

# NIGERIA

Extreme poverty in Nigeria has declined since the early 2000s but half of the population still lives on less than PPP\$1.90 a day (latest available estimates from 2013). Some 113 million people in Nigeria are among the poorest 20% of people in the world.

- In 2015, remittances accounted for two-thirds of all international financing, totalling US\$20.5 billion
- Almost half of government revenue in 2015 came from the oil sector, though levels fell in nominal terms by 40% from 2014
- IDA and the US accounted for half the ODA disbursed to Nigeria, 31% and 20% of the total respectively

## Overview

HOW MANY OF THE  
POOREST 20% OF  
PEOPLE GLOBALLY LIVE  
IN NIGERIA?

**113m**

WHAT RESOURCES  
ARE AVAILABLE?

Domestic public

**US\$38.6bn**

International

**US\$30.9bn**

HOW MUCH DOES THE  
GOVERNMENT SPEND  
PER PERSON?

**PPP\$704**

See Notes

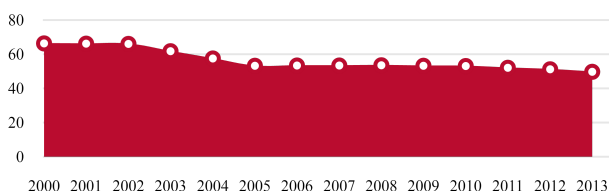
HOW DEEP IS  
POVERTY?

**20%**

Depth of poverty

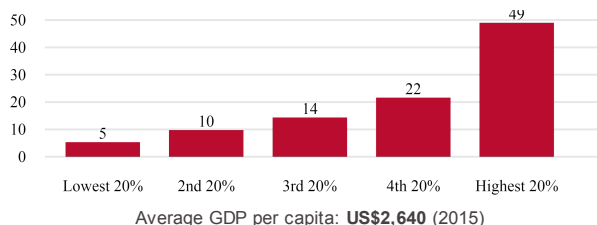
**Although rates have fallen slightly, half of the population still lives in extreme poverty**

% of population living on under \$1.90 per day



**The poorest 20% of the population has 5% of the income**

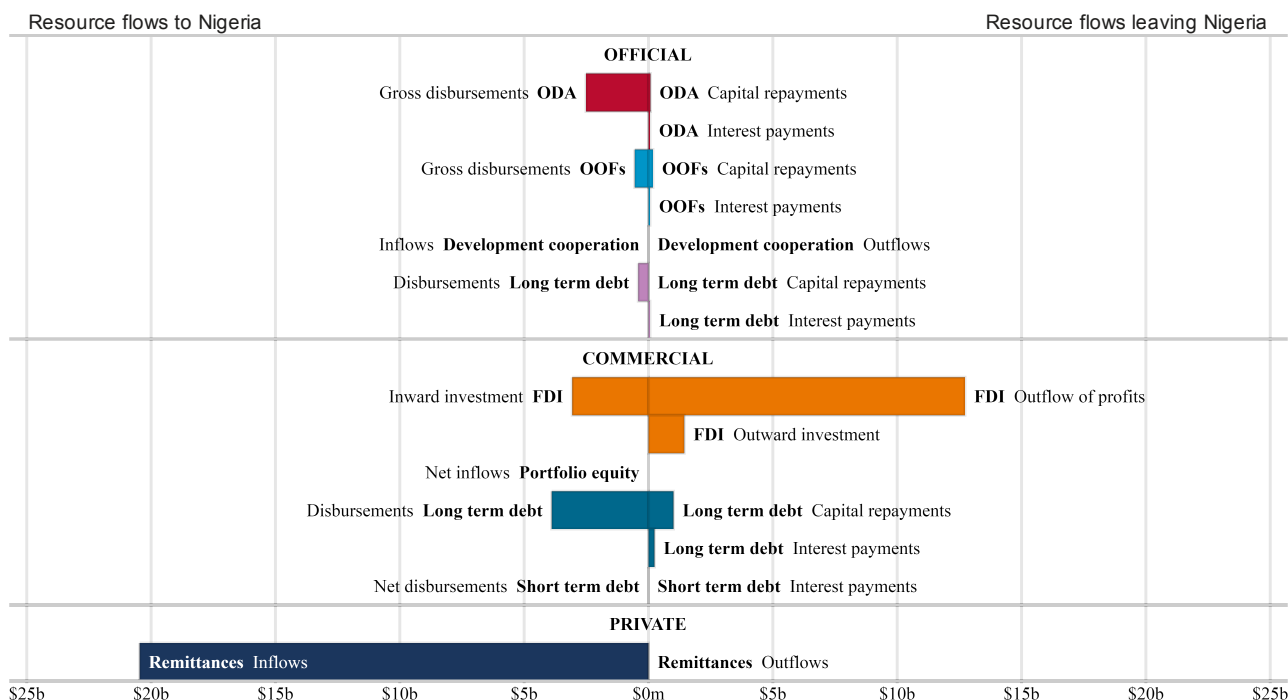
2009, share of income by quintile of population



## Resource flows to and from Nigeria

**While remittances dominated among inflows, profits on FDI were by far the largest outflow of resources**

2015, international resource inflows and outflows (US\$ billions, constant 2015 prices)



Notes: We define extreme poverty as measured using the 2011 PPP\$1.90 extreme poverty line. Purchasing power parity (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. PPPs are constructed by comparing the cost of a common basket of goods in different countries. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the PPP\$1.90 a day poverty line. Poverty data in the overview boxes is for the year 2013. 'Domestic public resources available' refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2015. Data on 'international resources available' also refers to the year 2015. Data on government spending per person is expressed in 2015 PPP\$, as estimated by the IMF, and refers to the year 2015 or most recent year prior. Acronyms: GDP: gross domestic product; FDI: foreign direct investment; IDA: International Development Association; IMF: International Monetary Fund; ODA: official development assistance.

## Government finance

Oil revenues accounted for half of all revenue collected, with no grant funding received. Domestic financing, particularly from domestic banks, plays an important role in the total resource bundle (14%). Government spending at state and local levels accounted for 43% of the total.

### Companies' income tax provides the largest share (26%) of non-oil revenue

2015, latest year of actual revenue (US\$ billions, constant 2015 prices)

Total Revenue And Grants 100% of total   US\$39bn	Revenue 100% of total   US\$39bn	Non-Oil Revenue 52% of total   US\$20bn	Value-Added Tax 10% of total   US\$4bn
			Import And Excise Duties 7% of total   US\$3bn
			Federal Government Independent Revenue 12% of total   US\$5bn
			Other 4% of total   US\$2bn
		Oil Revenue 48% of total   US\$18bn	Companies Income Tax 14% of total   US\$5bn

### The government is no longer using the Excess Crude Account (ECA) to finance the budget due to its low reserves

2015, latest year of actual financing (US\$ billions, constant 2015 prices)

Financing 100% of total   US\$18bn	Net External Finance 7% of total   US\$1bn	Loans 9% of total   US\$2bn
	Financing Gap 50% of total   US\$9bn	
	Net Domestic Finance 43% of total   US\$8bn	Bank Financing 43% of total   US\$8bn

### Spending on wages (51%) and interest payments (21%) makes up almost three-quarters of federal government recurrent expenditure

2015, latest year of actual expenditure (US\$ billions, constant 2015 prices)

Total Expenditure 100% of total   US\$57bn	Extrabudgetary Funds 8% of total   US\$5bn		
	Federal Government Exoenditure 49% of total   US\$28bn	Federal Government Capital Expenditure 8% of total   US\$5bn	Interest Payments 9% of total   US\$5bn
		Federal Government Recurrent Expenditure 44% of total   US\$25bn	Transfers 8% of total   US\$5bn
			Overhead Cost 2% of total   US\$1bn
			Personnel 22% of total   US\$13bn
	State And Local Government 43% of total   US\$24bn		

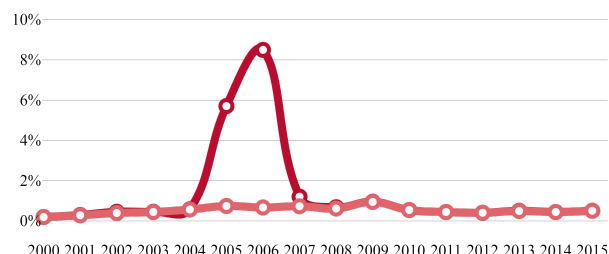
Notes: Year of data refers to the fiscal year 2015 running from January to December. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these, and those that are too small to read, please refer to the online country profile page on the Development Data Hub. For the specific source information see here: <https://github.com/devinit/digital-platform/blob/master/user-data/domestic/csv/domestic-sources.csv>

## ODA

With gross ODA inflows of over US\$2.5 billion in 2015, Nigeria is one of the 15 largest country recipients of ODA by volume. A large proportion of Nigeria's ODA is in the form of loans: around US\$1 billion in 2015. Most of these loans come from IDA, Nigeria's largest donor. Technical cooperation makes up 19% of Nigeria's ODA in 2015, while almost a quarter of aid to Nigeria is classified as 'mixed project aid' as the data is not detailed enough to separate cash grants from aid in kind. In 2015, US\$1.2 billion went to Nigeria's health sector, US\$393 million of this came from the US. Infrastructure (US\$280 million) and governance and security (US\$172 million) were the second and third largest sectors in 2015.

### Since decreasing by 42% in 2010, ODA as a percentage of GDP has remained constant

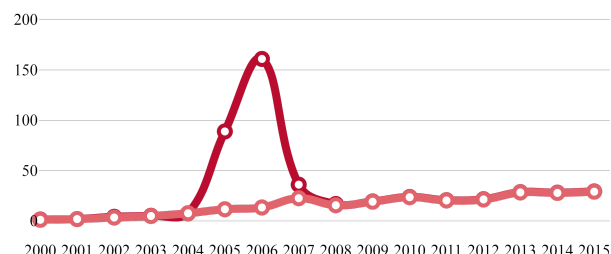
Gross ODA % of GDP



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

### ODA per poor person (excluding non-transferred) has been increasing steadily since 2000

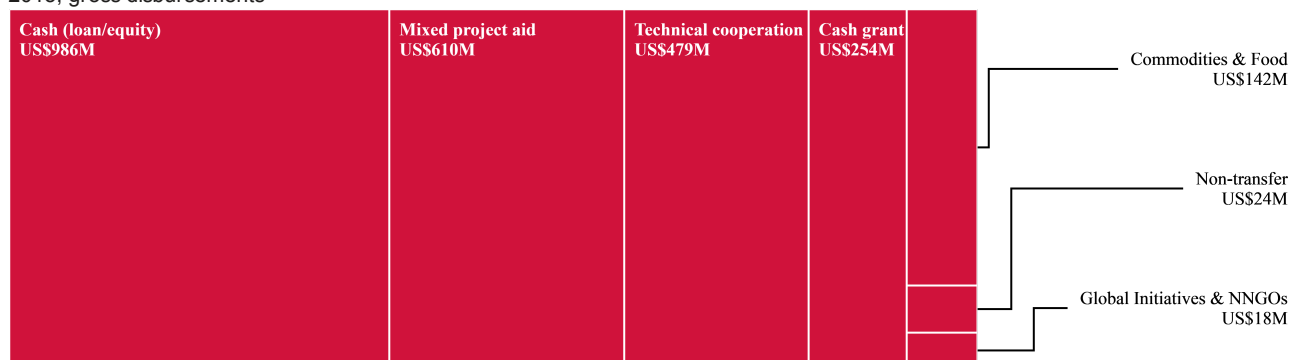
ODA per person living under \$1.90 a day



■ Total ODA per poor person ■ Total ODA (excl-non-transfer) per poor person

### Almost a fifth of ODA to Nigeria is in the form of technical cooperation; 39% is loans and equity

2015, gross disbursements

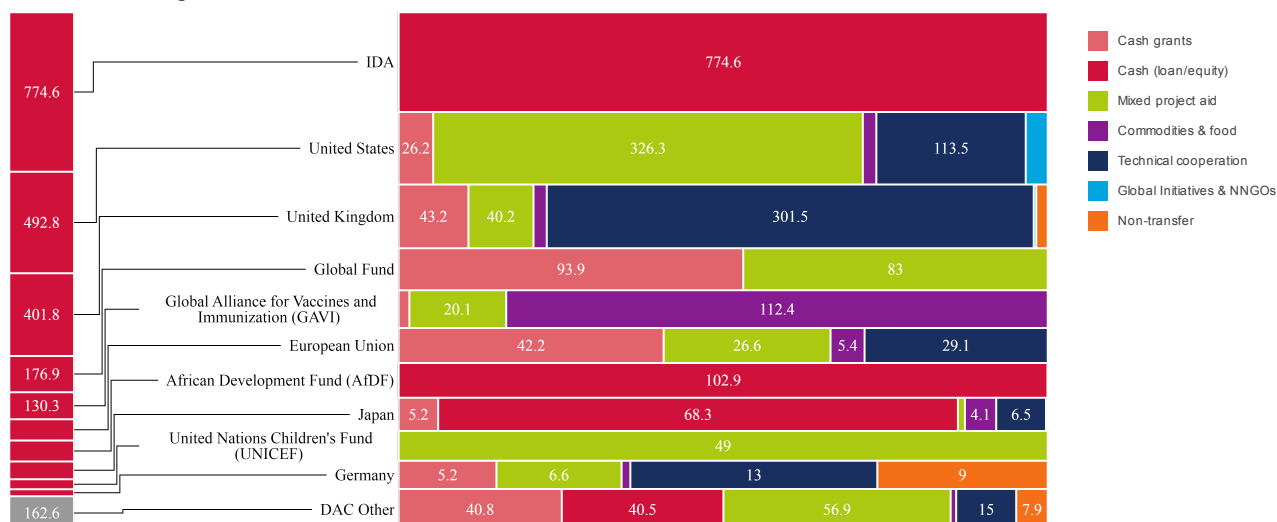


Note: NNGOs, Northern non-governmental organisations.

### IDA provides 100% of its aid as loans and equity; the UK provides 75% of its aid as technical cooperation

2015, US\$ millions, gross disbursements

Aid from the ten largest donors



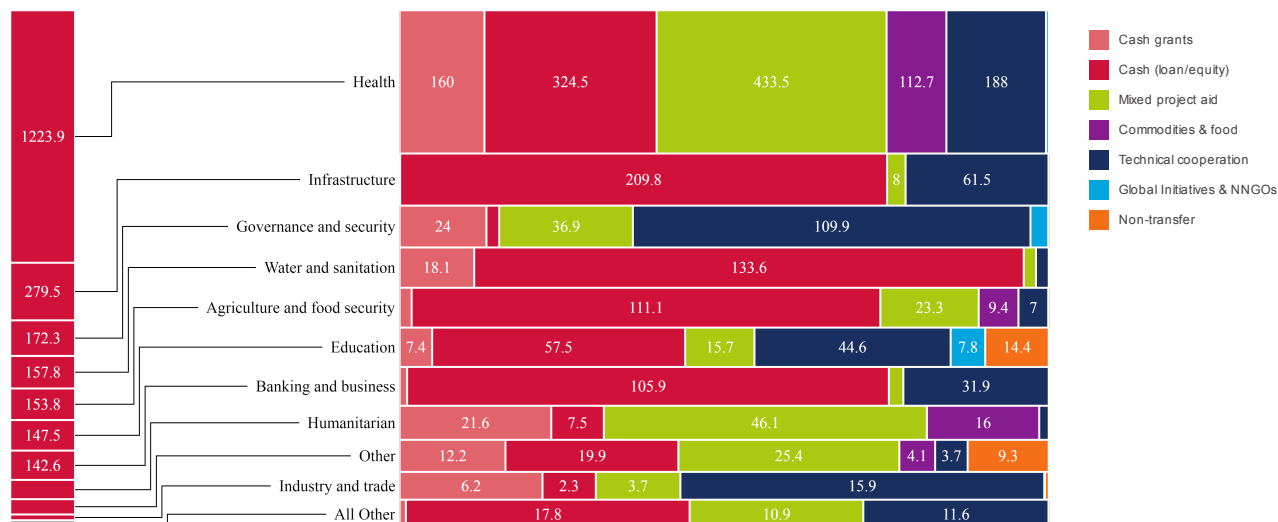
Note: ODA is equivalent to 0.48% of GDP in all developing countries and 2.8% in sub-Saharan Africa in 2015. ODA per capita is equivalent to US\$44 in sub-Saharan Africa. Acronyms: NNGOs: northern non-governmental organisations.

## What is aid spent on?

### Almost two-thirds of governance and security aid is delivered in the form of technical cooperation

2015, US\$ millions, gross disbursements

Total aid by sector



### Almost half of all ODA to Nigeria goes to the health sector (US\$1.2 million), with the US providing 32%

2015, gross ODA, % of total (US\$ millions disbursements in columns)



Notes: Data is from the OECD Development Assistance Committee (ODA and other official flows data), the World Bank (long-term debt, remittances, gross national income (GNI) and poverty), the United Nations Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure). Other official flows (OOFs) are typically loans that are either not sufficiently concessional to count as ODA, or are mainly in support of commercial objectives, such as donor exports. All data in US\$ is in 2015 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. The Nigerian Excess Crude Account and Sovereign Wealth Fund hold excess oil revenue and function to guard against economic shocks. Acronyms: OECD: Organisation for Economic Co-operation and Development.