

20 TRILLION NAIRA MISSING FROM NIGERIA'S FEDERATION ACCOUNT

—Agbakoba—

I want to ask Nigerians one simple question, and I want us to actually answer it together: **WHERE DOES OUR MONEY GO?** The money you collectively earn as a country, every kobo of oil revenue, every customs duty, every company tax, every regulatory fee, and every court fine. The money that supposedly funds our roads, schools, hospitals, and police. Most Nigerians do not know this, so let me start with something that may shock you: Nigeria has a special bank account. It is called the **FEDERATION ACCOUNT**. The 1999 Constitution created it in Section 162. Every kobo of revenue the federal government collects on behalf of Nigeria is supposed to flow into that one account. Then it is shared among the federal government, the 36 states, and the 774 local governments according to a sharing formula. That is the law. That is what the Constitution actually says. In 2025 alone, according to the World Bank's Nigeria Development Update, ₦14.94 TRILLION of federation revenue was “deducted” before it ever reached the Federation Account. That is 39% — nearly two-fifths — of what Nigeria earned, gone before any state or LGA saw a single kobo. In 2024, NNPC — Nigeria's biggest revenue generator — was supposed to remit ₦1.1 trillion to the Federation Account. It remitted ₦600 billion. Where is the ₦500 billion? There is currently an active FAAC investigation into allegations that NNPC under-remitted \$42.37 BILLION between 2011 and 2017. At today's exchange rate, that is roughly ₦12.91 trillion. For perspective, that is more than our entire 2024 federal budget. From one company. Over six years. And remember, these are just the leakages we know about.

Meanwhile the nation is drowning in debt. Nigeria's total public debt at the end of 2025 was ₦159.27 TRILLION (Debt Management Office, February 2026). In 2023, debt service consumed 78% of federal revenue. In 2024, it consumed 69%. The IMF and World Bank recommend countries keep debt service to 30–40% of revenue. We are nearly double that benchmark. Out of every ₦1 the federal government earned last year, almost 70 kobo went to paying back loans. That leaves 30 kobo for everything else: hospitals, schools, roads, police, military, civil service salaries, infrastructure, and security — for 220 million Nigerians. And what are we borrowing for? In large part, we are borrowing to fund services that our OWN revenues — if they actually reached the Federation Account — should be funding. Let that sink in. We are borrowing money, at interest, to replace money we already earned but



never collected properly.

This is why fuel is expensive. This is why school fees doubled. This is why your salary buys less every month. This is why hospitals have no drugs. This is why universities are always on strike. This is not corruption in the abstract. This is a constitutional account that has been broken for 25 years. Section 162 of the Constitution created the Federation Account in 1999. But the Constitution did not say: Who is supposed to keep the account safely? How quickly money must be remitted after collection? Who audits the account? What happens if you steal from it? Whether the public is allowed to see the records.

Twenty-five years of silence on these questions has allowed every kind of administrative trick to take root. Agencies deduct “management fees” before remitting. NNPC retains “costs” before paying in. Some agencies open unauthorized sub-accounts. Some collect cash and never remit. The 2023 House of Representatives investigation found that ₦8.7 trillion passed through the Treasury Single Account but agencies had proliferated unauthorized parallel accounts the whole time. The Minister of Finance HERSELF admitted in 2024 that until August of that year, the federal government could not fully see its own balance sheet. Read that line again. In 2024, the people running the country could not see all the money the country had. I know somebody will ask this in the replies, so let me address it now. The Treasury Single Account was introduced in 2015 by Dr. Okonjo-Iweala as Finance Minister. It was a well-intentioned reform — consolidate government accounts, reduce leakage. And for a few years, it helped reduce the number of MDA bank accounts. But here is the problem: the TSA is NOT in the Constitution. It was an executive memo. A circular. It can be undone tomorrow by any President. And worse, it covers Federal Government cash management — it does NOT solve the constitutional problem of revenues belonging to states and LGAs being deducted before they reach the Federation Account. The TSA addressed symptoms. It did not cure the disease. Hence ₦14.94 trillion still vanished in 2025 — a decade after the TSA was introduced.