

Jonathan cuts 2015 budget to N4.661tr

PRESIDENT Goodluck Jonathan yesterday cut the proposed 2015 budget of N4.817 trillion to N4.661trillion as a result of falling oil prices.

The budget was reduced by about N63billion.

The Federal Government also reviewed its proposed exchange rate upwards from N160 to N162 to \$1.

The proposed oil benchmark also dropped from \$78 to \$73 per barrel.

The price of oil at the international market has since crashed from over \$100 per barrel to less than \$80 per barrel.

The Federal Government's

• As oil benchmark drops to \$73

From Onyedi Ojiabor, Asst.
Editor and Sanni Onogu,
Abuja

position was contained in the revised Medium Term Expenditure Framework and Fiscal Strategy Paper (MTEF/FSP) presented to the Senate yesterday by Jonathan.

Jonathan's letter entitled: "Submission of revised 2015-2017 Medium Term Expenditure Framework" was read by the Senate President David Mark at plenary.

The letter reads in part: "As

you may recall, I had transmitted the 2015-2017 Medium Term Expenditure Framework and Fiscal Strategy Paper (MTEF/FSP) to the National Assembly for consideration and approval.

"However, recent developments in the international oil market have necessitated that the MTEF be revised.

"Consequently, following further consultations with key stakeholders, adjustments have been made to some of the key parameters as well as to some fiscal estimates in the MTEF."

Jonathan however expressed optimism that the MTEF/FSP would be expeditiously considered to bring the 2015 budget preparation to a quick close.

Jonathan said: "I hereby forward copies of the reversed 2015-2017 MTEF to the National Assembly. I hope that it will receive your usual kind expeditious consideration in order to bring the 2015 FGN budget preparation process to a quick closure."

The government also projected N4.733.21 trillion and N4.930.29 trillion as expenditure for 2016 and 2017 respectively.

Out of the proposed N4.661 trillion, N1,208.37 representing 24.93 per cent is for Capital Expenditure, while N2,622.42 representing 75.07 per cent is earmarked for Recurrent Expenditure.

Proposed oil production per day in 2015 is 2.2782mbpd.

The sum of N184.87billion was set aside for the Subsidy Reinvestment and Empowerment Programme (SURE-P).

The Federal Government also proposed N458.68 billion for fuel subsidy and N156.69 billion for kerosine subsidy.

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