

Press Release – Our Government is Broke.

Nigeria currently ranks 1st in out of school children¹, infant mortality is also alarming –1 in 10 Nigerians die under the age of five (5)², our healthcare is inadequate and cannot address ongoing challenges and, our Police is unequipped, untrained, underfunded and unfit for the 21st Century. Unfortunately, our Government is broke.

Our revenue to GDP ratio is disturbingly low. In the last decade, Nigeria's Tax to GDP ratio has recorded its highest and lowest ratios at 9.6% in 2011 and 5.3% in 2016, currently at 8%. It is the second lowest in Africa and fourth lowest in the world.³ South Africa is 29%, Ghana 18%, Egypt 15% and Kenya 18%⁴. The average Tax to GDP ratio for OECD countries is 34%.⁵ According to the International Monetary Fund (IMF), evidence shows that at 3%-4% GDP ratio, Nigeria's non-oil revenue have been one of the weakest worldwide, reflecting, weakness in revenue administration system and systemic non-compliance.

We cannot adequately fund our priorities - our police, our schools, our military and health. We need to raise government revenue capacity in order to address these urgent critical spending needs.

Consequently, Youth Party is constrained to release its revenue plan titled '**Bold Revenue Plan for Nigeria**'. The underlying philosophy of the plan is increasing our tax base, whilst reducing tax rates to attract investments and encourage tax compliance. We intend to raise \$US 30bn within 3years. Specifically, we are going to reduce our consolidated corporate tax from 34.5% to 22.5%; reduce the average oil tax to 70% onshore, 80% deep water, 25% frontier basin, 25% transitional to be competitive; restrict subsidy to public transport; reduce cost of governance by implementing the Oronsaye Report and the cost of running NASS; divest 20% of the 49% FGN equity in NLNG and 20% of FGN equity in Nigerian Petroleum Development Company Ltd (NPDC) to raise \$US19.5bn; increasing the revenue to GDP ratio of 8% to 14%; amongst others.

We intend to ring fence and dedicate to specific capital projects, through a trusted Sovereign Wealth Fund, the \$US19.5bn expected to be raised from partial divestment of

FGN's equity in NLNG and NPDC, in order to rescue our broken critical public infrastructure and services, in the following manner:

- i. Recruit, re-train and re-tool the Nigerian Police to improve the capacity to protect and secure lives and properties with at least \$US 3bn;
- ii. Build high speed rail lines connecting the 6 geo-political zones with \$US 9bn;
- iii. Recruit, retrain and re-tool basic education Sector to the tune of \$US 5bn
- iv. Revamp our public health sector with \$US 2.5bn;

You can download our Bold Revenue Plan on our Website [here](#)

We will be presenting our Plan to the public on **Sunday, 22nd March, 2020, at the Civic Centre, Lagos, at 4pm, prompt**, where experts would be discussing, sharing ideas, critiquing based on our plan. Most importantly, we will be seeking a consensus on the way forward in fixing our national revenue being a critical part of governance. This event is part of our efforts in discharging one of our fundamental objectives as a political party to develop policies to improve the lives of Nigerians. Our other fundamental objectives being a vehicle for winning political offices and serving as effective opposition to bad government policies/alternate government when not in power.

You can register for the event here bit.ly/boldrevplan

Thank you