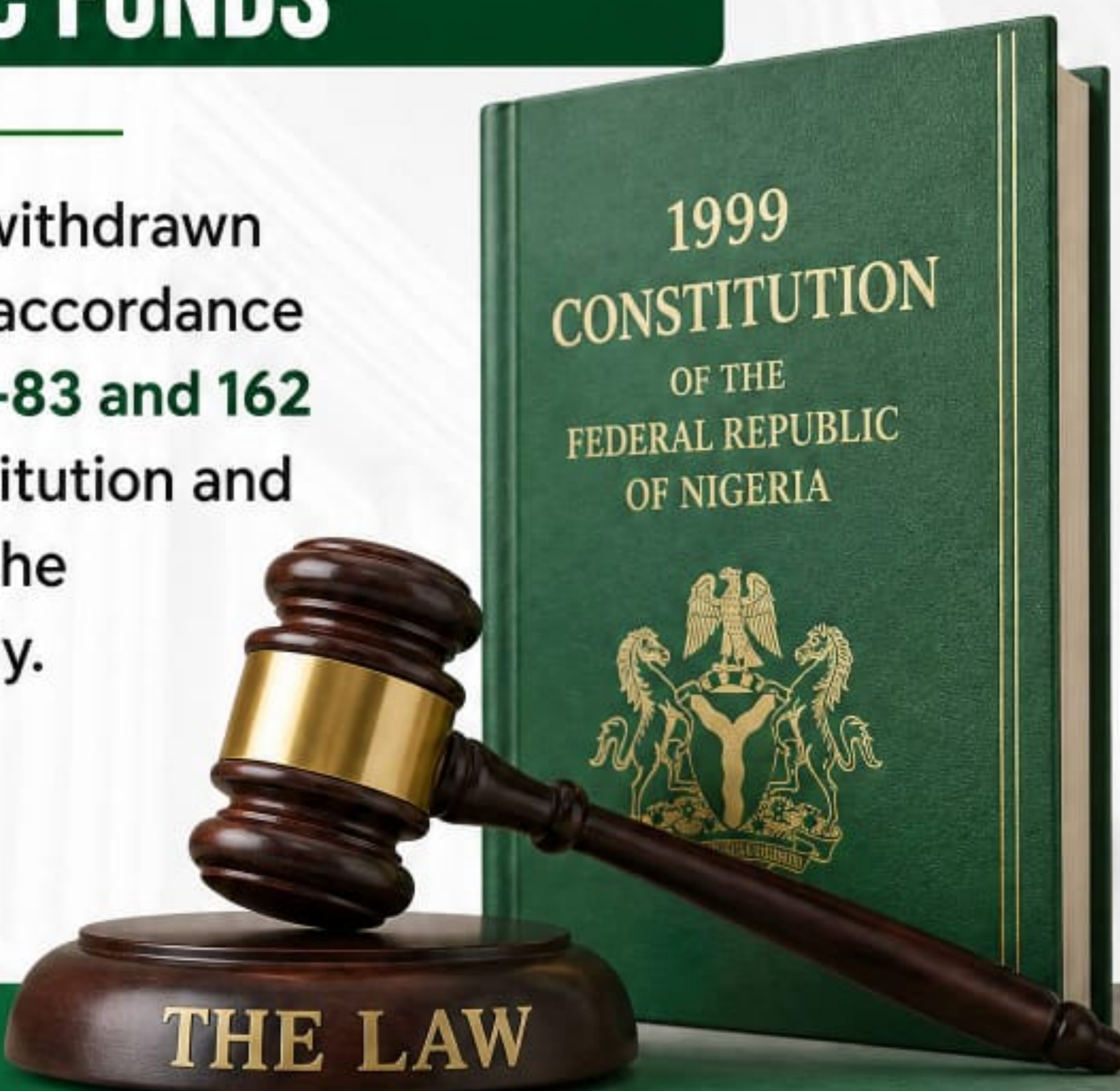
COMPREHENSIVENESS | TIMING | PRESENTATION | INTERNATIONAL STANDARDS

Transparent Reporting. Stronger Nigeria. | #StrongerTogether

UPHOLDING THE LAW:

CONSTITUTIONAL MANDATE FOR PUBLIC FUNDS

Public funds are withdrawn and expended in accordance with **Sections 80-83 and 162** of the 1999 Constitution and laws enacted by the National Assembly.



LEGAL AUTHORITY | PUBLIC TRUST | ACCOUNTABILITY & INTEGRITY

STRONGER INSTITUTIONS. GREATER IMPACT.

BUDGET DEFICIT:
NO INCREASE FROM LAWFUL FINANCING

The reported amount does not increase the fiscal deficit, which is determined by total government revenues and expenditures.

Financing methods for capital projects do not inherently impact the deficit.

**LAWFUL FINANCING SUPPORTS GROWTH.
IT DOES NOT INCREASE THE DEFICIT.**

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Prudent Management:
Federal Government's Fiscal Reforms

The Federal Government is committed to **prudent fiscal management, transparency, and accountability.**

Ongoing reforms have strengthened public financial management, acknowledged by the **IMF and other institutions.**

STRONGER ECONOMY | GREATER TRANSPARENCY | BETTER SERVICES FOR CITIZENS | SUSTAINABLE FUTURE

BUILDING TODAY FOR A PROSPEROUS TOMORROW

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Fact-Based Discourse:
Engaging in Public Debate

Public debate is essential but must be based on facts and an accurate understanding of Nigeria's constitutional and fiscal framework.

Mischaracterizing technical observations hinders informed discourse.

VERIFY INFORMATION | **UNDERSTAND THE CONTEXT** | **RESPECTFUL ENGAGEMENT** | **BETTER POLICIES, STRONGER NIGERIA**

LET'S BUILD A NIGERIA WHERE DIALOGUE IS INFORMED, RESPECTFUL, AND IMPACTFUL.

#FactsFirstNigeriaForward