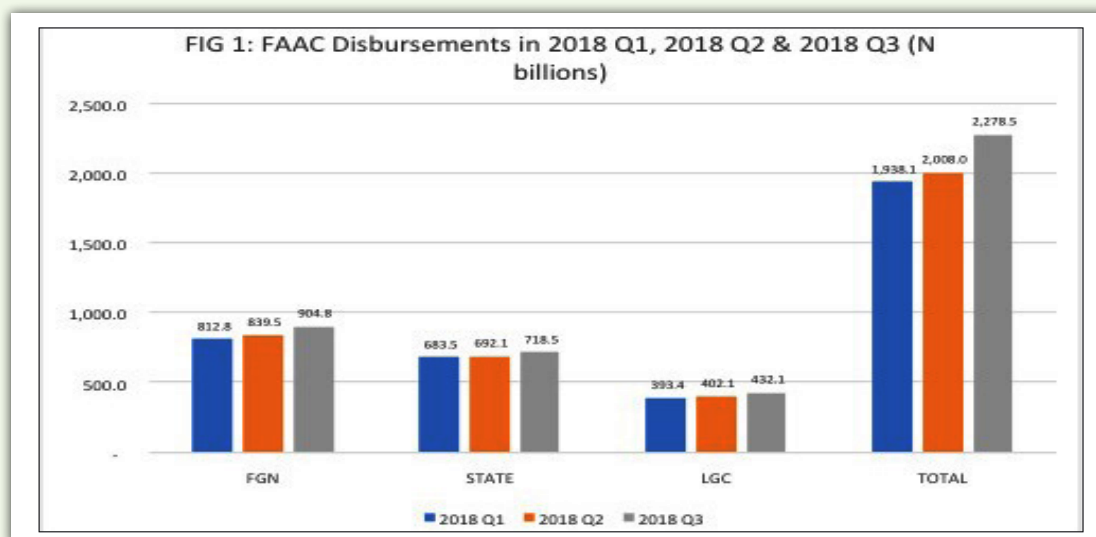


# Analysis of FAAC Disbursements for Q3 of 2018

The trend of increasing revenues to the Federation witnessed since the beginning of the year continued in the third quarter of 2018. Total FAAC disbursements in Q3 of 2018 were N2.278 trillion. The last time total disbursements exceeded this amount was in the second quarter of 2014 (N2.510 trillion). The amount disbursed in the third quarter of 2018 also made it two consecutive quarters in which disbursements have exceeded N2 trillion since the third quarter of 2014. The amount disbursed in the third quarter of 2018 also made it the fourth consecutive quarter in which FAAC disbursements have increased. As noted in the last issue of this review, these increases are grounds for cautious optimism for further improvements in the fiscal positions of all tiers of government. This review conducts an analysis of FAAC disbursements in the third quarter of 2018<sup>1</sup>.

## Total FAAC Disbursements in 2018 Q3 were 17.6% Higher than in 2018 Q1 and 13.5% Higher than in 2018 Q2<sup>2</sup>

Total FAAC disbursements in the third quarter of 2018 amounted to N2.278 trillion. This was 17.6% higher than the N1.938 trillion disbursed in the first quarter of 2018, and 13.5% higher than N2.008 trillion disbursed in the second quarter of 2018. Figure 1 presents the breakdown of the figures amongst the three tiers of government. The Federal Government (FGN) received the highest disbursement of N904.8 billion. This was followed by states, which received N718.5 billion. Local governments (LGCs) received the lowest disbursements with N432.1 billion. For the FGN, the amount received in the third quarter was 11.3% and 7.8% higher than the amounts received in the first (N812.8 billion) and second (N839.5 billion) quarters of 2018 respectively. The amount disbursed to states



Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

<sup>1</sup> This review focuses on months of disbursement rather than months of allocation. The FAAC allocations for any specific month are disbursed in the immediate succeeding month. However, since the allocations are not actually available for spending until they are disbursed in the next month, it is more important to analyse disbursement of funds. It is these disbursed funds that are available to the different tiers of government for expenditure in any month, rather than allocations for that month.

<sup>2</sup> Total FAAC disbursements comprise of gross disbursements to FGN, States, LGCs, 13% Derivation, Cost of Collection -NCS, Transfer to Excess PPT, Cost of Collection - FIRS, Cost of Collection - DPR, NCS/FIRS Refund

### HIGHLIGHTS

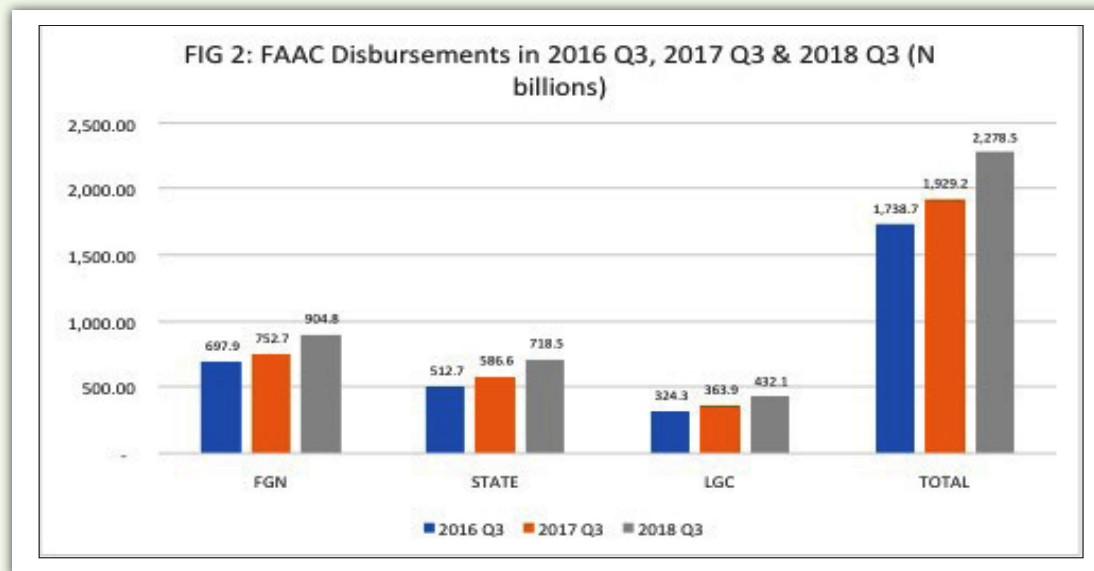
- Total FAAC disbursements in 2018 Q3 (N2.278 trillion) were 17.6% higher than in 2018 Q1 (N1.938 trillion) and 13.5% higher than in 2018 Q2 (N2.008 trillion);
- Total FAAC disbursements in 2018 Q3 (N2.278 trillion) were 31.1% higher than in 2016 Q3 (N1.738 trillion) and 18.1% higher than in 2017 Q3 (N1.929 trillion);
- Total FAAC disbursements in 2018 Q3 were the highest since 2014 Q2;
- Total net FAAC disbursements to states in the first nine months of 2018 ranged between N16.41 billion and N150.59 billion;
- Average monthly net disbursements to states in the first nine months of 2018 ranged between N1.82 billion and N16.73 billion.
- From January to September, the total deductions for states ranged between N1.12b (Yobe) to N26.84b (Lagos)
- Despite increase in disbursements, all states will struggle to finance their budgets for 2018

represented an increase of 5.1% over the N683.5 billion disbursed in the first quarter, and an increase of 3.8% over the N692.1 billion disbursed in the second quarter. For LGCs, the amount received was 9.8% and 7.5% higher than the respective amounts of N393.4 billion and N402.1 billion received in the first and second quarters.

## Total FAAC Disbursements in 2018 Q3 were 31.1% Higher than in 2016 Q3 and 18.1% Higher than in 2017 Q3

The figures for the FAAC disbursements on a year-on-year basis reveal higher increments than seen on the quarter-on-quarter basis. Figure 2 presents the disbursement figures for the third quarters of the years 2016 to 2018. Total FAAC disbursements in the third quarter of 2018 were 31.1% higher than total disbursements in the third quarter of 2016 (N1.738 trillion) and 18.1% higher than total disbursements in the third quarter of 2017 (N1.929 trillion). The figure reveals that the increase in disbursements were highest for states while they were lowest for the FGN. Total disbursements to states in the third quarter of 2018 came to N718.5 billion. This represents growth of 40.1% and 22.5% over disbursements in the third quarters of 2016 (N512.7 billion) and 2017 (N586.6 billion) respectively. For the LGCs, disbursements in 2018 Q3 totaled N432.1 billion. This figure was 33.2% higher than the N324.3 billion disbursed in 2016 Q3, and 18.7% higher than the N363.9 billion disbursed in 2017 Q3. Total disbursements to the FGN in the third quarters of 2016, 2017 and 2018 were respectively, N697.9 billion, N752.7 billion, and N904.8 billion. This indicates that in 2018 Q3, the FGN received 29.7% higher disbursements than 2016 Q3, and 20.2% higher disbursements than 2017 Q3.

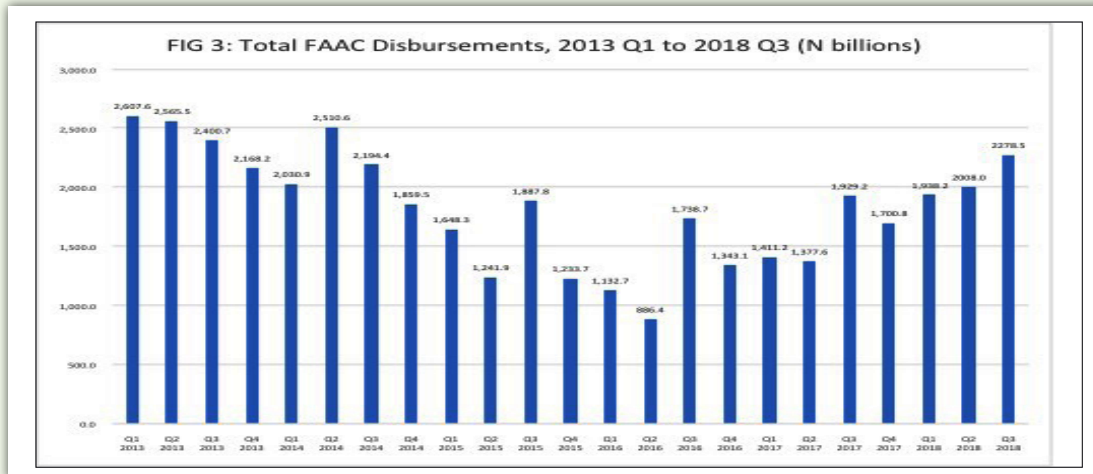
*"Total disbursements to the FGN in the third quarters of 2016, 2017 and 2018 were respectively, N697.9 billion, N752.7 billion, and N904.8 billion. This indicates that in 2018 Q3, the FGN received 29.7% higher disbursements than 2016 Q3, and 20.2% higher disbursements than 2017 Q3"*



Source: Energy Information Administration

## Total FAAC Disbursements in 2018 Q3 were the Highest since 2014 Q2

The total disbursement in 2018 Q3 exceeded N2 trillion. This is the second time since 2014 Q3 that the total amount disbursed has exceeded N2 trillion. The only other time was in 2018 Q2. Figure 3 presents total quarterly disbursements since 2013 Q1 and it is seen that the disbursements in 2018 Q3 continued the upward trend observed since 2017 Q4. Between 2017 Q4 and 2018 Q1, total disbursements increased by 13.9%. Between 2018 Q1 and 2018 Q2, total disbursements increased by 3.6%. Between 2018 Q2 and 2018 Q3, total disbursements increased by 13.5%. These increases suggest revenues for the Federation might be gradually rising towards their levels before the global oil price collapse.



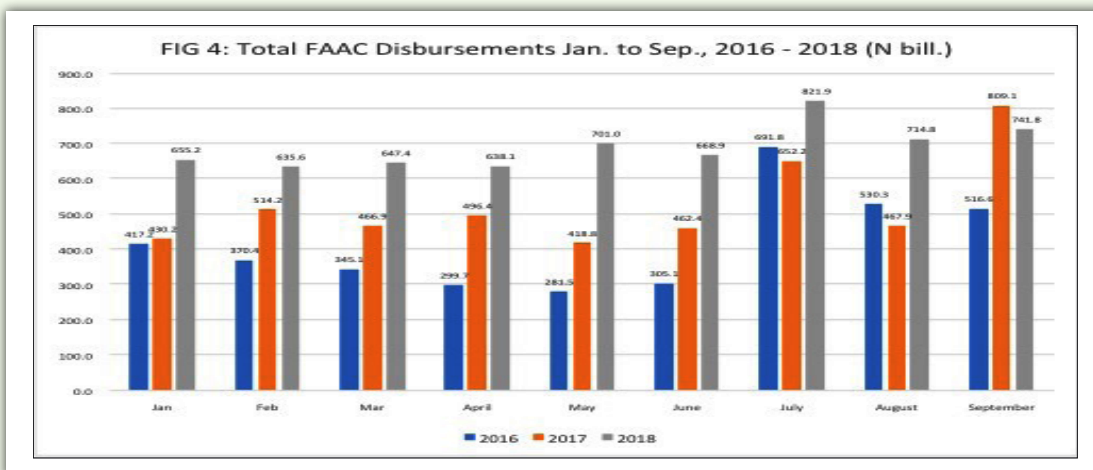
Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

## Total FAAC Disbursements in Three Quarters of 2018 were Highest in July and Lowest in February

Figure 4 presents total disbursements for the first nine months of the years 2016 to 2018. The figure shows substantial increases in disbursements in 2018 as opposed to disbursements in 2016 and 2018. Total disbursements in 2018 were higher for all corresponding months in 2016 and 2018, with the exception of September. From January to September 2018, disbursements were highest in July (N821.9 billion) and lowest in February (N635.6 billion). The difference in disbursements between the highest and lowest receiving months is N186.3 billion. It is interesting that with the exception of July, the lowest amount disbursed so far in 2018 is higher than disbursements in all other months in 2016 and 2017. This shows the extent to which disbursements have increased in 2018.

The figure reveals a recurring feature of disbursements in the Nigerian Federation of upswings and downswings of disbursements in successive months. As noted in previous reviews, such pattern is reflective of the volatile nature of revenue as a result of reliance on primary commodity exports.

*"Total disbursements in 2018 were higher for all corresponding months in 2016 and 2018, with the exception of September. From January to September 2018, disbursements were highest in July (N821.9 billion) and lowest in February (N635.6 billion)"*

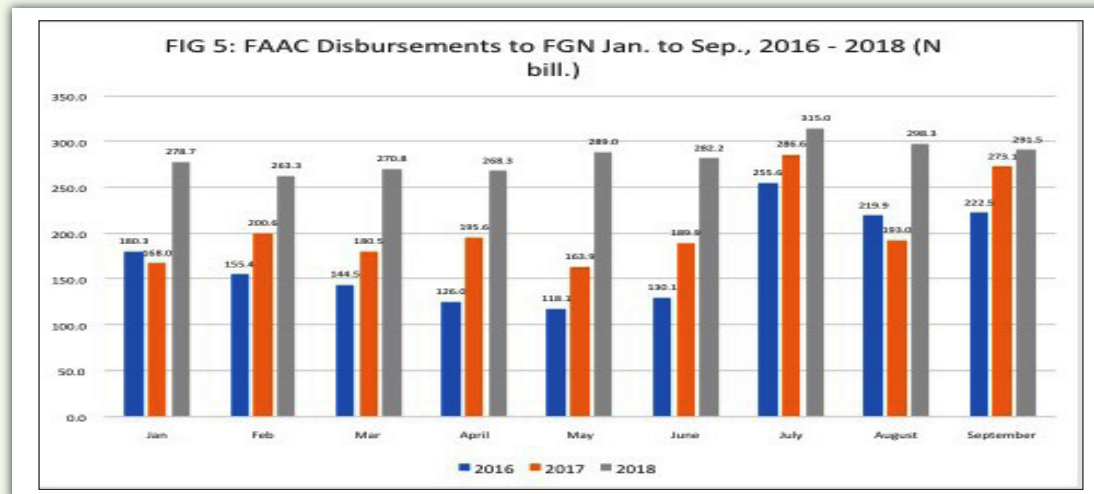


Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

## FAAC Disbursements to the Federal Government in 2018 were Highest in July and Lowest in February

Figure 5 presents disbursements to the FGN from January to September for the years 2016 to 2018. The FGN received the highest disbursement in July (N315 billion) and the lowest in February (N263.3 billion). This indicates a difference of N51.7 billion. Figure 5 also shows the surge in disbursements in 2018 compared to 2016 and 2017. With the exception of July and September, disbursements in 2018 substantially increased over the figures for 2016 and 2017. For three months – April, May and June - disbursements in 2018 increased by more than 100% of the 2016 figures. This is quite significant. Simply put, this indicates that between April and June of 2018, the FGN received more than double the revenue it had for corresponding months in 2016. If this continues, it would reflect positively on the fiscal situation of the FGN.

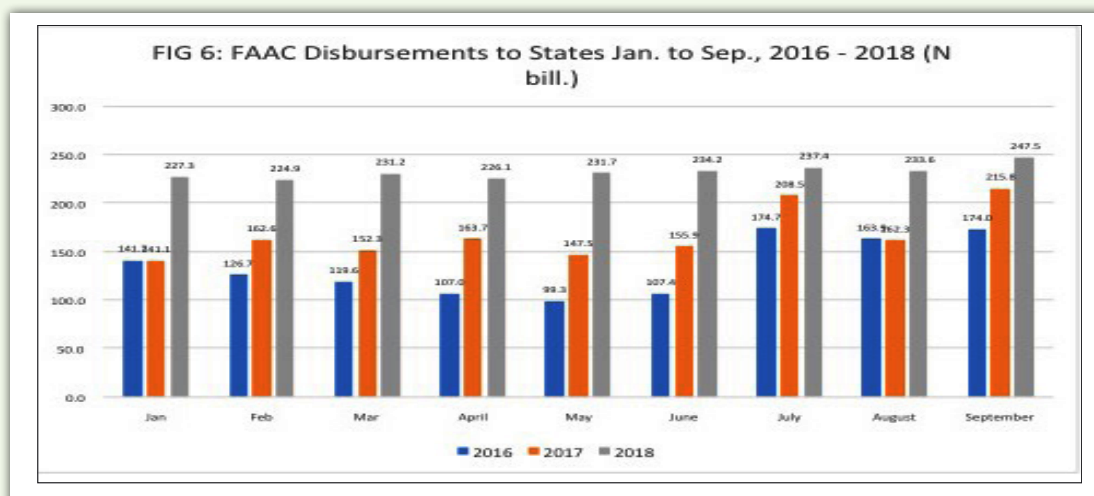
*For three months – April, May and June - disbursements in 2018 increased by more than 100% of the 2016 figures."*



Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

## FAAC Disbursements to State Governments in 2018 were Highest in September and Lowest in February

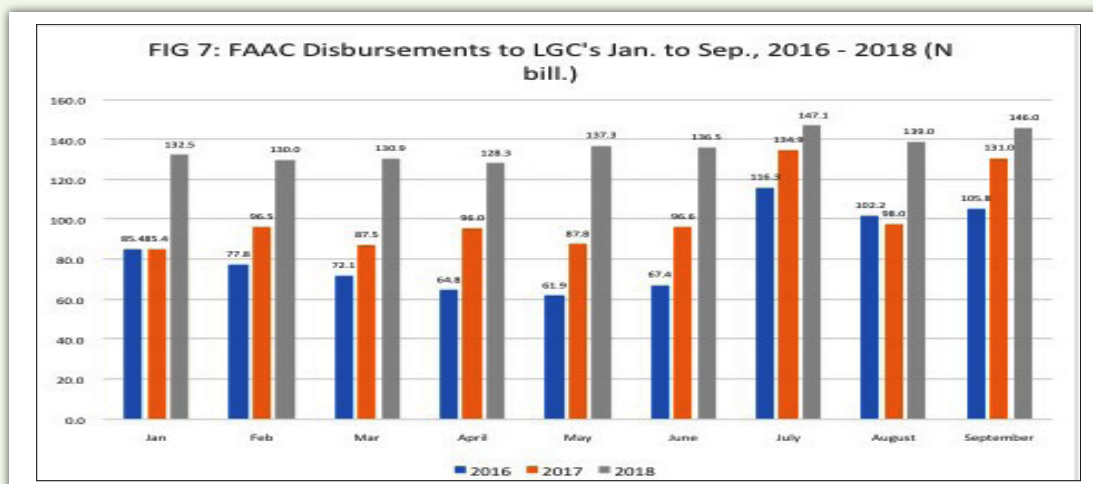
Figure 6 presents disbursements to states from January to September for the years 2016 to 2018. For 2018, disbursements were highest in September (N247.5 billion) and lowest in February (N224.9 billion). The difference between the amounts disbursed in the highest and lowest months is N22.6 billion. Similar to earlier observations about total and FGN disbursements, disbursements to states in 2018 have risen sharply over disbursements in 2016 and 2017. Disbursements to states in 2018 were more than double the disbursements in 2016 for three months – April, May and June. Again, this bodes well for states' finances which have been in dire straits since the collapse in oil prices in late 2014.



Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

## FAAC Disbursements to Local Governments in 2018 were Highest in July and Lowest in April

Disbursements to LGCs were highest in July (N147.1 billion) and lowest in April (N128.3 billion), representing a difference of N18.8 billion. Figure 7 shows a big increase in disbursements in 2018. In addition, Figure 7 reveals the oscillating nature of revenue with the rise and fall in disbursements in successive months. As noticed for the other tiers of government, disbursements to LGCs in May and June 2018 were respectively 121.7% and 102.6% of the 2016 figures.



Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

## Total Net FAAC Disbursements to States in the First Nine Months of 2018 Ranged between N16.41 billion and N150.59 billion

In the first nine months of 2018, net disbursements to states ranged between N16.41 billion and N150.59 billion. Osun State received the lowest amount of N16.41 billion while Delta State received the highest disbursement of N150.59 billion. Figure 8 presents total net disbursements to states from January to September 2018 and some interesting patterns can be observed.

The states can be classified into four broad categories. The first category comprises states with net disbursements below N20 billion (only Osun). The second category, under which most states fall, comprises states with net disbursements between N20 billion and N45 billion (Cross River, Ekiti, Ogun, Zamfara, Gombe, Plateau, Kwara, Ebonyi, Nasarawa, Taraba, Adamawa, Yobe, Enugu, Kogi, Bauchi, Imo, Sokoto, Kebbi, Abia, Anambra, Benue, Niger, Oyo, Jigawa, and Katsina). The third category comprises states that received between N46 billion and N90 billion (Borno, Ondo, Edo, Kaduna, Kano and Lagos). The final category comprises states that received above N100 billion (Bayelsa, Rivers, Akwa Ibom and Delta). States that received above N100 billion are all in the Niger Delta region, largely on account of 13% derivation.

Figure 8 also presents deductions for the states from January to September. The highest deduction of N26.84 billion was recorded for Lagos State while the lowest deduction of N1.12 billion was for Yobe State. Four broad categories can also be identified for the deductions. Fifteen states had deductions below N5 billion (Yobe, Adamawa, Jigawa, Nasarawa, Enugu, Kebbi, Borno, Kaduna, Ebonyi, Kwara, Taraba, Abia, Adamawa, Kano and Benue). Eleven states had deductions between N5 billion and N10 billion (Sokoto, Edo, Kogi, Niger, Ondo, Oyo, Katsina, Gombe, Imo, Ekiti, and Bauchi). Seven states had deductions between N10.01 billion and N15 billion (Plateau, Akwa Ibom, Ogun, Rivers, Zamfara, Cross River, Bayelsa). Finally, three states had deductions above N20 billion (Delta, Osun, and Lagos).

Comparing the states with the highest and lowest net disbursements, there is an 817.6 percentage difference between net disbursements to Delta and Osun States in the first nine months of 2018.

*"Figure 8 also presents deductions for the states from January to September. The highest deduction of N26.84 billion was recorded for Lagos State while the lowest deduction of N1.12 billion was for Yobe State.*

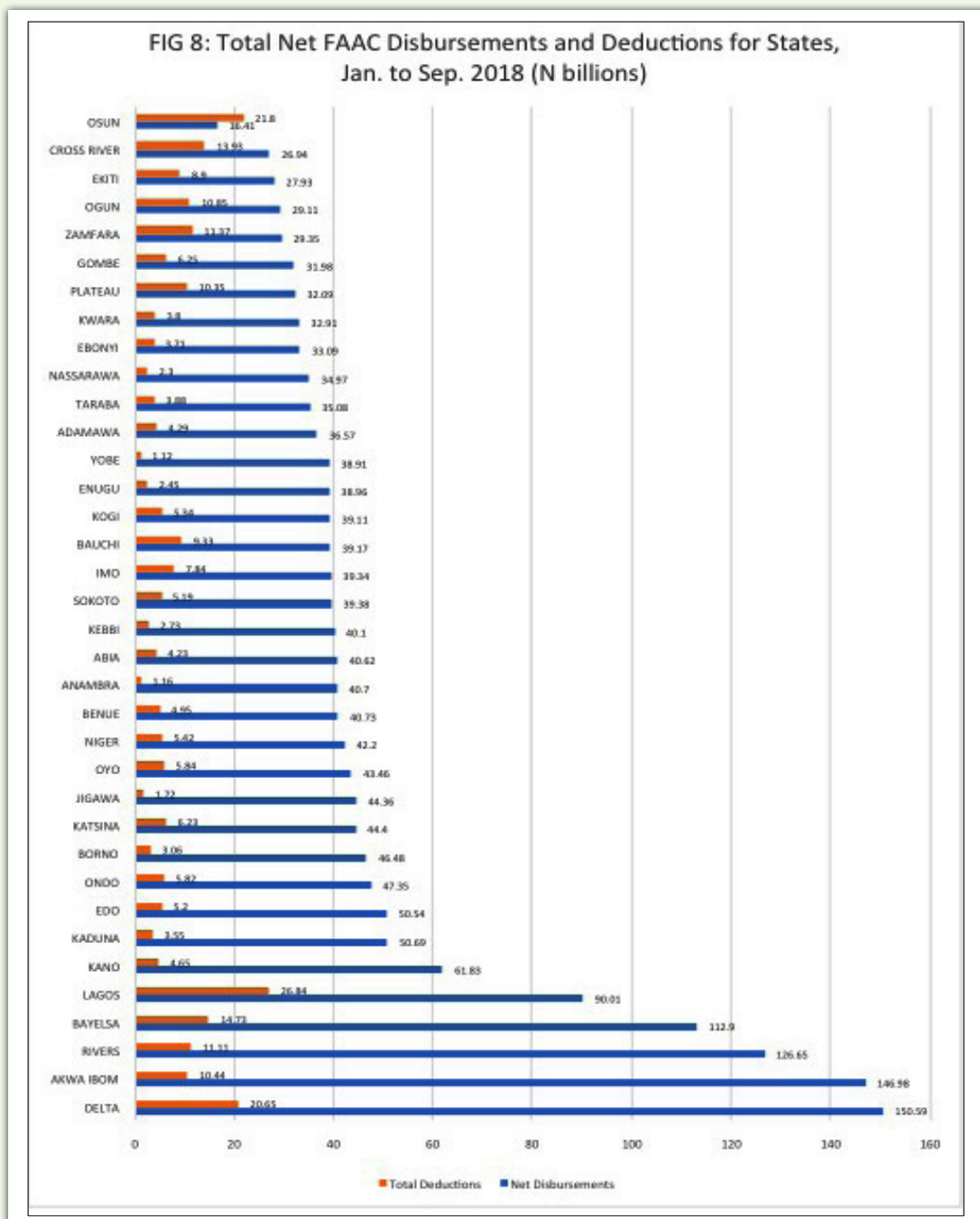
<sup>3</sup> The deductions consist of external debt, contractual obligation (ISPO), and other deductions. Other deductions cover National Water Rehabilitation Projects, National Agricultural Technology Support Programme, Salary Bailout, Payment for Fertilizer, State Water Supply Project, State Agricultural Project and National Fadama Project



This illustrates the gap in revenue available to different states. This gap could be partially attributed to the value of deductions from states' allocations. There is a 2,296 percentage difference between deductions for the highest (Lagos) and lowest (Yobe) states.

Table 1 presents net disbursements and total deductions for states from January to September 2018. The state with the lowest ratio of deductions to net disbursements was Anambra State with 2.85%. Osun State had the highest ratio of deductions to net disbursements with 132.85%. This implies that the deductions exceeded actual disbursements for Osun State. It can also be observed from the table that for most states, deductions actually constituted a low percentage of net disbursements. Eleven states (Anambra, Yobe, Jigawa, Enugu, Borno, Nasarawa, Kebbi, Kaduna, Akwa Ibom, Kano, Rivers) had the percentage of deductions to net disbursements below 10%. In 18 states (Edo, Abia, Taraba, Ebonyi, Kwara, Adamawa, Benue, Ondo, Niger, Bayelsa, Sokoto, Oyo, Kogi, Delta, Katsina, Gombe, Imo), the percentage of deductions to net disbursements was between 10% and 20%. Six states (Bauchi, Lagos, Ekiti, Plateau, Ogun, Zamfara) had this percentage lying between 21% and 40%. One state (Cross River) had this percentage at 51% and one state (Osun) had this percentage above 100%.

*"The state with the lowest ratio of deductions to net disbursements was Anambra State with 2.85%. Osun State had the highest ratio of deductions to net disbursements with 132.85%."*



Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

**Table 1: Net Disbursements and Total Deductions for States January to September 2018**

States	Net Disbursements (N billions)	Total Deductions (N billions)	Total Deductions as a % of Net Disbursements
ABIA	40.62	4.23	10.41
ADAMAWA	36.57	4.29	11.73
AKWA IBOM	146.98	10.44	7.10
ANAMBRA	40.7	1.16	2.85
BAUCHI	39.17	9.33	23.82
BAYELSA	112.9	14.73	13.05
BENUE	40.73	4.95	12.15
BORNO	46.48	3.06	6.58
CROSS RIVER	26.94	13.93	51.71
DELTA	150.59	20.65	13.71
EBONYI	33.09	3.71	11.21
EDO	50.54	5.2	10.29
EKITI	27.93	8.9	31.87
ENUGU	38.96	2.45	6.29
GOMBE	31.98	6.25	19.54
IMO	39.34	7.84	19.93
JIGAWA	44.36	1.72	3.88
KADUNA	50.69	3.55	7.00
KANO	61.83	4.65	7.52
KATSINA	44.4	6.23	14.03
KEBBI	40.1	2.73	6.81
KOGI	39.11	5.34	13.65
KWARA	32.91	3.8	11.55
LAGOS	90.01	26.84	29.82
NASSARAWA	34.97	2.3	6.58
NIGER	42.2	5.42	12.84
OGUN	29.11	10.85	37.27
ONDO	47.35	5.82	12.29
OSUN	16.41	21.8	132.85
OYO	43.46	5.84	13.44
PLATEAU	32.09	10.35	32.25
RIVERS	126.65	11.11	8.77
SOKOTO	39.38	5.19	13.18
TARABA	35.08	3.88	11.06
YOBE	38.91	1.12	2.88
ZAMFARA	29.35	11.37	38.74

Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

## Average Monthly Net Disbursements to States in the First Nine Months of 2018 Ranged between N1.82 billion and N16.73 billion

Table 2 presents monthly net disbursements to states while Figure 9 presents average monthly net disbursements. The monthly averages follow the pattern observed in Figure 8. Osun State had the lowest monthly net disbursement of N1.82 billion while Delta State had the largest monthly net disbursement with N16.73 billion. Most states (25 states) received net disbursements ranging between N2 billion and N4.99 billion. Five states (Borno, Ondo, Edo, Kaduna, Kano) received net disbursements in the range N5 billion to N9.99 billion. Five states received net disbursements above N10 billion (Lagos, Bayelsa, Rivers, Alwa Ibom and Delta).

A comparison of the states with the lowest and highest net disbursements shows a stark disparity in disbursements received by states. We can find nine times the average monthly net disbursement of N1.82 billion received by Osun State in the average monthly net disbursement of Delta State (N16.73 billion). Put differently, the net disbursement received by Delta State in January could have catered for the total net disbursements to Osun State from January to September.

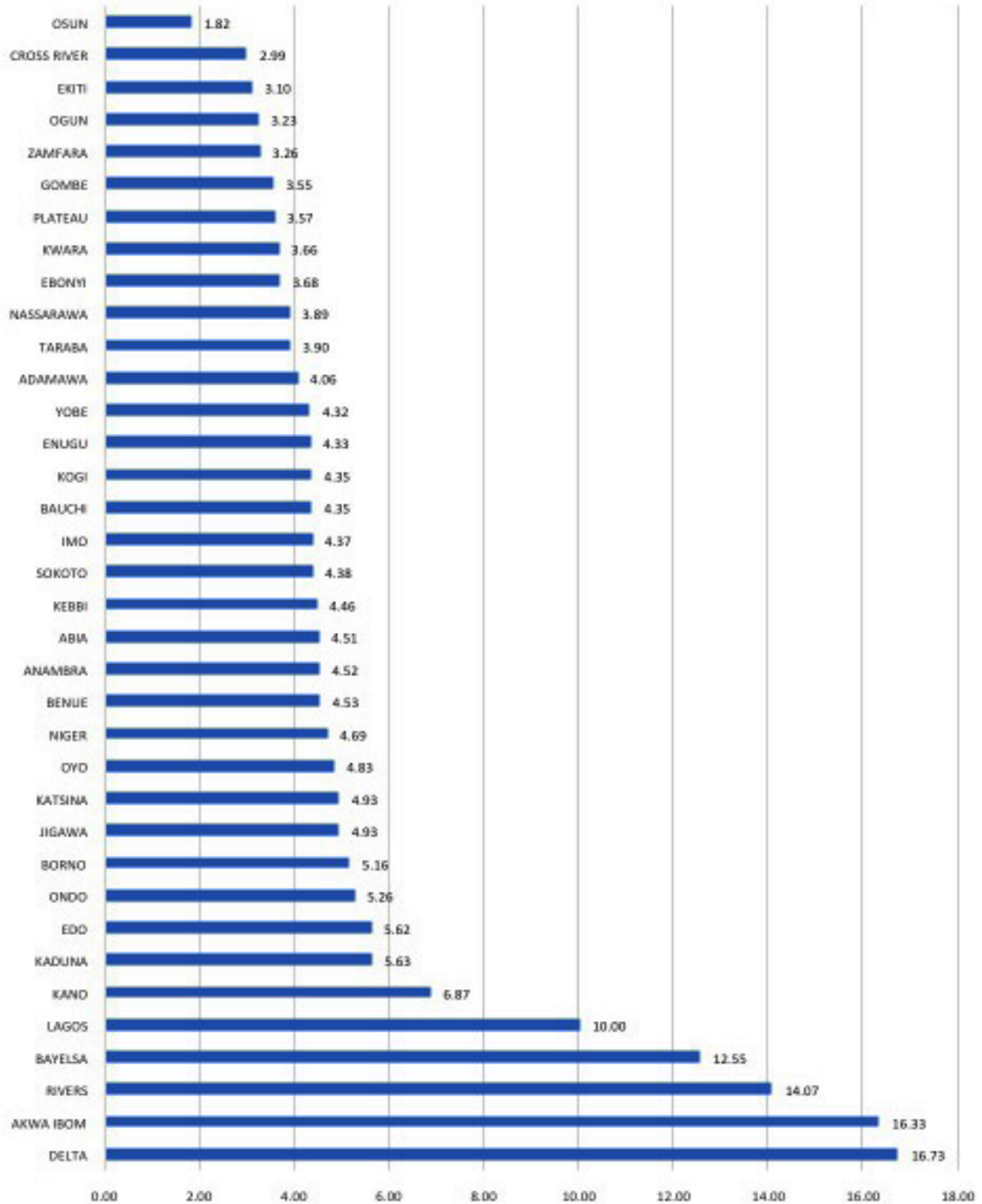
*"Osun State had the lowest monthly net disbursement of N1.82 billion while Delta State had the largest monthly net disbursement with N16.73 billion. Most states (25 states) received net disbursements ranging between N2 billion and N4.99 billion."*

**Table 2: State Budgets and Net Disbursements in 2017 and H1 2018**

States	January	February	March	April	May	June	July	August	September	Average
Abia	4.36	4.32	4.41	4.3	4.55	4.51	4.71	4.6	4.85	4.51
Adamawa	4.06	3.86	3.91	3.77	4.09	4.04	4.41	4.13	4.31	4.06
Akwa Ibom	16.56	16.34	17.98	17.22	15.24	16.86	14.01	15.65	17.12	16.33
Anambra	4.37	4.34	4.38	4.26	4.56	4.52	4.86	4.6	4.82	4.52
Bauchi	4.52	4.3	4.22	4.21	4.27	4.08	4.99	4.19	4.4	4.35
Bayelsa	12.6	12.63	13.67	13.22	12.35	12.67	11.02	12	12.75	12.55
Benue	4.39	4.28	4.31	4.22	4.56	4.54	4.94	4.64	4.85	4.53
Borno	5.02	4.87	4.93	4.84	5.21	5.16	5.63	5.3	5.5	5.16
Cross River	2.87	2.75	2.79	2.73	3.02	2.97	3.36	3.13	3.31	2.99
Delta	16.3	15.97	17.17	17.4	17.02	17.33	15.1	16.46	17.84	16.73
Ebonyi	3.63	3.53	3.58	3.53	3.77	3.57	3.91	3.69	3.89	3.68
Edo	5.08	5.49	5.3	5.77	5.63	5.62	5.91	5.64	6.11	5.62
Ekiti	3	2.86	2.95	2.87	3.1	3.14	3.46	3.16	3.39	3.10
Enugu	4.06	4.08	4.14	4.07	4.37	4.34	4.71	4.45	4.74	4.33
Gombe	3.46	3.33	3.38	3.3	3.62	3.55	3.9	3.64	3.81	3.55
Imo	4.14	4.27	4.31	3.94	4.32	4.4	4.66	4.5	4.8	4.37
Jigawa	4.8	4.67	4.73	4.63	4.98	4.94	5.33	5.02	5.26	4.93
Kaduna	5.48	5.34	5.4	5.32	5.68	5.64	6.1	5.73	6	5.63
Kano	6.61	6.51	6.53	6.43	6.91	6.89	7.51	7.06	7.38	6.87
Katsina	4.72	4.64	4.64	4.58	4.92	4.9	5.33	5	5.68	4.93
Kebbi	4.31	4.19	4.28	4.19	4.49	4.46	4.84	4.57	4.77	4.46
Kogi	4.21	4.07	4.12	4.04	4.39	4.35	4.68	4.56	4.69	4.35
Kwara	3.58	3.48	3.56	3.42	3.7	3.65	3.97	3.72	3.84	3.66
Lagos	9.75	10.52	9.72	9.1	9.96	10.47	10.46	8.63	11.4	10.00
Nassarawa	3.79	3.67	3.72	3.65	3.93	3.87	4.23	3.97	4.14	3.89
Niger	4.58	4.4	4.46	4.38	4.73	4.69	5.13	4.81	5.02	4.69
Ogun	3.07	3.02	3.31	2.94	3.24	3.2	3.54	3.28	3.5	3.23
Ondo	4.84	5.14	5.29	5.06	5.14	5.48	5.31	5.52	5.57	5.26
Osun	1.7	1.63	1.66	1.59	1.85	1.82	2.15	1.9	2.12	1.82
Oyo	4.65	4.58	4.61	4.54	4.89	4.89	5.31	4.83	5.17	4.83
Plateau	3.45	3.32	3.38	3.3	3.59	3.56	3.94	3.66	3.89	3.57
Rivers	13.71	14	15.04	14.72	13.59	13.95	12.68	14.15	14.81	14.07
Sokoto	4.21	4.09	4.14	4.05	4.39	4.34	4.76	4.46	4.94	4.38
Taraba	3.77	3.65	3.68	3.64	3.89	3.87	4.31	4.06	4.22	3.90
Yobe	4.2	4.1	4.13	4.07	4.36	4.33	4.69	4.43	4.61	4.32
Zamfara	3.11	3.01	3.05	2.97	3.27	3.23	3.6	3.32	3.78	3.26



**FIG 9: Monthly Average Net Disbursements, Jan. to Sep. 2018 (N billions)**



## Despite the Increase in FAAC Disbursements, States will Still Struggle to Finance Their Budgets

Table 3 presents some hypothetical figures for revenue and budgets to do some analysis on the revenue and budgets for states. The table makes use of IGR figures for 2017 as a proxy for 2018 IGR figures. We have also assumed that the average monthly net disbursements for the first nine months of the year can be applied to the full year. Thus, we have multiplied by monthly average net disbursements for states by 12 to obtain a proxy for total net disbursements for the year. Then, total revenue is given by the addition of IGR and total net disbursements.

The last column of Table 3 contains the difference between the hypothetical revenue figures and budgets for the states. The table reveals that there is virtually none of the states that can adequately finance their budgets from IGR and FAAC disbursements. The states will have to resort to different levels of borrowing.

The gap between the budgets and revenues is below N50 billion in three states (Enugu, Taraba and Yobe). The difference between the revenues and budgets is between N50 billion and N100 billion in 14 states (Abia, Anambra, Delta, Edo, Ekiti, Gombe, Jigawa, Kebbi, Kogi, Nasarawa, Niger, Ondo, Plateau, Zamfara). However, this difference is above N100 billion in majority of the states (Adamawa, Akwa Ibom, Bauchi, Bayelsa, Benue, Borno, Cross River, Ebonyi, Imo, Kaduna, Kano, Katsina, Kwara, Lagos, Ogun, Osun, Oyo, Rivers, Sokoto). Akwa Ibom, Cross River, Lagos and Ogun States present special cases as the difference in these states is above N200 billion. Although IGR is historically high in Lagos and Ogun States, it is very unlikely that the states' actual IGR for 2018 will be sufficient to cover the difference between revenue and budgets seen in Table 3.

*"The gap between the budgets and revenues is below N50 billion in three states (Enugu, Taraba and Yobe). The difference between the revenues and budgets is between N50 billion and N100 billion in 14 states (Abia, Anambra, Delta, Edo, Ekiti, Gombe, Jigawa, Kebbi, Kogi, Nasarawa, Niger, Ondo, Plateau, Zamfara)."*

<sup>4</sup> The figures for IGR for 2018 are not yet available from the National Bureau of Statistics

**Table 3: Net Disbursements (January to September 2018) and 2018 Budgets (N billions)**

States	Internally Generated Revenue Jan to Dec 2017 (N billions) <sup>5</sup>	Total Net FAAC Disbursements Jan to Dec 2018 (N billion) <sup>6</sup>	Total Revenue (IGR + FAAC) (N billion)	Proposed/Passed 2018 Budgets (N bill)	Difference between Total Revenue and Budgets (N billions)
Abia	14.92	54.12	69.04	141.00	-71.96
Adamawa	6.20	48.72	54.92	177.90	-122.98
Akwa Ibom	15.96	195.96	211.92	651.50	-439.58
Anambra	17.37	54.24	71.61	166.90	-95.29
Bauchi	4.37	52.20	56.57	168.00	-111.43
Bayelsa	12.52	150.60	163.12	295.00	-131.88
Benue	12.40	54.36	66.76	178.40	-111.64
Borno	4.98	61.92	66.90	170.20	-103.30
Cross River	18.11	35.88	53.99	1300.00	-1246.01
Delta	51.89	200.76	252.65	308.90	-56.25
Ebonyi	5.10	44.16	49.26	208.30	-159.04
Edo	25.34	67.44	92.78	150.00	-57.22
Ekiti	4.97	37.20	42.17	98.60	-56.43
Enugu	22.04	51.96	74.00	98.60	-24.60
Gombe	5.27	42.60	47.87	104.90	-57.03
Imo	6.85	52.44	59.29	190.90	-131.61
Jigawa	6.65	59.16	65.81	134.20	-68.39
Kaduna	26.53	67.56	94.09	216.50	-122.41
Kano	42.42	82.44	124.86	233.80	-108.94
Katsina	6.03	59.16	65.19	213.00	-147.81
Kebbi	4.39	53.52	57.91	151.00	-93.09
Kogi	11.24	52.20	63.44	147.80	-84.36
Kwara	19.64	43.92	63.56	190.90	-127.34
Lagos	333.97	120.00	453.97	1046.00	-592.03
Nassarawa	6.17	46.68	52.85	125.40	-72.55
Niger	6.52	56.28	62.80	128.00	-65.20
Ogun	74.84	38.76	113.60	345.42	-231.82
Ondo	10.93	63.12	74.05	171.00	-96.95
Osun	11.73	21.84	33.57	173.90	-140.33
Oyo	22.45	57.96	80.41	267.00	-186.59
Plateau	10.79	42.84	53.63	145.40	-91.77
Rivers	89.49	168.84	258.33	510.00	-251.67
Sokoto	9.02	52.56	61.58	220.50	-158.92
Taraba	5.76	46.80	52.56	96.60	-44.04
Yobe	3.60	51.84	55.44	92.18	-36.74
Zamfara	6.02	39.12	45.14	133.00	-87.86

Sources: National Bureau of Statistics, Accountant General of the Federation, Fiscal Disbursements Division @ NEITI

<sup>5</sup> We have made use of the IGR figures for 2017 as proxies for 2018

<sup>6</sup> We have made use of average monthly net disbursements for January to September, 2018, and multiplied by 12 to obtain the 2018 total net disbursements

## Conclusion

This review conducted an analysis of FAAC disbursements in the third quarter of 2018. The review showed that FAAC disbursements have been on the increase for four consecutive quarters, since the fourth quarter of 2017. The review also showed that FAAC disbursements in the second and third quarters of 2018 are rising and approaching levels last seen before the global rout in oil prices in 2014. Furthermore, this review showed the big gaps in net disbursements to various states. Apart from differences in disbursements arising from the revenue sharing formula, these gaps are also caused by deductions for states due to external debt, contractual obligations, and other areas of deduction.

*"The review also showed that FAAC disbursements in the second and third quarters of 2018 are rising and approaching levels last seen before the global rout in oil prices in 2014."*







The NEITI Quarterly Review is an analytical review of topical issues designed to ensure transparent and accountable management of revenues from the extractive sector. It is one of NEITI's policy and advocacy tools.

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