

# Nigeria earned N50tn from crude oil in 2024 – Report

Nigeria's crude oil revenue rose to about N50.88tn in 2024, according to a report by The Punch newspaper anchored its report on data obtained from the Nigerian Upstream Petroleum Regulatory Commission. It said the agency of the Federal Government confirmed that Nigeria produced a total of 408,680,457 barrels of crude oil in 2024. A January 9, 2025 report by Statista Research Department, a global statistical firm, showed that the average price of crude in 2024 was \$80.53 per barrel. This will amount to \$32.91bn if multiplied by the quantity of crude produced in Nigeria last year. At the rate of N1,546 to a dollar, the amount will be N50.88tn. With condensate, total oil production for 2024 was 566.79-million-barrels. Recall that Nigeria had planned to produce 649.7 million barrels of oil through an average daily output of 1.78 million barrels in its 2024 budget.



Putting the crude oil price at \$78 and the exchange rate at N750 to a dollar means the country had planned to generate \$50.68bn or N38.01tn from oil last year. Though Nigeria could not attain the 1.78mbpd oil target, it was able to make more than it planned to generate due to crude oil price fluctuations. Also, the fall of the naira against the dollar contributed to the rise in the naira equivalent of the amount garnered from oil sales last year.

It should be noted that the N50.88tn was the amount generated by the Nigerian National Petroleum Company Limited, the international oil companies, and their indigenous counterparts for the sale of crude produced in Nigeria. A lot of factors come into play in the allocations of this fund to the three tiers of government, NNPC, IOCs, and indigenous oil producers, among others. Last year, the crude oil prices maintained a zigzag indicator, rising and falling at intervals. The prices of crude rose in March following attacks on Russian refineries by

the Ukrainian fighters. From \$82.44 on March 11, the Brent crude rose to \$86.87 in the following days.

The WTI crude, which sold at \$78.13 per barrel on March 12, sold at the rate of \$81.77 as of March 13. Similarly, the Murban crude increased from \$82.78 to \$86.90. Nigeria's Brass River and Qua Iboe sold at the rate of \$90.07 as of Monday, from \$84.84 on March 11, according to Oilprice.com. However, in September, Brent crude oil futures fell below \$70 per barrel, for the first time since December 2021. Brent fell by 2.75 per cent to \$69.08. The West Texas Intermediate crude dropped by 2.99 per cent to \$65.71. Nigeria's Brass River and Qua Iboe dropped to \$74.57 per barrel from \$80 as of September 3. Meanwhile, in December 2024, the average price of one barrel of Brent crude oil was \$74, according to Statista. Before the passage of the

2024 budget, the NNPC Group Chief Executive Officer, Mele Kyari, expressed optimism that the projections on crude oil production and price benchmark for the 2024 Budget were realistic and realizable. Speaking on the dynamics of the market in relation to the projected budget benchmark price of \$77.96 per barrel, Kyari said, "With what we see in the market today and potentially in the year 2024 and even beyond the next two years, it is very unlikely to see \$70 per barrel oil in the market. "The oscillation we are seeing, sometimes you do see prices coming down to \$75 to the barrel and sometimes it goes above it, overall, benchmarks are averages.

We think that the proposal by Mr President around the \$77.96 is still realizable in 2024." On the crude oil production projection, he stated,

"The number we have is 1.785mbpd. This is cumulative of all oil produced in the country. This figure is inclusive of all production including crude oil and condensate. "I need to make this clarification because of the reports in the media that our OPEC quota is 1.5mbpd. The OPEC quota is related only to crude oil. We also do between 250,000 to 300,000 barrels per day of condensate in our production. When you combine the two, the 1.78mbpd is realistic and realisable." According to the NUPRC data, the country's daily average crude production was 1.484 million barrels per day in December. This is below the Organization of the Petroleum Exporting Countries' quota allocated to Nigeria. It was observed that the daily average production dropped from 1.485mbpd in November to 1.484mbpd in December. This is coming at a time when the country is making efforts to ramp up crude production to 2mbpd in the next year. The NUPRC data showed that the lowest peak production in December, for both crude oil and condensate were 1.57mbpd and 1.79mbpd respectively.