



# 2022 National Budget

Issue No. 10.2 | October 2022



## Highlights: Federal Government of Nigeria Budget proposals for 2022 fiscal year

His Excellency, the President of the Federal Republic of Nigeria, Muhammadu Buhari, GCFR, yesterday 7 October 2021, presented the 2022 Federal Government Budget Proposal at the joint session of the National Assembly in Abuja. The proposed Revenue and Expenditure budgets for 2022 are **₦10.13 trillion** and **₦16.39 trillion**, respectively, resulting in **₦6.26 trillion** fiscal deficit.

Below are the key assumptions behind the budget and movements in the proposed fiscal parameters between the approved 2021 and 2022 Budgets:

Budget Assumption/ Fiscal Parameter	2021 Approved Budget	2021 Supplementary Budget	2021 Total	2022 Proposed Budget	Percentage change
Benchmark oil price	US\$40 per barrel	N/A	US\$40 per barrel	US\$57 per barrel	43%
Oil production volume (bpd)	1.86 million	N/A	1.86 million	1.88 million	1%

Inflation Rate (%)	11.95%	N/A	11.95%	13%	9%
Average exchange rate	₦379/ US\$1	N/A	₦379/ US\$1	₦410.15/ US\$1	8%
GDP growth rate (%)	3%	N/A	3%	4.2%	40%
Capital expenditure	₦4.12 trillion	₦0.86 trillion	₦4.98 trillion	₦4.89 trillion	-2%
Statutory transfer	₦496.53 billion	NIL	₦496.53 billion	₦768.28 billion	54%
Debt service	₦3.12 trillion	NIL	₦3.12 trillion	₦3.61 trillion	16%
Recurrent expenditure (non-debt)	₦5.64 trillion	₦0.12 trillion	₦5.76 trillion	₦6.83 trillion	19%
Total revenue	₦7.99 trillion	₦0.14 trillion	₦8.13 trillion	₦10.13 trillion	25%
Total expenditure	₦13.59 trillion	₦0.98 trillion	₦14.57 trillion	₦16.39 trillion	12%
Fiscal deficit	₦5.6 trillion	₦0.85 trillion	₦6.45 trillion	₦6.26 trillion	-3%

Source: Ministry of Budget and National Planning; 2022 Appropriation Act

The 2022 Budget, which has been themed the **“Budget of Economic Growth and Sustainability”**, is designed to achieve the following objectives:

- a) Diversification of the economy, with robust growth of Micro, Small and Medium Enterprises;
- b) Investment in critical infrastructure;
- c) Strengthening security and ensuring good governance;
- d) Enabling a vibrant, educated and healthy populace;
- e) Reducing poverty; and
- f) Minimizing regional, economic and social disparities.

The President used the opportunity of the 2022 Budget presentation to announce the preparation of the Finance Bill, 2022 by the Honourable Minister of Finance, Budget and National Planning for passage along with the 2022 Appropriation Bill.

We will publish our 2022 Budget Newsletter after the Honourable Minister of Finance, Budget and National Planning submits the approved detailed budget.

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